

effects on cash flow, inventories, employment, wages, growth, ability to raise capital or investment and, in the case of agriculture, whether there has been an increased burden on Government support programmes. This list is not exhaustive, nor can one or several of these factors necessarily give decisive guidance.

The word "material" was demoted to a footnote (footnote 4 to Article 2 in the Subsidies/Countervail Agreement) to the effect that the word 'injury' as used in the Agreement was to be taken to mean 'material injury' in the sense of Article VI of the GATT, where it is, of course, not defined.

During the congressional examination of the United States Trade Agreements Act in mid-1979, it became clear that the legislators proposed to not use the word "material", this was certainly no surprise to the negotiators in Geneva. However it was considered a serious issue by the Commission of the EEC; their representations were set out in the form of a public letter to Ambassador Strauss.⁷ In the light of these views, the bill was redrafted to use "material" and not surprisingly, to define it. One component in the definition was that, in general, the standard of injury applied by the ITC under the Anti-dumping Act from 1975 (when the 1974 Trade Act came into effect) to July 1979, when the Trade Agreements Act was being considered, was to be the future standard for "material injury". During this period the view, held in some earlier determinations by the ITC, that any injury not trifling or immaterial (de minimis) must be injury in the sense of the U.S. legislation, was not being used; therefore, this element of the definition appeared not retrograde, although certainly not an advance.

A more precise, further definition of material injury was enacted: "In general the term 'material injury' means harm which is not inconsequential, immaterial or unimportant". As the present writer observed in 1981, "That such a weak definition would be developed in the Congress if there was pressure to use the word "material" could be and perhaps was, foreseen. It may be that the Commission of the EEC, recognizing that they might in the future have to use their own anti-dumping system more vigorously than in the past, concluded that a definition of material along these lines would be advantageous."⁸ In any event, determinations by the ITC since that time do not appear to have raised the threshold of "material injury" in the U.S. practice; without extensive and detailed research it is difficult to say whether the threshold is higher in other countries.

From this brief examination of "material injury", Article VI of the GATT (and the Anti-dumping Code) would appear, in practice, to sanction action against international price discrimination in circumstances in which, were the price discrimination to occur in domestic transactions inside the national market, there might be no remedy available, because the impact would thought to be minimal.

The scope for arriving at a finding of "injury" under the Article VI Codes is further complicated by the fact that there are two different concepts of "injury". The two concepts or interpretations we may call the "overall" concept and the "separable" concept. These two versions or concepts of injury are related to the various concepts of "causality" to be discussed below.