

UNITED STATES INTERNATIONAL TRADE COMMISSION

**LIVE CATTLE AND CERTAIN EDIBLE MEAT
PRODUCTS OF CATTLE**

**Report to the President on
Investigation No. TA-201-25 Under
Section 201 of the Trade Act of 1974**



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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.—The whole of the Commission's report to the President may not be made public because it contains certain information considered to be confidential or sensitive. This published report is the same as the report to the President except that the above mentioned information has been omitted. Such omissions are indicated by asterisks.

REPORT TO THE PRESIDENT

United States International Trade Commission,
September 17, 1977.

To the President:

In accordance with section 201(d)(1) of the Trade Act of 1974, the United States International Trade Commission herein reports the results of an investigation relating to live cattle and certain meat products of cattle fit for human consumption.

The investigation (No. TA-201-25) was undertaken to determine whether live cattle and certain meat products of cattle fit for human consumption provided for in items 100.40 through 100.55, inclusive; 106.10, 106.80, and 106.85; 107.20 and 107.25; 107.40 through 107.60, inclusive; and 107.75 of the Tariff Schedules of the United States (TSUS) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles.

The Commission instituted the investigation, under the authority of section 201(b)(1) of the Trade Act, on March 26, 1977, following the receipt, on March 17, 1977, of a petition for import relief under section 201 of the Trade Act of 1974 (19 U.S.C. 2251) filed by the National Association of American Meat Promoters, the Meat Promoters of South Dakota, the Meat Promoters of North Dakota, the Meat Promoters of Montana, and the Meat Promoters of Wyoming.

The Commission held public hearings on this matter in Rapid City, S. Dak., on June 14 and 15, 1977; Fort Worth, Tex., on June 28 and 29,

1977; New York, N.Y., on July 12, 1977; and Kansas City, Mo., on July 19 and 20, 1977.

Notice of the institution of the investigation and of the scheduling of the public hearings was published in the Federal Register of April 13, 1977 (42 F.R. 19389). Notice of the addition of the Kansas City hearing was published in the Federal Register of May 19, 1977 (42 F.R. 25774).

The information for this report was obtained from field work and interviews by members of the Commission's staff, from other Federal agencies, from responses to the Commission's questionnaires, from information presented at the public hearings, from briefs submitted by interested parties, and from the Commission's files.

A transcript of the hearing and copies of briefs submitted by interested parties in connection with the investigation are attached. 1/

1/ Attached to the original report sent to the President, and available for inspection at the U.S. International Trade Commission, except for material submitted in confidence.

DETERMINATION OF THE COMMISSION

On the basis of the investigation, the Commission (Chairman Minchew not participating) determines that live cattle and certain meat products of cattle fit for human consumption, provided for in items 100.40 through 100.55, inclusive; 106.10, 106.80, and 106.85; 107.20 and 107.25; 107.40 through 107.60, inclusive; and 107.75 of the TSUS are not being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles.

Views of Vice Chairman Joseph O. Parker and Commissioners
George M. Moore, Catherine Bedell and Italo H. Ablondi

On March 26, 1977, the United States International Trade Commission instituted an investigation to determine whether live cattle and certain meat products of cattle fit for human consumption, provided for in items 100.40 through 100.55, inclusive; 106.10, 106.80, and 106.85; 107.20 and 107.25; 107.40 through 107.60, inclusive; and 107.75 of the Tariff Schedules of the United States (TSUS) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles. The investigation followed the receipt on March 17, 1977, of a petition filed by the National Association of American Meat Promoters, the Meat Promoters of South Dakota, the Meat Promoters of North Dakota, the Meat Promoters of Montana, and the Meat Promoters of Wyoming.

The Trade Act of 1974 requires that each of the following criteria be met before an affirmative determination can be made:

- (1) there are increased imports of an article into the United States;
- (2) the domestic industry producing an article like or directly competitive with the imported article is being seriously injured, or threatened with serious injury; and
- (3) such increased imports are a substantial cause of the serious injury, or the threat thereof, to the relevant domestic industry.

Determination

On the basis of the information developed by the Commission in this investigation, we have determined that live cattle and certain meat products of cattle, fit for human consumption, described in the TSUS items set forth above, are not being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles. Specifically, we find that imports are not a substantial cause of the injury complained of by the petitioners, whether or not there are increased imports. Since we find that the third criterion of the statute referred to above has not been met, our determination must be in the negative.

The subject articles and the domestic industry

The imported articles which are the subject of this investigation consist of live cattle and a wide variety of products described herein as beef and veal. The domestic industry producing articles like or directly competitive with these imported articles is made up of several segments: cattle growers who raise cattle for slaughter or for further feeding, feedlot operators who further finish or fatten cattle on grain prior to slaughter, slaughterers, and processors who are engaged in the manufacture of beef and veal products including ground beef, sausages, and other meat products.

Increased imports

Pursuant to subsection (b)(2)(C) of section 201 of the Trade Act, the first criterion referred to above, that of increased imports, may be satisfied if there is an increase in either the actual quantity or in the ratio of imports to domestic production. Over the most recent 5-year period--a period which the Commission, in prior investigations, has considered in determining whether there are increased imports--imports of live cattle and beef and veal within the scope of this investigation have trended downward in both absolute terms and relative to domestic production.

During the period 1964-76, the period referred to by petitioners, imports have increased in terms of total quantity. U.S. population and per capita consumption increased substantially. The increase in total consumption during this period is more than seven times the increase in imports, the net result being that the ratio of imports to consumption during the 12-year period was less than the ratio of imports to consumption in 1962 and 1963.

Another factor of relevance to the question of increased imports is the enactment of Public Law 88-482 (popularly known as the Meat Import Act of 1964) and the direct and indirect implementation of the policy of that statute. Since January 1, 1965, imports of fresh, chilled, or frozen beef and veal have been subject to that act, which covers nearly 90 percent of the total U.S. imports of beef and veal. In essence, it provides that imports of such beef shall be subject to restriction by Presidential proclamation, within the levels provided by the legislation, whenever imports

reach a certain level. The President may suspend such restrictions whenever he determines it to be in the national interest to do so. In the administration of the Meat Import Act, bilateral agreements have, at times, been negotiated and used in the effectuation of the policies of the act. Under the bilateral agreements, signatory countries are permitted to import up to, but not in excess of, the levels specified in the agreements. The levels of permitted imports are determined annually and are related to the level of domestic production during a base period, plus a growth factor. As a result of the implementation of the Meat Import Act and the various bilateral agreements, imports of beef and veal have remained relatively constant as a share of domestic consumption since 1965 and below the levels in 1962 and 1963. Since the enactment of the Meat Import Act, imports have been subject to restraint, and the domestic industry has been able to determine with a reasonable degree of certainty that imports will not exceed certain levels.

Serious injury

Cattle raisers have been facing distressed conditions since about 1974, as cattle numbers increased to historic levels and liquidations became necessary. The liquidation process, which requires increased marketings at a time when beef supplies are abundant, is a difficult adjustment which often results in losses to cattle raisers. The distress has been compounded by the severe cost-price squeeze being experienced by cattle raisers, because as prices have been declining, in light of heavy supplies, costs have

been rapidly escalating. However, the question which we must address in this investigation is not whether cattle raisers and the beef industry are in distress, but whether the industry is being seriously injured or threatened with serious injury by increased imports and whether such imports are a substantial cause of such injury within the meaning of the statutory criterion. The distressed condition of the cattle raisers alone is not sufficient, under the statutory criterion, for an affirmative determination. It must be established that there is serious injury, or the threat thereof, to the domestic industry and that imports are the substantial cause of that injury or threat.

Substantial cause

Section 201(b)(4) of the Trade Act defines "substantial cause" as a "cause which is important and not less than any other cause." In addressing the question of substantial cause, the House Ways and Means Committee Report states:

The Committee intends that a dual test be met--imports must constitute an important cause and be no less important than any other single cause. For example, if imports were just one of many factors of equal weight, imports would meet the test of being "not less than any other cause" but it would be unlikely that any of the causes would be deemed an "important" cause. If there were any other cause more important than imports, then the second test of being "not less than any other cause" would not be met. On the other hand, if imports were one of two factors of equal weight and there were no other factors, both tests would be met. 1/

1/U.S House of Representatives, Trade Reform Act of 1973: Report of the Committee on Ways and Means . . . , H. Rept. No. 93-571 (93d Cong., 1st sess.), 1973, pp. 46-47.

The Senate Finance Committee Report addressed the question by stating:

The Committee recognizes that "weighing" causes in a dynamic economy is not always possible. It is not intended that a mathematical test be applied by the Commission. The Commissioners will have to assure themselves that imports represent a substantial cause or threat of injury, and not just one of a multitude of equal causes or threats of injury. It is not intended that the escape clause criteria go from one extreme of excessive rigidity to complete laxity. An industry must be seriously injured . . . and the imports must be deemed to be a substantial cause of the injury before an affirmative determination should be made. 1/

In determining "substantial cause" it is necessary, therefore, to consider two tests. First a cause must be important; and, second, a cause must be not less than any other cause.

The information developed in the investigation conducted by the Commission clearly shows that the substantial cause criterion has not been met. The investigation discloses that the cattle industry has been in a distressed condition since the sharp decline in cattle values which occurred in 1974 following a continued rise in cattle prices, which peaked in 1973. The cattle liquidation which commenced thereafter, and which is still in progress, resulted in increased marketings of cattle and increased supplies of beef to be marketed. Imports were not a substantial cause of this condition. Although imports have contributed to the total meat supply, they have had but a minor impact in comparison with the significant increase in supplies resulting from increased domestic production.

1/U.S. Senate, Trade Reform Act of 1974: Report of the Committee on Finance . . . , S. Rept. No. 93-1298 (93d Cong., 2d sess.), 1974, pp. 120-121.

Between January 1, 1971, and January 1, 1973, the number of cattle on U.S. farms and ranches increased from 114.6 million head to 121.5 million head, while the cattle slaughter remained fairly constant. During 1973, the national cattle herd increased by another 6 million head. However, in that year, cattle slaughter decreased by 3 million head from the number in the previous 3 years. Total U.S. production of beef and veal (in carcass-weight equivalent), which rose steadily from 19.4 billion pounds in 1964 to 22.8 billion pounds in 1972, declined to 21.6 billion pounds in 1973. As domestic supplies tightened, average beef prices reached an alltime high despite the record level of imports that year.

