their steel exports and that most exporting mills are, in effect, government controlled. Amended table VI, column I, shows steel imports in 1966 broken down by country of exportation. Column 2 shows the percent of government ownership of the industry in each of the exporting countries. The final column shows the tonnage which might have come from government-controlled mills.

We wind up with a grand total of 229,000 tons, or 2 percent of total imports. This should, once and for all, dispose of the argument that foreign governments control steel exports to the United States. Even if we consider the recent nationalization of the steel industry in the United Kingdom, total steel imports coming from government-controlled mills would still be less than 10 percent of total steel imports.

Within the past year, there have been two complaints in which the Treasury Department found Government subsidization. Countervailing duties have been imposed in these cases.

The present law is adequate to protect us against export subsidies.

The failure of the domestic industry to file more charges indicates two possibilities: Either it has no basis for such charges or it prefers complaining in public to presenting the facts.

A remedy is available for those who say they are injured by dumping. It is true that a majority of dumping cases have been found baseless. It is also true that in a significant number of cases penalties have been imposed. The new international accord on dumping, adopted in Geneva last year, should go a long way toward providing American exporters with the same protection under due process that the American Government has long given to foreign exporters.

(*c*) *Steel imports cause the Government to lose revenue.*—Claims have been made that the Federal Government loses considerable income tax because of imports. The opposite is true, as shown in table VII in the annex.

In 1966 steel imports paid 7.41 percent of the value of the imported items, or a total of $93.9 million in customs duties. In 1967 this rose to 7.73 percent and $96.8 million. At the same time, the domestic industry paid in taxes 4.1 percent of sales in 1966 and 2.4 percent in 1967. In other words, imports paid three times as much on the sales dollar as did the domestic industry in 1967. This is customs duty only, but, in addition, everyone connected with the movement of imported steel pays his share of taxes.

There is a further consideration. The selling price of imported steel averages about 15 percent below the domestic steel price, and this saving is either passed on to the end user or shows up as extra profits in the balance sheets of fabricators and distributors. If we assume that perhaps 5 percent is passed on to the end user, then 10 percent stays with the distributor, which means another 5 percent to the Internal Revenue Service.

(*d*) *Discriminatory border taxes.*—The domestic steel industry has attacked the European nations for imposing discriminatory "border taxes." They point out that steel from this country going into, say, West Germany, would have to pay, over and above the normal duty, a tax of 10 percent on the sales price. They also point out that steel exported by West Germany to the United States does not pay any such tax, and, in fact, any portion of such tax already assessed is remitted. Superficially, this sounds as though there were a serious