

cent ad valorem greatly stimulated the lace industry in the United States. The duty of 45 per cent on lace and embroidery machinery continued from January 1, 1911, until October 3, 1913. The tariff act approved on the latter date reduced the duty to 25 per cent.

Previous to 1909 there were 13 firms in the United States making lace on Levers or Gothrough machines. The number of machines that these firms owned is uncertain, but it was not less than 134 nor more than 197, and 66 of them were antiquated. Under the provision of the act of 1909 giving free entry to machinery for a time, the 13 firms then in business imported 55 machines, 13 new firms were formed, and nearly \$3,000,000 worth of machines were imported free by these 26 firms. There is no patent on either the Levers or Gothrough machines. A firm in Massachusetts began to manufacture lace machines in 1913, up to which year all such machines used in the United States were imported from Nottingham, England.

No Levers or Gothrough machines have been imported since January 1, 1911. The average cost of these machines in Europe is about \$6,800. The duty on each at the present rate, 25 per cent ad valorem, amounts to \$1,700. The freight, clearance, and insurance charge amounts to about \$275, making the average cost in the United States \$8,775. In addition, there is the cost of setting up the machines in the factory.

Mr. D. L. Gould, secretary of the Chartered Society of Amalgamated Lace Operatives of America, reported to the chairman of the Committee on Ways and Means in 1913 that there were then 26 firms which owned 527 Levers or Gothrough machines in the United States. Of that number, 192 were in Rhode Island, 136 in Pennsylvania, 65 in New York, 47 in New Jersey, 30 in Illinois, 26 in Connecticut, 24 in Ohio, and 7 in Iowa. The following is quoted from a statement submitted by him to the committee:

Notwithstanding the strenuous efforts that are being made to establish quickly the American Levers lace industry, it will be several years before its present capacity of 527 machines will be fully employed and give employment to its full quota of 15,600 people.

There are 898 men employed in operating these 527 machines on the double-shift system, and each machine is reckoned to produce sufficient lace to employ 26 people in the auxiliary departments.

Because of so much machinery coming into this country in such a short time, and the advance in duty, the foreign manufacturer has sought to cripple progress by selling close, with the result that under the 70 per cent ad valorem duty lace values have been lower than when the duty was at 60 per cent. This is a condition that will continue.

There are more than 7,000 Levers lace machines in France and England, and Government reports show that more than half of their production is for the American market.<sup>1</sup>

If the machines were operated at their full capacity, two shifts per day, the average value of their product per machine would be about \$20,000 a year. They are operated at about three-quarters capacity, two shifts per day. On the basis of three-quarters capacity, the product of the 527 machines would be \$7,905,000 a year.

The principal centers for the manufacture of lace in Europe are Nottingham, England, and Calais, France. In both places efforts have been made to prevent skilled help from coming to America to assist in the development of the lace industry in this country.<sup>2</sup>

<sup>1</sup> Tariff schedules: Hearings before the Committee on Ways and Means, 1913, p. 3989.

<sup>2</sup> *Ibid.*, pp. 4002, 4005.