

UNITED STATES TARIFF COMMISSION
Washington, D.C.

APTA-W-13

TC Publication 209

June 8, 1967

TARIFF COMMISSION SUBMITS REPORT TO THE
AUTOMOTIVE AGREEMENT ADJUSTMENT ASSISTANCE BOARD
IN ADJUSTMENT ASSISTANCE CASE PERTAINING TO
CERTAIN WORKERS OF GENERAL MOTORS CORPORATION'S
CHEVROLET PLANT AT NORTH TARRYTOWN, NEW YORK

The Tariff Commission today reported to the Automotive Agreement Adjustment Assistance Board the results of its investigation No. APTA-W-13, conducted under section 302(e) of the Automotive Products Trade Act of 1965. The Commission's report contains factual information for use by the Board, which determines the eligibility of the workers concerned to apply for adjustment assistance. The workers in this case were employed in the N. Tarrytown, N.Y., Chevrolet plant of the General Motors Corporation.

Only certain sections of the Commission's report can be made public since much of the information it contains was received in confidence. Publication of such information would result in the disclosure of certain operations of individual firms. The sections of the report that can be made public are reproduced on the following pages.

U.S. Tariff Commission,
June 8, 1967.

Introduction

In accordance with section 302(e) of the Automotive Products Trade Act of 1965 (79 Stat. 1016), the U.S. Tariff Commission herein reports the results of an investigation (APTA-W-13) concerning the possible dislocation of certain workers engaged in the assembly of automobiles and trucks at the General Motors Corp.'s Chevrolet assembly plant in North Tarrytown, New York. The Commission instituted the investigation on April 20, 1967, in response to a request for investigation received on April 19, 1967, from the Automotive Assistance Committee of the Automotive Agreement Adjustment Assistance Board. Public notice of the investigation was given in the Federal Register (32 F.R. 6459) on April 26, 1967.

The Automotive Assistance Committee's request for the investigation resulted from a petition for determination of eligibility to apply for adjustment assistance that was filed with the Assistance Board on April 14, 1967, by the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (U.A.W.) and its Local No. 664, on behalf of a group of workers at the N. Tarrytown plant of the Chevrolet Division of General Motors Corp. (hereafter referred to as GMC). Neither the petitioners nor any other party requested a hearing before the Commission, and none was held.

The petitioners alleged that the cutback in production at the N. Tarrytown plant on February 13, 1967, was due to the importation of automobiles from Canada of the type assembled at N. Tarrytown. The petitioners further alleged that the layoffs which occurred as a

result of the cutback in production were attributable to the Automotive Products Trade Act of 1965.

The Commission conducted investigation APTA-W-13 concurrently with investigations APTA-W-12 and 14 relating to the possible dislocation of certain workers engaged in the production of automobiles at General Motors Assembly Division's Wilmington, Del., plant and in the production of automobile bodies at General Motors Fisher Body Division's plant at North Tarrytown, New York. Much of the information developed in connection with APTA-W-12 and 14 is also pertinent to APTA-W-13; because of significant differences in the circumstances involved in the three investigations, however, separate reports have been prepared.

The information reported herein was obtained from a variety of sources, including the General Motors Corp., the other major U.S. automobile manufacturers, the International Union, U.A.W., and its Local 664, the Commission's files and through fieldwork by members of the Commission's staff.

The automotive product involved--automobiles and trucks weighing 20,000 pounds or less, gross vehicular weight (GVW)

Conventional passenger automobiles and trucks weighing 20,000 pounds or less, GVW, are the articles under consideration in this investigation. Automobile components that are shipped in K-D (knocked-down) kits for subsequent assembly are not included within the scope of this investigation; special purpose motor vehicles such as the "Jeep" and "Scout," are treated as trucks.

Imported automobiles are dutiable under item 692.10 of the Tariff Schedules of the United States (TSUS) at the rate of 6.5 percent ad valorem; if imported from Canada, however, they are duty-free under item 692.11. Imported automobile trucks are dutiable under TSUS item 692.05 at the rate of 8.5 percent ad valorem; if imported from Canada, however, they are duty-free under item 692.06.

