

tional laws, which again will put power in the hands of bureaucrats. is no answer. I mean that kindly—these are good people, mostly civil servants—but there is no reason to believe that we can write laws that will solve problems if they are not carried out the way we intended. Laws written well, but not being administered well don't call for new laws. (See p. 2191.)

Mr. CUNNINGHAM. I think that your committee could help us with what we have already done when we filed. At least we are one jump, maybe, ahead of some of the other industries. We have already filed a second time. If your committee can do something in this regard—and we have all the data in here, I think, or it can be worked up—this would be appreciated.

Mr. CURTIS. Of course it is very helpful. One other question. You have been asking for quotas. Do you regard this as a temporary device, or would you expect from now on to operate under a quota basis?

Mr. CUNNINGHAM. I would have to answer it pretty much the way the steel people answered this morning—temporarily, if some arrangement can be worked out where world producers of ferroalloys all compete on an equal basis. If there is going to be allowance for wage differentials in various countries taken into consideration or the standard of living is the same in Japan as it is in the United States, then I think we can compete with them anywhere.

Mr. CURTIS. You feel that your basic problem in competition is wage rates?

Mr. CUNNINGHAM. Yes; it is a major part. On some of these alloys, the origin or the virgin ore, such as manganese ore, may lay in India, and they build a plant on that mine site. Naturally they have an advantage over us, where we have to bring the ore here to convert it.

On the other hand, I think the major problem is the differential in wage rates that is hurting the industry.

Mr. CURTIS. Are there any unfair trade practices that you have been able to identify or suspect such as Government subsidies? (See p. 2192.)

Mr. CUNNINGHAM. I just happen to have one from the London Metal Bulletin. It is an article on May 17, 1968. It says:

Subsidy for Indian ferromanganese. The Indian Government has decided to grant a cash subsidy of 150 rupees per metric ton to producers exporting standard high carbon ferromanganese. The need for the subsidy, which works at about 20 percent ad valorem at current prices, has arisen as a result of the low prices in export markets. Minerals and Metal Trading Corporation is the sole exporting agency.

What they are saying is that the market price here in the United States, the import market price, is too low so they are going to help out their producers by 20 percent to meet it.

Mr. CURTIS. It is possible that this would give rise to the application of countervailing duties.

Mr. CUNNINGHAM. We understand that and we are investigating this. This happened—at least they advertise this—in India, but it is a minor producer from the standpoint of imports to the United States.

Mr. CURTIS. But again here the machinery exists and I am anxious to examine it to see whether the machinery is adequate, or whether there has been a failure to administer the machinery, or whether we might be of assistance through amending our laws.

Anything you would care to supply further along these lines for the record I would appreciate.