There was a further increase in the total national cattle herd in 1974 and a record high yearend herd. In that year, however, cattle slaughter increased by more than 4 million head over the 1973 slaughter. Total production of beef and veal, which had declined in 1973, increased by 2 billion pounds in 1974 alone--an increase equal to nearly 60 percent of the total increase of 3.4 billion pounds which had taken place during the 9-year period 1964-1972. During 1974, average cattle prices plummeted, and imports of beef and veal decreased substantially.

In 1975, cattle slaughter again increased, this time by 6.2 million head, and domestic production of beef and veal increased by more than 1 billion pounds. Average cattle prices continued to decline in 1975. Imports of beef and veal increased slightly during that year, but were equivalent to only 5.3 percent of domestic production and were subject to restraints under bilateral agreements.

In 1976, the cattle slaughter trend continued upward, with an increase of 2 million head. Total beef and veal production increased by another 2 billion pounds and average cattle prices remained low. Imports were equivalent to 5.6 percent of domestic production. The ratio of imports to consumption in 1976 was substantially below the ratio in 1961-63.

In summary, the foregoing statistics show that between 1973 and 1976, the number of cattle slaughtered increased by approximately one-third and total domestic production of beef and veal increased by more than 5 billion pounds. This was more than one and a half times the amount of the increase which occurred during the 9-year period 1964-1972. In contrast, beef and veal imports declined during the period 1973-76. In fact, the increase in imports (in carcass-weight equivalent) between 1964 and 1976 amounts to less than 20 percent of the increase in domestic production between 1973 and 1976. The increase in domestic production in 1976 alone almost equaled the total volume of beef imports in that year. It is clear that the large increase in supplies caused by increased domestic production, rather than imports, was the primary cause of the distress of the cattle industry.

It is also important to recognize the specific nature of the beef and veal imports in considering the impact of imports. Most of the beef and veal imported into the United States is used for manufacturing, principally for making ground beef, including hamburger and other further processed items. Information obtained in the course of the investigation suggests

that the demand for hamburger in the United States has been strong and growing for a number of years. Ground beef, hamburger, and sausage are produced largely from the meat from cull cows and bulls (the type of beef with which the bulk of the imports compete) and imported beef which are blended with trimmings from domestic fed cattle.

U.S. prices of cull cows, like those of all cattle, declined from 1973 to 1975. However, as steer prices declined from 1975 to 1976, cull cow prices rose. This firmness of cow prices reflects the growing demand for manufacturing beef for hamburger. The firm cow prices have persisted despite imports of beef which were often found to be higher in price than the domestic beef for making hamburger.

At the hearings on the investigation, information was presented that showed that imported lean beef is often mixed with trimmings from domestic fed cattle and the fat from such cattle, which otherwise would be used in making lower value products such as tallow. The value of the domestic trimmings is enhanced to the extent that they are mixed with the imports for the production of hamburger and other manufactured beef products.

Conclusion

On the basis of the information obtained in this investigation, we have determined that imports are not a substantial cause of serious injury, or the threat thereof, to the domestic industry. Therefore, we have made a negative determination.

INFORMATION OBTAINED IN THE INVESTIGATION

Summary

Following the receipt on March 17, 1977, of a petition for import relief filed by the National Association of American Meat Promoters and its subsidiary organizations in South Dakota, North Dakota, Wyoming, and Montana, the United States International Trade Commission, on March 26, 1977, instituted an investigation to determine whether live cattle and virtually all meat products of cattle are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles. This report presents and analyzes the data and information gathered in the course of the investigation.

Cattle farms or ranches (about 1.8 million farms and ranches in the United States reported sales of cattle in 1976), feedlots (estimated to number 134,000 in 1976), meat-packing plants or slaughterhouses (numbering 397 in 1977), meat-processing plants (numbering 4,656 in 1977), and combined meat-packing plants and meat-processing plants (numbering 1,322 in 1977), all are involved in the production of cattle and/or beef.

Eighty to ninety percent of the beef imported into the United States is subject to the so-called Meat Import Act of 1964. ^{1/} Rates of duty on the products covered by the act were not reduced as a result of the Kennedy round. Imports of other meat articles and live cattle are not subject to the Meat Import Act and many were subject to duty concessions in the Kennedy round. This report presents data and information on U.S. production and trade for the period 1964 through 1976. Both 12-year and 4-year trend lines are presented for the 13-year and 5-year periods, 1964-76 and 1972-76, respectively.

^{1/} Public Law 88-482; 78 Stat. 594; an act to provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products. The Meat Import Act provides that the meats covered by the act may be subject to an absolute quota by Presidential proclamation should the annual ratio of imports to domestic commercial production change over the corresponding weighted average annual ratio for the period 1959 through 1963 (about 7 percent). Base quota levels are set at these volumes but are not triggered until imports are expected to exceed the base quota levels by 10 percent. If the Secretary of Agriculture estimates that imports will exceed the trigger levels, the President is required by the act to proclaim quotas on imports of meats subject to the act. The law, however, does provide for the suspension of these quotas or an increase in the quantities of the quotas under certain circumstances specified by the law. Since 1964, U.S. imports of meat have been restrained by the provisions of the act.

The number of live cattle imported trended gradually downward during 1964-76 and downward sharply after 1972, despite an increase in imports from 383,000 head in 1975 to 973,000 head in 1976. Owing to a substantial increase in the average weight per head during the later years of the period, however, the 12-year and 4-year trends in imports by weight were both gradually upward. The live weight of cattle imported in 1975 was 254 million pounds, and in 1976 it was 539 million pounds. The peak for live cattle imports since 1964 in terms of number was 1.2 million head in 1972; in terms of weight it was the aforementioned 539 million pounds in 1976. U.S. imports of live cattle relative to U.S. production declined gradually during both periods; however, imports increased sharply from 0.6 percent in 1975 to 1.1 percent in 1976. The highest ratio during the period was 1.4 percent in 1965.

Total U.S. imports of beef and veal, imports of beef and veal subject to the Meat Import Act, and imports of beef and veal not subject to the Meat Import Act all trended upward between 1964 and 1976, and downward between 1972 and 1976. Imports of beef and veal amounted to 1.5 billion pounds, valued at \$1.2 billion, in 1973, when Meat Import Act quotas were simultaneously proclaimed and suspended by the President in order to ease supply and price problems in the U.S. market. The ratio of imports to production on a carcass-weight basis trended upward during 1964-76 and downward after 1972, although it increased from 7 percent in 1974 to 7.2 percent in 1975 and 7.5 percent in 1976. The ratio was highest in 1972 and 1973, at 8.8 percent and 9.4 percent respectively; the lowest ratio, 4.8 percent, occurred in 1965.

In the 12 full years that the Meat Import Act has been in effect, meat imports have exceeded the base quota 9 times and the trigger level five times (but only barely in three of these five instances), as shown in table 3 (page A-17). In six instances the President proclaimed the required base quotas, but in five of them (in the years 1970-74) he simultaneously suspended them in view of "overriding economic interests," and in the sixth instance (1976) he increased the quota level, again in view of "overriding economic interests." Voluntary restraints were negotiated under the authority of section 204 of the Agricultural Act of 1956, with most of the major exporting countries in five of these years (1970, 1971, 1972, 1975, and 1976).

Mexico and Canada supply virtually all U.S. imports of live cattle. Australia and New Zealand are by far the principal suppliers of U.S. imports of beef and veal subject to the Meat Import Act, and Argentina and Brazil are the principal suppliers of all other imports of beef and veal. Overall, the principal supplying countries for U.S. imports of beef and veal are Australia, New Zealand, Canada, Argentina, Brazil, and Costa Rica.

The number of domestic livestock farms reporting cattle declined irregularly from 2 million in 1970 to 1.8 million in 1976. The number of cattle feedlots declined also, from 146,000 in 1973 to 134,000 in

1976. Between March 1976 and March 1977, the number of slaughtering plants and meat-processing plants rose from 5,916 establishments to 6,375 establishments.

U.S. production (births) of live cattle increased steadily from less than 44 million head a year in the mid-1960's to 51 million head in 1974, but declined to 47 million head in 1976. The number of cattle slaughtered declined from more than 40 million head a year in the late 1960's to 36 million head in 1973, but increased sharply thereafter to 49 million head in 1976. The carcass weight of cattle slaughtered increased from 19 billion pounds in 1964 to 27 billion pounds in 1976.

Farm inventories of cattle increased from 108 million head in 1964 to 132 million head in 1975 but, with the herd liquidation phase of the cattle cycle in full swing, declined to 123 million head in 1977. The number of cattle in feedlots increased gradually from 9.3 million head in 1964 to 14 million head in 1973, declined sharply to 9.6 million head in 1975, and then increased sharply to 12.3 million head in 1976; in 1977 they numbered 11.9 million head.

U.S. prices for live cattle, in current dollars, increased sharply over the 12 years after 1964 but declined sharply after 1973. On the average, such prices in 1976 were 80 percent higher than they were in 1964, after reaching an alltime peak in 1973. Prices in 1976 were up somewhat from the 1975 levels. Prices for prime steers were 66 percent higher in 1976 than they were in 1964, and prices for utility cows were 91 percent higher. In view of the rapid increases in prices in the United States in general since 1964, the above cattle price increases are not exceptional.

In terms of constant dollars (current prices adjusted by the standard gross national product deflator), the prices received by farmers for live cattle in 1976 were only 2 percent above those received in 1964 for all cattle, 10 percent below the prices received in 1964 for prime steers, and 4 percent above the prices received in 1964 for utility cows. Cattle prices received by farmers in 1976 were nearly 40 percent below the prices received in 1973.

Prices for beef have generally followed the same trends as prices for cattle, although they fluctuate less sharply than do prices for live cattle. Prices for imported fresh, chilled, or frozen boneless beef, which accounts for the great bulk of U.S. imports of beef and veal, have often exceeded prices for comparable grades of U.S.-produced boneless beef.

Data on the profitability of U.S. cattle growers, feedlot operators, slaughterers, and processors were obtained by questionnaire, but only on a limited sample basis. These data dovetail with and generally corroborate a more extensive U.S. Department of Agriculture sample survey of cattle farms in five selected areas for 1974 and 1975, which indicates that the prices received for cattle were insufficient to cover variable

costs in most areas in 1974 and that the situation worsened in 1975. Preliminary data for 1976 indicate that, although there may have been some improvement from 1975, cattle raising remained less profitable than in the poor year 1974.

The ratio of imports of live cattle (in terms of carcass weight) to consumption of beef (in terms of carcass weight) trended downward between 1964 and 1976, and more sharply so after 1972. The ratio increased, however, from 0.5 percent in 1974 and 1975 to 1.1 percent in 1976, the highest level since 1966. The ratio of U.S. imports of beef to apparent U.S. consumption trended upward during the 12 years after 1964 but downward during the last 4 years of the period. After peaking at 8.1 percent in 1972 and 1973, it dropped to 6.6 percent in 1974 and then climbed to 7 percent in 1976.

