

FOR IMMEDIATE RELEASE

APRIL 30, 1976

Office of the White House Press Secretary

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THE WHITE HOUSETEXT OF A MEMORANDUM FROM THE  
PRESIDENT TO THE  
SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

April 30, 1976

MEMORANDUM FOR

THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Pursuant to Section 203(h)(3) of the Trade Act of 1974, (P.L. 93-618, 88 Stat. 1978), I have determined the actions I will take with respect to the report of the United States International Trade Commission (USITC), dated March 31, 1976, concerning the results of its investigation of a petition for continuation of import relief filed by the American Dinnerware Emergency Committee.

I have decided to extend the increased rates of duty currently in effect on imports of certain earthen dinnerware, and certain other ceramic tableware provided for in items 923.01, 923.07pt. (that part related to item 533.38), 923.13 and 923.15 of the TSUSA for one year. These temporary duty increases will subsequently be phased-down and will revert to trade agreement rates beginning May 1, 1979, unless terminated before that time. Escape action rates of duty on steins and mugs and certain other ceramic tableware, provided for in items 923.03, 923.11, 923.05 and 923.07pt. respectively of the TSUSA, will revert to the trade agreement rates at the close of business April 30, 1976. I have determined that these actions are in the national interest of the United States.

Since May 1, 1972, the U.S. earthenware industry has made substantial economic adjustments to import competition. Profit and productivity levels have increased. The labor force is more efficiently utilized and the industry is more automated. However this adjustment process is not yet complete. Additional capital improvements are needed to complete this process.

The major product of the U.S. industry is earthen dinnerware. Many earthen dinnerware producers are located in areas of economic depression and high unemployment. The immediate termination of all escape action duties on earthen dinnerware and certain other tableware that competes with earthen dinnerware would adversely affect the industry's efforts to adjust to import competition and would be detrimental to our national employment policies.

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Since the purpose of escape action import relief is to provide temporary assistance to domestic producers to adjust to such competition, I am ending the tariff increases on those items that I determine to have adjusted to competition.

Since the Kennedy Round of trade negotiations, when the U.S. Tariff schedules of earthen and china table and kitchen articles were last negotiated, duty rate disparities have resulted in tariff loopholes, and currency changes and inflation have made many of the categories in this schedule obsolete. I am directing you, therefore, as the Special Representative for Trade Negotiations, to review the classification and rates of duty on dinnerware and related articles (Schedule 5, Part 2, Subpart C of the Tariff Schedules of the United States) to determine if changes are necessary to close tariff loopholes and change obsolete descriptions brought about by currency changes and inflation, and to enter into negotiations to make any changes you consider necessary.

This determination is to be published in the Federal Register.

GERALD R. FORD

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