footwear-producing plants located in over 600 communities in 42 States. While the industry employs over 230,000 workers and has a payroll of almost a billion dollars a year, these plants are typically small business operations, many of them struggling for existence.

They employ somewhere in the neighborhood of 200 workers per plant, and the total industry employs almost 235,000 workers. Another 75,000 people are employed in the tanning and allied industries which provide leather, machines, materials, and supplies for footwear. This is not an unimportant industry. The total sales of footwear at retail approximate $6 billion.

Mr. Chairman, how could the import situation in footwear have developed so rapidly that it has absorbed all the growth that the domestic footwear industry should have enjoyed in the past decade? How could this happen in the greatest industrial nation of the world, the supposed leader in productivity and efficiency? How could imports of foreign footwear grow from literally nothing to a point where they are equal to almost a third of our domestic production in a little over a decade?

The answer is simple. Imports increased at this rate, and will continue to increase rapidly, because they are produced at wage and hour costs that are illegal in the United States. They are being produced in plants rebuilt with American dollars in Japan and Western Europe following World War II.

Footwear manufacture employs relatively simple machines to cut, sew, and cement footwear materials into a shoe. Techniques are practically the same from one country to another. Even with these new plants, foreign footwear manufacturers have but one advantage, and that is cheap labor. Their wage rates are from a third to a fifth of the wages that footwear manufacturers pay in the United States.

And let me emphasize that imports are not due to inefficiency in the American footwear industry. Various studies have shown that American footwear manufacturers' productivity exceeds that abroad by anywhere from 25 to 35 percent in pairs per worker per day.

American wage rates in footwear are the highest in the world, although among the lowest in American manufacturing. American production workers in nonrubber footwear manufacturing plants at the present time average an estimated $2.41 an hour including fringe benefits.

In the rubber footwear industry, U.S. workers receive $2.62 an hour, not including fringe benefits and allowances. Footwear workers in Japan make an estimated 63 cents an hour, and in Italy, 78 cents an hour including fringe benefits and bonuses. The labor cost advantage is so great that domestic footwear manufacturers, no matter how efficient, cannot compete.

Footwear imports have meant the export of jobs which should have been performed by American workers. If all imported shoes had been produced in the United States, in 1966 there would have been 39,000 more job opportunities.

As imports increase, a greater number of job opportunities will be lost. Is it more important to make jobs for Japanese or Italian workmen than for American workmen? How, with these conditions, will we be able to absorb the workers coming on our labor market in years to come?