

We note also that the Secretary again has asked that this matter be placed before the Tariff Commission in its current investigation which will open on July 22 where we will again appear and ask that it be closed.

We, however, are not terribly hopeful in view of the past history. That is why we asked that legislation be introduced. It has been, and we hope the Congress will adopt it.

The second point we would like to make is that there are many other Italian-type cheeses beyond those specifically stated in the quota provision. For example, there are sheep's milk cheeses and Mozzarella cheeses which are not currently under the quota provision.

For this reason we support the general concept and intention of the Dairy Import Act of 1967.

We have some comments, however, to strengthen this legislation.

First, we would like to see any dairy import legislation contain specific provision for quotas by products so that any given product would get its quota established and so that protection would be given on a product-by-product basis.

This would prevent trading off of one product against the other.

We also ask discretionary power of the administration or Department of Agriculture be limited so that the administration could not freewheel within the confines of the legislation that should be passed. We are somewhat fearful that the administration if not given guidelines might freewheel and thereby cause us to get back into the same kind of problems we have now in the dairy product area, particularly cheese.

Further, we support the general concept and intent of the Fair International Trade Act of 1968 introduced by Representative Herlong. We feel that this is a reasonable approach to dealing with the import problem.

While still providing a viable market for imported products, it provides a reasonable ceiling for imports which would not completely disrupt domestic industry while at the same time providing a very substantial share of the market which would expand with the domestic market.

In the administration bill we support the liberalized adjustment assistance provisions but do not feel that the administration bill goes far enough to deal with the many problems we have on imports into the United States.

Our industry has been severely hampered by increasing imports of Italian-type cheeses, particularly Parmesan and Provolone from Italy and Argentina, and Mozzarella from West Germany and other countries. It appears that dairy surpluses in the EEC countries are being dumped in the United States with the aid of subsidies. These low-priced foreign imports are severely disrupting the domestic price market for Italian-type cheese.

We note in Mozzarella that in some cases this cheese is priced below U.S. cost of production, which in some cases is as low as 37 cents a pound and in some cases they are offered in quantities of 1-million-pound lots, which means there is a great deal of that available.

We note that several producers of Italian-type cheese have gone out of business in recent years and think that this is greatly due to the increases in imports and severe price competition.