

develop a large scale container shipping service from Australia to U.S.A. The transport of refrigerated cargoes, mainly Australian frozen meat, in the north-bound trade, forms an important part of the line's plans.

Summary:

(1) The United States economy needs imported meat particularly for manufacturing purposes.

(2) Australia is an important market for U.S. products and has a growing adverse trade balance with United States.

(3) Meat is the major item in Australian exports to the United States and hence of great importance to the Australian economy.

(4) The U.S. market is important to the Australian livestock and meat packing industry.

(5) Australian policies have recognised the need for orderly development of the market.

Sydney: June 17, 1968.

DEPARTMENT OF STATE,
July 11, 1968.

Hon. WILBUR D. MILLS,
*Chairman, Committee on Ways and Means,
House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: The Department of State has received from the New Zealand Embassy statements prepared by the New Zealand Meat Producers' Board. The Embassy has requested that the two statements be transmitted to the Committee on Ways and Means for its consideration or possible inclusion in the record of the recently concluded hearings on tariff and trade proposals. In forwarding these statements to the Department, the Embassy has noted that the New Zealand Government endorses and supports the views expressed in the two statements.

I am, therefore, pleased to forward three copies of the enclosed statements for your consideration.

Sincerely,

WILLIAM B. MACOMBER, Jr.
Assistant Secretary for Congressional Relations.

STATEMENT OF THE NEW ZEALAND MEAT PRODUCERS BOARD

The New Zealand Meat Producers Board is the elected representative body for the livestock farmers of New Zealand. Since exports of meat provide the major portion of the income of our farmers and, indeed, of the overseas receipts of the country, we are deeply concerned with the maintenance of significant outlets for our products in world markets. The United States has been, for many years, an important market for New Zealand meat. The Board, therefore, has followed with deep concern the proposals which have been advanced in the United States Congress in the past year, proposing further restrictions on the importation of meat.

New Zealand is a small country. Our area is somewhat greater, and our population somewhat less, than that of an average state of the United States. While we have developed a variety of local industries and services, we cannot hope, with so small an economic base, to provide for our population the great diversity of complex products characteristic of the modern age, without relying heavily upon imports for those products which cannot economically be manufactured in New Zealand.

To pay for such imports we have developed several specialties, all stemming from raising livestock on our favorable grasslands, New Zealand's greatest single resource. More than 90% of our exports have always consisted of animal products, notably meat, wool and dairy produce. We believe that we are the most efficient producers of livestock and livestock products in the world. With reasonable opportunities to sell such products in competitive world markets, we have succeeded in attaining a standard of living among the highest in the world. Continued access to world markets is vital for the continued well being of our constituents and of our country.

In the United States market, we have developed a modest trade in three meat products, boneless manufacturing beef, veal and lamb. The American livestock industry has been specializing, increasingly, on raising grain-fed beef. Moreover,