a feature article from the Wall Street Journal, from May 1, looking to the future.

Let me read a paragraph.

U.S. food processors, eyeing market potentials in economically growing foreign countries, are setting up fruit and vegetable canning plants around the globe. As a result, U.S. exports of these items already are shrinking, and experts say foreign-processed fruits and vegetables eventually could flood into the U.S. and compete with those grown and canned here.

And then:

While cutting exports the new foreign plants are assuming more of the production once turned out by U.S. facilities. That means, food companies admit, that some operations on U.S. soil must be closed or slowed down, throwing some employees out of work at least temporarily.

Nevertheless, experts believe American-owned plants in foreign countries may operate so efficiently before long that foods processed outside the U.S. will flow back across the borders and compete fiercely with domestic products.

Domestic jobs are reduced in number when our competitive capacity in export markets is reduced. They are reduced in number when imports have increased, and the enactment of this bill, in our opinion, would have a major impact on this situation, materially reducing the competitive capacity of the fruit and vegetable industry in the United States.

I thank you, Mr. Chairman, and members of the committee. Pursuant to the committee's request, copies of our statement were delivered to you a week ago today, and since you have had some time to analyze our statement, I await your questions with trepidation.

Mr. THOMPSON. Thank you.

I noted that you had analyzed earlier statements.

Mr. TRIGGS. I did the best I could.

Mr. THOMPSON. This is good, because we are trying to learn as much as we can.

I do read the Wall Street Journal, and I also, referring to the Mexican situation, have an article from a paper printed right next to Mexico, "The California Farmer." And let me read part of that to you.

They take the position that the Mexican imports aren't nearly so devastating economically as one would indicate. This says:

We boiled down to the bare truth, and the information we garnered seemed to lead to a simple conclusion: "If you can't make a go of farming in California, you'll never strike it rich in Mexico."

This is not to say that money is not being made in the vegetable industry in Mexico; some growers and distributors have managed highly successful deals, but not, we feel, at the expense of the U.S. industry.

And for every dollar made, there is every likely one lost, for it is not uncommon for an enthusiastic grower to go south, only to come back with his "tail between his legs," so to speak. It's a risky business and the problems are great.

Certainly our statement that growers in the U.S. aren't suffering because of Mexican imports is counter to virtually all of the news stories which have circulated in this State. But we feel we can justify the statement, and intend to do so.

This writer interviewed a host of growers, distributors, and agricultural association officials and no matter whom we talked to, our figures always seemed to add up to the same sum, "If the U.S. has a short crop, then there is money in Mexican product; if the U.S. has a big crop, Mexican growers fall on their faces."

To illustrate this point, let us quote Walter Holm, one of the more successful distributors of Mexican produce in Nogales, Arizona, and also a financial backer of a Mexican growing operation.

"It costs from $2 to $2.25 just to get a lug of tomatoes to the border, and this doesn't include growing costs," Holm said. These costs were verified by every other person and agency we consulted.

Consequently, when growing costs are considered, a grower has to get at least $3.10 for a three-layer lug of tomatoes to break even.