

competitor gleefully armed with the following advantages: Lower cost of production, lower standard of living, a free ride on the American ranchers' promotional effort to originate and to build consumer demand, free access to the American market to dump surplus crops whenever they could not be sold elsewhere.

Such extravagant opportunity led foreign producers to a steady invasion of our markets until, in 1958, the National Board of Fur Farm Organizations requested escape-clause action through the Tariff Commission. At that point imports had cornered 42 percent of domestic consumption. In that investigation the Commission ruled that no injury from imports existed, and this message, namely, that the domestic producer was to have no protection, was quickly translated by the foreign producer into higher production for the American market. (Import volume rose from 2,846,000 in 1960 to 4,131,000 in 1961, a percentage increase in 1 single year of almost 31 percent.) In 1961 the American rancher, unable to generate new consumer demand for such unprecedented supplies, began tightening his belt from a price break of more than 23 percent, and from that point onward domestic producers fell out of the competition at the rate of several hundred each year.

Mr. Chairman, because we have already told our story in many official places, and because the files of Washington agencies such as the Senate Finance Committee, the Congressional Record, the Tariff Commission and the offices of upwards of 84 cosponsoring Senators and Congressmen are replete with documentation, we would like to refrain at this time from burdening the committee with figures. In the interest of time we ask your special attention to two figures which are bound into and made a part of this testimony, and which summarize the effects of foreign competition on the domestic mink ranching industry, a subject which we find sometimes receives only casual acknowledgment.

FIGURE I—THE ACCORDION EFFECT

Figure I, titled "The Pressure of Imports on the American Market, 1957-1967" exposes the facts of foreign competition, as we have suffered them up to this moment of imminent disaster. Points in time are delineated by vertical lines, running from the left at 1956 to 1968, figures for the latter year being still very much in the guessing stages. On the left margin we provide a dollar-price scale which relates directly to the value of domestic pelts sold in American auctions. In the right margin the scale reads in millions of pelts and refers to the volume of domestic ranch production and to the volume of total imports. That historical point at which the American rancher failed to secure relief from growing imports, through "escape clause action," is appropriately shown as between 1959 and 1960 as "failure line," et cetera. Basic data for the construction of all the curves are grouped in the lower right-hand corner.

THE PLUNGING PRICE CURVE

Beginning at the left in 1956 the solid black curve represents the average gross auction price received by the American rancher for domestic pelts.