

Mr. JOHNSON. They would be. They are not high, now. They are quite insignificant, in relation to the total cost of the products, 0.6 or 0.7 cents a pound. It is not a very high ad valorem base.

So, somehow, I just sort of feel you would have to have a tariff of four or five or six times as high as that, to be effective.

Again, if you put on a tariff, people have spoken in the past of a tariff quota, where the amount of the tariff varies from time to time, and this might be a solution. I don't know. It seems more complicated than this.

Mr. SCHNEEBELI. If the Government had authority to establish quotas in 1958, why wouldn't it have that same authority at the present time?

Mr. JOHNSON. This is a good question. I would like to know, myself.

Mr. CURTIS. I think it was an escape clause proceeding. If the Tariff Commission recommends it, and the President has the authority to do that.

Mr. SCHNEEBELI. Just for the record, would you supply us the prices at which unmanufactured zinc and lead were sold in the United States before and after quotas during this period of time?

I would like to see the effect that quotas have on prices before the establishment of quotas and lifting of quotas.

Mr. JOHNSON. I have it with me now, but I will give you a statement.

The CHAIRMAN. Are there any further questions?

Again, Mr. Johnson, we thank you, sir.

(The following information was received by the committee:)

AVERAGE E. & M.J. PRICE PER POUND (IN CENTS)

Lead Zinc			Lead Zinc			Lead Zinc		
1950.....	13.3	13.9	1956.....	16.0	13.5	1962.....	9.6	11.6
1951.....	17.5	18.0	1957.....	14.7	11.4	1963.....	11.1	12.0
1952.....	16.5	16.2	1958.....	12.1	10.3	1964.....	13.6	13.6
1953.....	13.5	10.9	1959.....	12.2	11.4	1965.....	16.0	14.5
1954.....	14.1	10.7	1960.....	11.9	12.9	1966.....	15.1	14.5
1955.....	15.1	12.3	1961.....	10.9	11.5	1967.....	14.0	13.8

COMMENTS ON LEAD-ZINC PRICES

1. Varying United States market prices since 1950 have had very minor, if any, effect on changes in United States industrial consumption of lead and zinc. Conversely, the changes in lead-zinc consumption (directly reflecting the variations in the general economy) together with the surplus of metal stocks, caused by excessive imports, depressed lead-zinc metal prices to unprofitable levels for the domestic miner from 1957 to early 1964.

2. During Korea, United States prices of lead and zinc were frozen by the Government at levels several cents below world prices. Import duties were suspended from February to June 1952 to "attract", back to our markets, the normal flow of imports from exporting nations, needed at this time, to support the Korean war effort. The duties were subject to reinstatement when the United States price fell below 18c for each metal.

3. United States prices improved in 1955 and 1956 under the alternative programs initiated by the President, such as purchase and barter of lead and zinc for the stockpile program in lieu of higher duties or quotas.

4. Prices improved slightly following the Quota Proclamation but dropped again in early 1959. In 1962 market prices for lead and zinc remained low. High lead stocks resulted in a price drop to 9.5c per pound—the lowest since price controls were relaxed following World War II. The zinc price of 11.6c per pound also reflected excessive zinc stocks.