

around the globe (which we should) and eliminate or win wars (which we must) that we ourselves must not only be spiritually progressive but also mentally, physically and materially strong".

We believe that one of the problems of our industry has been that we have not been able to show statistically to the government the full impact of imports of scissors and shears in the domestic market. The Bureau of Census import statistics for scissors and shears fall far short of reporting the total imports of these items into the United States. There are thousands of scissors and shears imported into the United States duty free in individual shipments valued at less than one dollar for which no records are kept by the Bureau of Customs or Bureau of Census. There are other thousands imported in sewing sets and manicure and pedicure sets on which no record is made on number. Thus the statistically visible imports which are tremendous are only the visible part of the "iceberg" that sank our industry.

The tariff history of scissors and shears is enlightening as to the effect of duty reductions on imports. During hearings before this Committee and the Senate Finance Committee, in connection with the drafting of the Tariff Act of 1930, importers appeared and urged that the rates of duty established for scissors and shears in the Tariff Act of 1922 be reduced. Domestic producers also appeared before the Committees and pointed out the necessity of continuing the rates of duty then in effect. Following consideration of the testimony, the Congress continued the 1922 rates of duty on scissors and shears in the Tariff Act of 1930.

During 1948 the United States issued a notice of the intention to undertake trade agreement negotiations. Our Association presented data and oral arguments to the Committee for Reciprocity Information and the United States Tariff Commission urging retention of the rates fixed in the Tariff Act of 1930. However, the duties on scissors and shears were reduced under the Ancey agreements in 1950. At about the time these duty reductions were becoming effective the industry was faced with the prospect of further duty cuts. Again our Association went before the Committee for Reciprocity Information and the Tariff Commission opposing any further change in the tariff on scissors and shears. Again the industry's dire warnings were not heeded and the import duties were again reduced in 1951 following the trade agreement negotiations at Torquay.

As a result of the Ancey and Torquay agreements, the import duties on scissors and shears were reduced 50% during 1950-51. The result of the two duty reductions, effective within sixteen months, was an increase in imports of scissors and shears from 150,372 pairs in 1949 (the last full year before the reductions) to 3,121,741 pairs in 1952 (the first full year after the reductions). An increase of 2000% in only three years! During the same three year period there was a sharp drop in domestic sales and a number of domestic firms were forced to close down.

As a result of the injury to domestic firms caused by increased low cost imports, the Association on March 19, 1953 applied to the Tariff Commission for an "escape clause" investigation under section 7 of the Trade Agreements Extension Act of 1951. The Commission conducted an investigation and reported to the President a year later that scissors and shears valued over \$1.75 per dozen "are being imported into the United States in such increased quantities, both actual and relative, as to threaten serious injury to the domestic industry producing like or directly competitive products". The Tariff Commission recommended to the President that the rate of duty in effect on these scissors and shears before the Ancey and Torquay reductions be reinstated.

The President declined to accept the recommendation of the United States Tariff Commission stating that "The volume of imports has leveled off since the high point in 1952, with the rate of importations during 1953 and early 1954 somewhat below that of 1952". The members of the industry have never been able to understand this statement because according to data published by the Department of Commerce imports were as follows:

IMPORTS FOR CONSUMPTION—SCISSORS AND SHEARS VALUED AT MORE THAN \$1.75 PER DOZEN

	Quantity (pairs)	Foreign value
1952.....	2, 139, 781	\$1, 106, 482
1953.....	2, 874, 490	1, 403, 439
1954.....	3, 236, 634	1, 504, 523