And I hope that Ambassador Roth is prepared to give us some concept of the President's proposal either at this or some subsequent hearing.

There are several key elements that in my judgment should be contained in any interim trade legislation proposed by the President—and I emphasize the word "interim," as I will explain in a minute.

First, the American selling price (ASP) system should be repealed, if the package deal on chemicals proves on close examination as beneficial to the United States as present information indicates. The elimination of ASP on the part of the United States would bring with it a substantial reduction of European tariffs on chemicals we export to them and also the reduction of several nontariff barriers discriminating against American cars, tobacco, and canned fruit.

Second, the adjustment assistance provisions of the Trade Expansion Act of 1962 should be liberalized along the lines of the adjustment assistance provisions of the United States-Canada auto agreement but with the U.S. Tariff Commission retaining its factfinding powers as at present.

Third, the President should be given powers to undertake negotiations on nontariff barriers. With tariffs becoming increasingly a less important factor in international trade, nontariff barriers must now be dealt with.

And I think the testimony will show the material reduction, the overall percentage of total trade subject to tariffs which has now been affected by the Kennedy Round.

Fourth, the President should be authorized to put forward a significant trade proposal for the developing countries, particularly one calling for trade preferences, even if this would mean a modification of the most-favored-nation principle. These preferences should be conditioned on similar action by other industrialized nations and should be extended for manufactured and semimanufactured products. The United States should be ready with positive offers by the time UNCTAD meets next February, rather than to be put into the position of having to react and to reject plans offered by other nations.

It is quite clear that there will be a period of 1 or 2 years before Congress will enact major new trade legislation. It is essential that this time period be utilized fully to assess the impact of the Kennedy Round on the U.S. economy and on international trade patterns and to develop specific new proposals. I am pleased that witnesses coming through before us will begin this process and will give us their best judgment on the essential elements of new trade legislation, both of an interim kind such as I have described, and of a definitive kind.

In my judgment, the power to negotiate further trade agreements should again be delegated to the President based on stated criteria and should not revert to Congress. Congress is not equipped to handle tariff negotiations as history and experience have shown.

I also hope that witnesses will comment on the proposal I advocated during consideration of the Trade Expansion Act of 1962; namely, to give the President power, subject to congressional veto of the agreement reached, to reduce reciprocally tariffs and other trade barriers by any amount. The success of the flexible approach embodied in the Trade Expansion Act encourages me to think that we should pursue