

Second, I do want to point out that we have consistently argued that since, unlike the chemical industry, for example, we have no export market, and since we, therefore, could get no concessions from the Japanese in return for the elimination of ASP, certainly no concessions of specific benefit to the rubber footwear industry, that if ASP is in fact as protective as it is alleged to be, surely its elimination must be worth something, and the only something that could be paid for its elimination would be some form of arithmetic conversion, which would, in effect, add tariff points, and would in effect compensate for ASP's alleged inherent protective effect.

The formula proposed by the administration, unfortunately, does not do that. I am suggesting, however, if any arrangements are put forward to this committee to the effect that the passage of time either has or will work to the disadvantage of the Japanese, for example, then perhaps the time will come, willenillie, when the conversion of this formula may result in the addition of points of compensate for the actual loss of ASP, and finally, according to the Tariff Commission itself, the Treasury's change to ASP guidelines amounted to a tariff cut of 35 percent.

The Burke and Monagan bills to restore the old guidelines are pending before you.

We hope that you are going to act favorably on those bills. If you do not, we at the very least hope that you will not hurt us further by whittling away at the provision in the administration bill designed to convert ASP for footwear.

Thank you very much for your indulgence.

Mr. BURKE. Thank you. Do any of the other gentlemen want to make statements?

Mr. NELLIGAN. No.

Mr. BURKE. The principal supplying countries on these products are Japan, Taiwan, and Hong Kong; is that correct?

Mr. COOPER. No, Mr. Chairman, Japan, Taiwan, and Korea, really.

Mr. BURKE. Korea?

Mr. COOPER. Yes.

Mr. BURKE. You mentioned that you didn't expect Japan would grant any concessions in return for the elimination of the ASP in rubber footwear. What about other countries? Do you think that they might grant any concessions?

Mr. COOPER. Well, the fact is that no concessions were offered, apparently—at least none sufficiently attractive to the special representative in the course of the Kennedy round, to result in an agreement for the elimination of ASP.

The fact further is that even were these countries willing to offer concessions, they would have to be on products obviously other than of interest to these in this industry, since we have no export market.

One of the commitments which—public commitments; there is no secret about this—which Ambassador Roth made in the course of negotiations of chemical ASP was that at least part of the quid pro quo which other countries would have to give for the elimination of ASP on chemicals would have to be tariff concessions of direct benefit to the chemical industry, since the chemical industry presumably would be giving up something, in giving up ASP, Ambassador Roth recognized, and I think everybody else recognizes, that no such quid