The share of U.S. consumption of live cattle accounted for by domestic production ranged from 97 to 100 percent throughout 1964-76. In 1976 it amounted to 98.4 percent, down from the record 99.6 percent in 1975. The share of U.S. consumption of beef and veal accounted for by U.S. production has remained within the range of 92 to 96 percent, on a carcass-weight basis, but generally amounted to about 93 percent. In 1976 it was 93.6 percent, down only slightly from 93.7 percent in 1975.

An econometric analysis of meat imports prepared by J. W. Freebairn and G. C. Rausser indicates that increased supplies of imported beef in sufficiently large quantities will have a moderate downward effect on U.S. prices of meat, with the greatest such effect being on prices of beef in general and hamburger in particular. A study of price performance (in terms of prices in constant dollars received by farmers for their cattle) in relationship to trends in supplies of beef and veal, imports of cattle, imports of beef and veal, and domestic production of beef and veal shows a much higher degree of correlation of prices with domestic supplies than with imports. In fact, in 1974, when imports fell sharply but domestic production increased, prices received by farmers experienced their greatest declines in recent years. Since 1974, price declines have continued while domestic production has increased faster than the total volume of imports.

The rise in prices received by farmers for their cattle over the long term was about in line with prices in general in the United States from 1964 to 1976; however, cattle prices have declined sharply since 1973 while other prices have continued to rise. As a result, farmers' receipts for cattle have not kept pace with the costs of operating farms or ranches. While prices received for cattle have increased by about 80 percent in current dollars since 1964, costs have more than doubled. At a time of lower livestock prices received, increased costs of operations are a crucial factor in the profitability of domestic cattle raising.

Per capita consumption of beef and veal has increased significantly since 1964---from 100 pounds in that year to 129 pounds in 1976. Although per capita consumption of poultry has increased at a more rapid rate---from 39 pounds to 53 pounds during the same period---it does not appear to have done so at the expense of much growth in consumption of beef or veal. Per capita consumption of pork has declined.

Introduction

On March 26, 1977, the United States International Trade Commission instituted an investigation to determine whether live cattle and certain meat products of cattle fit for human consumption, provided for in items 100.40 through 100.55, inclusive; 106.10, 106.80, and 106.85; 107.20 and 107.25; 107.40 through 107.60, inclusive; and 107.75 of the Tariff Schedules of the United States (TSUS) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to a domestic industry producing articles like or directly competitive with the imported articles. The investigation followed the receipt on March 17, 1977, of a petition filed by the National Association of American Meat Promoters, the Meat Promoters of South Dakota, the Meat Promoters of North Dakota, the Meat Promoters of Montana, and the Meat Promoters of Wyoming.

Notice of the investigation and public hearings in connection therewith was published in the Federal Register on April 13, 1977 (42 F.R. 19389). Copies of the notice were posted at the Commission's offices in Washington, D.C., and New York City. 1/

Public hearings were held in Rapid City, S. Dak., on June 14 and 15, 1977; Fort Worth, Tex., on June 28 and 29, 1977; New York, N.Y., on July 12, 1977; and Kansas City, Mo., on July 19 and 20, 1977. Notice of the addition of the Kansas City hearing was published in the Federal Register on May 19, 1977 (42 F.R. 25774).

In 1963 the Commission conducted an investigation on beef under section 332 of the Tariff Act of 1930, as amended, pursuant to a resolution of the Committee on Finance of the United States Senate adopted November 20, 1963. That investigation was a factfinding study, and the Commission made no determination as to whether the domestic industry had suffered injury as a result of increased imports. In July 1975, the Commission reported to the President the probable economic effects of tariff changes with respect to cattle and beef. 2/

A section 332 investigation is being conducted concurrently with the instant investigation. On May 31, 1977, the Commission, on its own motion, instituted investigation No. 332-85 under section 332 of the Tariff Act of 1930, after receipt of requests from 9 members of the United States Senate and 21 members of the House of Representatives 3/ for

1/ Copies of the Commission's notices of investigation and hearings are presented in app. B.

2/ A copy of each relevant probable economic effects statement is presented in app. C of this report.

3/ Copies of the three letters requesting a sec. 332 investigation and the notice of investigation No. 332-85 are presented in app. D of this report.

a broader investigation of imports of live cattle and beef. The section 332 investigation on live cattle and beef is being conducted to study conditions of competition in U.S. markets between domestic and foreign live cattle and cattle meat fit for human consumption.

The public hearings held in Rapid City, Fort Worth, New York City, and Kansas City in connection with investigation No. TA-201-25 also covered matters of concern in investigation No. 332-85. One additional hearing is scheduled for investigation No. 332-85 in Washington, D.C., on September 20, 1977.

Description and Uses

This investigation covers live cattle and meat of cattle fit for human consumption. The live cattle covered include all dairy and beef cattle and calves, regardless of age, sex, or size; however, purebred breeding cattle, which are relatively small in number and only indirectly a factor in meat production, are not covered. The meat of cattle covered includes all beef and veal and meat offal, fresh, chilled, or frozen or prepared or preserved, as well as mixtures of beef and other meat products; beef extract, however, is not covered.

Live cattle

The bulk---about 90 percent---of the cattle imported into or raised in the United States is raised for the production of beef. Beef cattle traditionally have been short-legged, thick-bodied, and blocky, but the preference in recent years has shifted toward animals more heavily muscled, leaner, longer bodied, longer legged, and less blocky than the traditionally preferred animals. Today's preferred animals have large hindquarters that yield a high percentage of high-value meat cuts such as rump roasts and various round cuts.

Dairy cattle are kept primarily for milk production. They are more angular and less heavily muscled and produce carcasses that have a smaller percentage of high-value meat cuts (such as steak and round) than beef cattle. Dairy cattle contribute importantly to beef and veal production: when dairy cattle are no longer used for milk production or breeding, they are slaughtered for their meat. Dairy calves are frequently slaughtered for veal and dairy steers are used for feeder cattle.

Most of the live cattle imported into or raised in the United States are descendants of British breeds---Herefords, Angus, and Short-horn. Herefords and Herefords crossed with other breeds are the most common. Breeds of lesser importance include Brahman and Santa Gertrudis.

Cattle imported into the United States come almost exclusively from Mexico and Canada, in that order, in terms of number of head. Transportation costs and quarantine and sanitary restrictions make Mexico and Canada the only two practical sources for live cattle. 1/ A majority of the cattle imported come from Mexico, weigh between 200 and 700 pounds, and are destined for feeder lots in the United States, where they will be fattened to a weight of 1,000 to 1,200 pounds prior to going to slaughter.

In recent years about 60 percent of the cattle slaughtered in the United States have been "grain-finished"--that is, fattened on grain, including corn, before being sent to slaughter. Such final fattening is generally done at a feedlot. Feedlot-fed cattle produce the high-grade, quality table beef--the bright-red, well-marbled steaks and roasts--sold in U.S. supermarkets. Such beef is generally graded "choice" by the Department of Agriculture. 2/ About 40 percent of the cattle sent to slaughter are grass-fed animals--that is, those fed only grass or hay. About 25 percent of the grass-fed cattle sent to slaughter are aging dairy cows and bulls no longer used for breeding purposes. The beef from such cattle is leaner than the beef produced from grain-fed cattle, and tougher because it is less marbled. U.S. consumers prefer the more marbled grain-fed beef for their table beef. 3/

The young of cattle are called calves. Most calves are raised to maturity for beef production, but, depending on the sex and/or breed, many are raised for milk production or breeding stock. Many male calves of dairy cows are slaughtered for veal. Calves slaughtered for veal are usually less than 3 months old and weigh about 250 pounds. Because they are immature, their flesh is pink and tender.

Meat of cattle

In the slaughtering operation, live cattle are killed, bled, eviscerated, decapitated, and skinned. The animals' carcasses are then generally split in half along the spinal column and chilled. In the case of veal calves, the carcass is usually not skinned or split until the final stages of processing.

1/ The quarantine and sanitary regulations administered by the Department of Agriculture prohibit, for example, all imports of cattle and fresh beef, veal, and beef products from countries not declared to be free of rinderpest or foot-and-mouth disease. Because many of the important meat-producing countries of South America have not been designated as free of such diseases, meat imports from those countries have been limited to cooked, canned, or cured meats. In view of such prohibitions, cattle and fresh beef and veal can come only from Australia, New Zealand, Central America, North America and small areas of Europe and Asia.

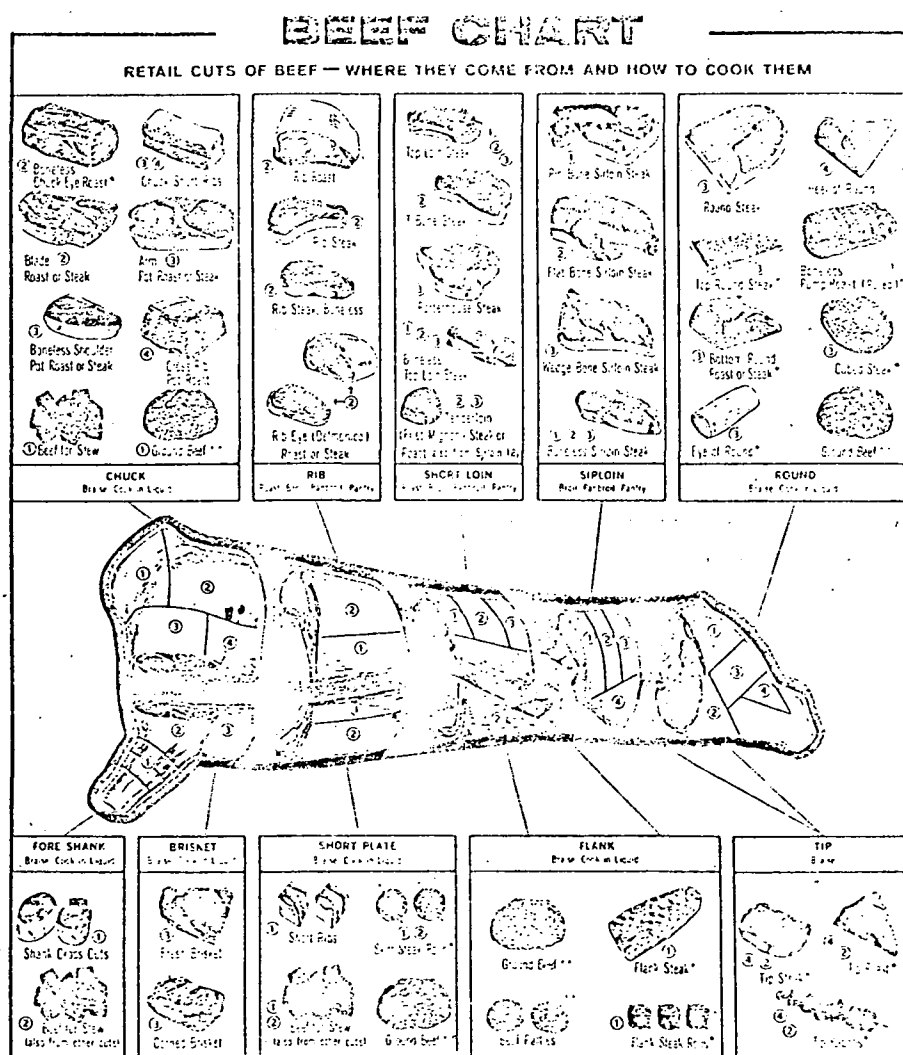
2/ The official grades for beef cattle and carcasses are prime, choice, good, standard, commercial, utility, cutter, and canner.

