

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>PHILIP ROBERT W</u> (Last) (First) (Middle) 3200 NW YEON AVENUE (Street) PORTLAND OR 97210 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>SCHNITZER STEEL INDUSTRIES INC [SCHN]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 12/13/2005	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Class A Common Stock								252,477	D ⁽¹⁾	
Class A Common Stock								150	I	See Note ⁽²⁾
Class A Common Stock								14,805	I	By Trust ⁽⁷⁾

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Class B Common Stock	(3)	12/13/2005		G	V	336		(3)	(3)	Class A Common Stock	336	\$0	380,436	I	By Voting Trust ⁽⁴⁾
Class B Common Stock	(3)	12/13/2005		G	V	336		(3)	(3)	Class A Common Stock	336	\$0	52,844	I	By Voting Trust ⁽⁵⁾
Class B Common Stock	(3)	12/13/2005		G	V	336		(3)	(3)	Class A Common Stock	336	\$0	13,563	I	By Voting Trust ⁽⁶⁾
Class B Common Stock	(3)	12/13/2005		G	V	336		(3)	(3)	Class A Common Stock	336	\$0	207,695	I	By Voting Trust ⁽⁷⁾
Class B Common Stock	(3)	12/13/2005		G	V	594		(3)	(3)	Class A Common Stock	594	\$0	207,101	I	By Voting Trust ⁽⁷⁾
Class B Common Stock	(3)							(3)	(3)	Class A Common Stock	44,048.83		44,048.83	I	By Voting Trust ⁽⁸⁾

1. Name and Address of Reporting Person*
PHILIP ROBERT W
 (Last) (First) (Middle)
 3200 NW YEON AVENUE
 (Street)
 PORTLAND OR 97210
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
PHILIP RITA S

(Last) (First) (Middle)

3200 NW YEON AVENUE

(Street)

PORTLAND OR 97210

(City)

(State)

(Zip)

Explanation of Responses:

1. Shares acquired in May 2006 pursuant to exercises of stock options.
2. Shares are held by Robert W. Philip, as custodian under Oregon Uniform Transfers to Minors Act, F/B/O Joshua Henry Philip.
3. Class B Common Stock is immediately convertible on a one-for-one basis into Class A Common Stock and has no expiration date.
4. Voting trust certificates or shares, as the case may be, are held by Rita S. Philip and Robert W. Philip, as Co-Trustees under Trust Agreement with Rita S. Philip dated 4/21/93 (the "Rita Trust").
5. Voting trust certificates or shares, as the case may be, are held by Rita S. Philip, Family Trustee, and Jill Schnitzer Edelson, Independent Trustee, U/A/D December 22, 1994, F/B/O Joshua Henry Philip.
6. Voting trust certificates or shares, as the case may be, are held by Rita S. Philip, Family Trustee, and Jill Schnitzer Edelson, Independent Trustee, U/A/D December 22, 1994, F/B/O Michele Babette Philip.
7. Voting trust certificates or shares, as the case may be, are held by Gayle S. Romain and Rita S. Philip, Trustees of Gayle S. Romain Family Trust U/A/D October 9, 1995.
8. Voting trust certificates or shares, as the case may be, are held by PFS Investors, LLC, of which the Rita Trust is a member. The number of shares is one-sixth of the total shares held by PFS Investors, LLC, consistent with the proportionate interest of the Rita Trust.

Remarks:

Robert W. Philip

10/03/2006

Rita S. Philip

10/03/2006

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.