

and Means, copies of which were transmitted to interested departments and agencies, together with the replies of the various departments and agencies, be inserted in the record at this point. This material follows, together with a letter directed, at the request of Mr. King, to the chairman of the Committee on Ways and Means from Mr. John R. Allen, vice president, eastern region, McDonnell Douglas Corp.)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 13, 1968.

MR. JOHN M. MARTIN, JR.,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building,
Washington, D.C.

DEAR MR. MARTIN: For some time I have had under consideration a proposal to strengthen the economies of, and trade ties between, the United States and Canada by negotiating further reductions and/or elimination of tariffs between our two countries in certain indicated areas. I have in mind not only prospective negotiations, but also possible Congressional waiving of staging requirements on concessions already made in the Kennedy Round.

I am particularly interested in proposed reductions in the aircraft and aircraft components sectors, since it would seem that treatment of North America as an economic unit in production of aircraft would increase the export potential of our producers in world markets and have a resulting beneficial effect on our national balance of trade at a very critical time. In this context, waiver of the staging requirements referred to above is of key current importance.

Would you therefore please forward this idea for study by our Committee staff and appropriate departments, for report back to you, both as to the possibilities involved and their views thereon, by April 15.

It is my intention to bring up this subject matter at appropriate Committee hearings or executive sessions this spring, and I would like to have the benefit of in-depth study in advance as well as departmental and staff views at the time the subject is discussed by the Committee.

Thank you, with all good wishes.

Sincerely,

CECIL R. KING, *Member of Congress.*

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 2, 1968.

MR. JOHN M. MARTIN, JR.,
Chief Counsel, Committee on Ways and Means,
House of Representatives,
Washington, D.C.

DEAR MR. MARTIN: Congressman Cecil R. King, by letter to your office dated February 13, 1968, has requested the views of this Department on a general proposal to further reduce and/or eliminate tariffs between the United States and Canada with respect to aircraft and aircraft components. By letter dated February 15, 1968, your office transmitted to us a copy of Congressman King's letter containing a generalized outline of the proposal under consideration by the Congressman.

While this Department has a continuing interest in the expansion of trade, it does not have, of course, specific knowledge of the aircraft and aircraft component sector of American-Canadian trade, nor is it able to judge the significance of this trade in terms of trade with the other aircraft-producing nations or in the overall framework of American foreign trade.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

J. C. McCASKILL,
Deputy Assistant Secretary of the Interior.