3/ Consumers in Europe and most other countries, on the other hand, prefer lean beef.

As a general rule, the nature and extent of ultimate processing depends in large part on the grade of the meat and the demands of the market. High-grade beef is most likely to make its way to the table, and lower grade beef is more likely to become manufactured beef.

Most imported meat of cattle is lean, frozen boneless beef destined for manufacturing use. The bulk of beef leaving domestic processors, on the other hand, is grain-fed beef destined for table use. This domestic beef leaving the processor is increasingly in the form of so-called boxed beef, which is shipped directly to retail and institutional outlets for further cutting and/or processing. The term refers to the increasing practice of shipping boxed primal or subprimal parts of a carcass, as opposed to the traditional sides or quarters of a carcass.

The basic cuts of beef and their locations in the animal are shown below.



*May be Requested Based on Particular Circumstances - Not a Guarantee

This chart approved by
National Live Stock and Meat Board

C. Nationalism, Spirit, and Mass Education

As noted in part above, the bulk of the imported meat of cattle--an annual average in terms of weight of about 88 percent during the years 1971-76--is fresh, chilled, or frozen meat, as opposed to edible meat offal, prepared or preserved beef or veal, or beef mixed with other types of meat. ^{1/} The bulk of such meat--approximately 95 percent--is beef without bone (as opposed to beef with bone or veal). Most such boneless beef enters in the frozen state.

Most fresh, chilled, or frozen meat of cattle is lean beef, which, as noted above, is most suitable for manufacturing purposes. Imported lean beef is most often ground together with fat trimmings from domestic beef to form hamburger or some other form of prepared meat.

Edible meat offal is edible portions other than flesh (meat) such as brains, hearts, kidneys, livers, sweetbreads, tongues, and tripe. While some offal, like beef or veal livers, may find its way to the dinner table in relatively unchanged form, most reaches the ultimate consumer in prepared or preserved form (such as frankfurters and bologna). Less than 1 percent of meat of cattle imports is in the form of edible meat offal.

Prepared or preserved beef and veal include a wide variety of sausage products, cooked, pickled, cured, or dried meats, canned meats, and so forth. The term "sausage" covers manufactured meat products consisting of meats which have been ground, chopped, or minced, seasoned, and stuffed into casings, either natural (animal) or artificial (manufactured). Additional ingredients are frequently added to increase cohesion. The term covers a wide variety of products, from lightly seasoned perishable frankfurters and coldcuts such as bologna and salami to highly seasoned dry sausages that do not require refrigeration. Because of the high perishability of such products, the bulk of the imports are in the form of less perishable spicy salamis or canned sausages. Less than 1 percent of the meat of cattle imported into the United States enters in the form of sausages.

The bulk of the prepared or preserved beef imported into the United States enters in the form of corned beef. Corned beef is a cooked beef which is preserved and seasoned in a salt brine. It is generally canned and may be in the form of corned beef hash. Most of the canned corned beef consumed in the United States is imported from Brazil and Argentina. About 6 to 7 percent of the meat of cattle entering the United States in recent years has been in the form of corned beef.

^{1/} As will be discussed below, imports of meat (except meat offal) of cattle, fresh, chilled, or frozen, enter under TSUS item 106.10 and may be made subject to a quota by Presidential proclamation pursuant to the so-called Meat Import Act of 1964.

Beef and veal may be preserved by curing or pickling; consumption of such beef or veal is small, and imports are negligible. Beef and veal may also be preserved by cooking. About 4 percent of the meat of cattle entering the United States is in the form of cooked beef or veal, such as cooked roasts.

Beef may also be mixed with other types of meat; salamis that are a 50-50 beef-pork blend are an example. Most such mixed products are in the form of coldcuts and are relatively perishable. For this reason, imports are very small.

U.S. Tariff Treatment

Cattle

Cattle covered by this investigation enter the United States under TSUS items 100.40 through 100.55. Cattle weighing under 200 pounds each enter under item 100.40 and are dutiable at 1.5 cents per pound (if not more than 200,000 head enter in the 12-month period beginning April 1 in any year). Cattle weighing under 200 pounds each that enter in excess of the quantity limitations of item 100.40 are dutiable under item 100.43 at the rate of 2.5 cents per pound, and cattle weighing 200 pounds or more but under 700 pounds each are also dutiable under item 100.45 at 2.5 cents per pound. Cows weighing 700 pounds or more each, if imported specially for dairy purposes, are provided for under item 100.50 at a rate of 0.7 cents per pound. Cattle weighing 700 pounds or more each, except cows for dairy purposes, enter under item 100.53 at the rate of 1.5 cents per pound (if not over 400,000 head enter in the 12-month period beginning April 1 in any year, and not over 120,000 enter in any quarter beginning April 1, July 1, October 1, or January 1). Cattle weighing 700 pounds or more each that exceed the quantity limitations of item 100.53 enter at the rate of 2.5 cents per pound under item 100.55.

The rates of duty currently applicable to items 100.43 and 100.45 are statutory rates and have been in effect since 1930. ^{1/} Those currently applicable to items 100.40, 100.53, and 100.55 have been in effect since August 31, 1963--the effective date of the TSUS--and the rate applicable to item 100.50 was reduced in the Kennedy round of trade negotiations. Rates of duty in effect on January 1, 1967 and January 1, 1977, and the statutory rates are shown in table 1.

^{1/} As such, the articles included therein could be subject to an investigation under sec. 336 of the Tariff Act of 1930, as amended. In the event of an affirmative finding by the Commission, additional duties equivalent to the difference between the cost of production elsewhere and in the United States could be assessed.

Table 1.--Cattle: U.S. rates of duty, Jan. 1, 1967, and Jan. 1, 1977

TSUS item no.	Description	Rates of duty for--		
		Most-favored nations		Other nations
		January 1, 1967	January 1, 1977	
	Cattle:			
	Weighing under 200 pounds each:			
100.40	For not over 200,000 head entered in the 12- month period beginning Apr. 1 in any year----	1.5¢/lb	1.5¢/lb (1.5% AVE)	2.5¢/lb
100.43	Other-----	2.5¢/lb	2.5¢/lb (9.5% AVE)	2.5¢/lb
100.45	Weighing 200 pounds or more but under 700 pounds each-----	2.5¢/lb	2.5¢/lb (8.0% AVE)	2.5¢/lb
	Weighing 700 pounds or more each:			
100.50	Cows imported specially for dairy purposes-----	1.5¢/lb	0.7¢/lb (1.6% AVE)	3.0¢/lb
	Other:			
100.53	For not over 400,000 head entered in the 12- month period beginning Apr. 1 in any year, of which not over 120,000 shall be entered in any quarter beginning Apr. 1, July 1, Oct. 1, or Jan. 1-----	1.5¢/lb	1.5¢/lb (5.7% AVE)	3.0¢/lb
100.55	Other-----	2.5¢/lb	2.5¢/lb (11.9% AVE)	3.0¢/lb

Note.-- Ad valorem equivalents (AVE's) shown in the columns for rates of duty for most-favored-nations as of Jan. 1, 1977, are based on imports during 1976.

The cattle dutiable under the TSUS item numbers discussed here were excluded from duty-free treatment under the Generalized System of Preferences.

Meat of cattle

Meat of cattle (except offal), fresh, chilled, or frozen, is presently dutiable under item 106.10 of the TSUS at the rate of 3 cents per pound. Fresh, chilled, or frozen edible meat offal ^{1/} is dutiable under item 106.80 at the rate of 0.5 cents per pound if valued not over 20 cents per pound, and under item 106.85 at 2.5 cents per pound if valued over 20 cents per pound. Beef sausages in airtight containers enter the United States under item 107.20 and are dutiable at 7.5 percent ad valorem; sausages (except pork) not in airtight containers are dutiable under item 107.25 at the rate of 5 percent ad valorem. Cured or pickled beef or veal is dutiable under item 107.40 at 3 cents per pound if valued at not over 30 cents per pound, and under item 107.45 at 10 percent ad valorem if valued over 30 cents per pound. Corned beef in airtight containers is dutiable under item 107.48 at 7.5 percent ad valorem; other prepared or preserved beef and veal (except sausages) in airtight containers is dutiable under item 107.52 at 7.5 percent ad valorem. Other prepared or preserved beef and veal, not cured or pickled and not in airtight containers, is dutiable under item 107.55 at the rate of 3 cents per pound if valued not over 30 cents per pound, and under item 107.60 at 10 percent ad valorem if valued over 30 cents per pound. Item 107.75 provides for other prepared or preserved meat and meat offal (except frog meat), valued over 30 cents per pound at the rate of 5 percent ad valorem.

The rates of duty currently applicable to items 106.10, 107.40, 107.45, 107.55, and 107.60 reflect trade-agreement concessions and have been in effect since August 31, 1963--the effective date of the TSUS. The remaining rates of duty for meat of cattle covered by this investigation were reduced by one half in the Kennedy round of trade negotiations. Rates in effect on January 1, 1967, and January 1, 1977, and the statutory rates are shown in table 2.

^{1/} Offal is defined as viscera removed from a butchered animal in dressing.

