of seasonal opening dates. (Typical opening dates are carried in the Appendix.) Imports are restricted until a date is established annually by the government, usually after consultation with the domestic growers. Naturally the purpose of this barrier is to protect the domestic growers as long as domestic supplies are available. Often the dates are not announced until late in the season and the announcement is usually made only a few days ahead of the effective date. Also, experience clearly indicates the date is often fixed well after adequate and satisfactory domestic supplies are available. Further, in Sweden and Norway we face a set, graduated, declining duty schedule, and these are rigidly adhered to regardless of the opening date. The result is that our apples and pears are confronted with an unreasonable tariff despite the fact that domestic supplies are practically non-existent. In many instances the restrictions are in conflict with GATT.

2. *Quotas and Licenses.*—Norway, the United Kingdom and Venezuela are among the nations which restrict imports through the use of quotas and licenses. The Norway quota, adopted three years ago, of 18,000 metric tons is reliably reported as inadequate to meet the market needs. This quota plus the late seasonal opening dates are especially restrictive against U.S. apples and pears.

The overall U.K. apple quota is seemingly adequate. However, the system favors Southern Hemisphere supplies. The quota is split into two periods, namely 7/1–12/31 and 1/1–6/30, with only 20% of the quota allocated to the July–December period—our principal shipping time. In the later period we compete directly with heavy, newly harvested supplies from below the Equator Also, the demand for apples usually slackens in January and February and prices are lower.

The Venezuela quota and license situation is especially annoying, restrictive and, in our opinion, unreasonable and arbitrary. Venezuela does not produce deciduous fruits. Venezuela enjoys a very favorable balance of payments with the U.S., and there is no justification for the restriction.

Venezuela initiated the quota system for deciduous fruits in 1966, based on the imports in 1965. At that time they also announced this quota would be cut 10% annually to encourage the development of a local tropical fruit industry, which is commercially insignificant. Despite the mild protests of our Government the quota was reduced about 10% in both 1967 and 1968. Further, the allocation of the licenses to importers in both years was not made until about February 1, resulting in a complete loss of exports in January—a most valuable marketing period.

Mexico is another enigma. Imports of apples and pears are permitted entry into parts of Sonora and Baja California without a license. However, licenses are required for all other areas, and the excessive duty of 75% ad. val. plus 2.18¢ per pound completely restricts legitimate trade. At the same time Mexico enjoys Most Favored Nation treatment from the U.S. and exports an ever and rapidly increasing volume of agricultural commodities to this country with no restriction of any kind.

3. *Variable levies and reference prices.*—These are an established "fact" within the E.E.C.'s Common Agricultural Policy and are an effective weapon against trade development. The threat of an additional levy can only result in importers being most reluctant to make advance purchases of U.S. fruits, because they will not know what the laid-in cost might be at the time of shipment.

From all appearances the United States tolerates the E.E.C.'s Common Agricultural Policy of which variable levies and reference prices are an integral part. We might ask if this "toleration" by the U.S. is recognition that the CAP is "good". If so, why don't we adopt a similar system?

GRADES AND STANDARD CONTAINERS

Grade standards and specifications for standard containers under consideration by the E.E.C. and O.C.E.D. are potential non-tariff barriers to trade. For example, consideration is being given to adopting a standard apple container which would hold about 30 lbs of apples. Presumably, all trade would have to be in the adopted container. Our principal container for both domestic and export trade is the telescope tray pack carton, which carries 40 to 45 lbs of fruit, depending upon fruit size and variety. The serious problems of packing a special container for export are clearly evident. The net result would be declining U.S. exports to the detriment of our industry and the U.S. payments position.