Such destruction would create great hardship for all concerned, the employers, the employees, the Federal Government and the consuming public, without any compensating advantages. American consumers do not need foreign competition to prevent price gouging in handbags. True, prices of such items have risen in the last decade, but at a much smaller rate than has the general price level. Neither do consumer need imports to relieve shortages or to obtain leather goods' items or styles not readily obtainable from domestic sources. Manufacturers of handbags have provided consumers with an abundant supply of well-made, well-designed and reasonably priced items for all purposes and for all segments of the population. We can compete with foreign-made merchandise on the basis of style, quality, and eye appeal. But the ground is out from underneath the domestic producers' competitive posture vis-a-vis foreign producers primarily on the basis of price.

If a basic American industry withers away because of the flood of imports, and this is what is happening precisely with respect to the handbag industry, the result would constitute a disaster. Communities in which leather goods' plants are located will be hard hit. Suppliers of raw material and equipment will lose heavily. Many of the displaced leather goods' employees will be thrown into the ranks of the permanently unemployed. A high percentage of leather goods' workers are middle aged, and for them the alternative job opportunities are extremely limited, while retraining possibilities are few. Well over 50 percent of the employees in these industries, as a New York State Department of Labor study documents, are women workers.

They will especially have great difficulty in finding other work because their mobility is limited by family obligations. We have made progress in the past few years in reducing unemployment to a figure below 4 percent. But we cannot be complacent in our struggle against joblessness. We can ill afford to enlarge the hard core of long-term unemployment in the United States by a policy which allows imports to wreck basic American industries.

IV. FAIR INTERNATIONAL LABOR STANDARDS

Our international union has joined in the past with other AFL–CIO affiliates in urging that international trade relations be expanded and improved, and the labor movement in this country has long supported the reciprocal trade program of our Government as fomulated in the Trade Expansion Act of 1962. These policies, however, were never intended to become the engine of destruction for the American leather goods' industries by permitting the products of sweatshop labor abroad to flood domestic markets. The grave situation of the industries within our jurisdiction created by these imports requires immediate action by our Government. We, therefore, urge the Congress to reexamine U.S. foreign trade policies in the light of mounting imports and of the special problems of the leather goods' industries arising out of such unfair competition. It is our hope that out of the reevaluation of the Trade Expansion Act of 1962 Congress will formulate a new policy on international trade, a policy which will result in mutual benefit and which will avoid the destruction of the handbag industry and ruin to American workers and businessmen.