

With respect to extending the President's authority to negotiate future trade agreements, we recommend that such authority be limited to compensatory tariff concessions in those cases where the United States withdraws previous tariff concessions, and to the reciprocal elimination of tariffs, including nontariff charges on specific products.

With respect to the latter, our membership is willing to agree to the elimination of tariffs on shoeboard, if other countries consuming and producing shoeboard are willing to eliminate tariffs and other charges on imports of shoeboard into their markets.

We also recommend two additional amendments to the Trade Expansion Act that would prohibit the President from negotiating any future trade agreements unless other countries eliminate their nontariff charges as a condition to future agreements, and would forbid any future trade agreements on any commodity or commodities in which there would be a disparity between the United States and foreign tariffs in the final agreement rate.

In our opinion, the substance and administration of the Antidumping Act are inadequate to protect domestic industry from the unfair trade practice of selling imports in this market below the fair market value in the country of origin.

We are sure that imported shoeboard is sold in our market at dumping prices, when foreign producers have some excess production, or want to expand their total sales.

Collecting the necessary information is difficult, time consuming and expensive. Often times, by the time we have the information, the dumping has ceased.

Even though the dumping may not be for a protracted period of time, such unfair selling practice has an adverse effect on our marketing structure, and disrupts our production.

Our position is that selling imported goods in the United States market below the fair market price in the country of origin is an unfair trade practice. When found to exist, punitive action should be taken against the responsible parties.

We recommend that the existing laws are modified to this end.

We are not in favor of legislation establishing across-the-board quotas on imports, nor do we favor direct Government subsidies for exports. It seems to us that this is the kind of trade policy that should be eliminated.

If our Government is unable in due course to persuade those countries with which we have substantial trade in exports to eliminate their nontariff charges on imports from the United States, we believe that a border tax, comparable to the foreign nontariff charges, would be a justifiable action. A border tax for the purpose, for this purpose, could be reduced or eliminated, in accordance with the action of other countries in reducing or eliminating their nontariff taxes.

So far as the involvement of our products is concerned, members of our association are of the opinion that the trade agreements of 1967 have serious defects. First, the 50-percent reduction in U.S. tariffs is of very much more value to foreign producers than the tariff concessions granted on shoeboard by other participating countries.

In these agreements, the United States committed to reduce their tariffs by 50 percent during the period 1968 through 1972. Canada is