

the exporter a competitive rate so as to obtain the sought-after business. A margin is left to pay the private bank for its services, and the government rediscounting facility charges rates that are, when necessary, below the actual cost of money to the government. To the extent this is done it constitutes a subsidy of exports. But it is a subsidy available to the exporters of every industrialized country except our own.

The President has recently announced changes that liberalize the rediscount facility of EXIM; but none of the announced changes deal with the crucial matter of competitive rates. American exporters will, therefore, continue to be non-competitive with respect to this type of financing.

In my judgment the enactment of H.R. 16162 would be a significant step forward in approving the export performance of the United States. I urge that the committee report on it favorably and that it be enacted by the Congress.

Sincerely yours,

DANIEL L. GOLDY,
Vice President.

