STATE TRADING

Notifications Pursuant to Article XVII:4(a)

Addendum

UNITED KINGDOM

The United Kingdom has submitted the information set out below concerning a major addition to its State-trading notification with regard to iron and steel. It has stated that on the other State-trading notifications there are no amendments, but has submitted up-to-date statistics in tables which amend those appearing in its basic notification.

It is further noted that the United Kingdom Government are at present reviewing the jute import arrangements.

I. Enumeration of State-trading enterprises

Iron and steel.

II. Reason and purpose for introducing and maintaining the State-trading enterprise

The Iron and Steel Act, 1967, which provided for the public ownership of the major part of the iron and steel industry, became law on 22 March 1967 and ownership of the fourteen major steel-producing companies in the United Kingdom was transferred to the British Steel Corporation on 28 July 1967. The British Steel Corporation, established by the Act, is a public corporation and its main statutory duties, as laid down in the Iron and Steel Act, 1967, are:

(a) to promote the efficient and economical supply of iron and steel products by the nationalized steel industry;
(b) to produce iron and steel products so as to satisfy the reasonable demands of manufacturing consumers in the United Kingdom;
(c) to avoid undue preference and unfair discrimination in the supply of iron and steel products, but subject to ordinary commercial considerations or the public interest;
(d) to take such steps as appear to them to be practicable and desirable to promote the export of any products by the nationalized industry;
(e) to promote research and development;

1 Previous notifications were contained in L/1949/Add.4 as modified and supplemented in Corr.1, in L/2313/Add.1 and 2, and L/2593/Add.6 as modified by L/2741/Add.4.
(f) to ensure that the combined revenues of the Corporation, and the publicly-owned companies, taking one year with another, at least cover their combined charges, after making proper provision for depreciation and allocation to reserves.

III. Description of the functioning of the State-trading enterprise

The Corporation exports substantial quantities of iron and steel products. Its imports, mainly raw materials, are for internal consumption. There is no governmental control of either imports or exports of iron and steel and private interests are free to compete with the Corporation on a commercial basis on both fronts. The quantities to be exported and imported are a matter for the Corporation's own commercial judgment as is the determination of its export prices. The Corporation's export prices are, to a large extent, dictated by those prevailing on the world market. The Corporation is free to enter into long-term contracts if commercial considerations so require. There are no contractual obligations between the Government and the Corporation.

IV. Statistical information

The first calendar year for which the Corporation's production and trading figures will be 1968. Figures for the Corporation's first twelve-months trading are at Annex A.

V. Reasons why no foreign trade has taken place (if this is the case) in products affected

Not applicable.

VI. Additional information

None.
## ANNEX A

('000 tons)

<table>
<thead>
<tr>
<th>Quarters</th>
<th>British Steel Corporation</th>
<th>Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>United Kingdom production</td>
<td>United Kingdom production</td>
</tr>
<tr>
<td>1967</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Second</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Third</td>
<td>n.a.</td>
<td>789</td>
</tr>
<tr>
<td>Fourth</td>
<td>5,547.1</td>
<td>800</td>
</tr>
<tr>
<td>1968</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First</td>
<td>5,642.9</td>
<td>892</td>
</tr>
<tr>
<td>Second</td>
<td>6,146.3</td>
<td>972</td>
</tr>
<tr>
<td></td>
<td>17,336.4</td>
<td>3,473</td>
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</tbody>
</table>
### Annex I

**Statistics of Coal Trade and Production**

<table>
<thead>
<tr>
<th></th>
<th>Tonnage ('000 tons)</th>
<th>Value (£'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Imports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Re-exports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) (i) Total exports</td>
<td>3,757</td>
<td>2,875</td>
</tr>
<tr>
<td>(ii) Exports from non-vested (licensed) mines and opencast sites included in (c)(i)</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>(d) (i) Total home production</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deep mined</td>
<td>180,167</td>
<td>167,556</td>
</tr>
<tr>
<td>Recovered slurry</td>
<td>1,100</td>
<td>1,500</td>
</tr>
<tr>
<td>Opencast</td>
<td>7,332</td>
<td>7,039</td>
</tr>
<tr>
<td></td>
<td>188,599</td>
<td>176,095</td>
</tr>
<tr>
<td>(ii) Production from licensed mines included in (d)(i)</td>
<td>1,253</td>
<td>1,095</td>
</tr>
</tbody>
</table>

**ANNEX II**

Statistics of Jute Goods
(tons to the nearest hundred)

1967

**IMPORTS**

1. **Yarn**
   - State trading: 100
   - Private trading: 1,400
   - Total yarn: 1,500

2. **Cloth and sacks and bags**
   - State trading (cloth, sacks and bags): 4,900
   - Private trading (cloth, sacks and bags): 45,000
   - Total: 49,900

3. **Total cloth**
   - Total sacks and bags: 7,500

**Total 1 and 2**

   - State trading: 5,000
   - Private trading: 46,400
   - Total: 51,400

**EXPORTS**

   - Yarn: 1,800
   - Cloth: 3,900
   - Bags (new): 1,500
   - Total: 7,200

**United Kingdom production**

   - Yarn: 112,000
   - Cloth: 63,600
   - Sacks and bags: n.a.

1 Replacing Annex II, in L/2593/Add.6.