up in Europe at the same rate, and, as a matter of fact, the price advance on the Scandinavian minks in 1968 in percentages is almost equal with the American mink.

Mr. CONABLE. Has this been a distressed industry in Europe as well as in this country?

Mr. HESSEL. In 1967, fur prices, not only for minks, but fur prices right down the line, declined. As a matter of fact, take the American Alaska seal, which is monopoly of the U.S. Government. It declined exactly the same way as most of the other items, so it was a general price decline which was worldwide, and not centered on one item.

Mr. CONABLE. Thank you, Mr. Chairman.

Mr. ULLMAN. Let me ask you while you are on that subject what the main reason for the increase in imports in 1966 as against 1965 was. Why was there such a large rise in imports in 1966?

Mr. HESSEL. The increase of imports is based on an increased demand. American consumption increased, and therefore the merchant would increase his purchases.

Mr. ULLMAN. What I would like to know is, why is the mink industry in such a distressed state at the present time? Maybe you could give us some pointers on that.

Mr. HESSEL. I would say that this is—the domestic mink industry is in a problem. That is a fact. But I believe that you have to get, or to take into consideration that this is a world commodity, and the prices have to set by the demand, and not only in one country, but the demand has to be in all countries and the decline, and the depression which you had in the mink industry in 1967 was largely that economic conditions in this country declined, and that West Germany, which has become one of the great factors in the fur industry, had a very bad spell, and practically ceased buying until May or June of 1967.

I don't think that the solution for the domestic mink producer is a quota. I think we have other ways. This industry is getting conscious of promotion. We can increase the outlet, the demand for the item.

You have 200 million people in this country, and I also want to bring out that the commercial producers have increased from 1950 to 511 today; 88 percent of the American production is produced by 51 percent of the producers.

The problem is that the remaining 49 percent cannot face the problems of production. They cannot produce, probably, economically enough.

Mr. ULLMAN. What percentage of the—excuse me. Go ahead.

Mr. HESSEL. In other words, 49 percent of the mink producers produce only 12 percent of the quantity, and these are the people which I think have the problem.

Mr. ULLMAN. What percentage of the world market is the American fur market?

Mr. HESSEL. The United States produced in 1967, 6.7 million skins. The world production was 22.6.

Mr. ULLMAN. What about consumption?

Mr. HESSEL. Now, the consumption, the consumption in the United States, for 1967, was 10 million skins.

Mr. ULLMAN. We produced——

Mr. HESSEL. And the domestic production was 6 million,