

award if Agency A (DOD) does the buying, but loses it if Agency B (GSA) is the purchaser for the same item. A substantial loss of business by American hand tool manufacturers has already occurred and obviously if this lack of policy continues, it will become much larger.

Will you please, therefore, contact at once all members of the Joint Economic Committee and urge them to take immediate steps to correct this inconsistent policy. Mr. Charles L. Schultze, Director of the Bureau of the Budget, should also be contacted, expressing concern over this matter and inquiring why the Budget Bureau has ignored the recommendation of the Sub-Committee on Federal Procurement (now the Sub-Committee on Economy in Government) as contained on page 188 of its report of hearing held in Washington, D.C. on March 24, 1966.

The welfare of this company, which is considered a small business by Government Procurement Agencies, and the jobs of our employees are at stake. Your immediate assistance will be greatly appreciated.

Sincerely yours,

W. G. EGGERS, *Manager, Government Sales.*

MAY 5, 1967.

HON. DAVID PRYOR,
*U.S. House of Representatives,
Washington, D.C.*

DEAR CONGRESSMAN PRYOR: In reference to the letter from Mr. C. E. Dawes concerning inconsistent application of the Buy American Act, our Subcommittee on Economy in Government, of which I am Chairman, will be considering this problem in hearings scheduled for May 8, 9, 10, and 16.

I will be happy to see that your constituent's letter is placed in the hearing record.

Sincerely,

WILLIAM PROXMIRE, *Chairman.*

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 25, 1967.

HON. WILLIAM PROXMIRE,
*Chairman, Joint Economic Committee,
New Senate Office Building, Washington, D.C.*

DEAR SENATOR: The attached communication which I recently received from Mr. C. E. Dawes of the Duplex Manufacturing Corporation, Fort Smith, Arkansas, is self-explanatory.

I would appreciate your providing me with information which will be helpful in properly responding to the writer.

With kindest regards,

Sincerely yours,

DAVID PRYOR,
Member of Congress.

DUPLEX MANUFACTURING CORP.,
Fort Smith, Ark., April 20, 1967.

HON. DAVID PRYOR,
*U.S. House of Representatives,
Washington, D.C.:*

In behalf of our company and its employees I feel it appropriate to call to your attention an inconsistency in the application of the Buy American Act.

The Department of Defense applies a 50% differential in favor of American manufacturers in its Hand Tool Procurement Program. In contrast the General Services Administration is limited in practice to only a 6% differential. As a result foreign bidders are obtaining awards from GSA that they would not get if the Department of Defense were buying. As a result a greater and greater amount of the Hand Tool business is being lost to American manufacturers who support higher wages for employees plus a substantial portion of the tax load.