New York Custom House, U.S. Bureau of Census, U.S. Department of Commerce, Washington, D.C., which dates from September 1963. A glance down the column headed "Valuation", under the column headed "Annual Total Imports—Monthly Average Rates" will clearly substantiate the statement that imports of all of the threaded and unthreaded industrial products listed are rising at an alarming degree.

EFFECTS OF LOW IMPORT DUTIES

Despite evidence of a rise in the trend of imports and over the vigorous protests of U.S. producers, the U.S. import duty rates on Wood Screws were lowered in 1951 from 15% ad valorem to 12½% ad valorem. After that, imports rose steadily and more rapidly to a point where they have taken, as indicated above, more than 50 percent of the Wood Screw market.

In the case of other items in the screw, nut, bolt and rivet line, U.S. import duty rates were slashed 50 percent at the close of the Kennedy Round GATT negotiations in June 1967. Since then, as in the case of wood screws, imports of those other items in the threaded and non-threaded fastener line have increased substantially.

INJURY FROM IMPORTS TWO-FOLD

The rising flood of wood screws entering the U.S.A. has already resulted in the closing of a number of Wood Screw manufacturing plants and substantial loss of jobs by American employees. Evidence of this is shown in the decrease in the number of wood screw manufacturing plants operating in 1956 totaling about 16, as compared with approximately 10 wood screw manufacturing plants actively producing wood screws today.

IMPORTERS TARGET: "THE HEART OF THE LINE"

In their gradual "take-over" of the American screw market, foreign producers have chosen the "heart of the line" sizes and types of Wood Screws, Cap Screws, Socket Screws, Rivets, etc. having gained a strong foothold from coast to coast in the U.S. Importers now have large warehouses established in key American cities well stocked with all sizes and types of screws, rivets, washers, bolts, nuts, etc. for which there is a great demand. The sub-standard and little used items are left for the U.S. manufacturer to supply.

UNFAIR COMPETITIVE ADVANTAGE OF IMPORTERS

One of the reasons why foreign producers of screws, and other threaded and non-threaded industrial fastener items have been able to gain a strong grip on the American market is the unfair advantage over the American manufacturers they enjoy in the matter of labor costs, while, as indicated in the attached Table marked "Table D", average hourly earnings in the domestic screw industry are running in the neighborhood of $3.10 per hour, not including fringe benefits approximating $1.00 per hour. Japanese wood screw producing plants are paying only about 54 cents per for wages, plus fringe benefits, as indicated in the attached report of the Trade Relations Council marked "Table E". The wage rates of foreign countries, including Japan and Hong Kong, enable foreign producers to sell screws in the U.S. up to 60 percent below the prices which American screw producers can market their products at a profit.

JAPAN AND HONG KONG LARGE EXPORTERS TO U.S.

Based upon a special analysis of Wood Screw importations coming into the U.S. (See Table "F"), showing percent of U.S.A. market obtained by imports, Japan is by far the largest exported of wood screws to the U.S., with Hong Kong ranking second and the United Kingdom third. Iron curtain countries, such as Poland, Yugoslavia and Austria, are now beginning to export wood screws to the U.S. Screws of other types, including cap screws, mechine screws, socket screws, etc. from Japan are also beginning to enter the U.S. in substantial quantities.

PREVIOUS APPLICATIONS FOR RELIEF OF NO AVAIL

Three previous applications for relief under the Tariff Act of 1930 "escape clause" providing for relief from serious injury due to imports have been filed with the U.S. Tariff Commission on behalf of domestic wood screw manufac-