

1967, when the executive branch rather belatedly started action in connection with this matter, these mixtures had taken over 10 percent of our market for butterfat in ice cream in the United States, and had been associated with a pretty sharp drop in farm prices which were then showing some signs of recovery because our production was down.

Another problem with section 22 is that a number of dairy products are not under control. Many cheeses are not under quota and imports of these cheeses have grown substantially.

Now, it is well to recognize, of course, that milk can be used interchangeably among many products, so that, for example, if it isn't used for one type of cheese, it may be used for another excepting, of course, unless it is sheep-milk cheese in which case you can't use cow's milk.

But, in any event, a very flagrant example of failure to cover an important imported item through the quota was Colby cheese. Colby cheese is almost exactly like Cheddar cheese. It is an American-type cheese. Heretofore, or until a few years ago, it had never been imported into the United States, but it was found that by importing it as Colby cheese, it would not be classified as Cheddar cheese, and therefore it was quota free.

Now, as a matter of fact, the Colby manufacturing process was developed in Wisconsin. We requested the Department of Agriculture to stop importation of this product, but instead of doing so, the department worked out a "gentlemen's agreement" whereby the Colby cheese exporters in certain countries agreed to limit their exports to us, but this agreement sort of fell through the slats rather quickly because other countries not parties to the agreement started to send us Colby cheese.

Before quotas were issued on this particular commodity, which replaces Cheddar cheese pound for pound—before they were placed on this commodity on July 1, 1967, the imports of this commodity had grown from practically nothing a few years earlier to 46 million pounds in 1966, and Secretary Freeman testifying before the Tariff Commission, in May 1967, told the Commission that unless quotas were imposed on this product the 1967 imports could reach 120 million pounds.

We think the continued growth in these quotas under section 22 is clearly unwarranted. For example, to relate this to our own situation, on a pound for pound basis, total cheese imports in 1967 were about 152 million pounds. That is 8 percent of the total U.S. production of all types of cheese.

Now, of course, when the additional quotas were established by the President on July 1, 1967, we were somewhat pleased, but that pleasure was diluted very considerably by the fact that the Cheddar cheese quota was raised 7.2 million pounds and a quota was granted for "other American" type cheese—which is Colby cheese—at 6.1 million pounds and for frozen cream imports, which were practically zero as early as 1961, a quota of 12.5 million pounds was granted.

We surely do not need imported Cheddar cheese or Colby-type cheese or frozen cream because under our price support program our purchases are still running substantially about the same or perhaps just a little under last year.