Table 2.--Meat of cattle: U.S. rates of duty, Jan. 1, 1967, and Jan. 1, 1977

TSUS item no.	Description	Rates of duty for--		
		Most-favored nations		Other nations
		January 1, 1967	January 1, 1977	
106.10	Meat of cattle, fresh, chilled, or frozen-----	3¢/lb	3¢/lb	6¢/lb
			(5.1% AVE)	
	Edible meat offal, fresh, chilled, or frozen, of all animals (except birds):			
106.80	Valued not over 20 cents per pound-----	1¢/lb	0.5¢/lb	30% ad val.
			(3.5% AVE)	
106.85	Valued over 20 cents per pound-----	5% ad val.	2.5¢/lb	30% ad val.
			(6.0% AVE)	
	Sausages, whether or not in airtight containers:			
107.20	Beef in airtight containers-----	15% ad val.	7.5% ad val.	30% ad val.
107.25	Other (except pork)-----	10% ad val.	5% ad val.	20% ad val.
	Beef and veal, prepared or preserved (except sausages):			
	Beef or veal, cured or pickled:			
107.40	Valued not over 30 cents per pound-----	3¢/lb	3¢/lb <u>1/</u>	4.5¢/lb
107.45	Valued over 30 cents per pound-----	10% ad val.	10% ad val.	30% ad val.
	Beef in airtight containers:			
107.48	Corned beef-----	15% ad val.	7.5% ad val.	30% ad val.
107.52	Other-----	15% ad val.	7.5% ad val.	30% ad val.
	Other:			
107.55	Valued not over 30 cents per pound-----	3¢/lb	3¢/lb	6¢/lb
			(11.2% AVE)	
107.60	Valued over 30 cents per pound-----	10% ad val.	10% ad val.	20% ad val.
	Other meats and edible meat offal, prepared or preserved:			
	Other (except frog meat):			
107.75	Valued over 30 cents per pound-----	10% ad val.	5% ad val.	20% ad val.

1/ There were no imports in 1976 on which to base an estimated ad valorem equivalent.

Note.--Ad valorem equivalents (AVE's) shown in the column for rates of duty for most-favored nations as of Jan. 1, 1977, are based on imports during 1976.

The Meat Import Act of 1964 and section 204 of
the Agricultural Act of 1956

The Meat Import Act. 1/---Besides being subject to the duties noted above, fresh, chilled, or frozen meat of cattle (item 106.10) is subject to Public Law 88-482 (the so-called Meat Import Act of 1964), approved August 22, 1964, which provides that meats covered by the tariff descriptions in items 106.10 and 106.20 2/ may be made subject to an absolute quota by Presidential proclamation should the annual ratio of imports to domestic commercial production change over the corresponding weighted average annual ratio for the period 1959 through 1963, inclusive (about 7 percent). 3/

Under section 2(a) of the Meat Import Act, the aggregate quantity of fresh, chilled, or frozen beef and veal (TSUS item 106.10) and mutton and goat meat (TSUS item 106.20) which may be imported into the United States in any calendar year beginning after December 31, 1964, should not exceed a base quantity of 725,400,000 pounds. 4/ Further, provision is made that this base quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and the 2 preceding calendar years increases or decreases in comparison with the average annual domestic production of these articles during the years 1959 through 1963, inclusive.

A 10 percent overage is allowed, so that only when imports are expected to exceed the adjusted base quota level by 10 percent are those quotas triggered. Each year the Secretary of Agriculture is required to publish in the Federal Register the estimated quantity that would trigger the imposition of quotas under the law, and quarterly, the quantity of meat that, but for the law, would enter the United States in such calendar year.

If the Secretary's estimate of imports exceeds the trigger level, the President is required by law to proclaim quotas on imports of meats subject to the law. The quota proclamation may be suspended or

1/ Public Law 88-482; 78 Stat. 594: An act to provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products.

2/ Item 106.20 provides for fresh, chilled, or frozen meat of goats and sheep (but not lambs) and is not included in this investigation.

3/ A copy of Public Law 88-482 is presented in app. E.

4/ For practical purposes, imports of beef and veal (TSUS item 106.10) are the significant imports.

the total quota quantity increased, if the President determines and proclaims pursuant to section 2(d) that---

(1) such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the nation of the economic well-being of the domestic livestock industry;

(2) the supply of articles of the kind described . . . will be inadequate to meet domestic demand at reasonable prices; or

(3) trade agreements entered into after the date of the enactment of this act ensure that policy set forth will be carried out.

Section 2(d) further provides that any such suspension shall be for such period, and any such increase shall be in such amount, as the President determines and proclaims to be necessary to carry out the purposes of section 2(d).

Meat Import Act trigger and quota levels since 1964 are presented in table 3.

Section 204 of the Agricultural Act of 1956. 1/---Section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854) authorizes the President to negotiate agreements with foreign governments to limit the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom. The President has used this authority from time to time since 1964 as an adjunct to the Meat Import Act. He has had the Secretary of State negotiate numerous bilateral agreements with countries supplying beef and veal to limit their exports below the respective calendar year trigger levels established under the Meat Import Act.

Each bilateral agreement negotiated is substantively the same, except that shares of the adjusted aggregate import quota for each calendar year are allocated (pursuant to sec. 2(c)(3) of the Meat Import Act)---

* * * among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period of the articles described * * *, except that due account may be given to special factors which may have affected or may affect the trade in such articles.

Each agreement sets forth the rights and obligations of each party. Though the agreements do not purport to be comprehensive in the sense of providing enforcement, compensation, or penalty provisions, they nevertheless contain the essentials. A typical agreement states the total amount of imports the United States will permit into the country

1/ Sec. 204 of the Agricultural Act of 1956 is presented in app. E.

Table 3.--Beef: Trigger and quota levels under the Meat Import Act of 1964, U.S. imports of beef subject to quotas, and total beef imports, 1964-77

Year	Trigger level	Quota level	Actual imports of beef and veal subject to the Meat Import Act	Total imports of beef and veal
	<u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>
1964-----	-	<u>1/</u>	706	804
1965-----	934	<u>1/</u> 849	584	708
1966-----	979	<u>1/</u> 890	763	912
1967-----	995	<u>1/</u> 905	841	995
1968-----	1,045	<u>1/</u> 950	939	1,141
1969-----	1,087	<u>1/</u> 988	1,030	1,228
1970-----	1,099	<u>2/</u> 999	1,131	1,368
1971-----	1,128	<u>2/</u> 1,025	1,100	1,324
1972-----	1,147	<u>1/</u> 1,042	1,300	1,498
1973-----	1,151	<u>2/</u> 1,047	1,342	1,512
1974-----	1,130	<u>2/</u> 1,028	1,075	1,231
1975-----	1,182	<u>1/</u> 1,074	1,208	1,327
1976-----	1,233	<u>3/</u> 1,121	1,282	1,498
1977-----	1,282	<u>1/</u> 1,165	<u>4/</u>	<u>4/</u>

1/ No quotas were imposed during these years.

2/ Quotas imposed but suspended.

3/ The President proclaimed quotas in October 1976 which expired Dec. 31, 1976. The President also increased the quota level to the trigger level in 1976.

4/ Not available.

Source: Trigger and quota levels supplied by the U.S. Department of Agriculture; import statistics supplied by the U.S. Department of Commerce.

under the voluntary restraint program and the portion of that quantity which the signatory will receive. Additionally, there is usually a provision permitting the United States to limit imports to that level by the issuance of regulations governing entry or withdrawal from warehouse, along with a provision permitting the United States to increase the total amount imported under the program and allocate shortfall resulting from some countries being incapable of filling their negotiated levels. Finally, the agreements almost always contain provisions stipulating the representative period for computation of possible quotas, and calling for consultation on interpretive questions and questions on total import increase. The following tabulation shows the agreed-upon levels negotiated for 1977.

<u>Country</u>	<u>Agreed level of exports to the United States (million pounds)</u>
Australia-----	653.0
New Zealand-----	268.3
Canada-----	75.0
Mexico-----	62.1
Costa Rica-----	55.6
Nicaragua-----	50.7
Honduras-----	37.2
Guatemala-----	35.6
Dominican Republic-----	15.0
El Salvador-----	11.9
Panama-----	5.0
Haiti-----	2.0
Belize-----	.5
Total-----	1,271.9

History of meat imports under the Meat Import Act and section 204 of the Agricultural Act of 1956.---As indicated, the Meat Import Act of 1964 has been in effect since January 1, 1965. During 1965-67, the first 3 years of the Meat Import Act, meat imports remained below both the adjusted base quota levels and the trigger levels.

In mid-1968 it became apparent for the first time that imports might exceed the trigger level. Accordingly, in August 1968, Australia and New Zealand were asked to restrain shipments voluntarily in order to avoid quotas. Imports in 1968 were ultimately above the base quota level but below the trigger level.

In 1969, all supplying countries except Canada and the United Kingdom agreed to an informal restraint level below the trigger level. Special restrictions on Honduran imports were agreed to bilaterally

in November 1969 and were enforced to keep imports within agreed-to restraints. Imports in 1969 exceeded the adjusted base quota level and approximately equaled the trigger level.

In 1970, a restraint program was again negotiated. Imports in the first half of the year were very heavy and, as a result, two actions were taken at mid-year---(1) the President proclaimed and then suspended quotas in view of "overriding economic interests of the United States" (Proclamation 3993, 3 CFR 491 (1970)) and a new restraint level was authorized at a level higher than the trigger level, and (2) section 204 was used to embargo transshipments through Canada, closing a loophole in the program. Section 204 was also used to hold five supplying countries to their restraint agreements. Actual imports in 1970 were 1,170.4 million pounds, 171.6 million pounds over the 998.8-million-pound adjusted base quota level and 71.3 million pounds over the 1098.7-million-pound trigger level.

In 1971, the restraint program continued at the level established in late 1970. Because this level was higher than the 1971 trigger level, the President took action to proclaim and suspend quotas (Proclamation 4037, 3 CFR 16 (1971)). Actual 1971 imports were slightly higher than the suspended trigger level, and were 48 million pounds below the negotiated restraint level, largely because of U.S. dock strikes.

In 1972, a restraint program 7 percent higher than the 1971 program was agreed to by the principal supplying countries. In March, the President suspended the quota proclamation in order to encourage greater shipments of beef to the United States at a time when retail prices were high and other major importing countries had removed import duties and levies or issued larger quotas to compete for limited world supplies (see Proclamation 4114, 3 CFR 115 (1972)).

In 1973 and 1974, quotas were again invoked by the President and simultaneously suspended in the same proclamation (see Proclamation 4183, 3 CFR 208 (1973), and Proclamation 4272, 3 CFR (1974)). There were no new voluntary restraints negotiated during those 2 years. In 1973 domestic prices and demand were high and meat of cattle imports, 1.36 billion pounds, exceeded the trigger level by 200 million pounds. However, during 1974, domestic cattle sent to slaughter increased. Prices fell, the U.S. market became less attractive to imports, and imports slowed. Imports were 1.08 billion pounds in 1974, 50 million pounds below the trigger level.

