the dairy industry has been reducing its herds of milk cows. As a result, less manufacturing beef is produced (more of the cattle go on feed, less veal is produced (fewer dairy cows, the main source of veal, means fewer calves), and less lamb is produced (pasture is being increasingly devoted to cattle, in preference to sheep). Thus, the supplies coming to this market from New Zealand have served only to replace, in part, the deficiencies in American supplies which have resulted from the shift of the American livestock industry from these three products to more profitable activities, notably the enormous development of grain fed beef.

Livestock prices fell in late 1963 and 1964, in response to heavy marketings of fed cattle. Imports also increased, but far less than the increase in domestic supply. Nevertheless, the domestic cattlemen blamed imports for the price decline, and the Congress responded by enacting Public Law 88–482, which provided for quotas if imports reached or thereatened to reach certain "trigger" points.

The cattlemen's fears that imports might continue to rise proved ill-founded; imports have never threatened the trigger points. A comparison of market experience since 1963 shows that the American livestock industry continues to grow and prosper, while imports continue to supplement it in the very areas in which domestic supplies are shrinking for causes having nothing to do with imports.

The gains of the domestic beef raisers in this span of four years can be seen plainly from these basic figures:

1. Domestic beef production rose from 16.5 billion pounds in 1963 to 20.2 billion pounds in 1967, a gain of 22%.
2. U.S. beef consumption rose from 94.3 lbs. per year per capita in 1963 to 105.6 lbs. in 1967, a gain of 12% per captita, for the bigger population.
3. Total imports of beef and veal (the bulk of it beef; combined figures are more readily available) declined from 1.7 billion pounds in 1963 to 1.3 billion pounds in 1967, or by over 20%. The net import share of U.S. production was 9.5% in 1963, but only 6.1% in 1967.
4. The price of choice slaughter steers, Chicago, per 100 lbs., in May 1964 (just before Congressional action on the quota bill) was $20.52. The latest available figure, for April 1968, was $27.49, a gain of 34%.

Thus, the American cattlemen are far better off today than they were when the 1964 Act was passed, with respect to their principal business, raising and marketing grain-fed cattle, America's specialty. Let us now examine developments in the import specialties, manufacturing beef, veal and lamb.

The largest volume of imported meat consists of boneless lean beef, of manufacturing grade. New Zealand has been the second largest supplier of such beef. Imported mutton also serves for manufacturing, although New Zealand does not ship mutton to the United States. The position of domestic manufacturing meat (mainly beef) has also improved since the 1964 legislation.

1. Domestic production of manufacturing grade meat has increased from 5.1 billion pounds in 1963 to 6.1 billion pounds in 1967, a gain of almost 20%.
2. U.S. consumption of manufacturing grade meat rose from 6.6 billion pounds in 1963 to 7.7 billion pounds in 1967, a gain of almost 17%.
3. Imports of such meat declined from 1.5 billion pounds in 1963 to 1.3 billion pounds in 1967, or almost 10%.
4. The price of cows (average of cutter and canner grades), Chicago, per 100 lbs. rose from $13.20 in May 1964 to $17.87 in April 1968, or by 35%.

The meat imports include veal and lamb, which are New Zealand specialties. United States production of both these meats has been declining steadily for many years for reasons unrelated to imports. Imports, particularly from New Zealand, have mitigated the supply shortages resulting from these domestic developments. Again, the domestic producers have had improved returns, compared with 1963.

1. Domestic veal production declined from 929 million pounds in 1963 to 792 million pounds in 1967, or by 15%. Veal imports also declined, from 26 million pounds in 1963 to 19 million pounds in 1967, an inconsequential share in both years. New Zealand was the largest supplier, shipping 19 million pounds in 1963, and 7 million pounds in 1967.
2. Domestic lamb production declined from 727 million pounds in 1963 to 602 million pounds in 1967, or by 17%. Imports also declined from 18 million pounds in 1963 to 12 million pounds in 1967. New Zealand was,