The widespread propaganda against such a modest change in our trade policy completely exaggerates the aim and the intent of orderly marketing of imports. No one is suggesting imports be stopped or even cut back. The question is: What shall be done about the future growth of imports of footwear? Shall footwear imports grow on a regularized basis shared with domestic producers? Or will foreign producers be permitted to take over American markets at will, displace American labor, and make jobs for labor abroad? Other countries when they have been faced with these problems have not hesitated to move in the direction of their best interests. They will have no less respect for us when we follow the practices that they have followed in their international policy.

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Charts I and II attached are the result of statistical analyses of domestic shoe production from 1955 to 1968 and of the growth of imports for the same period, with projection to 1975.

Chart I shows actual domestic production on an annual basis against the number of pairs of imported shoes. In comparing both series, it is evident that, while domestic footwear production over the last decade has had very little growth, imported shoes have risen significantly since 1955. Despite increases in demand for shoes from our ever-increasing population, practically all of the potential growth in the domestic footwear industry has gone to imports. While imported shoes in 1955 were 1.3 percent of domestic production, 1967 import penetration reached 21.4 percent, or slightly more than one pair of imports for every five domestic pairs.

Chart II provides several additional features: long-term secular trend for U.S. production between 1955 and 1968; trend projection for the imports series to 1975; and a visual comparison that reveals the extent of imports penetration.

Based on an analysis of economic conditions here and abroad, the assumption has been made that there is no reason to expect any basic change in the factors which encourage footwear imports. On this assumption, a statistical projection of footwear imports has been made through 1975. This suggests the expected rise in imports may well bring about some reduction in domestic production of footwear between now and 1975.

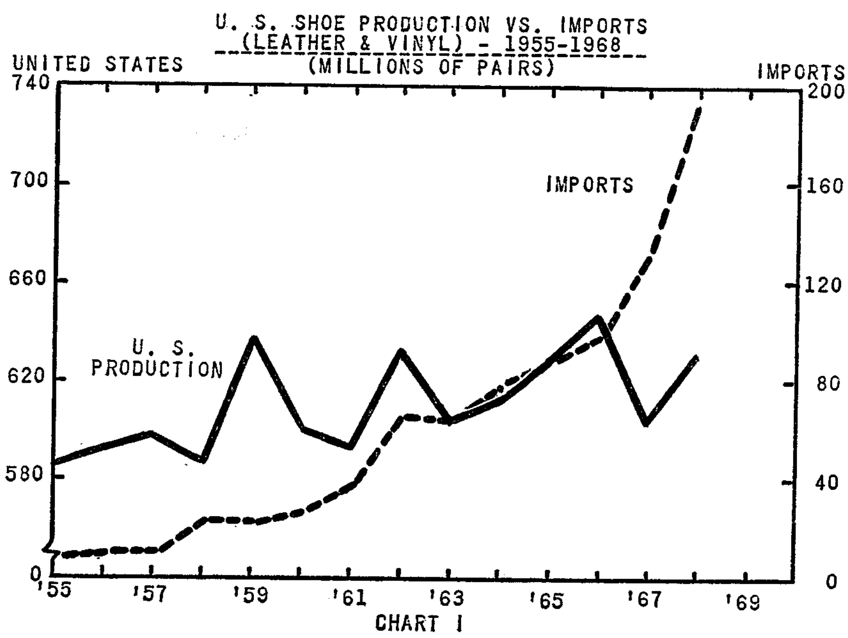

CHART I