

203) for members of the uniformed services, as adjusted under 37 U.S.C. 1009, and the rate of monthly cadet or midshipman pay are set forth on Schedule 8 attached hereto and made a part hereof.

Sec. 5. Locality-Based Comparability Payments.

(a) Pursuant to section 5304 of title 5, United States Code, and in accordance with section 640(a) of Division F of Public Law 108-199, locality-based comparability payments shall be paid in accordance with Schedule 9 attached hereto and made a part hereof.

(b) The Director of the Office of Personnel Management shall take such actions as may be necessary to implement these payments and to publish appropriate notice of such payments in the *Federal Register*.

Sec. 6. Administrative Law Judges. The rates of pay for administrative law judges, as adjusted under 5 U.S.C. 5372(b)(4), are set forth on Schedule 10 attached hereto and made a part hereof.

Sec. 7. Effective Dates. Schedule 8 is effective on January 1, 2004. The other schedules contained herein are effective on the first day of the first pay period beginning on or after January 1, 2004.

Sec. 8. Prior Order Superseded. Executive Order 13322 of December 30, 2003, is superseded.

George W. Bush

The White House,
March 3, 2004.

[Filed with the Office of the Federal Register, 8:55 a.m., March 5, 2004]

NOTE: This Executive order was published in the *Federal Register* on March 8.

Memorandum on Imports of Certain Ductile Iron Waterworks Fittings From the People's Republic of China
March 3, 2004

Memorandum for the United States Trade Representative

Subject: Presidential Determination on Imports of Certain Ductile Iron Waterworks Fittings from the People's Republic of China

Consistent with section 421 of the Trade Act of 1974, as amended (19 U.S.C. 2451), I have determined the action I will take with respect to the affirmative determination of the United States International Trade Commission (USITC Investigation TA-421-4) regarding imports of certain ductile iron waterworks fittings (pipe fittings) from China. After considering all relevant aspects of the investigation, I have determined that providing import relief for the U.S. pipe fittings industry is not in the national economic interest of the United States. In particular, I find that the import relief would have an adverse impact on the United States economy clearly greater than the benefits of such action.

The facts of this case indicate that imposing the USITC's recommended tariff-rate quota remedy or any other import relief available under section 421 would be ineffective because imports from third countries would likely replace curtailed Chinese imports. The switch to third country imports could occur quickly because the major U.S. importers already import substantial quantities from countries such as India, Brazil, Korea, and Mexico. Because importers' existing inventories of imports will likely cover demand for approximately 6 to 12 months from the imposition of import relief, a switch from China to alternative import sources would not likely lead to significant additional demand for domestically produced pipe fittings, even accounting for a time lag in making that switch. Under these circumstances, import relief would provide no meaningful benefit to domestic producers.

In addition, import relief would cost U.S. consumers substantially more than the increased income that could be realized by domestic producers. Indeed, the USITC estimated that its recommended remedy would

generate a negative net domestic welfare effect of between \$2.3 million and \$3.7 million in the first year alone.

While not necessary in reaching my determination that imposing import relief would have an adverse impact on the United States economy clearly greater than the benefits, it is also worth noting two additional points:

- First, evidence suggests that domestic producers enjoy a strong competitive position in the U.S. market, and in fact the largest domestic producer recently announced price increases nationwide ranging from 8 to 35 percent. The two smaller domestic producers and the major U.S. importers have publicly indicated that they would follow these price increases.
- Second, in 2002 and 2003, imports of this product have been relatively stable in volume terms and have shown a slight decline in value terms.

The circumstances of this case make clear that the U.S. national economic interest would not be served by the imposition of import relief under section 421. I remain fully committed to exercising the important authority granted to me under section 421 when the circumstances of a particular case warrant it.

You are authorized and directed to publish this memorandum in the *Federal Register*.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., March 5, 2004]

NOTE: This memorandum was published in the *Federal Register* on March 8.

Remarks in a Discussion on the National Economy in Bakersfield, California

March 4, 2004

The President. John, thanks. Thanks for having me. First, I want to thank your employees for putting up with my entourage. [Laughter] It's kind of grown since the last time I was here in Bakersfield. [Laughter]

We are here to talk about the economy. I want to—I'm going to have some help here in talking about the economy, people on the

frontlines of job creation, people on the frontline of raising their families. Before I do so, I do want to thank you, John, and your family for kind of setting such a great example of what it means to be close family and heralding the entrepreneurial spirit. One of the things I love about America is the entrepreneurial spirit, the fact that people can own their own assets, can start their own business, can realize such a hopeful future, because they own something. We're here at what we call a family-owned business. It's an integral part of America.

When I heard I was coming for Rain for Rent—[laughter]—I was thinking about my days in west Texas. [Laughter] We were always looking for a little rain and were willing to rent it. [Laughter] But I do want to thank your mom and dad, Jerry and Mary, for welcoming me here, and I want to thank your whole family for turning out.

I've spent some quality time in Bakersfield—1949. I don't remember much about it. [Laughter] But I was talking to old Number 41—that would be my dad—2 nights ago, and I told him I was going out to Bakersfield. And he said, "Tell the folks out there that Barbara and I have got fond memories of our days living here." Good, decent, honorable, hard-working people in Bakersfield—that's the way it was then, and that's the way it is today. And we're glad to be here.

I want to thank Sharon Thomas, the wife of a guy I call the Chairman; that would be Congressman Bill Thomas. Sharon, thanks for coming today. Bill Thomas is doing a really good job for the people of California and Bakersfield. He's doing a great job for the country. He is a strong leader. We've done a lot working together, some of which I'm about to discuss with you.

I want to thank the mayor, Harvey Hall. He met me at the airport. He drove over in the limousine. Harvey, thanks. He said, "Have you got any advice?" I said, "Yes, fill the potholes." [Laughter]

We've got members of the State senate. Roy Ashburn is with us. I've known Roy for a while. He's a good fellow. State assembly—Bill Maze is with us. I thank Bill for being here. I want to thank all the local officials and all the citizens who have taken time out