

SUSPENSION OF DUTIES ON CERTAIN FORMS OF NICKEL

JUNE 26, 1967.—Ordered to be printed

Mr. SMATHERS, from the Committee on Finance,
submitted the following

R E P O R T

[To accompany H.R. 3349]

The Committee on Finance, to which was referred the bill (H.R. 3349) to continue until the close of September 30, 1967, the existing suspension of duties on certain forms of nickel, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

This bill continues through September 30, 1967, the existing suspension of duties on ferronickel, unwrought nickel, and nickel powder.

GENERAL STATEMENT

Under Public Law 89-204, effective September 27, 1965, the duties on imports of ferronickel, unwrought nickel, and nickel powders were suspended through June 30, 1967. Section 2(b) of Public Law 89-204 provides, in effect, that the temporary duty-free treatment provided by the act shall be considered permanent duty-free treatment for purposes of the President's authority under section 201 of the Trade Expansion Act of 1962. Therefore, the President is presently authorized to grant an extension of the duty-free treatment beyond June 30, 1967, in a trade agreement, such as the one which is being negotiated in Geneva.

Your committee is informed that in anticipation of possible inclusion of the extension of the temporary suspension of duties on these nickel products beyond June 30, 1967, in the Kennedy Round of trade negotiations, the pertinent provisions of the Trade Expansion Act of 1962 have been compiled with, including the preagreement procedures in section 221 et seq.

H.R. 3349, as passed by the House and as reported by your committee, provides for a 3-month extension of the temporary suspension of duties beyond June 30, 1967. In the absence of a trade agreement with respect to the nickel products concerned entered into prior to July 1, 1967, the present U.S. duty on these products will be reinstated on that date.

The continuation of the duty-free treatment is under active consideration in the Kennedy Round where it is hoped that the United States will be able to obtain from the rest of the world benefits for our exports of ferronickel and other nickel products, comparable to those this country is willing to extend through trade agreement concessions on these products. The bill, as amended, would continue the temporary suspension for a period of time sufficient to allow the President to proclaim the permanent duty-free treatment of these products without a break in such treatment or if these products are not included in the trade agreement, to permit the Congress to consider the matter again.

Favorable reports on H.R. 3349 have been received from interested Federal agencies. An informative report was received 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, as reported, 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):

THE TARIFF SCHEDULES OF THE UNITED STATES

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APPENDIX TO THE TARIFF SCHEDULES

Item	Articles	Rates of duty		Effective period
		1	2	
PART I. TEMPORARY LEGISLATION				
* * * * *				
Subpart B. Temporary Provisions Amending the Tariff Schedules				
* * * * *				
911.21	Ferronickel (provided for in item 607.25, part 2B, schedule 6).....	Free	3¢ per lb.	On or before [6/30/67] 9/30/67.
911.22	Unwrought nickel (provided for in item 620.02, part 2E, schedule 6).....	Free	3¢ per lb.	On or before [6/30/67] 9/30/67
911.23	Nickel powders (provided for in item 620.32, part 2E, schedule 6).....	Free	3¢ per lb.	On or before [6/30/67] 9/30/67
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