

AIRGRAM

TÉLÉGRAMME PAR AVION

No. _____

GATT/AIR/43 (SECRET)

25 MARCH 1954

SUBJECT: SCHEDULE XX - UNITED STATES
CONSULTATION UNDER ARTICLE XIX CONCERNING ITEM 357

THE FOLLOWING COMMUNICATION WAS RECEIVED FROM THE UNITED STATES GOVERNMENT ON 25 MARCH 1954 FOR TRANSMISSION TO THE CONTRACTING PARTIES.

ATTENTION IS DRAWN TO THE REQUEST THAT THIS COMMUNICATION BE TREATED AS STRICTLY CONFIDENTIAL.

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COMMUNICATION OF THE UNITED STATES GOVERNMENT

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1. THE TARIFF COMMISSION SUBMITTED TO THE PRESIDENT ON 12 MARCH THE REPORT ON AN ESCAPE CLAUSE INVESTIGATION WITH RESPECT TO SCISSORS AND SHEARS, MANICURE AND PEDICURE NIPPERS, DUTIABLE UNDER TARIFF PARAGRAPH 357. REGARDING SCISSORS AND SHEARS (EXCEPT PRUNING, SHEEP, GRASS, AND HEDGE SHEARS AND TINNERS SNIPS) VALUED AT MORE THAN \$1.75 PER DOZEN, AS DESCRIBED IN THE SECOND ITEM OF PARAGRAPH 357, PART I OF THE TORQUAY SCHEDULE XX OF THE GENERAL AGREEMENT, FOUR COMMISSIONERS FOUND THAT INCREASED IMPORTS THREATEN SERIOUS INJURY TO THE DOMESTIC INDUSTRY. THEY RECOMMENDED THE MODIFICATION OF THE ANNECY AND TORQUAY CONCESSIONS ON THESE ITEMS AND THE INDEFINITE APPLICATION OF A RATE OF 20 CENTS EACH AND 45 PER CENT AD VALOREM (SAME AS THE 1930 RATE), THE PRESENT RATE BEING 10 CENTS EACH AND 22½ PER CENT AD VALOREM. TWO OTHER COMMISSIONERS FOUND NO INDICATION IN THE IMMEDIATE FUTURE OF A THREAT TO THE DOMESTIC SCISSORS AND SHEARS INDUSTRY MORE FORBIDDING THAN AT PRESENT, WHICH ALL AGREE IS NOT OCCASIONING SERIOUS INJURY. THE COMMISSION WAS UNANIMOUS IN NOT RECOMMENDING ACTION ON THE OTHER ITEMS COVERED BY INVESTIGATION.

2. THE IMPORTS AFFECTED BY THE RECOMMENDATION WHICH ENTER UNDER STATISTICAL CLASS 6118.500, CONSIST MAINLY OF DRESSMAKERS' SHEARS, SEWING SCISSORS, MANICURE SCISSORS, EMBROIDERY SCISSORS AND BARBERS' SHEARS. THE AVERAGE