

Mr. ULLMAN. And we imported the rest?

Mr. HESSEL. You imported 5.3, but then you have your exports. You see, the United States exported 1.3 of its domestic production.

Mr. ULLMAN. Can Scandinavia produce pelts cheaper than we can here?

Mr. HESSEL. The production cost of mink ranchers has been something which I was present at the 1959 hearing before the Tariff Commission, and now in December 1967 the production costs between ranches in each country differ quite considerably.

The Scandinavian production cost is definitely not so much less than the U.S. production, because cereal products cost considerably higher in Scandinavia than they are in this country. Labor may be somewhat higher in this country and somewhat less in Scandinavia, but I would say the actual production cost is not a very considerable one. And I also would like to bring out here that the last Tariff Commission hearing in 1967, in December, where these questions were asked, and the Tariff Commission had a very difficult time to pin down what is the actual average cost of production.

Mr. ULLMAN. I wish I knew how this trading mart really worked. Do you think that the New York fur mart is a good and equitable way to establish fur sales and the prices on the world market?

Mr. HESSEL. Well, just as well as the American travels to Europe to purchase at auction sales in London or Scandinavia the type of skins which he needs, the Italian, the West German, the English, the Belgian, come to New York and purchase the type of skins which they require for their trade. And the figures show that the average of the export of American minks is higher than the average of the production in this country.

In other words, the foreign buyer comes here and purchases this type which he requires, and the—I have a slight idea why you are asking me this question—the splitting up of this market I would consider a very great loss and mistake, because, first of all, it will take—if you start selling American minks in Europe, you will take away from the importance of New York, because the buyer who comes here, the fur buyer who comes here, he doesn't only purchase minks, he buys American goods. He buys Canadian furs. He buys madeup garments. It is a combination.

If you split up this offering of American minks over two markets, I personally would consider—I think you are making a mistake.

Mr. ULLMAN. I think it is a great institution. I just wish I knew a little more how it works.

Mr. WEDELL. Mr. Ullman, on June 26, this committee has scheduled hearings on the mink problem, and we will have both Mr. Hessel and myself and another witness. And I think we can answer many of your questions then.

But, basically, it will be on the basis of the Tariff Commission, which has just completed, as you know, a very exhaustive study.

I know there is some dissatisfaction with it. Nevertheless, the facts were very darn good—it is a good factfinding body, and we can review those for you.

Mr. ULLMAN. We can look forward to it at that time.

Would you complete those figures now? You had completed part of 1965 from Scandinavia.