In other words, we reward countries that ship and develop products in evasion of our quotas by granting them quotas on the very products used to evade our quotas.

Not only are our dairy farmers hurt by these imports, but imports added $131,177,198 of unnecessary cost to the price support program in 1967.

Import controls are necessary to provide dairy farmers a level of income commensurate with that received by other segments of our society. Also they are necessary so that dairy farmers can achieve parity prices for their milk.

The CHAIRMAN. Thank you again Mr. Quillen. Are there any questions?

Our next witness is the Honorable E. S. Johnny Walker of New Mexico. Thank you for coming. Proceed as you wish.

STATEMENT OF HON. E. S. JOHNNY WALKER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. WALKER. Mr. Chairman, distinguished members of the House Ways and Means Committee, I am filing this statement with the House Ways and Means Committee for inclusion in the hearings on the various import quota bills. Although many among the 750 bills on quotas are duplicates, I am particularly anxious that cognizance be taken of quota proposals on the following: potash, oil, textiles, steel, lead and zinc, and meat.

You will understand that of greatest concern to me are those products which are the major items produced by the workers of the State of New Mexico.

Chief money earner and comprising over 60 percent of the value of all mineral production of New Mexico (over $800 million in 1967) is oil. Although we have an oil import quota for the area east of the Rockies, I am concerned that many oil-importing companies are getting an undue advantage by importing products such as naphtha as part of their chemical requirements. In addition our independent oil producers are also forced to restrict their production to around 45 percent of capacity. On the other hand some domestic producers are also getting the benefit of importing cheaper crude oil—a benefit of $1.25 per barrel. Any restriction on American production coupled with an increased import allowance automatically reduces the profits of independent oil producers in my State as well as reducing the income of our oil workers. Also, we are being forced to restrict the exploration for new oil thereby endangering our national security. Above all our oil producers feel that we should have a firm oil import law rather than one of administrative discretion by the Department of the Interior.

Another commodity whose importation is affecting our New Mexico economy adversely is potash. Although we produce 95 percent of all potash mined in the United States our advantage is being dissipated by excessive imports from Canada, These imports will soon be 50 percent of our total domestic requirements, thereby forcing us to cut our production and retrench on the number of workers we can employ. This industry is being hurt and only an absolute quota can restore our potash industry to the position rightfully belonging to it.