

have a primary concern with the volume of allowable imports which come into our market and compete with the domestic production. The situation might be less unreasonable if we had equal opportunities for the sale of our domestic production abroad, but such equal opportunity does not exist, as has been vividly pointed out, with respect to most domestically produced livestock, meat and meat products.

The members of the National Livestock Feeders Association became alarmed over imports of beef, veal, and mutton in 1958 when the volume reached 636,397,000 pounds, product weight, which figure amounted to 250% of the 249,447,000 pounds, received in 1957. (See Table I.) The volume increased still more in 1959 and, in that year, we filed an application with the United States Tariff Commission for what was then known as an "Escape Clause" investigation. The application was subsequently withdrawn because conclusions reached by the Tariff Commission in the interim made it rather obvious an unfavorable decision would be forthcoming with respect to beef and veal.

Imports of these products declined from 769,697,000 pounds in 1959, to 549,911,000 pounds in 1960, and then began an upward trend again reaching the peak level of 1,185,286,000 pounds in 1963, according to figures published in the Livestock-Meat-Wool Market News and by the Foreign Agricultural Service, U.S. Department of Agriculture. Converted to carcass weight equivalent, the 1963 figure represented approximately 10% of our domestic production, coming at a time when live cattle prices were at disastrous levels and severe losses were sustained by those in the cattle production and feeding business.

By 1964, the industry was grossly upset and could see no other alternative than legislative restrictions in the form of quotas established by law. As you know, the Congress of the United States shared this intense alarm and passed legislation which became known as Public Law 88-482. This law was passed under conditions of tremendous opposition from the Executive Branch of our government not dissimilar to that being exercised now and, in the final analysis, it was necessary to make some unwanted compromises from our original position in order to be sure the measure would be signed into law.

As Table I shows, imports of beef, veal and mutton were reduced some in 1964 and 1965 to 834,707,000 and 731,166,000 pounds, respectively, but rose again in 1966 to 953,823,000 pounds and to 1,033,304,000 pounds in 1967.

It goes without saying that the law was less than desired by the people in the industry and by the majority of both Houses in the Congress. Nevertheless, we were willing to accept it temporarily as were Members in the Senate and in the House, with the feeling it might be reviewed in due time and its deficiencies corrected.

It is obvious that a great many members of the United States Congress share in the feeling that these deficiencies do exist, and are anxious to conduct a review. Evidence of this, of course, is the large number of the members who have joined in the introduction of pending legislation.

QUOTAS OFFER ONLY MEANS OF RESTRAINT

We submit that the establishment and imposition of quotas offers the only practical means of necessary restrictions. In addition to expanding our ample domestic supply of beef and veal, the value of products now being imported is relatively lower than products of like quality produced in the United States.

To substantiate the statement that imported beef is offered in our market at lower values, we refer you to Table II wherein we have listed, on numerous dates throughout 1967 and early 1968, comparative wholesale prices of domestic and imported cow beef as well as comparative prices of domestic and imported bull beef. The prices are carlot wholesale figures and have been reported in the National Provisioner. Two columns in the table give the differences in the prices for domestic and imported beef. These differences are significant, the highest figure listed in 1967 being \$7.50 per cwt., and in 1968 the figure ran as high as \$8.50 per cwt. It must be taken into account that ocean freight, insurance, and U.S. duties have already been paid on the imported meat and it is still offered in our market at lower figures.

With respect for the time of the committee, we do not believe it necessary to engage in a long and detailed explanation supporting the impact and adverse effects that imports have on our domestic price level. This was well established during and prior to 1964 through extensive presentations to the United States Tariff Commission beginning April 28, 1964, and the hearings in March of that