ness of the European Common Market to reduce its barriers. The world of aluminum industry and trade therein should not be shackled to the refusal of one trading region to go along with liberal trade conditions, particularly one region which is not the major trading partner of the United States in aluminum.

If the Trade Expansion Act be continued as set forth in the pending bill we strongly support utilization of the remaining tariff reduction authority to effect a further reduction in the duty on this important industrial material.

Tariff reductions which have taken effect in the series of GATT negotiations will have reduced the U.S. rate of duty on unwrought aluminum to an eventual 1 cent per pound after the Kennedy round is fully implemented. Through the period of these reductions the use of aluminum in the United States has expanded greatly. The companies and the number of workers engaged in producing and fabricating it have grown steadily. We believe this growth has been encouraged by the reduction of U.S. tariff levels because of its adding to the assurance of the consumer that adequate supplies of metal will be available at competitive prices.

It is not always recognized that the U.S. aluminum industry is fundamentally dependent upon imports in one form or another. A recent U.S. Bureau of Mines chart illustrated that in 1966, 90 percent of the U.S. aluminum demand was dependent upon imports of either bauxite, alumina, or aluminum, most of which came from areas contiguous or close to the United States. The producers of primary aluminum in the United States have long been dependent on sources outside the United States for their principal supplies of bauxite. More recently, the trend to importing alumina has been growing.

The recent action of this committee approving H.R. 7735 to provide for immediate free entry of bauxite and alumina will be of substantial benefit to the primary producers. In the case of bauxite, the relief will be roughly equal to $6 million annually or about 4 percent of the value of the imports on an ad valorem basis. On alumina, the relief, which approximates 10 percent of the value of the imports on an ad valorem basis, equaled about $4.8 million in 1967 when the volume was almost double that of 1966 and four times that of 1965.

Independent fabricators of aluminum in the United States whose mill product market share has grown from 5 percent in 1952 to 31 percent in 1967 are dependent to a very substantial extent on sources outside the United States for a continuous and assured supply of their basic material, primarily aluminum.

This industry—these hundreds of aluminum fabricators—it is suggested, might well also be given encouragement through a broadening of the principles of H.R. 7735 to encourage an available supply of primary aluminum to them.

The foregoing represents what might be termed short-range objectives in U.S. tariff policy. From a long-range standpoint, on which it is understood the committee is also interested in receiving comments, we would strongly support the statement by Special Trade Representative Roth of this committee advocating that a study be carried forward of regional trade. We, too, believe that such a study will reveal benefits to the United States of regional trade agreements looking to establishment of more liberal tariff treatment, particularly a bilateral