

of Agriculture. At the present time, import restrictions are in effect under regulations adopted pursuant to section 22 of the Agricultural Adjustment Act with respect to the principal cheese imported into the United States.

On May 10, 1967, the committee adopted a resolution directing the U.S. Tariff Commission to make an investigation of the conditions of competition in the United States between dairy products produced in the United States and in foreign countries, and to report the results to this committee.

The report of the Tariff Commission was rendered in March of this year. This committee has the benefit of this report, which comprises 312 pages, and which contains some very significant facts and statistics as they pertain to quota and nonquota cheese. I suggest and request that the Tariff Commission Report¹ be made a part of this record.

Mr. BURKE. Mr. Fromer, since this is a rather lengthy document, and since the committee did request the report and does have it available, I believe it will only be necessary to incorporate the report by reference.

Mr. FROMER. The Tariff Commission report finds that during 1966 and the early months of 1967, imports of some dairy products not subject to import quotas rose sharply; imports of colby cheese, butterfat-sugar mixtures, and frozen cream accounted for about 95 percent of the increase in imports (Tariff Commission report, p. 3). Due to such imports, the President caused a section 22 proceeding to be instituted last spring under the Agricultural Adjustment Act, as a result of which all of the said products which caused 95 percent of the increase are presently subject to import quotas.

The result of the presidential action was that imports of all dairy products from January through March 1968 totaled 0.3 billion pounds of milk equivalent, down from 1 billion pounds a year earlier, or less than one-third of the amount during the same period last year (USDA Dairy Situation, May 1968).

The prompt action taken with respect to the imports in question demonstrates the effectiveness of the Agricultural Adjustment Act to deal with the situation and the lack of need for the proposed across-the-board import restrictions on all dairy products.

On June 10, 1968, the President, acting upon the recommendation of the Secretary of Agriculture, proclaimed import quotas on condensed and evaporated milk and cream and directed the Tariff Commission to investigate the need for quotas on other dairy products which are not now subject to import restriction. Again the effectiveness of section 22 of the Agricultural Adjustment Act was demonstrated, as well as the lack of need of any further legislation on the subject.

The cheese importing industry is a small industry, amounting in its entirety to less than two-thirds of a pound per capita per year. We submit a table of U.S. cheese production and imports of cheese by types, 1936-1939 average and annual imports 1949 through 1966, together with graphs pertaining to said statistics.

We also submit a table of imports of cheese during 1967 by variety and country of origin. Some very significant facts will be noted from these statistics which prove that imports have stimulated domestic

¹ U.S. Tariff Commission, report on investigation No. 332-53 under sec. 332 of the Tariff Act of 1930, pursuant to a resolution of the Committee on Ways and Means of the House of Representatives, adopted May 10, 1967 (T.C. Publication 233, March 1968).