

Rice Industry Urges Action Against Taiwan

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WASHINGTON — Charging that Taiwan is guilty of "massive dumping" of rice for sale in third-country markets and warning that American rice exports are declining fast, the U.S. rice industry asked for White House intervention.

The Rice Millers' Association Wednesday filed a complaint with the U.S. Trade Representative's Office, asking the president either to convince the Taiwanese government to eliminate its rice export subsidy program or if that fails to impose duties or other import restrictions on Taiwanese products.

"All we're asking from Taiwan is that it obey the established rules of the world trading system," Stephen Gabbert, executive vice president of the association, stated at a press conference.

The association contended that Taiwan's subsidies amount to over \$100 per metric ton of rice and could cause a lowering of U.S. export prices by \$57 a ton this year, cutting the value of U.S. exports by \$300 million.

Bart Fisher, counsel for the rice millers' group, stated that Taiwan is paying its farmers \$700 for every metric ton of rice they produce. This enables the farmers to sell the rice for less than one-third of that amount, he said.

The U.S. price for milled rice is

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now \$375 per metric ton, according to Mr. Fisher, who concluded that "Taiwan has been engaging in massive dumping (which) clearly violates the General Agreement on Tariffs and Trade and the Subsidies Code."

Taiwan is not a party to either of these agreements but has agreed with the United States to respect terms of both, according to Mr. Gabbert.

The association uses U.S. Agriculture Department statistics showing that rice exports from Taiwan totaled 87,000 tons in 1981 and are expected to rise to 850,000 tons in 1983.

The United States may lose its No. 2 position as world rice exporter if Taiwan's subsidization program is not ended, the association warned.

The U.S. trade representative has 45 days, until Aug. 29, to decide whether to start an investigation into the group's charges. If an investigation is initiated, the trade representative must make a recommendation within seven months on what action should be taken by the president.