technical competence and objectivity of the Tariff Commission and vesting them in the politically-oriented and pressure-sensitive Executive Branch, is subject to serious question.

The President's message of May 28, 1968, with which H.R. 17551 was submitted to the Congress, states that:

"I intend to pattern the administration of this (adjustment assistance) program on the Automotive Products Trade Act of 1965. Determinations of eligibility will be made jointly by the Secretaries of Labor, Commerce, and Treasury."

The omission of mention in this context of the Secretary of Agriculture may indicate either a lack of understanding or a disregard of the interests and hazards of American agriculture in the operation of the trade agreements program, and illustrates, in our view, the strong advisability of retaining in the Tariff Commission or a similarly reliable and objective-minded agency the fact-finding functions incident to adminisration of any adjustment-assistance program.

IMPORT QUOTAS AND COMMODITY AGREEMENTS

As above stated, these domestic agricultural industries now share their U.S. market to a substantial extent with imported competitive products. Present duty rates, in the light of the differences in the foreign and domestic costs of production, are no serious deterrent to such imports, but do provide a floor to the price competition from the foreign products.

From the standpoint both of the domestic industry and the export-import interests, quantitative limitations upon imports might be much more realistic and more satisfactory than import duties. Production and marketing programs on both sides of the Atlantic could be developed with greater assurance. The domestic producers would be protected against ruinous flooding of their market in years of excess foreign production. The foreign producers not only would gain from removal of the duty rates, but would be assured of a stable outlet in the U.S. market.

Any new legislation should leave the door open to international commodity agreements negotiated possibly in replacement of fixed import duties. These might or might not include import quotas, but would provide for market sharing both of current market volume and also of future expanded markets.

This Conference sponsored an amendment to the "Food for Freedom Act of 1966" (HR 14929) which authorizes the Secretary of Agriculture to make available counterpart funds to promote, and assist agricultural industries in developing, international commodity agreements. The policy expressed in this measure, and in section 204 of the Agricultural Act of 1956, should be incorporated in the administration of any new or continued Trade Expansion Act. Such trade legislation not only should include authorization of and procedure for negotiation of such international commodity agreements, but should expressly provide for representation on the U.S. negotiating team of the domestic industry or industries involved. The present HR 17551 does not do so.

THE "ESCAPE" MECHANISM

Any new trade-agreements legislation must, of course, include means whereby tariff protection, once relaxed, may be restored upon appropriate showing of substantial injury. Such relief must be available not only to the possibly few manufacturers or processors of the ultimate finished product involved, but also to the producers of the basic raw material of such manufacture. Specifically, the growers have a vital and necessary interest in any tariff or trade regulation proceeding involving their product, whether that product be in the form in which originally produced by them or in a processed or manufactured form. An example is brined or processed cherries, which is now the major outlet for the U.S. production of sweet cherries. The tremendous volume of sweet cherries which go into brine each year (for later manufacture into glace and maraschino cherries) pass through the hands of only 47 brining establishments. The "domestic industry" involved certainly is not confined to those 47 firms, but includes the many thousands of cherry growers who produce the cherries involved.

The definition of "directly competitive with" in Section 401(4) of the Trade Expansion Act of 1962 (19 USC 1806) relates to this subject.