blank check to continue its pre-1959 inflationary spiral? The West Coast Metal Importers Association firmly believes that import competition is a healthy control on U.S. inflation—and that the country needs more such competition, not less.

What about all those jobs lost by the domestic steel industry due to imports? The American Iron and Steel Institute reports that the 11.5 million tons of steel imports in 1967 would have given work to 85,000 men. Yet, the U.S. Department of Labor reports that our own steel exports account for 87,000 jobs. And just where would the domestic industry find men to fill those 85,000 job opportunities lost to imports? Department of Labor statistics show that annual layoffs in the steel industry have dropped from a high of 3.4 percent in 1960 to 0.5 percent in 1966, while imports were rising from 4.8 percent of the total domestic market to 11.5 percent.

Actually, from various reports, including a Wall Street Journal survey, the steel industry is facing a labor shortage. Several thousand workers are needed in areas like Chicago, Gary, Buffalo, Baltimore, and even the West Coast.

It is an unreasonable argument to say that imports in general are stealing jobs from Americans. More than three million Americans are today working in jobs directly related to exports, handling our $30.3 billion worth of exports last year. And certainly the imports of $26.7 billion "create jobs directly for those engaged in their processing, distribution, or transportation, and indirectly for those employed in both export industries and in those industries dependent upon reasonably-priced imported supplies for their own ability to compete." That quote? From our late President John F. Kennedy in his trade message to Congress, January 25, 1962.

President Kennedy was referring to the thousands of jobs imports create for dock workers, shipping concerns, port authorities, financial institutions, truckers and other transportation workers, insurance people, and many different services—as well as the American firms which rely on imports to compete in an economy that has been nurtured on competition, that has survived because of competition, that is the most advanced, because the competitive spirit made it so.

The question of jobs being lost due to imports is definitely a moot issue, as is every other issue offered by domestic industry. Monies generated by domestic and by imported steel is another one.

Last year customs duties on steel imports amounted to almost one-fourth the total Federal income tax paid by domestic steel industry, but import customs duties averaged 7.73 per cent of total value while income tax averaged 2.4 per cent of total sales in the domestic industry. Importers themselves pay income taxes on their sales, as do other services handling imported steel. As an example, if 1,000 tons of imported oilfield tubular products are sold in California, $15 to $20 thousand in duty goes to the U.S. Treasury and, in part, supports hundreds of people who work for U.S. Customs, the customs brokers of California, insurance brokers, and so forth. Even before the duty is paid, about $2,000 would go perhaps to the Los Angeles Harbor Department for wharfage, dockage, and other direct fees. Possibly another $7,000 is paid to longshoremen and stevedoring companies for removing the 1,000 tons of pipe from the vessel onto the dock. Still another $5,000 is circulated to move the material from dock to storage. The 1,000 tons of tubular goods has thus put as much as $34,000 into circulation, plus an unknown amount of taxes. If the same tubular goods were bought domestically, less than half that amount would go into the California economy, based on a 6 per cent gross profit to the local agent of the domestic mill.

Steel imports have without question been rising, but that rise has not been as deleterious to the domestic industry and economy as the domestic industry would have us believe. Between the fateful years of 1959 and 1966, domestic production increased more than 40 million tons, then dropped off about 17 million tons in 1967. Between 1959 and 1966 imports increased 6.5 million tons—about one-sixth of the domestic increase. But efforts to blame imports for the 1967 domestic drop of 17 million tons are incorrect. Total steel imports increased only 800,000 tons in 1967. The long auto industry strike of 1967 would account for a large share of the domestic industry decline, and therefore the domestic production trend should be considered unrealistic for that year.

As a point of caution, both domestic production and steel imports for 1968 will also show figures that should not be regarded as realistic to the overall trends. Much early 1968 buying to build inventories against a potential steelworkers strike in August has placed domestic mills' profits out of proportion, and at the