

there has been an absolute decline, as reported by the Bureau of Labor Statistics, of about 6,000 jobs from our peak employment in 1959.

I would like to come now to the conclusions and recommendations which we present. This industry is located in 11 States with 24 plants that employ 30,000 workers and the majority of the plants are in communities located in Appalachia or in areas that have been declared labor surplus by the Government.

The average hourly wage of our workers, \$3.60 an hour, is of exceptional importance to the economic life of these communities. From the tariff history that I have recounted you can see that the Government has been systematic in eliminating or reducing very sharply the tariff protection of this industry.

At the present time on the west coast of the United States we have a brandnew flat glass plant constructed there by one of the companies, the most efficient plant in the world from the point of view of its being modern, the machinery and the like. That plant is operating well below capacity. It is operating at about 50 percent of its capacity and there has been set in motion a very sharp series of price reductions on the west coast because Japan and Taiwan are fighting over the west coast market.

Taiwan is fighting on the basis of subsidization of its exports. On the east coast of the United States and in the Gulf ports a similar encroachment is being experienced from the cartelized monopolies in Europe and in the first quarter of this year, 1968, every category of flat glass increased at least 40 percent over the comparable category in 1967.

Our tariffs are now so low that they are no longer an effective means to enable the industry to stay alive. This is why we support pending bills which would impose quotas on imports of flat glass.

Recognizing that other basic industries are in the same position, we endorse Mr. Collier's bill, H.R. 17674, and we have a brief explanation of that bill at pages 26 and 27 of our statement.

The essence of it is that it would take recent levels of imports as a base period quota and adjust them as the market rises or falls. It would also allow the Government to set aside the quotas if there is a shortage of supply.

Finally, it would authorize the President to negotiate trade agreements under firm guidelines in dealing with the demands for compensation or retaliation that other countries might be expected to launch if these quotas go into effect.

The theory of the bill is that seated around a table the countries that have a stake in the flat glass trade would rather work out on the basis of a negotiated agreement an adequate position in the U.S. market than to suffer a more severe loss than that which might be involved through the statutory quotas.

Mr. Chairman, this concludes my summary of the statement. I would like to say that it is no longer possible to apply the principles of the period of the trade agreements legislation from 1934 to date in solving the problems that face industry today.

This matter of restrictive trade practices which I mentioned to you in which cartels may be formed for the export trade and to rationalize