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GENERAL AGREEMENT ON
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UNITED STATES INTERNATIONAL TRADE
COMMISSION INVESTIGATIONS

Stainless and Alloy Tool Steel

The following communication has been received from the United States Mission.

My authorities have asked me to inform you that the United States International Trade Commission on 16 January 1976 notified the President that increased imports of stainless and alloy tool steel are a substantial cause of serious injury to certain United States industries. This is the first time that the Commission has made an affirmative decision in an import relief investigation under the new Trade Act.

Chairman Will E. Leonard, Vice-Chairman Daniel Minchew, and Commissioners George M. Moore and Catherine Bedell joined in the affirmative vote. Commissioner Italo H. Ablondi dissented, and Commissioner Joseph O. Parker abstained.

The Commission found that quotas on imports based on individual products and countries and geared to United States consumption are necessary to remedy the injury to the domestic industry. Annual quotas of 146,000 short tons were proposed, beginning with calendar year 1976. Quotas for specific products included 79,000 tons for stainless sheet and strip, 13,000 tons for stainless plate, 19,600 tons for stainless bar, 16,000 tons for stainless rod, and 18,400 tons for alloy tool steel. The quotas, which may be expanded if market demand grows, are based on average imports for the years 1970-1974. Quotas would be in effect for a five-year period.

Stainless steels are used extensively in the food, chemical, textile, pollution control, and electrical power industries, and in other areas which require exceptional strength and resistance to oxidation. Alloy tool steels are used primarily to make tools capable of cutting, forming, and otherwise shaping other materials in the manufacture of nearly all products of industry. Tool steels are noted for their hardness and their resistance to heat and abrasion.

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163,000 tons of stainless and alloy tool steel, valued at \$185.3 million, were imported into the United States in 1974. Imports originated primarily in Japan, Sweden, Canada, France, the United Kingdom, and West Germany.

Approximately 21,200 persons are currently employed in the United States in the production of stainless and alloy tool steels. The bulk of these specialty steels are produced in Pennsylvania.

Executive agencies will analyze the report and formulate a recommendation to the President. The President may accept, modify or reject the proposed import control programme. The President will make a decision on the aforementioned options within sixty days (of 16 January).