from the figures, we would expect products to be disappearing from the American manufacturer's stable of products.

We got this information in three areas from companies where we were able to get it on a reasonably uniform and comparable basis and we got it on sufficient volume of trade that we think that the figures are meaningful to you and we have summarized these figures on our form B, which appears opposite page 78 in our statement and I will give a copy to the reporter. (See p. 4535.)

This form shows for three of the important baskets what the impact would be. On sales in the intermediate area, which is a large area of intermediate products where we had figures for $125 million worth of sales, the pretax profit as a percent of sales before the Kennedy round was 9 percent.

Under the Kennedy round our members calculate their sales would drop $9 million and the pretax profit would drop to 2 percent. Under the separate package the total loss of sales revenue would be $11 million and the pretax profit would drop to a pretax profit of only two-tenths of 1 percent.

In the dye category involving almost the same volume of sales the pretax profit would be 12 percent before the Kennedy round, 0.1 percent under the Kennedy round, and a loss of 6 percent under the "separate" package.

For pigments, where we had $59 million worth of sales to study, the pretax profits pre-Kennedy round were 15 percent. Under the Kennedy round they fall to 1 percent, under the separate package to a loss of 5 percent. All of this without meaningful increase in export opportunities. Yet we are giving the Europeans the opportunity to either take additional profits or to decide to go for a greater share of the market.

We think that that understates the extent to which these deals will have an adverse impact on our industry.

Let me state it in another way. We have large diversified chemical companies. They will not go out of business. They will be seriously affected and they will have to adjust. They will have to stop the production of some products in the United States. This process has already begun. They will be forced to close some plants. This process has already begun. They will be forced to expand their operations abroad, as Mr. Hegeman said, and this is occurring.

On the smaller companies the effect will be more serious. Some will undoubtedly go out of business. Others will stop manufacturing and will begin importing. This has already begun. Or some will be absorbed by larger competitors.

On labor we are not saying that there will be fewer jobs next year than there are today but there will be far fewer jobs created in the American chemical industry than there have been in the past. We will not be able to make the contribution in the future as we have in the past to the 5 million additional jobs needed in this country every year. There will be workers who lose their jobs and there will be hundreds, and perhaps thousands of jobs exported abroad which would otherwise have been created in the United States.