

period of relatively low unemployment, where we actually have more jobs going begging right now than there are unemployed.

We get into a big problem—which is the only reason I raise this issue—because the thing that bothers me the most is allocation of our resources. Our society is getting this billion dollars from work being done in other industries.

Senator HARTKE. I don't know many industries that have a comparable scale of the steel industry.

Mr. CURTIS. I suspect they have better jobs. I suspect that the workers who left the steel industry have been unskilled and semiskilled, rather than your more skilled people. This argument has to be faced.

When we have a shortage of labor in our society, we are going to depend on production abroad in various areas to supplement our production.

Senator HARTKE. Congressman, I do not agree. I do not think we have a shortage of labor, and I do not think anyone in America can justify that proposition, because we still have 4 percent unemployed.

What we have is a shortage of skilled labor, but we do not have in the American marketplace today a shortage of available bodies, because we have 1 out of 25 Americans, according to the Department of Commerce statistics—

Mr. CURTIS. We can analyze the reason for unemployment, but I said in context that there are more jobs going begging than there are unemployed.

Granted that is a thesis, but it is about time you people quit assuming that the other is true without looking at what data we do have. I think what data we have clearly shows my theory to be a fact, but we need to discuss it, for steel as well as for other industries.

I remember colloquy with one of my colleagues here about the fact that we had cut back on a space contract, and he said it meant that 20,000 people lost their jobs in his area. I said I didn't realize there was unemployment in that particular area.

"Oh," he says, "They got jobs elsewhere."

Well, they did. They did get jobs elsewhere. I am not trying to detract from the total thrust of your argument. I don't think the point I am making does detract from the thrust of what you are trying to get across, but I do think that your argument, which is heard frequently, is, I would argue, specious.

Senator HARTKE. You can argue that, but I don't think you can prove it, and I don't think it is provable.

Mr. Phelps—I think his testimony is going to be in this record—represents a type of steel industry in which they use a cold-steel process.

They take the old steel automobiles, the junk cars, and they extract the nonmetal material, take the scrap steel, crush it and then reuse it. It is a wonderful thing.

He will testify, if he hasn't already, that not alone are they not able to keep their employment up, but they are laying people off.

If my argument is not true, why are they laying off people in this industry at this time? The reason is the simple fact that they cannot meet the import prices of steel.

Mr. CURTIS. We are not talking about the same thing. I am not saying that people have not been laid off in the steel industry. I am saying