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CONGRESSMAN

# Nick Rahall

WEST VIRGINIA-4th DISTRICT

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## RAHALL INTRODUCES BILL TO BRING PARITY TO U.S. - JAPAN TRADE

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) today introduced legislation which seeks reciprocity in the metallurgical coal and steel trade between the United States and Japan.

The resolution urges the negotiation of an enforceable agreement under which Japan will import U.S. metallurgical coal in quantities equivalent to that used in the production of Japanese steel products exported to the U.S.

"Despite the fact that steel production has increased in Japan, and despite the fact that Japanese steel exports into the U.S. continue at a level beneficial to Japan, that country has slashed the amount of U.S. metallurgical coal it is purchasing and has ridden roughshod over what the world market views as being a reasonable price for the dwindling amount of U.S. metallurgical coal it is still buying," Rahall pointed out.

One of the major causes of the U.S. - Japan trade deficit is the continued and aggressive exportation by Japan of steel products coming into this country. Despite the Voluntary Restraint Agreement which has been negotiated with Japan on steel, it appears that they are continuing to circumvent both the intent and scope of the agreement. Neither have the Japanese honored the November 1983 Joint Policy Statement on Energy Cooperation issued by President Reagan and Prime Minister Nakasone.

"The Joint Policy Statement sought to, among other items, maintain purchases of U.S. metallurgical coal over future years as steel production in Japan improved," Rahall said. "Unfortunately, this has not been the case. I believe we have given the Japanese a chance to play a fair game in this trade. Instead, they have negotiated in bad faith. It is time for strong action."

"If the Japanese value their exports of steel to the U.S., then they should place equal value on U.S. metallurgical exports to Japan," Rahall added.

In 1985, the U.S. trade deficit was \$148.5 billion; approximately one-third of this deficit was accounted for in our trade with Japan.