

CONCLUSION

The UAW supports President Johnson's request that the adjustment assistance provisions of the Automotive Products Trade Act of 1965 be extended. As the Automotive Products Trade Act between the United States and Canada is implemented dislocations have and will continue to occur. The workers who lose jobs and the small businessmen who are hurt as a result of these dislocations should not be asked to pay the costs of a program which is designed to benefit the entire nation. Both in the United States and in Europe government has assumed a responsibility for losses to certain citizens resulting from dislocations brought about as a result of actions beneficial to an entire nation. The adjustment assistance provisions of the Automotive Products Trade Act of 1965 represented a further assumption of that responsibility.

The Trade Expansion Act of 1962 would have been of no help to the persons hurt by the implementation of the Automotive Products Trade Act of 1965. Not even the proposed Trade Expansion Act of 1968 would solve the problem. Dislocations have occurred during the past 3 years and are likely to continue to occur. Hundreds of workers have been aided by the adjustment assistance provisions of the Automotive Products Trade Act of 1965. Additional hundreds may need this type of help in the future.

For these reasons, therefore, we ask the Congress to extend the adjustment assistance provisions of the Automotive Products Trade Act of 1965.

A STATEMENT BY THE AUTOMOBILE MANUFACTURERS ASSOCIATION ON INTERNATIONAL TRADE AND INVESTMENT

INTRODUCTION

The Automobile Manufacturers Association historically has supported efforts to expand trade among the countries of the world in the belief that the principles of free competition are as valid in world markets as in the domestic market. In the early 1920's, the Association established a committee to encourage expansion of United States automotive markets abroad.

In 1934, the AMA endorsed the newly enacted "Trade Agreements Act and pledged to support the efforts of the United States Government under that law. The "Trade Agreement Act," which initiated reciprocal trade agreements between the United States and other countries, marked a significant step on the part of the United States toward lowering of trade barriers. Since that time, the Association has publicly supported ensuing Government measures of a similar type. In line with the foregoing, the automobile industry favors removal of non-tariff as well as tariff barriers to international trade. Removal of both types of barriers, with the resultant expansion in trade and investments, is vital for the achievement of stable, continuous growth of the world economy and an increased standard of living.

Moreover, expanding trade can be an influence in reorienting economies not presently committed to free consumer choice or private ownership. In order for world trade to be an effective catalyst for world economic growth, it has to move on a two-way street. Free and fair competition can improve the distribution of production facilities and mitigate the disadvantages of uneven distribution of natural resources among countries. On the other hand, protectionism by any trading nation undermines the principles of reciprocity and endangers the long-term growth of any economy which retreats behind its arguments.

Policies assuring expanding trade and investments benefit not only private enterprise and the national economy but particularly the consumer. The effect of these policies is to provide the consumer wider selection and to stimulate greater price competition from which he also benefits.

If American automobile manufacturers are to maximize their contribution to the welfare of the nation, they need an expanding world market in which to fully employ their competitive skills and resources. The worldwide demand for cars and commercial vehicles is expected to increase from a present level of approximately 25 million units, to about 33 million units by 1975 and nearly 40 million units by 1980. United States manufacturers want to be accorded the opportunity to compete for a fair share of this growth.