

**STATEMENT OF HON. JERRY L. PETTIS, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. PETTIS. Please permit me to make the following comments which are directed to the serious problem of foreign steel imports. A prominent integrated steel producer employing 8,500 people is located in my congressional district. I am receiving many communications from these steelworkers and this letter reflects their concern over the continuing increase of steel imports which they feel is becoming a threat to job security.

A fair solution to the steel import problem facing the Nation should comprehend regional quotas based on consumption patterns. I believe this would provide an equitable balance throughout the country. Coastal regions in 1967; namely, the Atlantic (15 percent imports), South Central (18 percent imports), and the west coast (22 percent imports), received disproportionate steel imports in relation to their share of total steel consumption and would very likely continue to be penalized under existing proposed legislation. These figures compare with a national import figure of 12 percent in 1967.

Western steel producers have been plagued with approximately twice the percentage of imports to consumption as compared with the Nation as a whole since steel imports began their phenomenal rise in the late 1950s. In the first quarter of 1968, imports through Western ports accounted for an estimated 28 percent of total steel shipped into the seven Western States from all sources. With a national import figure in excess of 12 percent during calendar year 1967 deemed detrimental, I suggest there is little doubt that the present 28 percent in the West is injurious and presents a national security problem. Without the safeguard of regional quotas, it is difficult to see any relief for coastal regions of the United States. I believe it is in the national interest to maintain a healthy steel industry in each of the four major producing regions of the United States.

Passage of the pending legislation would not correct this regional imbalance. For this reason and for appropriate consideration I am herewith submitting an amendment calling for regional quotas.

A second attachment is a statement concerning the pending iron and steel orderly trade bills and the probable impact of a high rate of imports in the Western region of the United States as compared to the more equitable regional consumption formula provided by the attached amendment.

May I add the above statement and the proposed amendment have been endorsed by a number of steel producers in the Western region of the United States, including Judson Steel Co., Emeryville, Calif.; Allison Steel Manufacturing Co., Phoenix, Ariz.; Oregon Steel Mills, Portland, Oreg.; Pacific States Steel, Niles, Calif.; Kaiser Steel Corp., Fontana, Calif.; and Northwest Steel Rolling Mills, Seattle, Wash.

(The attachments referred to follow:)