

Mr. GERSTACKER. Our direct labor costs in the petrochemical end of the business are low, but if you take the sales dollar and how much of that sales dollar goes to labor of all types, including research and development people and marketing people, administrative people, and so forth, it runs about 25 cents out of the income dollar which goes for labor cost in this country.

It is lower in Europe, it is much lower in Japan.

Mr. BUSH. Thank you, Mr. Chairman.

The CHAIRMAN. Any further questions?

If not, again we thank all of you and we appreciate so much your very fine presentation. The fact that we don't have questions today doesn't mean that there is any lack of interest on our part in what you said.

Thank you.

Mr. BARNARD. Thank you, Mr. Chairman.

The CHAIRMAN. Our next witness is Dr. David H. Dawson. Dr. Dawson, we agreed to recognize you this morning for approximately 10 minutes. If you do omit any part of your prepared statement in the process of complying with our request do so with the knowledge that the entire statement will be a part of the record.

STATEMENT OF DAVID H. DAWSON, VICE PRESIDENT, E. I. DU PONT DE NEMOURS & CO.; ACCOMPANIED BY E. R. KIMMEL, TARIFF COUNSEL, AND E. R. PLEASANTS, TAX COUNSEL

Mr. DAWSON. Thank you, Mr. Chairman. Mr. Chairman and members of the committee, I am David H. Dawson, a vice president of E. I. du Pont de Nemours & Co., of Wilmington, Del. I have with me on your right Mr. Kimmel, our tariff counsel, and on your left, Mr. Pleasants, our tax counsel.

The CHAIRMAN. It is good having all of you with us.

Mr. DAWSON. Thank you. We have sought the privilege of speaking and testifying despite the fact that we have participated in and we subscribe to the excellent presentations which have been made by the Manufacturing Chemists Association and the Synthetic Organic Chemical Manufacturers Association this morning. We subscribe to their conclusions and their recommendations.

Nonetheless, we sought the privilege of appearing in order to make two points which we think it is important that we register with you.

First, we would like to speak to the textile situation and, second, we would like to attempt to give you one company's analysis of the reasons for the sharp disagreement between the industry and the Government negotiators. One-third roughly of the Du Pont Co.'s products, and they are about \$3 billion, go into the textile industry and for the purposes of tariff and trade considerations we are regarded, properly, as a part of the textile industry.

You have heard from representatives of all the segments of the textile industry as to the situation which they face and we would like to support their conclusions and to register three points with you.

First, there is, as perhaps has been made clear, a great interdependence in the whole complex of the textile industry. We as a producer of manmade fibers are involved in all of them. If a retailer