

vailing duties because of the remission of taxes under Italian Law 570, that would take care of the matter as far as these electric transmission towers are concerned.

(See letter dated July 11, 1968, at bottom of the page.)

Mr. CURTIS. In your position statement you refer to the testimony of John R. Morrill of Kearney-National, Inc. I am familiar with this. It is possible to make the countervailing duty remedy more comprehensive perhaps, but I agree with you that it could be used right now with greater effect.

I would also like to say for the purpose of the record here that the very fact that you don't have to prove damage, which some people point out as a weakness is in my judgment the very strength of the countervailing duty. In these areas of unfair trade practices, just as we found in our fair trade laws and our antitrust laws domestically it is very difficult to prove damage. Therefore we use the device of treble damage and other techniques to provide the individual companies that are affected with a remedy that answers the economic problem.

If we would have this kind of self-discipline built into international trade I think we would have a lot less of these unfair trade practices being utilized.

I am most hopeful that the administration people who tend to audit these hearings will pay attention to these points and will pay attention to what you have said here.

I feel a great deal of the reason we have these problems today, these serious problems of imports, has been the failure, not just of this administration but as a Republican I must say that it was true in the Eisenhower administration, the failure to use the tools that we have when legitimate cases were made against unfair trade practices. The administration didn't really respond.

I am very grateful to you gentlemen for taking the time to present this case to us.

Mr. GANNAWAY. I mentioned this TVA contract. Had the \$20 a ton been assessed at that time, we would have won this contract by the neighborhood of \$190,000 at the \$20 a ton that is being assessed now against Italian Law 639.

Mr. CURTIS (presiding). The committee has heard testimony over the years from some governmental agencies like TVA as to purchasing. Allegations have been made that they are not very careful about looking to see whether or not there are these kind of subsidies on the foreigners part and whether or not there are also cost items imposed on our domestic producers which the foreign competitor is not subject to.

I want to thank you on behalf of the chairman and dismiss you.

(The following letter was subsequently received by the committee:)

VINSON, ELKINS, WEEMS & SEARLS,
Houston, Tex., July 11, 1968.

Hon. WILBUR MILLS,
Chairman of the Ways and Means Committee,
House of Representatives,
U.S. Congress, Washington, D.C.

DEAR SIR: On June 18, 1968, Mr. Charles B. Gannaway testified on behalf of the tower fabricators Ad Hoc Committee to discuss the problems which these domestic concerns encountered from subsidized foreign imports; he related the delay experienced in getting the Treasury Department to render a decision with respect to the rebate of indirect transaction taxes by the Italian government to