

## **02/09/2003 Entry: "Cattlemen Request Senate Support for Byrd Amendment"**

(Billings, MT) In a letter sent this week to U.S. Senators, R-CALF United Stockgrowers of America (R-CALF USA) President Leo McDonnell, Jr. called for support of the Continued Dumping and Subsidy Offset Act (CDSOA), which provides for payments of duties assessed under anti-dumping or countervailing duty laws to domestic producers for past expenditures on plant, equipment, and people in the United States. The CDSOA, which is also known as the Byrd Amendment, is under attack by the World Trade Organization's Appellate Body.

During the 1999 trade investigation cases filed by R-CALF USA against the dumping of Canadian cattle into the United States, R-CALF USA discovered that U.S. trade laws did not allow for the injured industry to share in the proceeds of the duties assessed under the U.S.'s countervailing duty and anti-dumping laws. In 2000, R-CALF USA strongly supported the Continued Dumping and Subsidy Offset Act (CDSOA) to remedy this problem.

On January 16, 2003, the WTO ruled that the United States violated its obligations when it enacted the CDSOA. But R-CALF USA believes the WTO has exceeded its authority and is trying to weaken U.S. trade laws that benefit U.S. producers.

In his letter McDonnell wrote, "While there are no current anti-dumping or countervailing duty orders in place on live cattle in the United States, having laws that help domestic producers survive and reinvest in their operations is critical to many parts of agriculture as well as manufacturing and is consistent with R-CALF USA's policies. As you know, the agricultural sector has been particularly hard hit in recent years. We need to ensure that trade policy fights for a level playing field and that we respond aggressively to determinations from the WTO that exceed the authority of the panels and the Appellate Body and fight for our economic interests."

McDonnell concludes the letter by writing, "CDSOA is simply a payment program that directs the payment of moneys collected to certain producers for certain expenditures. The dispute settlement panel had found that CDSOA is not an actionable subsidy. Under the WTO, actionable subsidies are permitted, but may be challenged if they cause adverse effects on trading partners. CDSOA was found to be a violation of the WTO even though no adverse effects were shown and the criteria for being an actionable subsidy were not satisfied. In effect, the WTO has created a new type of prohibited subsidy without the consent of the United States. Such an outcome is unacceptable. The WTO must not be allowed to supercede our sovereignty."

Following McDonnell's letter, R-CALF USA helped gather 70 Senators' signatures on a letter to the President, voicing their continued support of the CDSOA. The letter was submitted to the President Wednesday, Feb. 5.

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R-CALF USA, the Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America is a national, non-profit cattle association representing cattle producers in the areas of trade and marketing. It has 7700 individual members in 42 states and over 30 affiliated local and state cattle and farm organizations. For more information, visit [www.rcalf.com](http://www.rcalf.com) or call 406-252-2516.