

Norway on July 1 removed from import-licensing control cement, organic chemicals, plastics, air-conditioning equipment, packing machinery, coin-operated dispensers, machinery for the food industry, and phonograph records and tapes. These items had previously been licensed liberally.

The Netherlands, in July, simplified its import procedures by eliminating licensing for most imports from all sources as well as the requirement that permits be obtained for the foreign exchange for current payment transactions between the Netherlands and most other countries, including the United States.

Also, Finland expanded its list of imports freed from quantitative restrictions in April by adding roasted and unroasted coffee from the dollar area.

COMMONWEALTH AREAS RELAX CONTROLS

Sterling convertibility has permitted many British Commonwealth areas to follow the United Kingdom's lead in reducing dollar discrimination. Australia, the Federation of Rhodesia and Nyasaland, Malaya, Singapore, British West Indies, Ghana, Sierra Leone, Cyprus, Ceylon and British East Africa, relaxed discrimination in the third quarter.

Australia, effective August 1, increased its authorization for annual imports from A£800 to A£850 and further removed dollar restrictions so that 90 percent of Australian imports will now be licensed without discrimination. Most imports remaining subject to discriminatory licensing are made up of motor vehicles and timber. This move will permit importation of U.S. goods not imported into Australia for many years.

The Federation of Rhodesia and Nyasaland announced on September 11 further liberalization of dollar imports. Among the newly decontrolled items are aircraft, refrigerators, stoves, heating appliances, washing machines, firearms, hardware, lamps, playing cards, hairclippers and scissors, quilts, cocoa and drinking chocolate, carbon and blotting paper, and military band instruments. In addition, the quota established in August of \$28,000 for ladies' silk and nylon stockings was increased to \$56,000. The newly decontrolled items are significant in that American trade possibilities appear promising even with a comparatively high rate of duty for some items.

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NONTARIFF TRADE BARRIERS OF THE UNITED STATES¹

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INTRODUCTION

As the United States and its trading partners prepare for the Kennedy round of negotiations on tariffs, the subject of non-tariff trade barriers looms large. It has been agreed that steps to reduce and eliminate such barriers are an important part of the negotiations now to take place. It is not easy to elaborate principles to govern this negotiation. There is, however, a very considerable measure of agreement among the leading trading nations: first, that non-tariff trade obstacles are very important; second, that they should be reduced or abolished; and third, that the other fellow's obstacles are much more serious than one's own.

Despite some excellent studies, most recently that of the Canadian-American Committee, the subject is obscured by legal technicalities and remains nearly impenetrable to the general public. This paper is an attempt to explain U.S. barriers, with emphasis upon the vexations, uncertainties, and additional costs that they entail. It is focused upon the barriers of the United States not because they are necessarily greater or more odious than those of other nations but because they are here. If something is going to be done about them, it must be done by the United States Government; and the American public must understand the need. While general in nature, the paper emphasizes trade with Japan because that is the special concern of the United States-Japan Trade Council.

¹ Study submitted as part of the presentation of the United States-Japan Trade Council before the Trade Information Committee established pursuant to the Trade Expansion Act of 1962 in connection with its hearings on non-tariff trade barriers.