In 1975, voluntary restraints were negotiated again, for the first time since 1972. No proclamations were issued. Imports in 1975 were 1.21 billion pounds, 27 million pounds over the trigger level. 1/

In 1976, voluntary restraints under section 204 were again negotiated. On October 8, 1976, the Secretary of Agriculture published fourth quarter estimates which indicated that imports for the calendar year would exceed the 110 percent trigger level (estimated imports were 1.25 billion pounds and the trigger level was 1.23 billion pounds). On October 9, 1976, the President issued Proclamation 4469 (3 CFR 62 (1976)), proclaiming (1), in conformity with section 2(c) of the act, a quota of 1,120.9 million pounds (the adjusted base quota); and (2), pursuant to section 2(d) of the act, that it was required "by overriding economic interests of the United States" to increase the quota by 112.9 million pounds. The sum of 1,120.9 million pounds and 112.1 million pounds is 1,233.0 million pounds, the trigger level in 1976. Actual imports in calendar 1976 were 1,231.7 million pounds, just slightly under the quota limit.

In 1977, voluntary restraints under section 204 were again negotiated. Canadian imports are for the first time covered in such agreements. The 1977 arrangements also provided that entries of meats processed in foreign-trade zones, trust territories, or possessions after January 1, 1977, will be counted against the individual country limitations.

In summary, in the 12 full years that the Meat Import Act has been in effect, meat imports have exceeded the base quota nine times and the trigger level five times (but only barely in three of these five instances). In six instances the President proclaimed the required base quotas, but in five of them (in the years 1970-74) he simultaneously suspended them in view of "overriding economic interests," and in the sixth instance (1976) he increased the quota level, again in view of "overriding economic interests," to a level equal to the trigger level. Voluntary restraints were negotiated with most of the major exporting countries in five of these years (1970, 1971, 1972, 1975, and 1976).

Other import restrictions

Section 306 of the Tariff Act of 1930 (19 U.S.C. 1306) prohibits the importation into the United States of live cattle and meat of

1/ The overage was apparently due in large part to statistical anomalies. In 1975, Agriculture used Census data in making its estimates. Such data generally were not available until 6 weeks after the actual imports occurred. In 1976, Agriculture worked out a new arrangement with the U.S. Customs Service whereby import data could be obtained on a weekly basis as imports neared the trigger point level.

cattle (except certain prepared or preserved meat of cattle) from countries in which the U.S. Secretary of Agriculture has determined rinderpest or foot-and-mouth disease to exist.

Certain prepared or preserved meat products, however, such as cooked meats, are permitted entry into the United States under certain conditions from countries where these diseases exist. They must be cooked in the country of origin in plants approved by the U.S. Department of Agriculture; they must be boneless and so heated that upon inspection they have a thoroughly cooked appearance throughout; and the meat must be recooked upon arrival in the United States at a plant under the supervision of the Meat Inspection Division of the U.S. Department of Agriculture.

Rinderpest and foot-and-mouth disease have been found to exist in all of South America, all of Africa, all of Asia except Japan, and in Europe except in Great Britain, Finland, Ireland, Northern Ireland, and Norway. Prohibitions against the importation of live cattle and meat of cattle (except certain prepared or preserved meat of cattle) remain in effect until the Secretary of Agriculture has determined these countries to be free of such diseases.

Foreign meat products, including beef and veal, are allowed entry into the United States when the originating country has a meat inspection service which has been certified by the U.S. Secretary of Agriculture as equivalent to that maintained by the USDA. The principal meat-exporting countries are so certified. In addition to this certification, each shipment must be accompanied by an official foreign meat-inspection certificate guaranteeing the wholesomeness of the product. When such a shipment arrives in the United States, it is inspected, usually at the port of entry, by an officer of the Meat Inspection Division of the USDA.

Domestic Producers

Cattle growers

The USDA reports cattle production in all 50 States. In 1976 about 1.8 million farms (including ranches) reported sales of cattle and calves, as shown in table 4. Although there are a few large-size calf-producing operations, the many thousands of small- or medium-size farms and ranches in the Southern, Central, and Western States account for the bulk of the annual calf crop. Cattle growers sell a substantial portion of their calves and other cattle to feedlots for finishing. They also utilize feedlots for contract finishing. The number of cattle on feedlots and on farms in 1976, by areas, is shown in table 5.

Table 4.--Number of U.S. livestock farms reporting cattle, by geographic areas, 1970-76

Year	North : :Atlantic	North : :Central	South : :Atlantic	South : :Central	Mountain	Pacific	Total
Number of farms							
1970---	112,440	804,000	255,000	670,000	89,500	73,580	2,004,520
1971---	108,620	782,000	251,600	658,000	88,100	72,490	1,960,810
1972---	101,910	769,000	212,800	605,000	87,900	71,120	1,847,730
1973---	103,400	758,000	231,100	600,000	85,000	71,310	1,848,810
1974---	108,000	775,000	219,200	621,000	89,700	72,100	1,885,000
1975---	110,300	777,000	221,400	620,000	88,700	71,070	1,888,470
1976---	109,000	751,500	215,200	614,000	86,800	72,040	1,848,540
Percent of total							
1970---	6	40	13	33	5	4	100
1971---	6	40	13	34	5	4	100
1972---	6	42	12	33	5	4	100
1973---	6	42	12	33	5	4	100
1974---	6	41	12	33	5	4	100
1975---	6	41	12	33	5	4	100
1976---	6	41	12	33	5	4	100

Source: Compiled from Meatfacts, a publication of the American Meat Institute.

Note.--Because of rounding, figures may not add to the totals shown.

Table 5.--Cattle on farms and in feedlots, by areas, Jan. 1, 1976

Area	Cattle on farms		Cattle in feedlots <u>1/</u>		Total	
	Number	Percent of total	Number	Percent of total	Number	Percent of total
	<u>1,000 head</u>		<u>1,000 head</u>		<u>1,000 head</u>	
Range area-----	44,478	34.8	4,843	37.5	49,321	35.0
Corn Belt-----	45,660	35.6	6,531	50.6	52,191	37.1
Southeast-----	26,198	20.5	461	3.6	26,659	18.9
California-----	5,000	3.9	956	7.4	5,956	4.2
Other-----	6,640	5.2	121	.9	6,761	4.8
Total-----	127,976	100.0	12,912	100.0	140,888	100.0

1/ Includes all 50 States. The 23-State total in 1976 was 12,296,000 head.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Feedlots

In 1976 there were about 134,000 feedlots in 23 States reporting cattle on feed, representing a decline of about 2 percent from 1975. The number of small feedlots (those with a capacity for less than 1,000 head) dropped about 2,500 from 1975. The number of large feedlots, i.e., those in the group with a capacity of more than 32,000 head, declined by about 9 percent, from 66 lots in 1975 to 60 lots in 1976.

The small feedlots, with a capacity for less than 1,000 head each, accounted for almost 99 percent of all feedlots but marketed only one-third of the fed cattle, or an average of only 60 head per feedlot. The largest feedlots accounted for only 0.04 percent of all feedlots but marketed 18 percent of the fed cattle. The 60 feedlots in this group marketed an average of almost 72,000 head each during 1976. Table 6 shows the number of feedlots in operation during 1973-76.

Table 6.---Number of feedlots in operation and number of fed cattle marketed, 1973-76

Year	:	:	Fed
	:	Feedlots	cattle
	:		marketed
	:		<u>1,000</u>
	:		<u>head</u>
1973-----	:	146,220	25,304
1974-----	:	137,737	23,330
1975-----	:	137,029	20,504
1976-----	:	134,417	24,180
	:		

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Meat-slaughtering and meat-processing plants

The number of meat-slaughtering and meat-processing plants in the United States increased from 5,916 as of March 31, 1976, to 6,375 as of March 31, 1977. The bulk of these plants (4,656 in 1977), as shown in table 7, only processed meat. A smaller number combined slaughtering and processing operations, and fewer than 400 were slaughtering plants only.

Table 7.--Number of U.S. meat-slaughtering and meat-processing plants as of March 31, 1976 and 1977

(Number of plants)					
Year	: Slaughtering : plants only	: Processing : plants only	: Combined : slaughtering : and proc- : essing plants	:	Total
1976-----	: 386	: 4,285	: 1,245	:	5,916
1977-----	: 397	: 4,656	: 1,322	:	6,375

Source: Based on statistics of Meatfacts, 1977 edition, published by the American Meat Institute.

The Question of Increased Imports 1/U.S. imports of cattle

U.S. imports of cattle increased irregularly from 527,000 head, valued at \$42 million, in 1964 to highs of 1.1 million head, valued at \$111 million, in 1970 and 1.2 million head, valued at \$152 million, in 1972. Imports then declined annually through 1975, when they reached 383,000 head valued at \$77 million--a low for the 1964-76 period. Imports in 1976 amounted to 973,000 head, valued at \$157 million. Table 8 shows actual U.S. imports of live cattle and an index based on imports in 1964. Figure 1 reflects declining trends in all live cattle imports during 1964-76 and 1972-76. Virtually all imports of live cattle in recent years have been from Mexico and Canada. Table A-1 in appendix A shows U.S. imports of live cattle, by sources and by TSUS item numbers, for 1972-76.

While the number of live cattle imported into the United States during 1964-75 declined, increases in the weight of imported live cattle resulted in a record year for imports in 1976. Figure 2 shows the 12- and 4-year trend lines for imports of cattle based on weight. Both lines trend gradually upward.

In 1976, imports from Mexico amounted to more than 500,000 head. A large portion of these, 277,600 head, entered during the last 2 months of the year. The devaluation of the peso in the latter part of 1976 and the delay by the Mexican Government in announcing its 1977 cattle export quota caused these large shipments. Although cattle imports from Mexico in 1976 were more than double the 1975 level, they were not unusually large when compared with years such as 1968-72, when the annual import volume was between 700,000 and 900,000 head and the December monthly volumes were between 175,000 and 235,000 head. A substantial portion of the imports from Mexico are feeder cattle.

