

Mr. VANIK. My distinguished colleague, Mr. Feighan, of Ohio, was ready to testify here this morning, and I would ask unanimous consent that his statement be placed in the record at this point.

Mr. HERLONG. Without objection, it will be done.

(Representative Feighan's statement referred to follows:)

STATEMENT OF HON. MICHAEL A. FEIGHAN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF OHIO

Mr. Chairman and members of the committee, I appreciate this opportunity to testify on behalf of H.R. 14120 of which I am a co-sponsor.

I wish to express my whole-hearted support for this legislation, which seeks to prevent further erosion of American steel markets to foreign producers. I hope it will be noted and remembered that this legislation does *not* build a wall around our domestic industry. It does *not* shut out foreign steel. Indeed, it will allow steel imports to grow in volume as the American market for steel grows in volume. It simply limits the share of the domestic steel market that can be served by foreign steel to what has already become a very significant level—a level that today is larger than that enjoyed by this country's fifth and sixth largest steel producers combined.

The two companies to which I refer—Armco Steel and Jones & Laughlin Steel Corporation—employ 80,000 people and channel over \$600 million dollars a year into our economy through payroll costs alone. Even larger sums are expended by these companies for supplies and services. So, we are not talking about an insignificant amount of business lost to American industry, to American steelworkers and to the American economy. And over the last several years, this loss has grown at a very rapid rate.

What H.R. 14120 seeks to do is to put the brakes on a trend which is almost certain to reach damaging proportions unless we afford some measure of protection to our home industries from governmentally subsidized industries abroad.

What the owners and the employees of the American steel industry ask from us is not exclusion from fair and open competition with those who participate under equal ground rules. What they seek is a check on the further invasion of the American marketplace by others whose wages, costs, obligations and governmental relationships bear no resemblance to our own.

Mr. Chairman, in the arena of foreign trade we deal with factors totally different from those that exist with respect to interstate commerce within our own borders. For the time being at least, they are factors beyond the control of our domestic industries, and they include factors that bear a close relationship to the standards of living and the monetary burdens of each and every one of us. Hence I ask: Can we afford to sit by and see vital American industries and their employees penalized because *our* pay rates, *our* living costs, *our* capital requirements, *our* debts, *our* taxes and *our* expenditures to keep the free world secure involve an entirely different scale of numbers and set of values than our competitors aboard? Can we conscientiously risk the impairment of this basic industry's efforts to modernize and expand its facilities in order to better serve this country's economy and national defense? How much further, I ask, must our domestic steel industry's share of our home markets deteriorate before we become aroused and say: "Enough is enough?"

To me, there is compelling evidence that the situation calls for immediate remedy that lies within our power. I urgently ask that you extend this legislation the most careful consideration.

Mr. HERLONG. The committee will recess now until 2 o'clock this afternoon.

(Whereupon, at 12:40 p.m., the committee recessed, to reconvene at 2 p.m. the same day.)

AFTER RECESS

(The committee reconvened at 2 p.m., Hon. James A. Burke, presiding.)

Mr. BURKE. The first witness this afternoon is Mr. Kurt Orban. If you will identify yourself for the committee you may proceed.