

that when we look at the total society and the allocation of our resources, our greatest resource is, of course, our manpower.

I am saying these people who have been laid off have gotten jobs. That is my point. Can we agree on that?

Senator HARTKE. I can agree on that.

Mr. CURTIS. The jobs going begging require skills, and those laid off tend to be unskilled and semiskilled people; and, therefore, we have to do a great deal more in the retraining area.

Senator HARTKE. Yes. I would like for you to join with us in putting through a 71-percent tax credit to train these people on the job.

Mr. CURTIS. As a matter of fact, it is 10 percent, and I first introduced it in the House. [Laughter.] If you will examine that, it was done in my workshop, and I was happy that Senator Javits and others cosponsored it in the Senate. It is a supplement to the Manpower Training and Development Act, which originated over here, too, in 1962. The tax credit does get the private sector in; and here, again, we share this goal.

Senator HARTKE. Let me congratulate you for your originality and innovation.

The point I want to make is on these job shifts. One of the most severe was when Studebaker closed down in South Bend. We put seven programs in there, and it was an excellent program; but we took people at that time who were working then with 25 and 30 years' seniority, out of an automobile plant with the wages the automobile work gave them, and we trained them to go into jobs where they were barely able to earn the minimum pay.

Ultimately what happens is a reduction of a standard of living. I don't want to reduce the American standard of living to the level of the rest of the world. I would like to see the rest of the world come up to our level.

Mr. CURTIS. We agree on that, too.

Mr. SCHNEEBEL. You say, in your statement, that they wouldn't reduce exports simply out of sympathy for competitors.

I agree with that. I would like to remind you of one problem I found to exist in Japan. The first 20 years of this steel industry, 1945 to 1965, was devoted largely to filling their own consumer and capital needs, which were enormous as a result of World War II.

Now that they have pretty well taken care of their own market, they are looking to foreign fields to take care of the huge production facilities they have built up, so they have to be more competitive than ever; and I think our competition with the Common Market and Japan is going to be due to the fact that they have taken care of their own needs that were so great after the war, and as a result now there is a more competitive position than ever.

I think in the next 20 years it will be greater than in the last 20 years because of this fact.

Mr. VANIK. I would like to ask the Senator one question. Statements before the committee today by Mr. Patton, Mr. Abel and by you have been most impressive, and I think they set the tone of reasonableness, and they have been logical.

What are the possibilities of favorable consideration of this kind of legislation in the Senate?

Senator HARTKE. I think they are excellent. We are going into trade hearings in the Finance Committee.