GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/2489 5 November 1965 Limited Distribution

Original: English

ARTICLE XIX - UNITED STATES IMPORT RESTRICTIONS ON LEAD AND ZINC

A CONTRACTOR OF THE STATE OF TH

Notification by the United States Government

The following communication, dated 26 October 1965, has been received from the United States Government.

I am pleased to advise you that on 22 October the President of the United States issued a proclamation terminating import quotas applicable to unmanufactured lead and zinc. The termination became effective immediately with respect to lead and zinc ores and concentrates and will go into effect in thirty days with respect to the metals. A copy of the President's statement is enclosed.

These quotas, for which the United States invoked Article XIX of the General Agreement, were imposed effective 1 October 1958, under Section 7 of the escape clause provision of the Trade Agreement Extension Act of 1951 in order to remedy serious injury to the domestic lead and zinc industry. The termination of the quotas may be of general interest to the CONTRACTING PARTIES, and it may be of particular interest to developing countries which have indicated to the GATT a special interest in unmanufactured lead and zinc.

ANNEX

Statement by the President of the United States with Respect to Termination of Import Quotas on Unmanufactured Lead and Zinc

I have today issued a proclamation terminating the limits on imports of unmanufactured lead and zinc.

This action, which becomes effective immediately with respect to ores and concentrates and in thirty days for lead and zinc metals, is the result of extensive study and discussion within the Executive Branch. The Tariff Commission, in a unanimous decision, found that ending the quotas was not likely to have a detrimental effect on domestic producers. Additionally, the United States companies which require unmanufactured lead and zinc in their processing and manufacturing activities have made clear their great need for additional lead and zinc - in fact, many have indicated that without immediate relief they will be forced to suspend operations.

The lifting of these import controls at this time, rather than awaiting the automatic expiration in mid-October 1967, under the provisions of the Trade Expansion Act of 1962, will prevent the loss of jobs in many sections of the nation.

Domestic lead and zinc producers who do not object to greater imports at this time have expressed concern that future relief, if necessary, should not be inordinately delayed. Accordingly, I have urged the members of the Tariff Commission to streamline its procedures and to redouble its efforts to expedite proceedings in any case where it is indicated that delay might bar effective relief. I am confident improvements can be made.

The need for a strong and vigorous domestic lead and zinc mining industry in this country is obvious. Recently the Congress demonstrated its commitment to this goal by extending the Lead and Zinc Small Producers Stabilization Act - scheduled to expire at the end of this year - to 31 December 1969. I was pleased to sign this bill into law earlier this month thereby continuing the successful programme of annual payments to qualified small lead and zinc mine operators.