Cattle imports from Canada totaled more than 400,000 head in 1976, compared with 185,000 head in 1975 and 348,000 head in 1973. According to the USDA, imports during 1975 were low because of U.S. retaliatory quotas which remained in effect until August 12 of that year. The USDA also reports that imports from Canada were stimulated the last 2 years because of herd culling in Canada. It is estimated that cows for slaughter accounted for more than 50 percent of the cattle imported from Canada

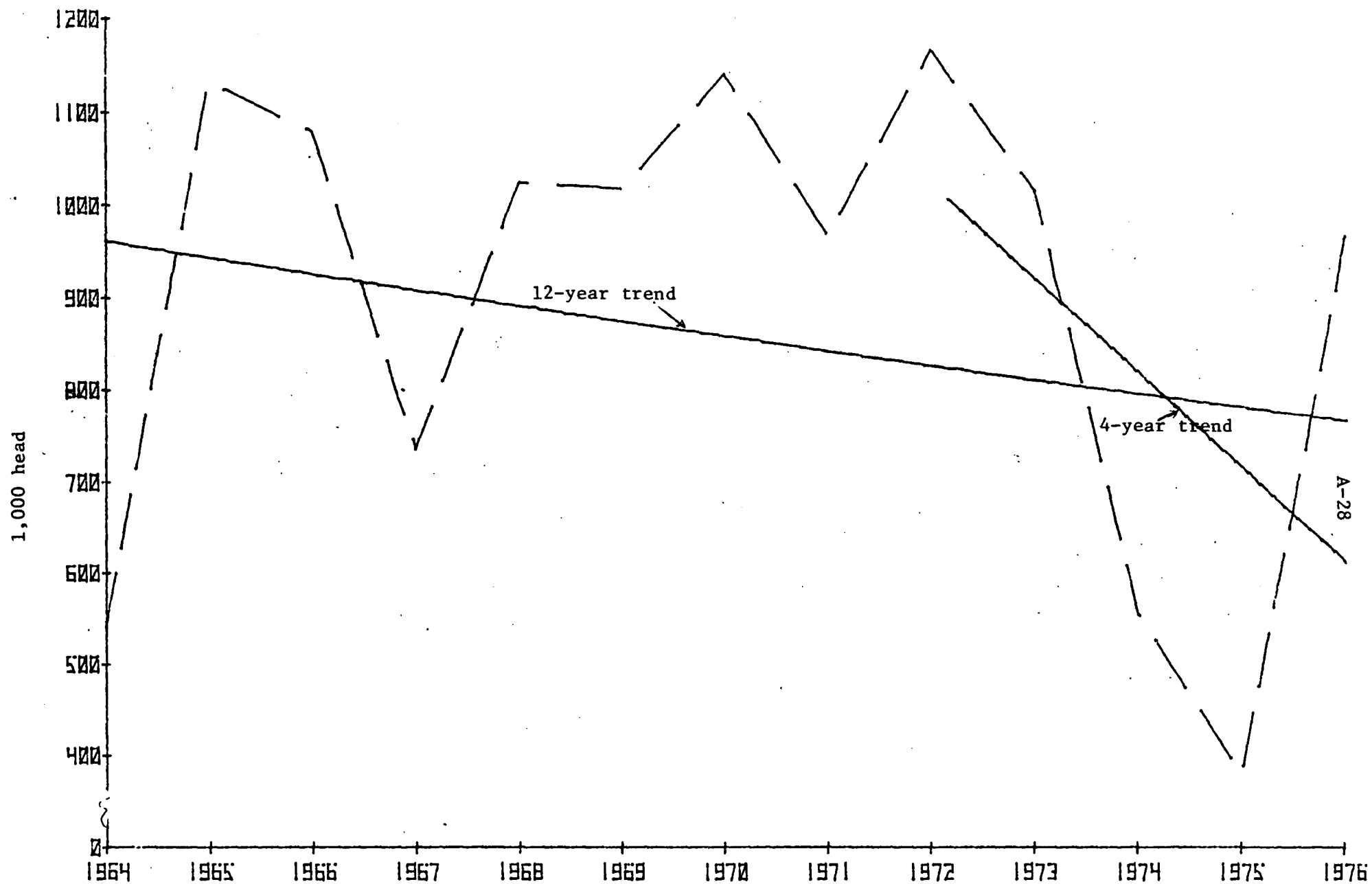
1/ Eighty to ninety percent of the beef imported into the United States is subject to the Meat Import Act, and rates of duty on products covered by that Act and certain other articles covered by this investigation were not reduced as a result of the Kennedy round. Imports of other meat articles and live cattle are not subject to the Meat Import Act and many were subject to duty concessions in the Kennedy round. This report presents most statistical data on U.S. production and trade for the period 1964-76, and trend lines for 12-year and 4-year periods.

Table 8.--Live cattle: U.S. imports for consumption, 1964-76

Year	Imports			Index (1964=100)		
	Number	Weight	Value	Head	Weight	Value
	<u>1,000</u> <u>head</u>	<u>1,000</u> <u>pounds</u>	<u>1,000</u> <u>dollars</u>			
1964-----	527	212,945	41,698	100	100	100
1965-----	1,110	500,076	98,297	211	235	236
1966-----	1,080	455,396	97,156	205	214	233
1967-----	738	265,695	58,969	140	125	141
1968-----	1,025	383,222	91,100	195	180	219
1969-----	1,020	364,415	93,650	194	171	225
1970-----	1,143	407,042	110,569	217	191	265
1971-----	970	342,774	106,834	184	161	256
1972-----	1,169	409,427	152,085	222	192	365
1973-----	1,019	405,785	192,299	193	191	461
1974-----	556	232,732	106,609	106	109	256
1975-----	383	253,903	77,241	73	119	185
1976-----	973	538,912	157,480	185	253	378

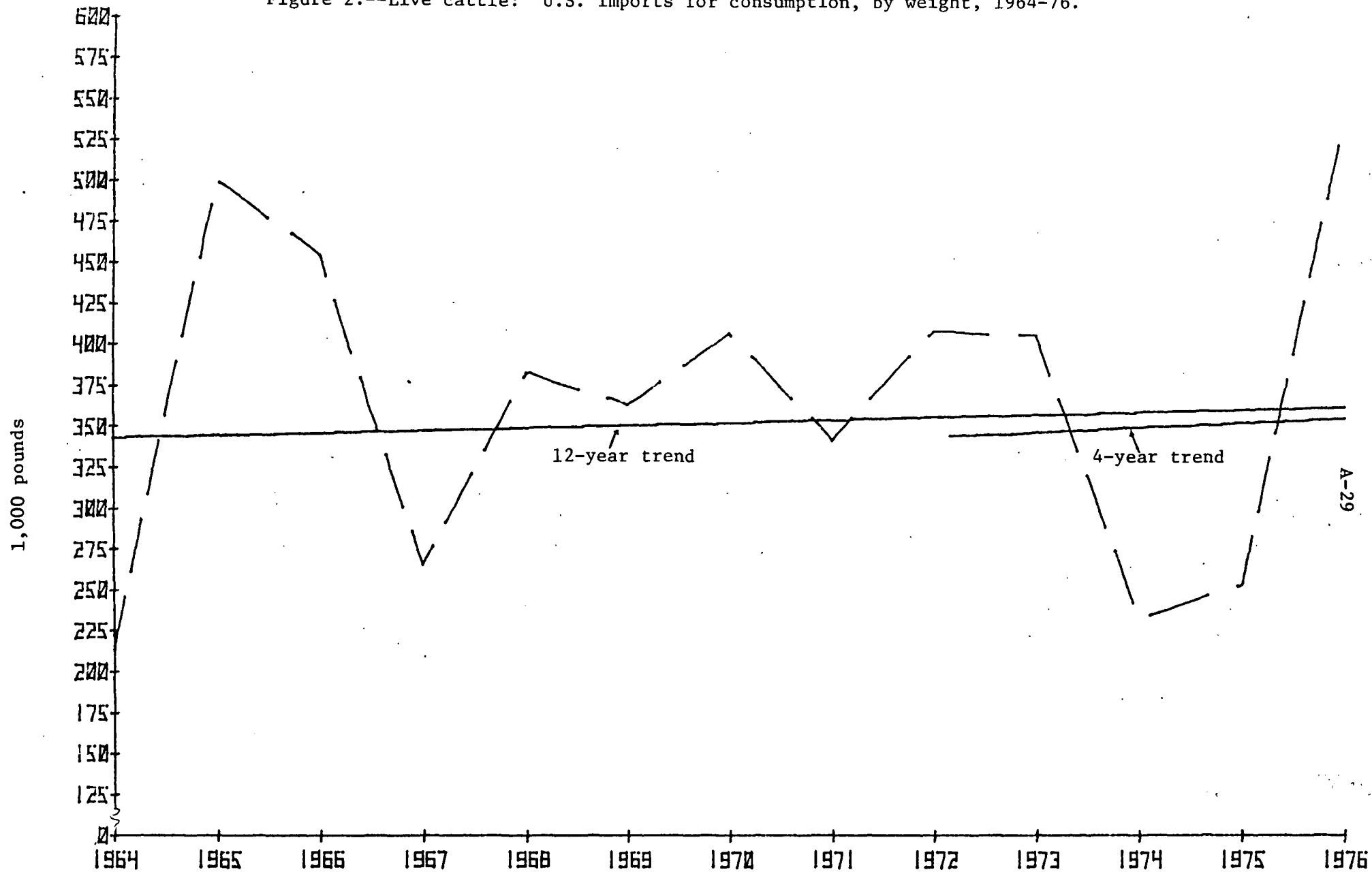
Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 1.--Live cattle: U.S. imports for consumption, by number, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 2.--Live cattle: U.S. imports for consumption, by weight, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

in 1976. Feeder cattle, which have historically accounted for a larger portion of cattle imported from Canada, made up an estimated 15 percent of the total. As shown in table 9 and in table A-1, the bulk of the live cattle imported since 1964 have been in the 200-699-pound range, although imports of cattle weighing 700 pounds or more each increased sharply in 1975 and 1976.

