

with a governmental agricultural program) will arise depends in large part on the relationship between the domestic market price and the import price. If the domestic market price is above its support level . . . no Section 22 problem arises . . . Thus, it is only where a clear threat of injury to the program from imports actually exists that action is taken under Section 22."

The price of foreign types of cheese is above the support level and there is no real basis for continuing import restrictions on these types of cheese. The volume of removal of dairy products by Commodity Credit Corporation from the commercial market under the price-support program is substantially less than it was a year ago.

Furthermore, it is contrary to our own best interests and the best interests of the American farmer to continue these import restrictions. Remarks made last year, before the Senate, by Senator Stuart Symington of Missouri, which were printed in the Congressional Record of April 24, 1967 (S. 5746), are just as valid today as when they were made:

"U.S. agricultural exports have moved ahead more rapidly than any other export item since the early 1960's."

"These agricultural exports play a vital role in the continuing unfavorable balance of payments problem."

"Since the early 1960's, each year U.S. agriculture has set new export records year after year."

"From a trade balance point of view, we are doing much better in our agricultural trade than in our industrial trade. As example, in the calendar year 1966, the United States had a total favorable trade balance of \$3.6 billion; and of that total the agricultural trade balance accounted for \$2.4 billion, two-thirds of this favorable margin."

The imposition of restrictions on the importation of cheese, and particularly upon foreign types of cheese which have historically been imported into the United States, closes the door, if not completely at least partly, to trade with countries who buy more from us than we sell to them. The following represents the volume of trade in 1967 in U.S. dollars between our country and the principal countries from which we have historically imported foreign types of cheese, as reported by U.S. Customs.

[In millions of U.S. dollars]

Country	Exports to United States	Imports from United States
Italy.....	855.6	972.9
Netherlands.....	371.8	1,238.0
Denmark.....	182.6	205.3
France.....	689.8	1,025.1
Switzerland.....	383.1	430.0
Norway.....	134.5	137.8
Sweden.....	329.9	385.4
Argentina.....	140.3	230.3
Canada.....	7,099.3	7,172.9

The balance of trade with these countries continued in 1968 strongly in favor of the U.S. How can we now adopt additional legislative restrictions against cheese imports without very compelling reason (which certainly does not exist in view of the facts and Section 22 of the Agricultural Adjustment Act) without offending the countries from which we import these cheeses?

The provisions of the pending dairy quota bills would unnecessarily regiment, stifle, and destroy the cheese importing industry. We are presently, and have been for fifteen years, operating under import restrictions which have restrained growth. Imposing restrictions across-the-board, on the basis of total butterfat and milk solids imported, makes no provision for the importation of historical cheeses, nor does it assure historical importers an opportunity to import cheeses from historical countries of origin. The bills would create a great many inequities and may result in even greater damage to the domestic industry by the importation of butterfat and milk solids in forms which are more competitive with the domestic industry, whereas the historically imported foreign cheeses have uniformly been higher in price than the domestic product. The cheese import industry has been the cornerstone of U.S. manufacture of foreign types of cheese. It has not only served the domestic industry, but has served consumers as well. The adoption of the proposed quota bills is totally unfair, unwarranted, and unnecessary.