

BOB DOLE

1ST DISTRICT, KANSAS

INN HOUSE OFFICE BUILDING

AREA CODE 202

225-2715

COMMITTEE:

AGRICULTURE

DISTRICT OFFICE:

101 FEDERAL BUILDING

WICHITA, KANSAS 67306

AREA CODE 316

SW 3-5423

Congress of the United States

House of Representatives

Washington, D.C. 20515

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CHEYENNE JEWELL
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STATEMENT OF HONORABLE BOB DOLE, BEFORE THE WAYS AND MEANS COMMITTEE, U. S. HOUSE OF REPRESENTATIVES, JULY 2, 1968

- Dairy Import Act Vital to American Dairymen -

Mr. Chairman, I have introduced legislation now pending before your

committee which would, if enacted, provide safeguards for the American dairy industry. Unwarranted imports from nations providing export subsidies to their local producers (thus gaining much needed hard currency) have seriously deteriorated the position of the United States producer.

This legislation, H.R. 4860, is important for the economic well-being of the Nation and the dairy farmer. Plainly stated, the United States imported \$133,267,000 worth of dairy products in 1967 -- a year of unprecedented dollar drain and fiscal crisis. In my opinion, there is no excuse for this great loss. Our imports of dairy products not only cost the domestic producers valuable domestic markets, but significantly contributed to our national balance-of-payments deficit.

- Examples of Unwarranted Imports -

Mr. Chairman, my bill would not, of course, stop all dairy product imports. But imports would be brought into line with reasonable historic trade policies.

This legislation, called the DAIRY IMPORT ACT OF 1968, is needed to stop the imports of dairy products which are shipped into our country in virtual evasion of established quotas.

Let me give you a few examples:

---- Imports of evaporated milk grew from 4,000 pounds in 1962 to 1,311,000 pounds in 1967.

---- Sweetened condensed milk imports grew from 69,000 pounds in 1962 to 4,074,000 pounds in 1967.

---- Chocolate crumb is a so-called "new" product designed to evade import quotas. During 1967, imports of chocolate crumb increased to 21.5 million pounds.

---- Cheese imports totaled 152 million pounds in 1967.

---- Imports of butterfat sugar mixtures jumped from zero in 1961 to 105,626,000 pounds in 1966.

- Control Actions Too Little, Too Late -

Some actions have been taken to stem the flood-tide of dairy imports, but these controls have been too little, too late. For instance, prior to June 30, 1967, there was no quota on Colby cheese, with the result that ever-increasing quantities were imported. Finally, when action was taken last year a quota of 6,096,000 pounds was granted. In the case of frozen cream, no quotas had been established until last year with the result of again large quantities coming into the United States. When quotas were established, 12,540,000 pounds were permitted.

In other words, we reward countries which develop products in evasion of our quotas by granting them quotas on those very products. Not only are our dairy farmers hurt by these imports, but imports added \$131,177,198 of unnecessary cost to the price support program in 1967. Import controls are necessary to provide dairy farmers a level of income commensurate with that received by non-farm segments of our society.

- Urge Early Committee Action -

Mr. Chairman, farmers must achieve parity prices, the United States must improve her balance of payments deficit, and price support payments to producers should be reduced as income increases. I urge your committee to favorably report the DAIRY IMPORT ACT OF 1968 at the earliest opportunity.

This legislation will be the first step toward reasonable import policies for dairy products.