

## TEMPORARY SUSPENSION OF DUTY ON CERTAIN ALUMINA AND BAUXITE

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JULY 11, 1962.—Ordered to be printed

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Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

### R E P O R T

[To accompany H.R. 9520]

The Committee on Finance, to whom was referred the bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

#### PURPOSE

The purpose of H.R. 9520 is to continue for 2 years, until July 16, 1964, the suspension of duty on (1) alumina when imported for use in producing aluminum; (2) bauxite, crude, not refined or otherwise advanced in condition in any manner; and (3) calcined bauxite.

#### GENERAL STATEMENT

The duty on alumina, when imported for use in producing aluminum, was suspended for a 2-year period beginning July 17, 1956, by Public Law 725 of the 84th Congress. The duty on crude bauxite and calcined bauxite was suspended by Public Law 83-499, until July 16, 1956. Public Law 84-724 further suspended the duties on crude bauxite and calcined bauxite for a period of 2 years. Public Law 85-415 consolidated the provisions of Public Laws 724, and 725 of the 84th Congress and extended for 2 years the periods of suspension provided for therein. These provisions were again extended for a 2-year period, to July 16, 1962, by Public Law 86-441. H.R. 9520 would continue for a further 2-year period, until July 16, 1964, the existing suspension of duties on these articles.

## 2 SUSPENSION OF DUTY ON CERTAIN ALUMINA AND BAUXITE

Alumina is a product used for the production of aluminum, and the bulk of the alumina consumed in the United States is used for that purpose. Bauxite is a mineral used in the production of alumina (from which aluminum is produced), abrasives, chemicals, refractory products, and miscellaneous products, and is vital to the domestic industries such as the aluminum, steel, and chemical industries.

The production of aluminum involves two main operations: the production of alumina from the crude ore—almost entirely bauxite—and the production of aluminum metal from alumina. A large part of the domestic production of aluminum in recent years has been derived from imported aluminum-bearing material. Domestic reserves of bauxite are quite limited, and the United States is relying heavily upon foreign bauxite to fulfill the increasing demand for this raw material.

According to the Department of the Interior roughly 30 percent of the world's bauxite reserves are found in the less developed countries of Africa and Latin America. The report of the Interior Department further states:

\* \* \* we believe that the continued availability of bauxite and alumina on a duty-free basis will be of assistance to the domestic aluminum producers in (1) holding down the price to domestic consumers, (2) helping in efforts to hold export markets already won, and (3) helping to enlarge export trade in aluminum commodities.

In its report on this legislation, the U.S. Tariff Commission stated that—

The Commission believes that the considerations which led the Congress to suspend the duties in 1960 still exist.

Favorable reports on this legislation were received from the Departments of State, Defense, Treasury, Interior, Commerce, and Labor, and from the Office of Emergency Planning, as well as an informative report from the U.S. Tariff Commission.

### CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

### PUBLIC LAW 85-415

AN ACT To continue the temporary suspension of duty on certain alumina and bauxite

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no duty shall be imposed upon—*

(1) Alumina, when imported for use in producing aluminum, under such regulations as the Secretary of the Treasury shall prescribe.

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(2) Bauxite, crude, not refined or otherwise advanced in condition in any manner.

(3) Calcined bauxite.

SEC. 2. This Act shall apply only with respect to articles entered, or withdrawn from warehouse, for consumption after July 15, 1958, and before July 16, [1962] 1964.

Approved May 16, 1958.

