> And at these grim figures, the Government asked steel companies for increased exports and decreased imports, to the compliance of the latter, and with threatened steel strike in America resulting in increased enquiries, the original export target of 10 million tons is likely to be attained.
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> And of imports of raw materials, staid domestic demand is expected to exercise braking pressure, with improved foreign exchange pictures hopefully expected. But as a matter of fact, many important-contracts had been concluded prior to the Government's recommendation to decrease imports, and the actual effects on a grand scale cannot be expected.

Mr. Abel. Gentlemen, we should be allowed to bargain a domestic agreement within the framework of a domestic situation.

Frankly, Mr. Chairman, we are becoming very annoyed by the so-called advocates of the free trade market. The labor movement has never accepted the fact that the unhampered decisions of the marketplace will redound to the benefit of the workingman or the consumer for that matter. It was for that reason that unions were organized to protect workers from the callousness and inhuman operations of the free market where labor was considered a commodity and social justice was a trade barrier. As a matter of fact, the trade union movement was considered to be an illegal conspiracy in restraint of trade. The great social laws of the 1930's denounced the notion that a union was an illegal conspiracy, although it does remain as a restraint of trade in the domestic marketplace when it exercises its obligation to prevent labor from being treated as a commodity.

When, then, in the international trade market must labor again be treated as a commodity and a union's right to negotiate a wage benefit be a restraint of international trade? Well, Mr. Chairman, we reject that notion of a foreign trade policy. Our trade policy is not an end in itself in which its primary objective is merely to increase the free flow of goods. A free flow of goods did not automatically insure the interest of workers and consumers domestically, and it will not do so internationally.

A trade policy, like an economic system, must also provide for the raising of the workers' standard of living. At that point, where the trade balance begins to restrain a union from negotiating wage increases consistent with the growth in the domestic economy, then that trade policy like the economic policy of the 1930's, is treating labor as a commodity. This observation is particularly true when imports, presumed to flow because of a competitive advantage, penetrate a market when there is a particular domestic problem unrelated to the cost competitiveness of the domestic industry. I speak about periods of negotiations and strike action. Recently, we witnessed the unwarranted strike-breaking acceleration of copper imports (and, I might say, they are still coming in despite the fact that copper miners are not being recalled to work) and today, we are deluged by steel imports for inventory buildup, despite the fact that the union and the industry has only recently begun formal negotiations. I mentioned earlier that there is always a search for scapegoats to explain a drop in trade. It seems too many are eager to point a finger at the labor movement and the unit labor cost. Yet, the U.S. Treasury Department in its release of January 1968 on Maintaining the Strength of the Dollar stated that:

> In the 1960's, U.S. unit labor costs in manufacturing declined slightly while those of our major European competitors rose significantly. If changes in relative costs were the only determinant of export performances, then we should have noticeably increased our relative share of world markets.