

As of May 31, 1966, over fourteen countries have increased the value and quantities of shipments of glassware to the United States. Korea, with a 330 percent increase, leads the parade followed by :

|                    | Percent |                      | Percent |
|--------------------|---------|----------------------|---------|
| Spain -----        | +94.7   | Belgium -----        | 21.1    |
| Ireland -----      | 41.5    | Italy -----          | 10.7    |
| Denmark -----      | 28.0    | East Germany -----   | 8.8     |
| Bulgaria -----     | 24.0    | Czechoslovakia ----- | 8.5     |
| Japan -----        | 22.1    | Rumania -----        | 1.0     |
| West Germany ----- | 21.8    |                      |         |

The above data, released by the Consumer Durable Goods Division of the U.S. Department of Commerce, indicate a 10.4 percent increase in total value of table and art glassware for the period ending May 31, 1966. Shipments were valued at \$8,892,023 or \$835,891.00 more than for the same period in 1965.

Early in 1968 the industry was informed that it must gird for greater onslaughts, particularly from Japan which supplied 27.7 percent of the total imports last year.

A glass industry publication recently reported :

"A sweeping invasion of 8000 units of glassware consisting primarily of tumblers and brandy glasses valued at approximately \$16,700 is now being spear-headed at the American market. Nippon Toki Company, Ltd., producers of Noritake China, has already started state-side export of its newly added crystal glassware line. The firm began production of the line some five years ago, with this being the first overseas shipment . . . ." (Note: This ware is already on the American market.)

Since the preliminary work on this report was outlined in March of this year, we have received the data for the first quarter of 1968 from the U.S. Department of Commerce, Durable Goods Division. (See Exhibit 1 attached.)

As we have already indicated, the drastic decline of the domestic hand-made glassware industry has been brought about primarily because it has been impossible for American manufacturers to compete in their own market with similar products made in foreign countries which enjoy an overwhelming advantage in labor costs.

The average hourly rate paid to Skilled glassworkers in America today is \$3.39 per hour. Add to this figure current fringe benefits and the total cost to the employer is somewhere around \$3.93 per hour. To the supporting or so-called Miscellaneous help in the Glass industry, the average rate is \$2.43 per hour. Add to this fringe benefits currently in effect and we come up with a wage of \$2.82 per hour. (Approximately sixty to seventy-five cents of every cost dollar goes to labor).

The enormity of the task facing the American manufacturer of hand-crafted glassware is well illustrated by a comparison with his Japanese competitor. The domestic manufacturer using the same tools, techniques and equipment must, in this case, overcome wage cost differentials of about twenty to thirty times the wage cost of the Japanese manufacturer. For example: The average *monthly* wage<sup>1</sup> paid to a Middle School (equivalent to U.S. High School) graduate in Japan in 1967 was 13,820 yen (1 yen equals about three-tenths of one U.S. cent). Thus, that Japanese worker's wage equals about \$13.89 per month as compared to approximately \$467.00 now paid to a similar worker in the Hand-Crafted Glassware industry in the U.S.A.

The Hand-Crafted Glassware industry is of vital importance to our national defense in times of war or other national emergency, yet these factories cannot be maintained nor can the irreplaceable skills of the men and women who work in the industry be preserved on a war-time or emergency-need basis. Their ability to rapidly convert to the production of such items as glass for ships, planes, airports, ordnance use, signal glass, sonar, radar and television bulbs has been fully demonstrated in World Wars I and II and in the Korean situation, and there is no reliable source of supply outside our nation's borders to replace them in time of war. This reservoir of facilities, technical personnel and skilled craftsmen cannot be tossed into the discard. However, these companies cannot exist unless we can find some way to preserve for them a fair share of the domestic market for the ordinary household glassware, giftwares,

<sup>1</sup> U.S. Department of Labor, BLS.