

The list of nontariff barriers affecting U.S. exports is extensive. To mention a few more, some African countries have a tax on the cost of freight value; Tunisia has a national defense tax; and a production tax; Argentina has customs surcharges and consular fees; Japan a commodity tax; Australia a primage rate; Thailand handling and landing fees; Belgium has stamp tax, transmission tax, turnover tax, and a wharfage fee; Brazil, consumption tax and a custom liquidation tax; France license requirements; and Italy an unloading tax and a compensatory tax.

The American steel and textile workers, along with all Americans, have, through the taxes they have paid to their Government, helped to subsidize their foreign competition through our foreign aid program. That competition is thriving, is using in many instances—by our standards—substandard, low-cost labor, and is competing with our workers who ought to continue to receive wages that are commensurate with what people working in the most prosperous great nation the world has yet known should receive.

This consequently constitutes both strong and unfair foreign competition.

Certainly, at the very least the American worker is entitled to some protection from the consequences of our Government's use of his own tax dollars.

Federal assistance to firms adversely affected by foreign imports and to workers who may become displaced as a result of these imports can provide a measure of relief to specific firms and workers.

But if imports result in curtailment of business expansion and employment opportunities, the community and the Nation will suffer.

The Kennedy round has brought no relevant relief to either the steel and iron industry or the textile industry. In the last Kennedy round steel tariff was even reduced by a small amount. The only action taken regarding textiles was a 3-year extension of the agreement for trade in cotton textiles which represents merely minimal control in this area.

There is no indication in the foreseeable future that the import pressures will lessen in domestic industries affected by the continuing rise in import of many commodities, and also faced with the serious disparity of employment costs.

At the same time many foreign countries have quantitative controls protecting their own industries against import of some commodities.

In steel, on a world basis, foreign governments have a 42-percent financial interest in their own steel industries, and in the countries of Western Europe, a 28-percent financial interest. Resulting government concessions again add to the cost gap between foreign and domestic production cost. In addition, expecting the Soviet bloc, Western Europe and Japan have an excess of 55 million tons in production capacity.

To establish any effective tariff control in the import of steel would require an increase of almost 1,000 percent—obviously not a practical consideration.

Orderly quota controls would provide a fair and flexible method by which a reasonable protection could be established for our domestic iron and steel industry.

With other Members of Congress, I have introduced legislation (H.R. 13839) to establish annual quantitative limitations on U.S.