

in the third quarter would not fall directly upon the heavy season of cow marketings existing in the United States during the same period. The coincidence of the opposite seasons from the United States in New Zealand and Australia is a complicating factor which we think points up the need for quarterly quotas.

4. Canned, cooked and cured meats should be included in the quotas

We feel that an obvious loophole exists here because the identification under the TSUS schedules can be circumvented by placing a fresh or frozen product in an air-tight container so as to bring it in outside the quota of fresh, chilled or frozen. In 1967, canned, cooked, and cured meats accounted for 189.7 million pounds (carcass weight) which equates into approximately 1.0 percent of U.S. production. Through April, 1968, the latest period for which figures are available, imports of canned, cooked and cured beef, veal and mutton are running at 71.7 million pounds (carcass weight) or approximately 38 percent ahead of the same period of 1967.

5. Off-shore purchases for the military should be included as a part of the quota

The "Buy America" Act states that food and other items for the military purchased through appropriated funds should be purchased in the United States. There is an exemption for the purchase of some items in combat zones. This was illustrated by a contract on the part of the military to buy 10 million pounds of lamb from New Zealand and Australia in 1967. Although, to our knowledge, no beef has been purchased for the troops in combat zones, we feel that because of the "Buy America" Act, in case there are any purchases of foreign beef, it should be counted as imports, thus counted toward the quota.

The CHAIRMAN. Mr. Lundquist. Mr. Lundquist, if you will identify yourself for our record we will be glad to recognize you, sir.

STATEMENT OF JAMES H. LUNDQUIST, COUNSEL, MEAT IMPORTERS' COUNCIL, INC.; ACCOMPANIED BY JOHN E. WARD AND MARVIN T. GIBSON

Mr. LUNDQUIST. I will, Mr. Chairman. Mr. Chairman and distinguished members of the Committee on Ways and Means, my name is James Lundquist. I am a partner in the law firm of Barnes, Richardson & Colburn and I appear this morning on behalf of the Meat Importers' Council, which is a trade organization composed of 71 concerns whose membership represents in excess of 85 percent of all fresh frozen beef imports into the United States.

With me today are Mr. John Ward, president of the Tupman Thurlow Co., of New York City, and Mr. Marvin T. Gibson, former senior vice president and now director-consultant of Interational Packers Ltd., of Chicago.

The CHAIRMAN. We are glad to have you with us this morning, Mr. Lundquist, and those at the table with you. You are recognized, sir.

Mr. LUNDQUIST. At the outset let me state that our members constitute an integral part of the U.S. meat industry. As major exporters of U.S. meat products, we are concerned about the plight of the cattleman, the farmer, and especially, the consumer. It is believed that reasonable consumer prices can be maintained at the same time judicious raising, feeding, and manufacturing procedures enable prudent cattlemen and businessmen to increase returns based on an ever-expanding and more affluent American consuming public.

If I may leave my statement for a moment, I would like to say that the Meat Importers' Council supports those provisions of H.R. 17551 which are designed to bring about an extension of this country's liberal trade agreement policy and negotiating authority.