Mr. BURKE. Thank you. I would like you to comment on this story that appeared in the New York Times of Thursday, June 13.

> Japan to Ease Quotas. Tokyo, June 13. Associated Press. Japan soon will inform the United States that beginning next year it will permit an annual import of 30,000 automobile engines, the Trade Minister said today.
>
> Japan currently permits 1,000 foreign automobile engines to be imported annually.
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> The move to ease the quota is part of Japan's efforts to soften United States opposition to Japan's restrictive measures aimed particularly at the United States.
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> A ministry official said the government had instructed its emissary now in the United States, to relay the decision on the new quota to the United States government.
>
> Japanese automobile officials generally were opposed to the new quota.

Apparently Japan must have many quotas that they have set up. I know they have them in footwear, and this is a kind of a sensitive subject with myself.

You represent the Trade Council and I wonder whether or not it is possible for a council like your own to bring this to the attention of the industries in Japan, those who are causing some of the problems.

It is all right for you to say all you have said about the steel industry but steel is a basic industry and if imports do get up higher than, say, 20 percent, then of course we are reaching a danger point.

In footwear this year the figure is 35 percent of domestic production, and you state here that there is a shortage of shoe workers. There is no shortage of shoe workers. Actually what has happened in my area where there is a shoe industry, is that these family-owned shoe firms have gone out of business. Many of these people who were unemployed for many years have finally gotten a job some other place and they have been away from the shoe industry and they are afraid to go back into it.

Of course if this continues to grow we will have no shoe industry or we will have no steelworkers, so I think your answers to me here fail to say anything.

I do not believe that you have solved any problems. You have just said, "Well, let the thing continue," and of course if it does there would be very little trade because when you see large industries closing down you are going to see a reaction in Congress.

Do you think it is possible to get together with the Japanese industries, say in footwear and steel, and say, "Well, here, you can't expect to get all the market. Why not take a fair share and keep it within a reasonable limit."

Do you think that this is possible, or do you think, if they are going to continue to build all these factories and all these industries over there to get the trade of America, then finally the day will come when another Smoot-Hawley Act is passed and they will have empty factories over there.

Trade barriers will be set up so there will be no trade. In other words, you can't hog all the business and expect to get it and say, "Well, we are going to take this all because this happens to be a good market for us right now. We are going to drive these other people out."

Mr. STITT. Mr. Chairman, that is about 12 questions.

Mr. BURKE. It really revolves around one question. Is there a possibility of bringing to the attention of these foreign industries, these in-