

1. Reduce prices of goods from abroad.
2. Increase opportunities for American businesses and farms to export their products. This means expanded production and more job opportunities.
3. Help improve the efficiency and competitive strength of our industries. This means a higher rate of economic growth for our Nation and higher incomes for our people.

Tearing down trade barriers the way the United States has been tearing them down does reduce prices of goods from abroad but to the detriment of the U.S. industries and workers. We cannot have our cake and eat it too. If we want to pay by far the highest wages in the world and want our farmers to receive subsidized prices for their agricultural production, we cannot expect our manufactured products to compete with products from abroad unless there is a reasonable measure of import protection.

The "opportunities" which the President refers to for American businesses and farmers to export their products, it is suggested, means in the case of businesses, largely those industries concerning which there either is not any or very limited foreign competition; or, in the case of farm commodities, largely our surplus agricultural commodities bearing artificially high prices on which the taxpayers already have taken a huge loss because of the uneconomic programs involved. Certainly, unfair import competition does not do as the President contends and "help improve the efficiency and competitive strength of our industries." Obviously, it has done just the opposite, and the condition of many industries today is proof of that contention.

THE CONFECTIONERY INDUSTRY AND IMPORT COMPETITION

The confectionery industry still has not been seriously hurt by import competition from abroad. We have, however, observed many other industries get hurt badly. We do not want that to happen to the confectionery industry.

In 1962, when Mr. Stephen Powers appeared before you, he stated that the candy industry was convinced that the "rate of increased confectionery imports will continue even without further tariff reductions," and he pointed out that this was good reason not to further cut the confectionery duty. Imports have continued to increase, and while the confectionery duty was cut in half at the Kennedy round, reflecting gross misjudgment in our opinion, imports increased through 1967 even though Kennedy round effects did not commence until January of this year. Last year confectionery imports exceeded 121 million pounds in contrast to over 68 million pounds for 1961 when Mr. Powers warned that this would occur. In 1948 imports of confectionery and chocolate were less than two-tenths of 1 percent of domestic industry production. Last year imports accounted for a quantity equivalent to over 3 percent of domestic industry production without any of the results of the Kennedy round being felt.

We know there is trouble ahead for us, just as other industries already have encountered trouble; and we are hopeful Congress will do something about it this time by accepting the advice of those whose predictions have come true and disregarding the advice of those whose advice has been followed in the past but who have been proven to be wrong by the turn of events.