2. Mexico and Central and South America

Trade in fresh citrus and citrus products with Mexico and the Central and South American countries is an extremely difficult matter, oftentimes burdened by arbitrary restrictions instituted with little or no notice. With respect to fresh oranges, Mexico has placed an embargo on oranges entering Baja California in all but two of the last seven years. These embargoes have lasted from as little as three days to as long as six months, and to our knowledge, have been for the sole purpose of eliminating competition while oranges produced in certain areas in Mexico are in season. Regarding citrus products, over a period of many years we have encountered nearly continuous harassments by reason of unilateral action on the part of Mexican officials. In the past, their restrictions on such items as citrus oils, juice concentrates and bioflavanoids have taken the form of increases in the official prices for duty purposes, refusal to issue permits, strict embargoes and changes in tariff schedules in such ways as to hide specific commodities and put them in higher tariff classifications.

In contrast, the United States' doors have been open to Mexico and we have become a substantial market for their exports. The following tabulation illustrates the significance of the increase in import value of fruits and fruit preparations coming into the United States from Mexico. In 1956, Mexico accounted for 12% of the U.S. imports of these products with a value of $7,797,000. By 1966, imports had increased to the point where Mexico accounted for 26% of the U.S. imports of fruits and fruit preparations with a value of $34,111,000.

U.S. IMPORTS OF FRUITS AND FRUIT PREPARATIONS

[Dollar amounts in thousands]

	From all sources	From Mexico	Percent from Mexico
1956	$67,421	$7,797	12
1956	$67,421	$7,797	12
1957	69,931	6,946	10
1958	65,575	9,128	14
1959	77,589	11,428	15
1960	88,019	15,923	18
1961	87,737	15,329	17
1962	88,469	16,568	19
1963	103,856	21,296	21
1964	123,777	29,001	23
1965	122,864	27,178	22
1966	130,330	34,111	26

Source: "U.S. Imports of Horticultural Products," FAS-M-191, USDA, FAS, August 1967, p. 9. Imports for consumption only.

With regard to citrus alone, fresh oranges from Mexico amounted to nearly 400,000 70-pound boxes in 1966–67 which came in spite of one of the largest U.S. production years on record. It is estimated that Mexican imports will increase significantly this season since through June 15, 1968, 1725 carloads have been exported to the U.S. compared to only 390 carloads through the same period last year.* This expected increase can be attributed in large measure to the unfortunate short crop conditions in California and Arizona due to unfavorable weather during the blooming period and heavy frost damage to portions of the producing area during the winter of 1967–68. Nevertheless, this serves to illustrate the point that these commodities move into the United States with the payment of moderate tariffs and with no non-tariff barriers. The United States should insist on and obtain similar freedom of movement for United States produced citrus and citrus products into these countries. We are aware of the fact that for many years there has been no trade treaty between the United States and Mexico and that Mexico is not a member of GATT. This is no justification for the arbitrary and vexatious trade barriers which are maintained against imports from the United States and we specifically request that if this situation is not remedied, forthwith, that the government take appropriate action under Section 252 of the Trade Expansion Act of 1962.

*Federal-State Market News Service Citrus Reports.