STATEMENT OF HON. WILLIAM L. ST. ONGE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. St. Onge. Mr. Chairman and members of the committee, I appreciate this opportunity to present my views regarding the bill H.R. 5102, to regulate the imports of milk and dairy products.

It is well known that the dairy farmer is faced with a serious dilemma. The dairy industry is without a doubt among the least profitable in the agricultural field. Between the years 1953 and 1966, dairy imports have increased 567 percent, while production and marketings have remained stagnant or decreased since 1963. When we examine these statistics and hear the plight of the dairymen, we realize that this marginal industry is in grave danger.

The U.S. Department of Agriculture estimates that dairy imports will total 3.5 billion pounds in 1968. This figure is approximately 12 times the quota set in 1953 by section 22 of the Agricultural Adjustment Act. High import prices in Common Market countries and low export rates should continue to encourage this situation. Presently, imports which have evaded the quota restrictions by technical distinctions in production and packaging, are responsible for the increase.

I refer specifically to the butterfat-sugar mixtures which contain up to 45 percent butterfat and which have displaced a market for U.S. dairymen equal to 10 percent of the total ice cream production of 1966; and to the processed American-type cheeses such as Colby, which are not significantly different from our American cheddar cheese and has consequently decreased its market. It is to end this misuse of our quotas, to insure our price support program, and to consequently provide for the livelihood of our dairy industry that I support the measure.

The bill would use the average annual quantities of butterfat and nonfat milk solids imported during the 5 years 1961 through 1965 as a base for quotas, and therefore avoid Tariff Commission proceedings through the institution of an automatic control. This stabilization of imports will allow our dairy farmers to regain the areas of production that they are losing. Provision has been made also so that the import total can increase in the same ratio as the domestic market expands. The bill is flexible in regard to countries and new products, and also gives the President the authorization to include additional imports, should the national interest be endangered. However, any increases will not be at the expense of our domestic production.

The President, and Secretary of Agriculture, Orville Freeman, have urged legislation of this type since March of 1966, when they concurred that an investigation was necessary. The result of this action was a Presidential Proclamation on June 30, 1967, which placed a number of dairy products under quota restriction. The proclamation serves to emphasize the need for new legislation on dairy imports. I believe that the Dairy Import Act of 1968, as proposed in my bill, is the sort of legislation that Congress and the dairy farmers of our Nation can look to with satisfaction. I strongly recommend that this committee consider the value of this measure and urge its adoption.

Mr. Herlong. Thank you, Mr. St. Onge, for sharing your views with us. Are there any questions? Thank you again, sir.

Next we have our colleague from Kentucky, the Honorable M. Gene Snyder. Come forward, sir, and proceed as you see fit.