

News

From _____

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TRADE REFORM BILL SEEKS TO BOOST MET COAL SALES TO JAPAN

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) announced today that the comprehensive trade reform bill approved by the House Ways and Means Committee late last week contains a resolution he introduced that seeks to boost U.S. metallurgical coal sales to Japan.

The provision urges the U.S. Trade Representatives to enter into negotiations with Japan for the purpose of establishing an agreement under which Japan will import U.S. metallurgical coal in amounts equivalent to Japan's market share of steel products imported into the U.S.

The U.S. share of the Japanese metallurgical coal market plummeted to 18% last year from 36% several years ago and is expected to drop further in 1986. Meanwhile, the Japanese account for 25% of all steel products imported into the U.S. The successful implementation of the resolution would, as such, give the U.S. a 25% share of the Japanese metallurgical coal market. Metallurgical coal is an essential ingredient in the steelmaking process.

"This is a major blow in support of reciprocity and fair trade," Rahall said. "In 1983 the Japanese Prime Minister and President Reagan reached an agreement which, among other things, sought to maintain the U.S. share of Japanese metallurgical coal market. Yet, there was no enforcement mechanism included and the Japanese obviously negotiated in bad faith because U.S. met coals to Japan have fallen ever since."

Rahall added, "The acceptance by the Ways and Means Committee of this resolution will in of itself send a strong signal to the Japanese that we are calling their bluff, and that we mean business."

Rahall commended Ways and Means Committee member Rep. Ronnie Flippo (D-Alabama) for offering the resolution during committee consideration of the trade reform bill. "Ronnie Flippo spearheaded this provision in the committee and fought back all opposition. He is to be commended for his persistence and diligent effort in support of trade reciprocity. Those of us from the metallurgical coalfields of this Nation, particularly in West Virginia, owe him our deepest appreciation."

The comprehensive trade bill approved by the Ways and Means Committee is expected to reach the House floor in the near future.

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