



NEWS from U.S. Senator Bob Dole

(R.-Kans.)

New Senate Office Building, Washington, D.C. 20510 (202) 224-6521

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CONTACT: BOB WAITE
(202) 224-8953

SENATE FINANCE COMMITTEE ENDORSES CIVIL AIRCRAFT TRADE AGREEMENT

WASHINGTON, D.C. -- Senator Bob Dole (R.-Kansas) announced that the Senate Finance Committee, of which he is ranking Republican member, had today recommended approval of a new agreement liberalizing international trade in civil aircraft and parts. The agreement, which must receive final approval by both houses of Congress as part of an overall trade agreements package, should provide expanded export opportunities for the aircraft industry in Kansas. This industry is already the state's largest industrial exporter, accounting for about \$250 million, and employs more than 10,000 workers, chiefly in the Wichita area. Nationally, the United States has had about a \$5 billion trade surplus in aircraft and parts.

According to Senator Dole, the elimination of the agreement would require tariffs on all aircraft and on most parts by January 1, 1980. The agreement would also limit or prohibit a variety of other practices which foreign countries used to discourage imports of American aircraft and parts. For example, there are rules prohibiting export subsidies, arbitrary industrial standards which limit imports, or special import quotas or licensing. Furthermore, governments would be barred from pressuring their domestic companies to buy domestic, rather than U.S. aircraft or parts. Senator Dole noted that the latter rules may prove more important in increasing U.S. exports than the elimination of tariffs.

It is expected that all major industrial countries - and perhaps others - will join the new agreement.

The Finance Committee's action today clears one hurdle for this agreement. However, this is one agreement among many which will affect a very wide range of U.S. agricultural and industrial interests.

All agreements, some of which are opposed by various U.S. interests, must be approved as a single package by the Congress. Senator Dole stated that the aircraft agreement clearly would be a plus factor in Congressional consideration, but that he and others in Congress would also have to weigh possible adverse effects on other trade agreements.