ders. After the immediate period of negotiations and/or strike is over, there are layoffs in the steel mills as inventories are worked off. Furthermore, long-range commitments are made by the domestic consumers to foreign producers which result in a long-term loss to domestic steel production.

These commitments are being made because the foreign producer takes the advantage of a good opportunity and demands a long-term contract for shipping steel for a period of 2 to 5 years.

In 1965, after the last inventory buildup, some 65,000 steelworkers were laid off, while steel imports were coming in at the rate of about 1 million tons a month.

We very definitely do not think that our foreign trade policy should be taken advantage of to the detriment of the domestic workers who are exercising their prerogatives under the expressed public policy procedure in labor-management relations; namely, to bargain collectively.

The right to bargain is a cherished one, but it is being eroded by the unfair intrusion of foreign trade. The February 8 issue of the Japan Metal Bulletin mentions that the Japanese Government, concerned about its own balance-of-payment deficits, has "asked steel companies for increased exports and decreased imports"—here, I especially call your attention to the comment—"and with the threatened steel strike in America resulting in increased inquiries, the original export target of 10 million tons is likely to be attained."

And I submit the support of that statement with our statement, Mr. Chairman.

(The information referred to follows:)

DEFICITS RECORDED IN FIRST 9 MONTH STEEL TRADE IN CURRENT FISCAL YEAR

Japanese iron and steel trade in the first nine months of the current fiscal year, viz. from April to December, 1967, registered deficits amounting to $391 m. with direct exports of steel products earning $984 million, and imports draining by $1,375 million.

Tabulated in comparison with the corresponding term of the last fiscal year:

[In millions of dollars]

	Fiscal year 1967 [1]	Fiscal year 1966 [1]
Exports	984	1,004
Imports:		
Iron ore	552	477
Scrap	252	116
Coal	[2] 277	[2] 211
Pig iron and finished steel	296	113
Balance	391	88

[1] April to December.
[2] Estimated.

Due to brisk domestic demand, during the 1st half of the current fiscal year, steel companies cut exports in a way or other, their exports barely amounting to $984 million in the first 9 months, compared with the corresponding term of the 1966 fiscal year.

And of imports, enlarged production scale naturally resulted in increased imports of iron ore (+$73 million), scrap (+$137 million) and pig iron (+$66 million-estd.).