## U.S. TRADE LEGISLATION PROPOSALS 100th CONGRESS

	• ,		HOUSE	SENATE	
	SUBJECT_	CURRENT LAW	"Trade and international Economic Policy Reform Act of 1987"(HR3) Ipassed April 30, 1987)	"Omnibus Trade and Compe- titiveness Act of 1987"/ [H.R.3(S.1420)] Ipassed July 21, 1987]	ADMIN POSITIO
(1v) <u>Ot</u>	her Practices	includes denial of market access, right of establishment and lack of intellectual property protection as unreasonable or unjustifiable acts.	• •	Adds anti-competitive activities of, and trading, on other than commerciai terms, by state owned	
				enterprises, <u>adversariai</u> <u>trade</u> (consistent pattern of unfair trade) and	
				"unfair trade concession requirements" (eg. invest- ment requirements) to list	
			•	of unreasonable, unjustifi- able or discriminatory acts. Adds Government	
				practices which increase capacity to produce fungible, non-agricultural	•
	· · ·			products in cases where	•

(v) Unwarranted Trade Surplus No provision.

Mandatory negotlations and actions with respect to countries having unwarranted trade surpluses with the US (Gephardt Amendment).

a) Requires annual ITC determination as to whether any major US trading partner has unwarranted trade surplus. b) Requires USTR determinations as to whether surplus countries maintain pattern of unjustifiable trade practices.

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CDN POSITION

Strongly objects. On record threatening veto.

there is an excess supply

worldwide.

No provision.

INOTE: With exception of Gephardt amendment, H.R.3 301 provisions are slightly more acceptable than 1420 provisions, but still very problematical.

Canada strongly objects. Proposal deals with symptoms arising from lack of competitiveness of U.S. industry generally.

## Revised Date: September 25, 1987

Page 20