Nichols Aluminum Company
Oberdorfer Foundries, Inc.
The Okonite Company
Olin Mathieson Chemical Corp.
The Pacific Coast Company
Permold, Inc.
Phelps Dodge Aluminum Products Corporation
Phifer Wire Products, Inc.
Republic Foil Inc.
Revere Copper and Brass Inc.
Reynolds Metals Company
Ross Pattern & Foundry, Inc.
Saramar Aluminum Company
Schick Products, Inc.
Scovill Manufacturing Company
Simplex Wire & Cable Company
Solon Industries, Inc.
Sonken-Galambra Corporation
Southwire Company
Stranahan Foil Company, Inc.
Texas Aluminum Company, Inc.
Triangle Conduit & Cable Co., Inc
United Smelting & Aluminum Company, Inc.
U. S. Reduction Company
V.A.W. of America, Inc.
Wellman Dynamics Corporation
Wells Aluminum Corporation
Wolverine Tube Division of Calumet & Hecla Corp.
Wyman-Gordon Company

Appendix "B"

Statement by the Aluminum Association, Foreign Trade Committee, on the Proposed Aluminum Trade Pact Between the United States and Canada, May 20, 1968

The Aluminum Association Foreign Trade Committee opposes the recent proposal for a preferential duty-free aluminum trade pact between the United States and Canada. The proposed pact, which was presented as a trade-liberalizing step, would in fact aid virtually no one but the Canadian aluminum industry. The proposal, made by the wholly-owned United States subsidiary of Canada's largest aluminum producer in testimony last month before the Trade Information Committee in Washington, called for preferential treatment of the aluminum trade between the United States and Canada by eliminating all tariffs on aluminum products between the two countries. The effect of the suggestion would be an aluminum trade bloc, limited to the United States and Canada. Such a proposal, by favoring Canadian trade at the expense of international trade, would be a step in the wrong direction.

CANADA WOULD BENEFIT DISPROPORTIONATELY

The benefits from the proposed trade pact would be decidely one-sided. For the Canadian aluminum industry the advantages of the pact far outweigh any possible disadvantages. For the United States industry the reverse is true, with the disadvantages much greater than the possible advantages. The pact would give the Canadian industry a duty-free, preferential position in the United States market, the world's largest by far, accounting as it does for over 40% of the entire world's consumption of primary aluminum. In sharp contrast, the United States industry would get a duty-free position in the Canadian market, which is less than one-fifteenth as large as that of the United States. Also, by virtue of the basic differences between United States and Canadian anti-dumping policies, the United States industry now has far more restricted access to the Canadian market than the Canadian industry has to the United States market. The proposed pact is especially unfair to the United States industry because the much greater size of the United States market is the result, in part, of decades of vigorous product and market development work by the domestic industry, costing many millions of dollars annually.

Another indication of how the preferential trade pact would favor Canada, is the sharp difference in immediate benefits from savings in duty payments. On the basis of the 1967 volume of primary aluminum imports from Canada, 712.4 million pounds, the current United States duty (1.2¢ per lb.) would amount to $8,548,800. Net receipts by the United States Treasury would be less to the extent that "drawback" refunds of the duty are made on the metal used in the manufacture of United States exports. Duty payments on primary aluminum exports to Canada would amount to $94,800, on the basis of the 7.9 million pounds shipped in 1967 and a duty rate of 1.2¢ per pound.

The vast difference between the two duty payments reflects the fact that the United States imported 90 times as much primary aluminum from Canada