

UNITED STATES TARIFF COMMISSION

ORGANIZATION AND FUNCTIONS



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UNITED STATES TARIFF COMMISSION

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Creation, Authority, Organization
and Activities of the
United States Tariff Commission

Adapted From the
United States Government
Organization Manual

1969-70

The United States Tariff Commission was created by act of Congress approved September 8, 1916. The Commission's present powers and duties are provided for largely by the Tariff Act of 1930; the Antidumping Act, 1921; the Agricultural Adjustment Act; and the Trade Expansion Act of 1962.

These statutes require the Commission to investigate and report upon tariff and foreign trade matters. The Commission makes such investigations and reports at the request of the President, either branch of the Congress, the House Committee on Ways and Means, or the Senate Committee on Finance. Investigations into the effects on domestic industries, firms, or groups of workers, of increased imports resulting from trade agreements concessions may be initiated by the interested parties. The Commission also makes studies, surveys or investigations on its own initiative.

Organization

The Commission consists of six members, appointed by the President and confirmed by the Senate for terms of 6 years, one term expiring each year. Not more than three commissioners may be of the same political party. The President is authorized to designate the Chairman and Vice Chairman annually from the membership of the Commission. Under the direction of the Commission, the Staff Coordinating Committee, composed of senior officers of the Commission's staff and chaired by the Director of Investigation, plans and supervises the work of the staff.

The operating divisions of the staff consist of the office of the Director of Investigation; the Economics Division; the office of the General Counsel; and, under the direction of the Chief, Technical Services, seven commodity divisions, the Accounting Division, the Statistical Division, and an Invoice Analysis Section. Personnel, budget activities, and general administrative and auxiliary services are under the Secretary. The Office of the Secretary also acts as the secretariat for the Commission, is charged with the conduct of relations with the public and other Government agencies, and issues publications and notices.

Activities

The Commission conducts a variety of public investigations, which usually involve public hearings. It also undertakes research and special studies relating to significant aspects of the commercial policy and international trade of the United States. The major types of Commission investigations are briefly described as follows:

Tariff adjustment and adjustment assistance

Upon petition on behalf of an industry, a firm, or a group of workers, the Commission must conduct an investigation to determine whether, as a result in major part of trade-agreement concessions, an article is being imported in such increased quantities as to constitute the major cause or threat of serious injury to the petitioning industry or firm, or unemployment or underemployment of a significant number or proportion of workers of a firm or appropriate

subdivision thereof. If the Commission's finding is affirmative, the President has discretion to take action affecting imports, such as tariff relief to the industry, or specified types of adjustment assistance to firms or groups of workers.

The Tariff Commission is required to report annually with respect to developments within an industry that has been granted tariff relief and, after formal investigation on its own motion or on request of the President, to advise the President of the probable economic effect of the reduction or elimination of the tariff increase that has been granted. The President may continue, modify, or terminate the tariff relief previously granted.

Investigations pursuant to requests by
the President or the Congress

The Commission is required to make such investigations and studies as may be requested by the President, the House Committee on Ways and Means, the Senate Committee on Finance, or by either branch of the Congress. Public investigations in this category usually relate to specific imported products or to domestic industries that encounter competition from imports, such as textiles or nonrubber footwear.

Dumping investigations

Whenever the Secretary of the Treasury determines that a class or kind of merchandise is being, or is likely to be, sold in the United States at less than its fair value, the Tariff Commission

must determine within 3 months whether a domestic industry is being or is likely to be injured, or is prevented from being established, as a result of such importation. If the Commission's determination is affirmative, the Secretary of the Treasury imposes a dumping duty on imports of the articles in question.

Import interference with agricultural programs

On direction of the President, the Tariff Commission conducts investigations to determine whether any articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to materially interfere with programs of the Department of Agriculture for agricultural commodities or products thereof, or to reduce substantially the amount of any product processed in the United States from such commodities or products, and makes findings and recommendations. The President may restrict the imports in question by imposition of either import fees or quotas.

Unfair practices in import trade

The Tariff Commission is authorized to conduct investigations regarding allegations that unfair methods of competition or unfair acts are being committed in the importation of articles into the United States, or in their domestic sale, the effect or tendency of which is to substantially injure or destroy an efficiently and economically operated domestic industry, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce

in the United States. When such methods or acts are found to exist, the Commission reports to the President, who may direct that the articles involved be excluded from entry into the United States. Affirmative findings may also be reviewed in court.

Special research studies

The Commission conducts special research studies to make available factual information and careful analysis on significant foreign trade problems for use by legislative and executive officials in the development of policy. Current studies of this nature include the probable effects of "tariff preferences for less developed countries," and of "national and regional agricultural programs on U.S. foreign trade in agricultural products."

Tariff schedules

The Commission is regularly concerned with questions relative to the arrangement of tariff schedules and the classification of articles; it issues a publication containing the current U.S. tariff schedules and related matters. A representative of the Commission chairs an interdepartmental committee to maintain a commodity classification of import statistics that will meet the needs of governmental and nongovernmental users.

Tariff Summaries

From time to time the Tariff Commission has prepared and published Summaries of Trade and Tariff Information. Over half of the projected 62 volumes of the current series, the first of which

was published in 1966, have now been published. The 1,700 individual summaries are designed to meet the needs of wide and varied interests in business and government. They contain accurate descriptions (in terms of the Tariff Schedules of the United States) of the thousands of products imported into the United States, methods of production, and the extent and relative importance of U.S. consumption, production, and trade, together with certain basic factors affecting the competitive position and economic health of domestic industries.

Trade agreements report

The Commission must annually report to the Congress on the operation of the trade agreements program and keep advised at all times of the effects of trade agreements entered into under the program.

Approved.

Glenn W. Sutton
Chairman.

