

the quota proposals pending before this committee would also embrace imports of consumer electronic products, and for obvious reasons I would like to turn to this aspect of these proposals.

Basic to the evaluation of any proposal for quotas on imports of consumer electronic products is the judgment on the U.S. producers of products which are similar to those being imported as to the need for such quotas. Thus, at the outset, it is quite germane today that a majority of U.S. producers of consumer electronic products, speaking through the Consumer Products Division of EIA, are opposed to quotas on consumer electronic product imports. I will be happy to supply for the record the names of the member companies which subscribe to the views I state here today. These producers—who are obviously in the best position of all concerned to determine their needs for protection against import competition—submit that their considered views must be given a greater weight than those of others, such as the U.S. component manufacturers, who are not primarily involved so far as imports of consumer electronic products are concerned.

Sales of consumer electronic products increased some 25 percent in 1966 over 1965—from \$3.7 to \$4.5 billion. 1967 sales were \$4.3 billion, almost equal to the sales level attained in the record year 1966. We confidently expect to repeat and most likely to exceed 1966's performance this year.

Employment in consumer products production has trended upward. At the end of 1966, some 144,000 persons were employed in the production of consumer electronic products. Just 5 years previously only 89,000 persons were so employed while in 1958, 73,000 workers were in this industry. Last year's 138,000 employees reflected some soft spots in the economy as a whole in 1967, but the upward trend was not disturbed.

While exports have not been a very significant factor in the consumer electronic products market, never in recent years accounting for as much as 2 percent of sales, nevertheless, the export market for consumer products is growing. In 1965, some \$40 million in export sales were made, while in 1966, \$46.2 million worth of U.S.-produced consumer products went abroad. Last year exports totaled \$46.6 million. It is important to note that the U.S. component industry benefits from this growing export market since it supplies most of the components which go into these products.

Imports of consumer products in 1966 amounted to \$385 million, up from 1965 totals of \$288 million. In 1967, imports were at \$449 million. While imports are presently 10 percent of consumer product factor sales, a much greater ratio than the 3.1 percent comparable component-imports-to-component-sales ratio, nevertheless, U.S. producers of consumer electronic products oppose quotas on consumer product imports. This stand is demonstrably sound and is in the best interests of the American consumer, the consumer products producers and the components producers.