



815 SIXTEENTH STREET, N.W.  
WASHINGTON, D.C. 20006

JOHN J. SWEENEY  
PRESIDENT

RICHARD L. TRUMKA  
SECRETARY-TREASURER

LINDA CHAVEZ-THOMPSON  
EXECUTIVE VICE-PRESIDENT

## **LEGISLATIVE ALERT!**

(202) 637-5090

September 2, 2005

The Honorable E. Clay Shaw, Chairman  
Committee on Ways and Means  
Subcommittee on Trade  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Benjamin Cardin, Ranking Minority Member  
Committee on Ways and Means  
Subcommittee on Trade  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Shaw and Ranking Minority Member Cardin:

The AFL-CIO strongly opposes two bills that may be considered for inclusion in a package of miscellaneous trade measures when the Subcommittee returns from the August recess. H.R. 1121, which repeals section 754 of the Tariff Act of 1930, and H.R. 2473, which amends the Tariff Act of 1930 with respect to the determination of the "all-others rate" in antidumping cases, would undermine current protections for U.S. workers and manufacturers struggling against unfair trade and should be deleted from the final miscellaneous trade bill.

Current laws give U.S. companies and their workers, along with agricultural and marine producers, the ability to fight illegal and unfair foreign trade practices. When foreign competitors dump product in the U.S. market at below the cost of production and when foreign governments subsidize their industries at the expense of U.S. producers, Americans must have the ability to redress these egregious practices.

H.R. 1121 and H.R. 2472 weaken U.S. trade laws in response to adverse decisions from the World Trade Organization (WTO). Rather than urging the U.S. government to fight WTO panel and Appellate Body decisions that overreach the WTO's mandate, H.R. 1121 and H.R. 2473 weaken U.S. trade laws in order to bring the U.S. into compliance with these unfair rulings.

Specifically, H.R. 1121 repeals the Continued Dumping and Subsidy Offset Act (CDSOA), which enjoys strong bipartisan support in the Congress, and support from industry, workers and farmers across this country. CDSOA is a vital trade remedy tool, as it allows for the U.S. tariff revenue from persistent foreign dumping or subsidies to be directly distributed to the

negatively affected U.S. parties. If foreign dumping or subsidies cease, so do the collection and distribution of funds. CDSOA has nothing to do with the calculation of duties; it simply distributes monies already collected by the Treasury.

H.R. 2473 eliminates the ability of the Commerce Department to calculate the "all others rate," the methodology Commerce uses to apply dumping rates to companies they have been unable to directly investigate. Specifically, the measure would prohibit the use of "facts available" or substituted data when investigated companies fail to directly provide data, in any calculation of the "all others rate." Many foreign companies would escape paying for dumping product in the U.S. market, if this change were to become law.

Congress should be looking for opportunities to strengthen and improve our trade remedy laws, not gut them. Working families are angry and frustrated that flawed U.S. trade policies are undermining their standard of living. Effective trade remedy laws are the last line of defense for many workers and industries. As these laws are eroded and weakened, public support for trade liberalization will continue to decline.

We urge you to reject these two measures when you report out the package of miscellaneous trade bills later this month.

Sincerely,

A handwritten signature in black ink, appearing to read "William Samuel", written over a light blue horizontal line.

William Samuel, Director  
DEPARTMENT OF LEGISLATION

WS/TL:lkr

cc: All members of The House Subcommittee on Trade