

TABLE C-1.—CHARACTERISTICS OF 5 U.S. INDUSTRIES THAT ACCOUNT FOR TRADE SURPLUS IN MANUFACTURED GOODS

[In billions of dollars]

Industry and SITC No.	U.S. Exports	1966 U.S. Imports	U.S. Trade Surplus
Machinery except electrical (71).....	\$5.55	\$1.59	\$3.96
Chemicals (5).....	2.68	0.94	1.74
Transportation (73).....	3.71	2.21	1.50
Electrical machinery (72).....	1.90	1.01	0.89
Instruments (86).....	0.76	0.39	0.37
Total.....	14.60	6.14	8.46
Total all manufactures (SITC 5, 6, 7, 8).....	19.1	14.1	5.0

	5 Industries Above	14 Other Industries
Scientists and engineers in R. & D. as percent of total industry employment.....	3.2	0.4
Scientists and engineers in production as percent of total industry employment.....	2.1	0.8
Scientists and engineers in sales as percent of total industry employment.....	0.9	0.1
Total.....	6.2	1.3
Net fixed assets as percent of value added.....	31.0	41.0

Sources: Trade data from Bureau of the Census. Other data from Gruber, Mehta, and Vernon, loc. cit.

TABLE C-2.—GROSS NATIONAL PRODUCT AND CHEMICAL EXPORTS FOR LIST OF COUNTRIES SELECTED BY MANUFACTURING CHEMISTS' ASSOCIATION, 1965

	GNP (billions)	Chemical exports (millions)
United States.....	\$681	\$2,402
Germany, Federal Republic.....	112	2,077
United Kingdom.....	99	1,230
Japan.....	96	547
France.....	94	1,014
Italy.....	57	605

Sources: GNP data: International Monetary Fund, International Financial Statistics; Chemical exports: Organization for the Economic Co-operation and Development, op cit., p. 35. List of countries: Those for which wage rates were included in the list compiled by Manufacturing Chemists' Association and reported in appendix 4 of "MCA Position on the Kennedy Round Agreements, the Supplemental Agreement Relation Principally to Chemicals, and Proposed Trade Legislations."

III. UNIT WAGE RATES

To illustrate the point that low wages in the chemical industry apparently are not a major determinant of chemical exports, the rank order of wage rates presented for the six major industrial countries in the recent Manufacturing Chemists' Association memorandum are compared below with the rank order of chemical exports of these countries for 1965.⁵

Country	Rank order of unit wage rates	Rank order of chemical exports
United States.....	1	1
United Kingdom.....	2	3
Germany, Federal Republic of.....	3	2
France.....	4	4
Italy.....	5	5
Japan.....	6	6

⁵ See Tables 9 and C-2 for data sources.