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E.C. COMMISSION REGISTERS DISSATISFACTION
WITH U.S. SPECIALTY STEEL RELIEF DECISIONS

The European Communities Commission is concerned at the decision of the U.S. authorities granting relief to the U.S. specialty steel industry under Section 201 of the U.S. Trade Act of 1974.

The Commission maintains its view that the present situation of the American steel industry, the specialty steel sector in particular, is not due to steel imports, among others from the E.C., but on the contrary due to the overall economic situation which led to a severe slump in steel consumption worldwide.

The U.S. specialty steel industry has benefitted from various forms of protection since 1972 with the exception of two years only (1975 and 1982). Since the beginning of June particularly, exports of some member states of the Communities have already had anti-dumping and countervailing duties imposed on them. The Commission of the European Communities is surprised at the introduction of further protection in the form of substantial tariff increases on some products and quotas on others. This decision does not reflect the Williamsburg commitment to "halt protectionism, and as recovery proceeds to reverse it by dismantling trade barriers".

The Commission therefore wishes to express its profound dissatisfaction with this development and to point out that the European Communities will be examining this decision in the light of its GATT rights and obligations.