

Compared with same period in 1967 :

[Amounts in dozens]

	1968	1967
Umbrellas.....	424, 124	309, 527
Frames.....	37, 335	24, 770

Mr. BURKE. Are there any questions?

Mr. BUSH. I have one. This is the kind of an observation that I would like your comment on.

First, I would readily recognize, and I am sure the Chairman would, the severity of the problem you face in terms of these tremendous differentials and everybody's job is important and everybody's livelihood is important and everybody's wellbeing is important. Here is an industry that is going to require, to be competitive, far more than just a percentage adjustment, it seems to me. We are fighting major figures here. The question then comes, and I would like your comment on it because you did recognize the essentiality of reciprocity trade, or relatively free trade, what in your opinion should be the policy of this country as to its obligation to protect every industry if that industry becomes so noncompetitive and, say, there is no relation to defense.

I don't mean to belittle the importance of jobs but I am wondering if at some point the necessity of moving into industries where we are more competitive isn't a valid concept in international trade. The thing that troubles me here is the magnitude and severity of your problem and, if there is any concept of freer trade, it would seem to me that somebody might make the case "Look, this is one area where we are going to regretfully say that there is just no protection that can solve the problem."

Would you make your points on that for the record, sir?

Mr. FINKEL. Yes, thank you. I think the broad question without relating it primarily to our industry is the ground rules in which American manufacturers are obliged to compete with foreign manufacturers. Basically you are confronted with a differential disparity in the wage rates. I think the early theories of tariffs was to equalize these disparities.

In our industry, if we had the tariff relief that we had originally, before it was reduced, I think we could compete with the Japanese and with other countries. It is the fact that the tariffs have been reduced that has put us in an uncompetitive position. The Tariff Commission itself recognizes that. In a proceeding that we had before the Tariff Commission, I think in 1957, the majority of the Tariff Commission recommended that the tariffs be restored to 60 percent for umbrella frames.

Mr. BUSH. The question I wish you would address yourself to is, is it fair to ask we independent umbrella users to pay 60 percent. Is this really a fair thing to ask the American citizen to pay?

Mr. FINKEL. Addressing myself to that question, the American consumer gets no benefit from this at all. This is an unusual situation, the umbrella question. The product that is imported in the greatest number is what is called an umbrella base. An umbrella base is a frame