

I am here to ask you, to urge Congress, to protect the jobs without which our problems cannot be solved. In our opinion the position of the U.S. with respect to foreign trade policy has and can have crucial consequences. We have noted in the recent past the enormous increase of many imported products, the very kinds of goods which can provide an employment base for semi-skilled and unskilled workers. We are troubled by the implications in the statistics of foreign trade because if this trend continues unchecked our difficulties must increase.

As the head of our city's government I know only too well that the forces of market competition compel manufacturing industry to seek lower labor cost resources. That has happened within the United States. It was marked by the migration of industry from area to area before a national mandated minimum wage structure created a uniform foundation. The same process is going on now in an international sense and we, the United States, are suffering in two ways. First, manufacturing volume in various high labor intensity industries has been curtailed by the competition of cheaper foreign goods. Second, the potential for growth by industry has been arrested so that job opportunity cannot keep pace with population gain. What manufacturer would invest in new or greater plant capacity when foreign competition has already proven devastating to existing facilities?

Industries such as textiles, apparel, shoes, leather and small leather goods have begun to wither on the vine in the city of Newark. I have no doubt that a very similar condition exists in many other areas of the country. We are now importing more than 30% of our domestic shoe production, and that level has been reached in less than ten years. Our leather tanners in Newark have been hurt thereby. Expansion and the employment of all labor is far from their minds at present. They are concerned with their survival.

We are not here to engage in traditional tariff controversy. In our judgment the day is past when tariff measures could be responsive to the situation we face. In our considered opinion the defense of vital job opportunity within the United States urgently requires measures to keep imports within reason. The flow must be monitored for the sake of millions of Americans who need opportunity in high labor intensity industry. Our country cannot remain passive in the face of a serious threat. I do not refer here merely to all the known facts of our balance of payments which are so familiar to this Committee. I speak of jobs and the disastrous chain of consequences which flow from loss of job opportunity.

In recognition of the facts which have been called so dramatically to our attention in recent months the Council of the City of Newark has adopted several resolutions and memorials to Congress. I take the liberty of reading one:

"RESOLVED: It is the urgent sense of this body that prompt action must be taken by the U.S. Government to impose reasonable restraints on imports of leather, shoes and leather goods. Tremendous imports of such merchandise are a clear and immediate threat to employment in the City of Newark. The City Council of Newark recognizes that jobs for the under-privileged are the vital key to civil peace and progress. Loss of job opportunity as a result of the present tidal wave of imports of leather, shoes and leather products would aggravate immeasurably the potential problems confronting Newark. Therefore, action is imperative to stabilize imports at reasonable levels and thereby prevent irreparable damage to the economic and social structure of our city."

We look to your body for positive leadership in a grave and critical situation. The Congress must, of course, be concerned with every phase of our international relations. None is more important at this juncture for our national life than the preservation of jobs at home.

We do not seek to deprive other nations of economic advancement. It is our conviction that reasonable import restraints will aid others as well as ourselves. An economically healthy America will have the resources to continue leading the world. Liberal, but sensible, import restraints to prevent decay of important parts of American industry are of vital importance for our future economic health and for the future of our cities such as Newark.

The CHAIRMAN. That completes the calendar for today.

Without objection the committee adjourns until 10 o'clock Monday morning.

(Whereupon, at 12:50 p.m., the committee adjourned, to reconvene at 10 a.m., Monday, June 17, 1968.)