As has been previously stated an omnibus quota bill would probably cover a situation presently encountered by the domestic earthenware dinnerware industry and permit it to qualify for relief under a defined criteria. It would not then be necessary for this industry to seek Congressional relief.

BALANCE OF TRADE PAYMENTS

Our balance of trade payments are linked with and tied up with our trade balances relative to imports and exports. For years it has been the theory that we are a solvent country as reflected in at least one instance by our favorable balance of trade. As a result of this fiction we were advised that in order to keep up our favorable balance of trade, and in fact increase it, we would have to reduce tariffs so that other nations could sell their exports to us before they could buy our exports. This concept was stressed even if it meant the extermination of some domestic industries which were economically operated and turn over the production of that article to foreign countries.

As of several weeks ago we no longer have a favorable balance of trade. Our exports, including government-financed exports, did not exceed our imports. As recently as May 20, 1968 there appeared in the New York Times a statement made by a Vice President of the overseas division of a very large bank, who said:

"If Government-financed exports are left out of account, the commercial trade balance this year may show a deficit of $1.5 to $2.5 billion, compared with a small commercial surplus last year of $250 million."

Since our export statistics when stripped of government financed shipments will show an unfavorable balance of trade it reduces considerably the argument of those who claim that duties must be reduced at any cost in order to be able to export. We now have an unfavorable balance of trade and practically free trade. Perhaps it is time to take a hard look at the entire picture of world trade with a view to domestic industries sharing in it.

EXHIBIT I

TABLE I.—FINE EARTHENWARE TABLE AND KITCHEN ARTICLES, SIC 3263

	Shipments (millions)	Imports (millions)	Total (supply)	Imports percent of total	Employment	Employment decrease (percent)	Imports increase (percent)
1960	60.2	13.0	73.2	18	8,770		
1965	51.1	18.5	69.6	27	6,447	−26	+42

EXHIBIT II

EARTHENWARE TABLE AND KITCHEN ARTICLES—U.S. MANUFACTURERS' SHIPMENTS, IMPORTS FOR CONSUMPTION, EXPORTS, AND APPARENT CONSUMPTION, 1954–66

[Dollar amounts in thousands]

Year	Manufacturers' shipments value	Imports value (foreign)	Exports value	Apparent consumption	Ratio of imports/ consumption
1954	$67,029	$5,522	$1,358	$71,193	7.7
1955	67,985	6,823	1,435	73,373	9.3
1956	69,307	7,869	1,149	76,027	10.4
1957	63,212	8,788	1,494	70,508	12.5
1958	50,230	9,037	1,487	57,780	12.3
1959	58,215	11,614	1,172	58,657	16.5
1960	58,326	12,963	1,074	70,215	18.4
1961	46,446	11,662	752	57,356	20.3
1962	48,383	13,562	640	61,305	22.1
1963	59,046	14,033	779	72,300	19.4
1964	62,242	16,861	664	78,439	21.4
1965	52,334	18,545	898	69,981	26.5
1966	47,599	22,332	1,119	68,812	32.5

Source: U.S. Bureau of the Census and Consumer Durables Division.