

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

L/4311  
17 March 1976

Limited Distribution

Original: English

UNITED STATES INTERNATIONAL TRADE  
COMMISSION INVESTIGATIONS

Stainless Steel Flatware

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

My authorities have asked me to inform you that on 1 March the United States International Trade Commission concluded its investigation of charges made by the stainless steel flatware industry of serious injury from imports. After an extensive investigation, the Commission concluded by a 5 to 1 vote that increased imports of stainless steel flatware were a substantial cause or threat of serious injury to the domestic industry. Commissioners Will E. Leonard, George M. Moore, Catherine Bedell, Joseph O. Parker, and Italo H. Ablondi joined in the affirmative vote. Commissioner Daniel Minchew voted in the negative.

Commissioners Moore, Bedell, and Parker recommended that a new tariff rate quota system be imposed. A tariff rate quota provides that imports up to a specific level may be imported at one rate, with imports above that level being subjected to a higher rate.

Commissioner Ablondi recommended the continuation of the existing tariff rate quota, with the exception that there would be no allocation among supplying countries.

Commissioners Leonard and Minchew recommended adjustment assistance, which provides for financial and technical aid to firms, workers, and communities.

In spite of tariff rate quotas imposed in 1971, imports have continued to increase. Stainless steel flatware imports currently make up about 68.9 per cent of total United States consumption.

Imports of stainless steel flatware in 1974 were valued at about \$53 million, totalling about 420 million pieces. Imports in the first nine months of 1975, were valued at about \$41 million, totalling some 312 million pieces. The bulk of these products come from Japan, South Korea, and Taiwan.

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Approximately 2,600 workers are employed by the domestic stainless steel flatware industry. This is down from an average of about 3,300 employees in 1974. Production of stainless steel flatware is centered in New York, Connecticut, Rhode Island, New Jersey, California, and Ohio.

Executive agencies will analyze the report and formulate a recommendation to the President. The President may accept, modify or reject the proposed new tariff arrangement. He will make a decision within sixty days.