round. The fact was still evident during negotiations on agricultural products that the Common Market countries were going to protect their domestic supplies and not open the door to the American marketing of cornfed beef to the tables of our European Allies.

We respectfully ask that this committee give their full support to the passage of H.R. 9475 and give the vital beef industry in this country a chance to produce for the demand that this market creates.

STATEMENT OF RAYMOND SCHNELL, PRESIDENT, NORTH DAKOTA STOCKMEN'S ASSOCIATION

MEAT IMPORT LEGISLATION

The North Dakota Stockmen's Association represents nearly 3000 cattle producers and feeders and is generally regarded as spokesman for the beef industry in North Dakota.

We are grateful to your Committee for the opportunity of submitting this statement in support of H.R. 9475, which seeks to amend present meat import law, and respectfully request that it be included in hearing testimony.

Cattle and calves are normally expected to account for about 24% of the annual agricultural income for North Dakota, and, since roughly 80% of our state's total income is derived from agricultural sources, the economic importance of beef is readily apparent.

North Dakota annually expects to receive from $175 to $200 million from the sale of cattle and calves. Any reduction in this anticipated income causes monetary losses to hundreds of local North Dakota communities.

We fully realize that we must live with some level of beef importation so therefore wish to make it clear we do not advocate that imports be shut-off. We do, however, feel that wide monthly variations or fluctuations in the level of foreign beef imports work a depressing effect on domestic prices which those amendments contained in H.R. 9475 would help to level out.

PRICE EFFECT OF IMPORTS

While the price-depressing effect of increasing imports is difficult to determine with complete accuracy, it is known that higher imports create deflated price changes in the domestic beef market. The U.S.D.A. has determined the following price flexibilities resulting from beef and veal imports.

IMPACT OF 1 PERCENT CHANGE IN PER CAPITA SUPPLIES OF BEEF ON SELECTED PRICES

1 percent change in quantity per capita of—	Results in a deflated price change at Chicago (percent)	
	Choice steers	Utility cows
Steer and heifer beef	−1.33	−2.29
Cow beef plus imports of beef and veal	−.29	−.74
Only imports of beef and veal when imports are—		
5 percent of domestic product	−.07	−.17
10 percent of domestic product	−.11	−.27
15 percent of domestic product	−.14	−.35
20 percent of domestic product	−.16	−.40

Source: Livestock and Meat Situation, ERS, USDA, November 1963, Table D and F, pp. 41 and 43.

With the assistance of Richard Fenwick, Livestock Marketing Economist at North Dakota State University who supplies these data, we have attempted to put an approximate dollar-loss to North Dakota's total beef cattle income due to imports of beef and veal.

CHOICE STEERS

We have calculated that North Dakota producers lost an average of $3.00 per 1,000 pound steer in 1966 due to the price-depressing influence of foreign beef imports over the 1958–62 average. In other words, steer prices should have been $0.30 per hundredweight higher in 1966 than during the 1958–62 average because of foreign beef imports. North Dakota marketed 157,000 head of 1,000 pound