GMC and its automotive divisions

GMC, with headquarters in Detroit, Mich., is the largest manufacturing corporation in the world. Its net sales in 1966 were valued at about \$20 billion; approximately 90 percent of this total was accounted for by the sale of automotive products. GMC is comprised of numerous divisions and foreign and domestic subsidiaries. The divisions, which are organized along product lines, produce cars, trucks, vehicle bodies, automotive components, engines, household appliances, and other products.

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United States and Canadian production and trade--
all automobiles 1/

Total U.S. production of automobiles in model years 1963-66 increased from 7.2 million units in 1963 to 8.8 million units in 1965, then declined to 8.6 million units in 1966. During the same period Canadian production increased annually from 467,449 units in 1963 to 672,901 units in 1966 (table 1).

1/ Data are based on the operations of the four principal U.S. producers of automobiles.

U.S. production of automobiles totaled 2.9 million units in the period January-April, 1964, and 2.5 million units in the corresponding period of 1967. Canadian production in the same periods totaled 227,739 and 228,025 units, respectively.

During model years 1963-66, exports to Canada of U.S. produced automobiles increased annually from 6,569 units in 1963 to 59,207 units in 1966. There were no U.S. imports of automobiles from Canada during the 1963-64 model years. Imports from Canada began with 1,610 units in 1965 and increased to 94,381 units in 1966.

U.S. exports to Canada of automobiles totaled 3,459 units in the period January-April 1964, and 75,592 units in the corresponding period of 1967. U.S. imports from Canada amounted to 100,346 units in January-April, 1967.

During model year 1966, the United States became a net importer of cars from Canada, importing a net 35,174 units. In the first 9 months of the 1967 model year, the U.S. net import position with Canada was 21,599 units, compared with 22,504 units in the corresponding period of 1966.

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Table 1.--United States and Canadian production and exports of passenger automobiles, model years 1963-66, beginning of model year to April 30, 1966 and 1967, and January-April of model years 1964 and 1967 ^{1/}

Period	U.S. production			Canadian production			U.S. net exports (+) or imports (-) with Canada
	Total	Exported to--		Total	Exported to --		
		Canada	Other countries		United States	Other countries	
Model year:							
1963-----	7,176,358	6,569	82,510	467,449	-	5,280	+ 6,569
1964-----	7,802,825	10,674	97,133	562,584	-	8,732	+10,674
1965-----	8,792,873	28,430	107,540	585,482	1,610	12,134	+26,820
1966-----	8,578,690	59,207	108,599	672,901	94,381	9,731	-35,174
Beginning of model year to April 30 ^{2/} :							
1966-----	6,464,994	45,026	90,503	507,774	67,530	15,963	-22,504
1967-----	5,656,701	165,358	74,567	454,041	186,957	8,438	-21,599
Model year 1964:							
January-----	740,007	722	8,387	59,927	-	1,086	+722
February-----	671,398	587	7,274	52,655	-	1,153	+587
March-----	718,674	975	8,394	55,410	-	1,219	+975
April-----	780,294	1,175	7,628	59,747	-	929	+1,175
Model year 1967:							
January-----	667,976	15,323	7,348	56,093	24,551	1,002	-9,228
February-----	517,223	14,925	6,582	52,482	24,402	1,288	-9,477
March-----	677,197	24,112	7,974	59,812	26,603	581	-2,491
April ^{2/} -----	651,175	21,232	5,178	59,638	24,790	463	-3,558

^{1/} The data are based on the number of conventional automobiles produced and exported during the periods indicated by American Motors Corp., the Chrysler Corp., the Ford Motor Co., and General Motors Corp. Data do not include special-purpose vehicles such as the "Jeep" or "Scout" and knocked-down kits for export.

^{2/} Data for the month of April 1967 are preliminary.

Source: U.S. producers of automobiles.

