

about a third of our normal employment in that operation. We have already referred to the increasing imports and declining prices of Japanese netting and of even lower prices for South Korean netting, as well as increasing penetration of our markets by imports.

PROPOSED "TRADE EXPANSION ACT OF 1968"

We have read with interest the provisions of H.R. 17551 which would liberalize the criteria of eligibility of individual firms and workers to apply for adjustment assistance.

But frankly our company and workers are much more interested in *preserving* the jobs we have rather than "adjusting" them out of existence and then attempting to create new jobs which in turn would be subject to predatory foreign competition, in a never-ending cycle.

I think, from the standpoint of cost to our federal budget and national economy, it would be most interesting if this Committee were to obtain a computation of the actual cost of creating a stable job as against preserving one that already exists by way of tariff adjustment. I believe you would find that with an equitable law, the cost of preserving jobs would be much less in the long run than paying adjustment assistance and attempting to create alternative employment.

We therefore would hope that this Committee would liberalize the tariff adjustment provisions of the law to no less an extent than the Administration is asking that it liberalize the adjustment assistance provisions. All we ask is a fair chance to fight the low-cost foreign producer with a workable escape clause provision. Clearly, the present one is *not* workable, as the record shows.

Of course there is a fallacy to the theory that American industry must keep "adjusting" to low-cost foreign competition. At first blush this may seem plausible from an economic standpoint. But what happens when the foreigner has run the domestic industry completely out of business with its low prices? Once the domestic plants are dismantled, it is clear that the foreign competitor can then raise his prices to a point just short of the expensive threshold where the domestic industry would be reconstructed or reassembled and production resumed. Furthermore, we believe it would not be in the national interest to have the important U.S. commercial fishing industry—as well as our military establishment—entirely dependent on foreign supplies of fish netting.

We ask only that we be given as good a chance to stay in business as we are given to "adjust".

SUPPORT FOR QUOTA LEGISLATION

Another and more definitive form of relief to us, of course, is the protection afforded all segments of the textile industry by H.R. 11578, a bill to provide for orderly trade in textile articles. The provisions of this bill afford us absolute and immediate protection against the mounting threat of inundating imports from the Far East, particularly Japan. Our industry thus strongly supports H.R. 11578 or its equivalent.

LIST OF FISH NET PRODUCERS

The Linen Thread Company, Blue Mountain, Alabama 36004.
 Koring Brothers, Inc., 2050 West 16th Street, Long Beach, California 90013.
 Nylon Net Company, Seven Vance Avenue, Memphis, Tennessee 38103.
 A. M. Starr Company, Inc., Box #38, East Hampton, Connecticut, 06424.
 Fish Net and Twine Company, 933 First Street, Menominee, Michigan 49858.
 Bayside Net and Twine Company, Inc., Sea Garden Sales, Brownsville, Texas 78521.
 First Washington Net Factory, Inc., Fourth Street, Blaine, Washington 98230.
 Hope Fish Netting Mills, Hope, Rhode Island 02831.

Mr. BURKE. At this point, I ask unanimous consent to have inserted in the record a telegram from the National Footwear Manufacturers Association, 342 Madison Avenue, New York, N.Y., addressed to the Honorable Dean Rusk, Secretary of State, Washington, D.C.

(The telegram follows:)