IV

ERRATIC U.S. MANUFACTURING MEAT SUPPLY IS PARTIALLY REMEDIED BY DEPENDABLE IMPORTS

More than 90% of all meat imports are sold by the American importer to users prior to exportation from country of origin. Domestic manufacturers and other users, relying on commercial and official estimates of meat available from U.S. production, forecast their needs and place orders based on supply and demand in the United States. In the case of meat being exported from Australia and New Zealand, a lead time of approximately 60 days between date of order and date of delivery is required. Subject to variables such as inclement weather and delays at ports of entry, our manufacturing industry can, with great accuracy, predict where and when imports may be expected. There is no mystery about imports, but in the case of domestic production, erratic supplies cause no end of trouble.

The sharp rise in per capita consumption of manufacturing beef from 15.7 pounds in 1964, the first year of existing quota systems, to approximately 17.2 pounds in 1966, the last year for which full reports are available,[8/] while U.S. available supplies of such meat dropped, verifies the need for imports as a stabilizing factor. Prior to 1957 meat imports were infinitesimal. In 1958, imports were twelve times as large as in 1956. It is clear that this dramatic increase in imports was caused by the sharp decline in domestic manufacturing beef supply in 1958.

8/ See Appendix IV.