

sumption of 24 million net tons. Of this increase in steel consumption in the United States on a national scale, 9,700,000 net tons was imported.

The southern market increased in total consumption by 3,300,000 net tons. Southern steel producers share of this increase, however, was only 600,000 net tons while imports accounted for 2,700,000 net tons of the total increased southern market consumption.

In 1965, at the end of this 10-year period, domestic steel produced outside the south and brought into the southern market was 5,300,000 net tons—exactly the same as in 1955.

Hence, nonsouthern domestic producers had no share in the growth of the southern market during this period. Foreign imports of steel into the southern market during the same period rose from 400,000 tons to 3,100,000 tons.

The effect of the continuing increase in steel imports is clear from these figures. Growth in steel consumption in the southern market which could have been met by expanded production by southern and other domestic steel producers was instead supplied through steel imports.

The city of Birmingham, Ala., which I have the privilege to represent in the Congress, is one of the Nation's steel producing centers, and the continuing impact of steel imports is of vital interest to the people of my district.

To give some idea as to the basis for concern over the employment impact which imports can have on the steel industry alone, it has been estimated that 10.8 million tons of steel mill products imported during 1966 were equivalent to employment opportunities in the basic steel industry of 69,000 jobs and in supporting activities of another 14,000 jobs.

Low wages for foreign workers in the steel industry plus the rapid spread of steel technology have given foreign producers substantial labor cost advantages.

As an example in 1966 hourly employment cost in the steel industry was \$4.63 as compared with a low of \$1.08 for Japan and ranging in between for steel producing countries including West Germany, Belgium, France, Italy, Luxembourg and the Netherlands to a high of \$2.08, or a margin ranging between \$3.53 to \$2.55 in favor of the foreign steel producers.

The difference between the United States, Western Europe and Japan in employment cost in the production of steel is about \$25 per ton in the case of Europe and \$40 per ton in the case of Japan.

The disparities in hourly employment costs between the steel industries of the United States and the other major producers are so great that steel labor productivity here would have to be $2\frac{1}{2}$ times that of the Europeans and $4\frac{1}{2}$ times that of the Japanese to equalize unit labor costs.

Following World War II, while the American steel industry was still in the process of recovering from the drain upon its resources resulting from the war and the reconstruction abroad, there were fully modern steelmaking plants being constructed overseas, in great part financed by the United States and built with the output of American mills.