

It is our estimate that the total subsidies paid under these two Italian laws amounts to somewhere between \$38 and \$45 per ton.

Our further investigation revealed that our Treasury Department was not imposing countervailing duties against the Italian producers as required under section 303 of the Tariff Act of 1930 and the law plainly states that subsidies shall be countervailed.

Mr. Chairman, the above-mentioned conditions were pointed out in our submission to Director of Customs and the Treasury Department on June 21, 1966.

Since our filing and to date on all electrical tower contracts on which foreign competition was invited to bid an estimated 191,000 tons or 88 percent went to foreign producers and 26,500 or a mere 12 percent went to our domestic producers.

I might add that all governmental agencies invite foreign bids. This does not happen to be the case with private power companies. We do not, as a company, bid on a great many of these large governmental contracts, the reason being that we are not competitive, we have not been competitive for the last several years with the Italians and cannot go to the expense of preparing a bid that would be obviously lost.

After 10 months of investigation, the Treasury Department issued an order effective May 22, 1967, that provided for the countervailing duty assessment of \$20 per net ton against the refund of galvanized electrical transmission towers under Italian law 639.

I highly commend the Treasury for the action taken.

However, according to judicial interpretation of a grant or bounty under our countervailing law I believe the Treasury Department should have countervailed in the full amount of our request.

Now, after another 14 months we still have not received a decision from the Treasury Department on the remission of taxes under Italian law No. 570, and strongly feel that Treasury should countervail in the full amount of the subsidy granted under this law.

We have made repeated contacts with the Treasury Department for a decision but as of this time we have not received any decision one way or the other.

I wish to again emphasize that we have very serious problems with our subsidized competition and with our much higher labor cost and with the subsidies that are granted to our competition we cannot compete for the domestic tower business in this country. We do not believe that it is within the interest of our national security that the domestic tower fabricators be completely put out of business by foreign competition.

Were it not for the fact that we do receive a number of contracts from private utility companies who will not accept foreign bids, we would not have been able to maintain our plants at a percent of capacity.

Mr. Chairman, we urge that in fairness to us and to our employees and to the balance-of-payments problem that this country faces and in the interest of our national security, as I mentioned, that this case be brought to a successful conclusion as soon as possible.

My more complete statement has been filed for your consideration, sir.