

I urge you to contact the Joint Economic Committee and insist that they take immediate steps to correct the inconsistency and to favor American manufacturers as the Department of Defense is doing.

Over a hundred Duplex employees will be grateful for your positive action.

Sincerely,

C. E. DAWES, *President.*

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

HON. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: Thank you for your letter of April 13th with regards the inquiry of my constituent, Mr. Peter K. Jackson, of Sturgis, Michigan, concerning the lack of uniformity in the application of differentials by the Department of Defense and the GSA under the Buy American Act.

I will appreciate the inclusion of Mr. Jackson's letter in the printed hearings of the Subcommittee, as suggested in your letter.

With my thanks for your courtesy and consideration,

Sincerely,

EDWARD HUTCHINSON.

MIDWEST TOOL & CUTLERY CO., INC.,
Sturgis, Mich., April 7, 1967.

HON. EDWARD HUTCHINSON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HUTCHINSON: On behalf of this company and its employees, I ask that you take immediate steps to correct an improper application of the Buy American Act by the Bureau of the Budget in the case of two Government departments—G.S.A. and the Department of Defense.

I refer to the Hand Tool buying policy of the D. O. D. which permits a 50% differential in favor of the American manufacturer, while G.S.A. is allowed to use only a 6% differential on the same items. Because of this policy, foreign bidders are obtaining awards from G.S.A. with its 6% differential which would not be possible if the procurement were made by DOD. In other words, the American producer gets the award if DOD does the buying, but loses it if GSA does the buying. If this lack of unified policy continues, the present substantial loss of business by American hand tool manufacturers can only grow greater. Obviously, the GSA differential should be 50%—the same as that of the DOD. Too, this would be in line with our National policy of reducing our unfavorable balance of trade.

Please contact all members of the Joint Economic Committee at once and urge them to take immediate steps to correct this inconsistent policy. Also, please contact Charles L. Schultze, Director of the Bureau of the Budget, and ask him to explain why the Bureau has ignored the recommendation of the Subcommittee of Federal Procurement (now the Sub-Committee on Economy in Government) as contained on Page 188 of its report of Hearing held in Washington on March 24, 1966.

I am deeply concerned, as the welfare of this company and the jobs of our employees are at stake. Your help will be greatly appreciated.

Sincerely,

PETER K. JACKSON, *Vice President.*