

On January 11, 1967, duties on thin and heavy sheet glass were reduced to their pre-1962 level, while partially reduced escape clause rates continue to apply to single and double strength sheet glass. On October 11, 1967, President Johnson, on the basis of the national interest, extended the modified escape clause rates of duty applicable to single and double strength sheet glass until January 1, 1970.

The above-described Governmental actions related solely to one product of the flat glass industry. The other sectors of the industry have been no less seriously affected by imports under the reduced trade agreement rates. Notwithstanding this history, the U. S. negotiators agreed to reduce duties on rolled glass and plate glass by 50% in the Kennedy Round, despite the heavy and growing importation of these products under prevailing duties.

The cumulative effect of past actions by the Government in dealing with the import problems of the flat glass industry may be estimated by an examination of the economic changes which have occurred in the industry during the past decade. In particular, four reference points in time will be useful in considering these changes:

1. The average of 1958-1960 as a base period.
2. The year 1962, in which on June 17 President Kennedy placed into effect increased tariffs on sheet glass.
3. The year 1965, representing the peak of the industry's recovery with the benefit of the tariff increase.
4. The year 1967, in which on January 11 President Johnson terminated the increased tariffs on all but single and double strength window glass.

These data are presented in the following table.