

In addition, information from our members indicates that particularly when new types of products are exported to the U.S., there is at times considerable delay in arriving at a valuation under A.S.P., due to the U.S. customs having to select an equivalent domestic product for comparison.

In 1965/1966 the U.S. Tariff Commission investigation No. 332-47, looked into the question of footwear under TSUS 700.60 subject to the A.S.P. basis of valuation, with a view to assessing the probable economic effects on domestic producers of the elimination of A.S.P. system of valuation, and a reduction of up to 50% in a schedule of converted rates of duty based on conventional methods of valuation. In 1966 this Association made a submission to the United States Tariff Commission on this subject and our views as expressed in this document (copies of which are enclosed) dated 25th August, 1966, have not changed. These views can be summarised briefly by stating that, whilst we would wish to see the A.S.P. system of valuation replaced, we consider that any new system reverting to an ad valorem duty basis should result in less and not more duty than at present. Furthermore, as demonstrated in our submission to the U.S. Tariff Commission referred to above, we consider that any concession granted by the Tariff Commission as a result of the abolition of A.S.P. as a basis of valuation would be detrimental to U.K. exports to the U.S. under TSUS 700.60, if the effect of such a concession was to operate in the same manner as the changes resulting from the Tariff Schedule Amendments Act, 1965, as shown in section 5 of this submission.

7. Conclusion and submission

The figures below show total imports of rubber footwear and rubber soled footwear with fabric uppers into the United States from the U.K. for the period 1960/1966.

IMPORTS RUBBER AND RUBBER SOLED FOOTWEAR WITH FABRIC UPPERS

	Pairs	British pounds
1960.....	307, 156	175, 786
1961.....	370, 517	167, 952
1962.....	721, 247	255, 361
1963.....	549, 553	236, 589
1964.....	498, 419	192, 525
1965.....	383, 441	199, 403
1966.....	306, 900	156, 700

Source: United Kingdom customs and excise return.

We conclude that since 1965—the year of the Tariff Schedule Amendments Act, there has been a particularly sharp drop in U.K. exports to the U.S.A. and we believe, that tariff legislation of this type, coupled with the A.S.P. system of valuation is a definite barrier to the U.K. trade in rubber/canvas footwear with the United States.

We would mention that the cost of manufacture of rubber and canvas footwear in the United Kingdom, is comparable with that in order major Western European Countries and that U.K. Manufacturers do not enjoy subsidies. Their costs are therefore not comparable on like or equivalent products, produced in either low labour cost countries, or in those Eastern European Countries whose manufacturers enjoy a substantial element of cost subsidy.

We submit that in our view, the present system of Tariffs and valuation practices, as operated at present by the United States constitute non-tariff barriers, which are contrary to the spirit of GATT/Kennedy Round and should be amended in such a manner as to encourage increased trade between the U.K. and the U.S.A. by lowering duties, rather than by raising them.

THE UNITED STATES TARIFF COMMISSION, WASHINGTON, D.C.

GENTLEMEN:

1. The following submission is made by the Rubber and Plastics Footwear Manufacturers Association, Rice Lane, Walton, Liverpool 9, England. The Association represents five major manufacturers of rubber and rubber-soled footwear with canvas uppers in Great Britain. They are jointly responsible for 50.9% of the total production of this type of footwear in the United Kingdom.