

Why do I bother to tell you about this? In 1961, uranium oxide amounted to \$276 million out of the some \$700 million worth of imports according to the Government's table. Almost 40 percent of the chemical imports shown were uranium oxide. In the period from 1961 to 1967 uranium oxide imports declined until in 1967 they were only \$16 million.

By going back and mixing the statistics on imports of a mineral with statistics on imports of chemicals, you end up with a wholly misleading picture as to what the actual story is. Indeed, if the Government were going to do this, I don't know why they didn't go back to 1959 because then the uranium imports were over \$400 million, and if you had taken the 1959 figures including uranium imports, you would have had practically no growth in imports from 1959 to 1967. They did all of this without a single footnote explaining what they had done.

If you exclude uranium imports from the figures, as we have done on our modification of table 9, you will see that chemical imports increased an average of more than 13 percent a year rather than the 4.7 percent suggested by the Government. This means that the imports were increasing at approximately twice the rates of exports rather than the other way around as the Government suggested.

Now, Mr. Chairman, I am not calling this to your attention because we think it is important just to point out uses of misleading statistics. Obviously we do want to call attention to numbers that we think do not present the true picture.

We do this because we think it emphasizes the fact that it is important to understand what the facts are and because we believe the situation here today in this country is serious. As Mr. Turchan pointed out, this morning's paper announced that in May for the second month this year we had a negative balance of trade.

We are here to tell you, with as much seriousness and earnestness as we can, that we believe that the chemical "deals" now before you are unreciprocal and injurious. They are injurious to the chemical industry and its workers. They are injurious to the United States and to its balance of payments.

The issue as it has been presented to you on the American selling price really takes two forms, and I think that they are two separate questions.

First, what is the American selling price and what do its criticisms amount to, and second, the separate package; should it be approved and implemented by the Congress?

I will not go over the history of what the American selling price is. Mr. Gerstacker mentioned what it is. Suffice it to say that we believe that as a method of valuation it has virtues which should be recognized. It is more certain. It is more readily ascertainable by customs officials. It is less subject to manipulation and more consistent with the purposes of the tariff in that the tariff itself does not accentuate cost differences between the United States and abroad and give an advantage to the lowest wage and lowest raw material countries on their imports into the United States.

With the Chairman's permission, rather than discuss this, I would like to submit a memorandum for the record outlining our comments on the American selling price system and ask that it be printed in the record.