



**Leo W. Gerard**  
International President

February 5, 2007

Via Electronic Mail:  
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Honorable Charles B. Rangel  
Chairman  
Committee on Ways and Means  
U.S. House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

Re: Public Comments on Proposed Modification to the U.S. Department of Commerce's Calculation of Weighted Average Dumping Margins in Investigations: Comments of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC

Dear Chairman Rangel:

On behalf of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC ("USW"), these comments are submitted in response to the Advisory from the Committee on Ways and Means, dated January 31, 2007, requesting comments from the public on what action, if any, the Committee should take with respect to the modification the Department of Commerce ("Commerce") has proposed to its calculation of weighted average dumping margins in investigations.

The working men and women of America are the most productive workers in the world. All they ask is that their foreign competitors play by the rules. Too often, however, that is not case. When faced with years of injurious dumping, even the strongest industries with the most dedicated workers have difficulty surviving. That is why America's workers depend on effective trade remedy laws, in particular the antidumping law, which level the playing field and ensure fair competition.

The Commerce proposal under consideration could undermine the effectiveness of these vital trade remedy laws. Commerce has announced its intention to eliminate "zeroing" in average to average comparisons in antidumping investigations. This reflects the abandonment of a longstanding policy of capturing one hundred percent of dumping identified in the calculation of the dumping margin. The result will potentially be the reduction or elimination of dumping margins in many cases, which means that dumped goods will harm U.S. industries and workers, and the remedy intended by the antidumping law will not be effective.

The USW urges the Committee to oppose the proposed change. Commerce should withdraw the modification and pursue clarification of U.S. rights through negotiations at the WTO. Alternatively, or in addition, the Committee should vote, pursuant to Section 123(g)(3) of the Uruguay Round Agreements Act (19 U.S.C. § 3533(g)(3)), to indicate the disagreement of the Committee with the proposed contents of the modification. Further, the USW urges the Committee to take whatever other action may be necessary to ensure that U.S. antidumping law is not weakened through the implementation of erroneous and overreaching decisions of WTO dispute settlement panels and the Appellate Body.

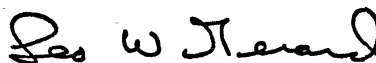
The United States has correctly identified that the line of WTO “zeroing” decisions has created obligations not found in the text of the WTO Agreements. WTO panels and the Appellate Body have violated the rules of the WTO Agreement by overreaching. When this happens, the only avenue available to ensure the balance of rights and obligations actually negotiated is the pursuit of clarification of U.S. rights in the ongoing WTO negotiations. The United States must also seek to change dispute settlement rules to address the ongoing problem of overreaching, particularly in the trade remedy rules area. Further trade liberalization and the credibility of the WTO as an institution depend on dispute settlement panels and the Appellate Body not overstepping their authority.

Congress has identified WTO overreaching as a serious concern, pointing in particular to the issue of “zeroing.” The problem has only been exacerbated in recent years by more and more troublesome decisions by WTO dispute settlement panels and the Appellate Body. In light of these concerns, it does not make sense for Commerce to implement a WTO decision that the United States has specifically identified as “deeply flawed,” especially when the WTO Agreement provides the alternative option of negotiating a satisfactory resolution that respects the rights and obligations that the United States actually agreed to undertake when it signed on to the WTO Agreement.

**Thus, the USW urges the Committee to vigorously oppose the proposed change.** Congress should require Commerce to continue its long-standing practice of capturing one hundred percent of dumping when calculating dumping margins in investigations. The United States should continue to pursue clarification of U.S. rights through negotiations at the WTO.

We appreciate the Committee’s attention to this important issue and the work you do on behalf of America’s workers. Thank you for the opportunity to provide these comments.

Respectfully submitted,



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