

accounted for 14 percent of the total imports of these yarns in 1985. The U.S. market for this type yarn has been disrupted by imports and imports from China contributes to this disruption. These imports from China are entered at duty-paid landed values which are below the U.S. producer price for comparable yarns. The continuation of increasing low-priced imports from China threatens to exacerbate the market disruption occurring in the U.S. for such yarns.

The impact of imports of these combed, cotton/polyester yarns is demonstrated by the production, import, market share and import ratio data for such yarns with counts 31's and finer.

#### U.S. Production and Market Share

U.S. production of combed cotton/polyester plied sales yarns, 31's and finer, fell sharply during 1985 compared to 1984. For 1985, production dropped 21 percent below the level of 1984.

The U.S. producer's share of the market for domestically produced and imported combed cotton/polyester sales yarn, 31's and finer, declined from 91 percent in 1983 to 58 percent in 1985.

#### Imports and Import Penetration

Imports of combed cotton/polyester yarns, 31's and finer, increased sharply in 1984 to 8.8 million pounds, up 172 percent from 1983. Imports in 1985 continued to increase, reaching a record level of 15.1 million pounds, and were almost twice the level of 1984.

The ratio of imports to domestic production in 1985 was 73.5 percent, more than seven times the 10.4 percent of 1983.

#### Duty-Paid Values and U.S. Producers' Price

China is a low cost supplier of these combed cotton/polyester yarns. These yarns entered, at landed, duty-paid values far below the U.S. producers' price for comparable yarns.

#### China—Market Statement

##### Category 659 Part—Swimwear

May 1986.

#### Summary and Conclusions

U.S. imports of man-made fiber swimwear from China were 256,000 dozens during the year ending March 1986, compared with 48,000 dozens a year earlier. China is the second largest supplier of man-made fiber swimwear and accounts for 11 percent of imports.

The sharp and substantial increase of low-valued man-made fiber swimwear imports from China is disrupting the market for man-made fiber swimwear.

#### U.S. Production and Market

Between the years 1982 and 1984, U.S. production of man-made fiber swimwear declined by 294,000 dozens from 5.9 million dozens to 5.6 million dozens.

During this same period, the U.S. market for man-made fiber swimwear expanded by 570,000 dozens. Despite market expansion, the U.S. producers' share declined from 82 percent in 1982 to 72 percent in 1984.

#### U.S. Imports and Import Penetration

U.S. imports of man-made fiber swimwear grew 67 percent between 1982 and 1984, or

864,000 dozens. This upward trend continued into 1985 though at a slower pace. The ratio of imports to domestic production increased from 22 percent in 1982 to 38 percent in 1984.

#### Import Values vs. Domestic Prices

Approximately 77 percent of the first quarter 1986 imports of man-made fiber swimwear from China entered under TSUSA NO. 381.9570—men's and boys' swimming trunks, not ornamented, not knit. These swimming trunks enter the U.S. at landed duty-paid values below U.S. producer prices for comparable garments.

#### Committee for the Implementation of Textile Agreements

June 13, 1986.

Commissioner of Customs,  
Department of the Treasury, Washington, DC 20229

Dear Mr. Commissioner: Under the terms of section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), and the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973, as extended on December 15, 1977 and December 22, 1981; pursuant to the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of August 19, 1983, as amended, between the Governments of the United States and the People's Republic of China; and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on June 20, 1986, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton and man-made fiber textile products in Categories 300/301 and 659-S,<sup>1</sup> produced or manufactured in the People's Republic of China and exported during the ninety-day period which began on May 30, 1986 and extends through August 27, 1986, in excess of the following levels of restraint:

| Category | Ninety-day restraint level <sup>2</sup> |
|----------|-----------------------------------------|
| 300/301  | 1,497,633 pounds.                       |
| 659-S    | 323,286 pounds.                         |

<sup>1</sup> In Category 659, only TSUSA Numbers 381.2340, 381.3170, 381.9100, 381.9570, 384.1920, 384.2339, 384.8300, 384.8400, 384.9353.

<sup>2</sup> The limit has not been adjusted to account for any imports exported after May 29, 1986.

Textile products in Categories 300/301 and 659-S which have been exported to the United States prior to May 30, 1986 shall not be subject to this directive.

Textile products in Categories 300/301 and 659-S which have been released from the custody of the U.S. Customs Service under the provisions of 19 U.S.C. 1448(b) or 1484(a)(1)(A) prior to the effective date of this directive shall not be denied entry under this directive.

A description of the textile categories in terms of T.S.U.S.A. numbers was published in the Federal Register on December 13, 1982 (47 FR 55709), as amended on April 7, 1983 (48 FR 15175), May 3, 1983 (48 FR 19924), December 14, 1983 (48 FR 55607), December 30, 1983 (48 FR 57584), April 4, 1984 (49 FR 13397), June 28, 1984 (49 FR 26822), July 18, 1984 (49 FR 28754), November 9, 1984 (49 FR 44782), and in Statistical Headnote 5, Schedule 3 of the

#### TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1986).

In carrying out the above directions, the Commissioner of Customs should construe entry into the United States for consumption to include entry for consumption into the Commonwealth of Puerto Rico.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553 (a)(1).

Sincerely,

Leonard A. Mobley,

Acting Chairman, Committee for the Implementation of Textile Agreements.

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#### COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

##### Procurement List 1986 Proposed Addition

**AGENCY:** Committee for Purchase from the Blind and Other Severely Handicapped.

**ACTION:** Proposed additions to procurement list.

**SUMMARY:** The Committee has received proposals to add to Procurement List 1986 commodities to be produced by and services to be provided by workshops for the blind or other severely handicapped.

Comments must be received on or before: July 23, 1986.

**ADDRESS:** Committee for Purchase from the Blind and Other Severely Handicapped, Crystal Square 5, Suite 1107, 1755 Jefferson Davis Highway, Arlington, Virginia 22202-3509.

**FOR FURTHER INFORMATION CONTACT:** C.W. Fletcher, (703) 557-1145.

**SUPPLEMENTARY INFORMATION:** This notice is published pursuant to 41 U.S.C. 47(a)(2), 85 Stat. 77 and 41 CFR 51-2.8. Its purpose is to provide interested persons an opportunity to submit comments on the possible impact of the proposed actions.

If the Committee approves the proposed additions, all entities of the Federal Government will be required to procure the commodities and services listed below from workshops for the blind or other severely handicapped.

It is proposed to add the following commodities and services to Procurement List 1986, October 15, 1985 (50 FR 41809):

**Commodities**  
Pad, Heating, Chemical  
6530-00-786-4635