

efficiency in production, bring to bear more imaginative research, more vigorous marketing and more dynamic management. A good example comes from a segment of the paper industry that has always had to face heavy competition from imports—our newsprint manufacturers. Instead of clamoring for protective legislation, they have concentrated on developing new processes and improving efficiency, quality and service. As a result the American newsprint industry, despite foreign competition and despite the total absence of tariff or quota protection, has increased its capacity by over 40% in the past five years.

Another way to offset pressure from imports, and one that has been neglected by many companies, is to move vigorously into the export market.

The experience of the paper industry demonstrates the extent to which entry into the export field can overcome the inroads of imports, and how rapid progress can be in foreign sales. In the middle 1950's few paper companies had as yet investigated the potentialities of foreign markets. Now the entire industry recognizes that its effort to sell abroad has been an effective answer to foreign competition at home. We feel convinced that this type of resiliency and positive response to the problem deserves careful consideration by all industries faced with import competition and should have maximum encouragement from the government, for every company that builds its foreign sales strengthens the nation's balance of payments.

ACTION NEEDED

America's constructive moves to expand foreign trade in this decade have been one of the major creative economic contributions of the age. Soundly conceived and hard-headed agreements on tariffs among the nations have now become the keystone of our economic position in the world. The immediate effect of those agreements is to enhance our export trade and foreign investments, but they also profoundly affect our national prestige, the political attitudes of many other nations, and the general health of our economy. Speaking both as businessmen and as concerned citizens, the members of the American Paper Institute attach high importance to the renewal of the principles of trade expansion, as expressed in the bill before this Committee.

Our profound hope is that action on the bill will be prompt. Prolonged uncertainty as to our trade policy could gravely damage this nation's exporting position. By passing the Trade Expansion Act of 1968 this year, or if not at the earliest practical moment next year, the Congress would demonstrate to all countries our nation's undeviating commitment to the expansion of world trade and to the principles of economic freedom.

Thank you.

STATEMENT OF STANFORD SMITH, GENERAL MANAGER, AMERICAN NEWSPAPER PUBLISHERS ASSOCIATION

My name is Stanford Smith. I am General Manager of the American Newspaper Publishers Association (ANPA). I am pleased to have the opportunity on behalf of the ANPA to submit to the Committee this statement of its position with regard to certain aspects of potential tariff legislation which are of concern to its more than 1,000 members, publishers of daily newspapers in the United States.

ANPA is the national trade association of daily newspapers. The present membership of more than 1,000 daily newspapers represents about 90 percent of the total daily newspaper circulation in the United States. About one-half of ANPA members have daily circulations of less than 25,000 copies.

ANPA opposes any legislation which would impose restrictions in any form on the continued duty-free importation of standard newsprint paper from Canada; whether by imposition of a tariff, a border tax or any other non-tariff barrier to the current uninhibited flow of Canadian newsprint.

In recognition of the central role of newspapers and their dependence on Canadian newsprint paper, several Congresses at the turn of the century passed legislation steadily lowering customs duties on newsprint, and in 1922, Congress