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Office of the White House Press Secretary

THE WHITE HOUSE

**TEXT OF REMARKS BY THE PRESIDENT
UPON SIGNING THE TRADE ACT OF 1974**

The Trade Act of 1974, which I am signing into law today, will determine for many years American trade relations with the rest of the world. This is the most significant trade legislation passed by the Congress since the beginning of the trade agreements program four decades ago. It demonstrates our commitment to an open world economic order and interdependence as essential conditions of mutual economic health.

The Act will enable Americans to work with others to achieve expansion of the international flow of goods and services, thereby increasing economic well being throughout the world. It will thus help to reduce international tensions caused by trade disputes. It will mean more and better jobs for American workers with additional purchasing power for American consumers.

There are four basic elements to the Trade Act: Authority to negotiate further reduction and elimination of trade barriers; a mandate to work with other nations to improve the world trading system and thereby avoid impediments to vital supplies and markets; reform of U.S. laws involving injurious and unfair competition; and improvement of our economic relations with nonmarket economies and developing countries.

Our broad negotiating objectives under the Act are: to obtain more open and equitable market access for traded goods and services; to assure fairer access to essential supplies at reasonable prices; to provide our citizens with increased opportunity to purchase goods produced abroad; and to seek modernization of the international trading system.

Under the Act, the Administration will provide greater relief for American industries suffering from increased imports, and more effective adjustment assistance for workers, firms and communities.

The legislation allows us to act quickly and to effectively counter foreign import actions which unfairly place American labor and industry at a disadvantage in the world market.

It authorizes the Administration under certain conditions to extend nondiscriminatory tariff treatment to countries whose imports do not currently receive such treatment in the United States. This is an important part of our commercial and overall relations with Communist countries.

Many of the Act's provisions in this area are complex and may well prove difficult to implement. I will, of course, abide by the terms of the Act, but I must express my reservations about the wisdom of legislative language that can only be seen as objectionable and discriminatory by other sovereign states.

The United States now joins all other major industrial countries through this legislation in a system of tariff preferences for imports from developing countries. Although I regret the rigidity and unfairness in these provisions, especially with respect to oil producing countries, I am now undertaking the first steps to implement this preference system by this summer; most developing countries are clearly eligible and I hope that still broader participation can be possible by that time.

As I have indicated, this Act contains certain provisions to which we object and others which vary somewhat from language we would prefer. In the spirit of cooperation with the Congress, I will do my best to work out any necessary accommodations.

The world economy will continue under severe strain in the months ahead. This Act enables the United States to constructively and positively meet challenges in international trade. It affords us a basis for cooperation with all trading nations. Alone, the problems of each can only multiply. Together, no difficulties are insurmountable. We must succeed. I believe we will.

This is one of the most important measures to come out of the 93rd Congress. I want to thank the Members of Congress and members of the Administration as well as the public who contributed so much to its enactment.

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