With regard to industry distribution, manufacturing leads with 40 percent of the total, or $22 billion, in all areas.

Many of these global corporations are showing their concern against any restrictions to their access to the U.S. market. They recognize that free access to U.S. markets is in their corporation interest.

They want to invest abroad, enjoy the markets and lower wage labor, and they also want to enjoy the U.S. market from abroad, in some cases in direct competition with their domestic operations, or other domestic producers of the same product.

For example, in 1965, U.S. foreign affiliates exported back to the United States $5.133 billion in products from manufacturing, mining, and petroleum.

We certainly agree with the mandatory restrictions on foreign investment issued by President Johnson on January 1, 1968.

The second subject is the U.S. method of valuing imports on an f.o.b. as opposed to the method used by most countries, or c.i.f.

Our f.o.b. method definitely undervalues our imports by at least 10 percent, and creates several serious disadvantages.

An unrealistics figure is released, which inflates our supposed surplus in balance of trade. A realistic trade policy must be considered on accurate comparable statistics in order for Congress to make responsible trade legislation.

For example, our quoted 1967 surplus in trade of $4.3 billion would be reduced to $1.63 billion, if we added only 10 percent to our 1967 import figure for insurance and freight.

Our third subject is the effect of Government subsidies on U.S. trade statistics.

To reflect a true figure for calculating a surplus or deficit in trade, subsidies must be considered.

Testimony on the Trade Expansion Act before the Senate Finance Committee clearly shows that agricultural exports that are subsidized were included in overall export figures.

Later testimony revealed that of the $5.1 billion of agriculture exports, $2 billion of such exports were subsidized under Public Law 480, and for proper reporting, should have been excluded from the $5.1 billion figure of agricultural exports.

Our trade statistics should truly show our position in trade, so that trade policy decisions can be based on accurate figures, and not figures that undervalue imports and overvalue exports.

The fourth subject is the useless portion of the Trade Expansion Act, section 301, or adjustment assistance to workers or firms.

To date, not one case has been certified for assistance.

The words "in major part" should be stricken from this section, as they were not in the bill when passed by the House.

I know there is recognition of this unworkable section, but I might suggest deletion of the words "in major part." Then the section has meaning.

Of course, I must point out that there is no substitute for a job, and a productive place in society, and labor, as I know it, is not interested in any dole, but by far prefers to work.

The fifth and concluding subject is the effect on labor of U.S. trade policy.