

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

L/5524/Add.10  
30 November 1983

Special Distribution

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ARTICLE XIX - ACTION BY THE UNITED STATES

Specialty Steel

NOTICE OF SUSPENSION OF CONCESSIONS BY CANADA

Addendum

The following communication, dated 29 November 1983, has been received from the Permanent Mission of Canada.

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Canada and the United States have conducted consultations pursuant to Article XIX:2 with respect to the temporary import relief measures taken by the United States on certain articles of specialty steel (L/5524 of 20 July 1983). These consultations have not led to a satisfactory solution with respect to the compensation requested by Canada for the United States' action to increase tariffs on stainless steel sheet, strip and plate.

In accordance with the procedures of paragraph 3 of Article XIX, therefore, Canada hereby gives thirty days written notice of its intention to suspend substantially equivalent concessions applied to the trade of certain products from the United States. The suspension will take the form of surtaxes on the imports from the United States of certain types of stainless steel products. The surtaxes will be applied on a degressive basis over a period of four years in accordance with the details provided in the attached annex.

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ANNEX

1980-82 Average United States Imports of Stainless Steel (SS) from Canada (CAN\$'000)

SS Sheet and Strip	9,796
SS Plate	<u>606</u>
Total (CAN\$'000)	<u>10,402</u>

Additional duties to be collected by the United States (CAN\$'000)

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Total</u>
SS Sheet and Strip	10% = 979	8% = 784	6% = 588	4% = 392	2,743
SS Plate	8% = <u>48</u>	6% = <u>36</u>	5% = <u>30</u>	4% = <u>24</u>	<u>138</u>
Total (CAN\$'000)	<u>1,027</u>	<u>820</u>	<u>618</u>	<u>416</u>	<u>2,881</u>

Average 1980-82 imports of SS materials from the United States under the tariff items to be included in the Canadian suspension of concessions

<u>Tariff Item</u>	<u>(CAN\$'000)</u>	<u>Coverage</u>	<u>MFN rate as of 1 January 1984</u>
38201-1	1,028	Hot-rolled stainless steel sheet or strip	10%
38202-1	10,193	Certain cold-rolled stainless steel sheet or strip	12.5%
38400-1	<u>3,964</u>	Certain skelp, plate, sheet or strip of stainless steel for pipes or tubes	7%
Total (CAN\$'000)	<u>15,185</u>		

Additional duties collectable under Canadian surtaxes

<u>Tariff Item</u>	<u>Average Imports (CAN\$'000)</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Total</u>
38201-1	1,028	6.2% = 64	4.9% = 50	3.8% = 39	2.5% = 26	179
38202-1	10,193	7.7% = 785	6.2% = 632	4.7% = 479	3.2% = 326	2,222
38400-1	<u>3,964</u>	4.4% = <u>174</u>	3.4% = <u>135</u>	2.5% = <u>99</u>	1.6% = <u>63</u>	<u>471</u>
Total (CAN\$'000)	<u>15,185</u>	<u>1,023</u>	<u>817</u>	<u>617</u>	<u>415</u>	<u>2,872</u>