

improve on the situation. You have to go to new communities to get the workers you need. At our existing plants we are just not getting them."

On August 18, 1966, the "*Footwear News*" did a roundup study of employment and headlined its account: "Lack of Skilled Labor Still Plagues Plants." Stores datelined New York, St. Louis, and Boston bear out this headline.

On September 29, 1966, the "*Footwear News*" did another such roundup with dateline stories from Milwaukee, St. Louis, and Boston, emphasizing:

"The shortage of shoe manufacturing labor has brought with it a whole range of unexpected and unforeseen higher costs to producers—costs that are barely visible and that can be calculated only with difficulty. They are adding substantially to manufacturers' costs as they figure prices on their spring lines."

On September 29, 1966, the "*Footwear News*" had a story from Puerto Rico describing the training of footwear workers there. It was explained that a major reason was that:

"* * * in the Northeast United States, the established shoe industry is experiencing a shortage of trained workers."

The same subject was treated by the "*Wall Street Journal*" on December 27, 1966, in a long article headlined: "Puerto Rico's Labor Surplus Keeps Luring Manufacturers from Worker-Short U.S." The article cites cases of firms that are opening plants in Puerto Rico because they simply cannot find workers in the continental United States.

In its issue of January 1967, the *Boot and Shoe Recorder* devoted more than seven pages to a story entitled: "Labor Shortage Rocks Shoe Industry," saying: "The shortage of labor is the greatest concern of all facets of the industry from manufacturing plants to material and supply firms to salesmen on the road to retail shoe stores and departments. The skill factor has been watered down while the cost factor has spiraled up and these two forces are pulling footwear apart at the seams."

Many examples are cited in this article of workers who desert for other industries or refuse to go into shoe factories.

On June 1, 1967, another account in the "*Footwear News*" was headlined: "Acute Labor Pinch Harasses Central Pa. Manufacturers." The story relates that it is impossible for shoe manufacturers, even the few in the area that have unionized plants, to compete in wages and fringe benefits with their "stronger rivals such as electronic, steel, aluminum, and machinery makers." Also, young persons, just out of high school and college, are not rushing into factory work as they once did. Even shoe factory jobs that eventually could lead to top executive spots in the various companies are not bringing many applicants.

No doubt there are particular producers bedeviled by labor shortage who feel that the existence of imports makes it harder to raise prices and wages. Even without imports, consumer resistance would limit the ability to raise prices. And when the interests of the American economy on the whole are considered, it is obvious that the imports play a constructive and necessary role. Without them the whole American people would be much the poorer.

ROLE OF IMPORTS FROM JAPAN IN THE MARKETPLACE

Approximately one-half, according to the Department of Commerce figures, of footwear imports consist of products with vinyl uppers that come mostly from Japan. These are very largely in the women's and misses category and are mostly casual street shoes of various types, some with toes and backs, some sandals, and a wide variety of styles. Most of these have vinyl or rubber soles. The women's and misses vinyl upper shoes in 1968, according to official U.S. statistics, had an average f.o.b. value of 60 cents. Since this is an average, the actual prices varied from around 35 cents to around 70 cents. This means that practically all such shoes sell at retail in the range from \$1 to \$2.

There is no serviceable comparable footwear available from American production in this price range. These shoes have performed an invaluable service to the American economy in supplying essential footwear to people who cannot afford more, and unfortunately, there are still many such people. To a large extent these are sales that would never have taken place if the imports were not in the market. People can get along by putting cardboard in an old pair of shoes if they have to. Obviously, these are not high quality products, but they are good, serviceable, attractive products which have come into existence because of the skill and ingenuity of the Japanese producers in using vinyl as a product for shoe uppers. This is a by-product of the fact that the Japanese have for a long time used vinyl for products in the domestic market, and they have developed