

to his subordinates. The Committee Print containing H.R. 17551, as well as the President's message, also includes a section-by-section analysis of the proposal. Under Section 301 of that analysis, it is noted that "It is expected that the President will delegate this function and his other functions under this section." This being the case, we see no reason why the duty of recognizing and responding to nontariff barriers to trade should not be delegated to the proper governmental agency. There are several obvious reasons for such a suggestion, but there are others not so apparent.

For example, we have discovered that with the liquor industry it is difficult to gather and assess accurately, the information received from our member companies concerning their experience with nontariff barriers. (We might parenthetically speculate that such information is probably difficult to gather in any large industry.) There are several factors which contribute to this situation, such as the competitive nature of the industry, the variety of products being exported, the fact that no one company has experience in all of the countries receiving exports of alcoholic beverages, etc. The end result, is, of course, that while individual complaints are heard, only limited machinery is available within the industry to gather accurate and relevant data on the nature of the barriers which exist. The same is not true of the government. There are, within certain agencies of our government, experts and specialists in all facets of trade with every nation. For example, the Trade Information Committee of the Office of the Special Representative for Trade Negotiations has published detailed information on nontariff trade barriers. [See 114 Cong. Rec. S2412-S2419 (March 7, 1968) and S4016-S4019 (April 10, 1968) for examples of such data]. We feel, therefore, that the information already available to the government agencies, as well as the facilities present for the gathering of the information required to make a balanced judgment, dictate the responsibility for administration of the type of proposal we have made.

We can envision a central clearinghouse, if you will, of information on alleged nontariff trade barriers which would produce the accurate information necessary to guide a reasonable policy. Upon complaint of an industry that a certain nation was conducting its affairs in such a way as to frustrate equitable trade, machinery would be available to confirm or to deny the existence of such a barrier. The President could then act in response to a certification of such a barrier by the information gathering agency, and, in so doing, help to preserve the strength of our foreign trade program.

It would be implicit that such a procedure would be administered fairly and would disclose and high point nontariff barriers that might develop in the U.S. market against imported products. It would not be a "one-way street."

If it is true that the problem of nontariff barriers to trade is to increase in scope and in dimensions, and we believe that this will occur, then the United States must be prepared to meet any contingency in this area.

STATEMENT OF JOHN F. O'CONNELL, PRESIDENT, NATIONAL ASSOCIATION OF
ALCOHOLIC BEVERAGE IMPORTERS, INC.

1. INTRODUCTION

The National Association of Alcoholic Beverage Importers, Inc. has its office at 1025 Vermont Avenue, N.W., Washington, D.C. 20005. It is a membership corporation representing nearly 100 individuals, partnerships and corporations—Americans all—who are engaged in importing alcoholic beverages from abroad and selling them in the United States. Members of this Association are responsible for approximately 85% of the imports of distilled spirits, wines and malt beverages into the United States.

In this statement we affirmatively support H.R. 17551, the Trade Expansion Act of 1968, and we also submit other comments in pursuance of the Notice of Hearing announced by the Honorable Chairman of your Committee on May 9, 1968.

2. SUPPORT OF H.R. 17551

It is our considered judgment that H.R. 17551, if enacted, will serve the best interests of this country because it is calculated to open wider the channels of international trade and to promote both the exports and imports of the United