Thus, many fabricating plants, newly established or expanded due to the availability of lower cost imported steel, are able to contribute more, rather than less, to employment; more than they could if the making of their basic steel was pushed back into the high-cost steel-making centers, thereby denying them expansion opportunities or even forcing them out of business.

It is true that obsolete facilities have been shut down. It is equally true that new plants have not only taken their place but have increased overall capacity from year to year.

That steel imports do not markedly affect domestic employment is indicated by annexed table III—taken from the AISI 1967 Statistical Report—which shows that while steel imports have been increasing, so have domestic steel production and the number of domestic wage employees.

Nevertheless, there is no question that increasing automation means fewer man-hours per ton. In our country, between 1957 and 1967, steel production rose from 112.7 to 116.8 million tons, while the number employees decreased by 10.7 percent.

In the European Common Market, the change is even more striking. During that 10-year period, while output rose 50 percent, the number of steelworkers dropped by 7 percent. However, the European figure covers only hourly workers, whereas the U.S. figure includes salaried people as well—see annexed table IV.

We note that during the past 2 years, the United Steelworkers Union has changed its policy in regard to steel imports. Previously, the union urged management to cut prices so that it might sell more steel both in the United States and overseas, thus giving greater employment to steelworkers. Two years ago, in a sharp reversal in position, the union leadership decided to play along with management. It now joins in asking for limitations on steel imports. Presumably, this would put the mills in an improved financial position and, of course, enable them to pay higher wages. The union has closed its eyes to the inflationary effects of high steel prices, both at home and on our export trade.

Union wages have outstripped productivity, as shown in annexed table V. The inflationary effects of the union's present position must ultimately harm the union members, since other unions will demand the same kind of increases. Nevertheless, the possible immediate gains to the union members and to its leadership are such that the union policy seems fixed.

In 1968, as in the previous labor contract negotiation, imports have soared. The threat of a strike has caused all consumers of steel to stockpile domestic steel and to cover additional anticipated needs abroad. If there should be a strike, the entire economy will owe thanks to the steel importers who have supplied this country with the means of maintaining production during strike months.

The shortsightedness of present union policy should not determine the policy laid down by this Congress for the good of all Americans. It would be far better for the steel industry and the union to do now what they will do ultimately—arrive at a negotiated agreement.

If steel prices merely went up consistently with the increased cost of labor, this would not be too bad. However, the steel industry has consistently increased prices far beyond the increases in labor costs