Table 9.--Live cattle: U.S. imports for consumption,
by weight categories, 1964-76

Year	700 pounds or over				Total
	Under 200: pounds <u>1</u> /	200-699 pounds <u>2</u> /	Dairy <u>3</u> /	Other <u>4</u> /	
	Number (1,000 head)				
1964-----	64	402	13	48	527
1965-----	81	863	15	151	1,110
1966-----	126	828	21	105	1,080
1967-----	98	607	12	21	738
1968-----	147	803	16	59	1,025
1969-----	159	792	22	47	1,020
1970-----	169	907	35	32	1,143
1971-----	159	749	36	26	970
1972-----	173	939	25	31	1,169
1973-----	144	780	18	77	1,019
1974-----	77	414	9	55	556
1975-----	10	221	2	149	383
1976-----	120	563	16	274	973
	Live weight (1,000 pounds)				
1964-----	7,870	143,462	15,679	45,934	212,945
1965-----	9,985	339,551	16,869	133,671	500,076
1966-----	15,010	321,846	23,178	95,362	455,396
1967-----	10,624	218,658	14,012	22,401	265,695
1968-----	15,683	290,610	17,171	59,758	383,222
1969-----	18,822	272,459	25,063	48,071	364,415
1970-----	23,167	309,272	38,029	36,574	407,042
1971-----	21,184	253,682	38,356	29,552	342,774
1972-----	22,344	325,421	27,742	33,920	409,427
1973-----	17,784	295,373	20,688	71,940	405,785
1974-----	8,383	162,437	11,131	50,781	232,732
1975-----	884	92,163	2,686	158,170	253,903
1976-----	11,103	225,845	18,008	283,956	538,912
	Value (1,000 dollars)				
1964-----	1,697	26,951	3,217	9,833	41,698
1965-----	2,112	66,077	3,504	26,604	98,297
1966-----	3,794	68,662	5,490	19,210	97,156
1967-----	2,784	47,561	3,862	4,762	58,969
1968-----	4,429	67,901	4,860	13,910	91,100
1969-----	5,750	66,635	7,425	13,840	93,650
1970-----	7,660	78,272	11,910	12,727	110,569

See footnotes at end of table.

Table 9.--Live cattle: U.S. imports for consumption,
by weight categories 1964-76--Continued

Year	Under 200 : pounds <u>1/</u>	200-699 : pounds <u>2/</u>	700 pounds or over : Dairy <u>3/</u> : Other <u>4/</u>		Total
Value (1,000 dollars)--Continued					
1971-----	7,877	75,259	12,460	11,238	106,834
1972-----	11,217	115,201	10,411	15,256	152,085
1973-----	12,262	133,514	9,306	37,217	192,299
1974-----	4,022	65,285	5,433	31,868	106,609
1975-----	312	29,080	1,062	46,787	77,241
1976-----	3,236	70,355	7,631	76,257	157,480
Unit value (per head)					
1964-----	\$21	\$67	\$247	\$209	\$77
1965-----	26	77	234	152	87
1966-----	30	83	261	183	89
1967-----	29	78	322	227	80
1968-----	30	85	303	236	89
1969-----	36	84	338	294	92
1970-----	45	86	340	398	120
1971-----	50	100	346	432	110
1972-----	65	123	416	492	130
1973-----	85	171	517	483	189
1974-----	52	158	604	579	192
1975-----	30	132	531	314	202
1976-----	27	125	477	287	162
Unit value (per hundredweight)					
1964-----	\$21	\$18	\$21	\$21	\$20
1965-----	21	19	21	20	20
1966-----	25	21	24	20	23
1967-----	26	22	28	21	24
1968-----	28	23	28	23	26
1969-----	31	24	30	29	29
1970-----	33	25	31	35	31
1971-----	37	30	32	38	34
1972-----	50	35	38	45	42
1973-----	69	45	45	52	53
1974-----	48	40	49	63	50
1975-----	30	32	40	30	33
1976-----	29	31	42	27	32

1/ TSUS items 100.40 and 100.432/ TSUS item 100.45.3/ TSUS item 100.50.4/ TSUS items 100.53 and 100.55.

Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. imports of meat of cattle

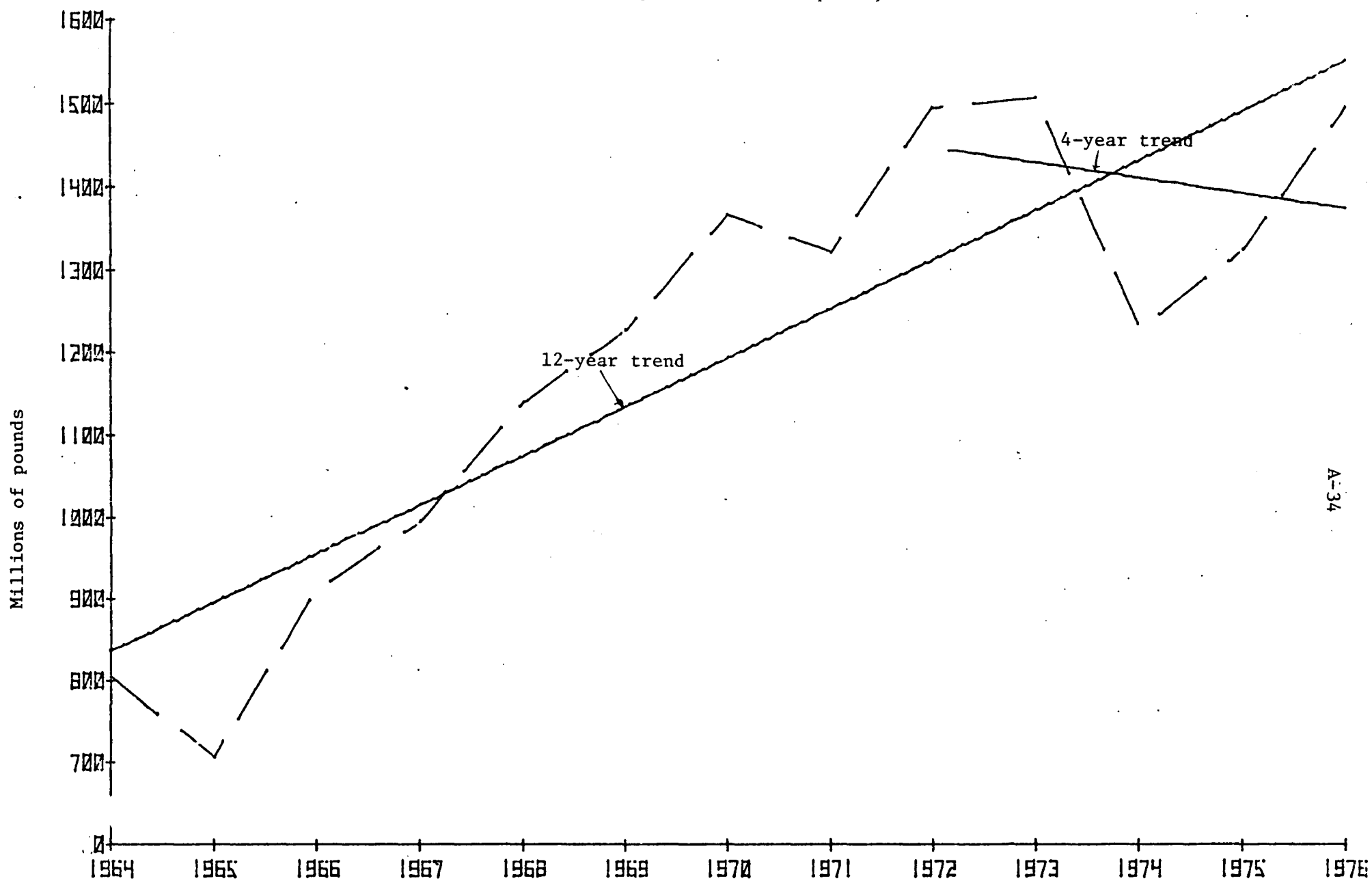
U.S. imports of meat of cattle increased from 1965 through 1973, dropped in 1974, but increased thereafter and in 1976 totaled 1.5 billion pounds, valued at \$919 million (table 10). The rising trend in total imports during 1964-76 and the declining trend for 1972-76 (affected chiefly by lower imports in 1974 and 1975) are shown in figure 3.

Table 10.---Meat of cattle: U.S. imports for consumption and the share subject to the Meat Import Act, 1964-76

Year	Imports				Index (1964=100)	
	Quantity		Value		Quantity	Value
	1,000 pounds	Percent	1,000 dollars	Percent		
		subject to:		subject to:		
		Meat Import Act:		Meat Import Act:		
1964-----	804,400	87.7	262,656	87.0	100	100
1965-----	708,320	82.5	244,649	80.0	88	93
1966-----	911,617	83.7	360,620	82.7	113	137
1967-----	994,971	84.5	410,050	83.9	124	156
1968-----	1,140,745	82.3	490,594	80.5	142	187
1969-----	1,227,925	83.9	572,415	83.8	153	218
1970-----	1,368,476	82.6	685,648	82.8	170	261
1971-----	1,324,400	83.1	739,392	79.4	165	282
1972-----	1,497,733	86.8	868,047	85.7	186	330
1973-----	1,511,540	88.8	1,180,659	88.2	188	450
1974-----	1,231,460	87.3	906,723	81.7	153	345
1975-----	1,327,302	91.0	667,985	86.8	165	254
1976-----	1,497,959	85.5	919,153	82.6	186	350

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 3.--Meat of cattle: U.S. imports for consumption, 1964-76.



A-34

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-2 shows imports of cattle, by principal customs districts; tables A-3 through A-20 show U.S. imports of meat of cattle, by principal sources and by TSUS items, for the period 1972-76. Table A-21 shows U.S. imports of meat of cattle, by principal sources, for the period 1972-76.

Imports and import trends for beef covered by the Meat Import Act are shown in table 11 and figure 4. As shown therein, imports generally increased during 1964-76, but declined during 1972-76. Imports of beef not covered by the Meat Import Act behaved similarly, as shown in figure 5. That figure shows a general increase in the trend over the years 1964-76, and a decline in the trend for the years 1972-76. Nevertheless, despite the declining trend in imports of recent years, imports covered by the Meat Import Act increased in 1975 and 1976 and were higher in 1976 than in any other years during 1964-75 except 1972 and 1973. Imports of beef not covered by the Meat Import Act were higher in 1976 than in any other years except 1970 and 1971. A review of the import trends for three categories of beef covered by the Meat Import Act and seven categories of beef not covered by the Meat Import Act shows only two categories--"other" beef in airtight containers and corned beef--which declined during 1964-76. The other eight categories showed increasing trends with noticeable peaks during 1970-72 and declines during 1973-75. Four-year trends show a different pattern, with five categories--fresh, chilled, or frozen boneless beef, fresh, chilled, or frozen veal (both of which are covered by the Meat Import Act), edible offal, "other" beef in airtight containers, and "other" beef--declining during the period 1972-76. Tables A-22, A-23, and A-24 show imports of beef in recent years to be concentrated in the New York, N.Y., Philadelphia, Pa., and Miami, Fla., customs districts.

Because beef and cattle imports, domestic production or slaughter, and exports have varying degrees of waste, bone, and the like, data often are compared on the basis of carcass or product weights. The data shown in tables 9 and 11 are entered weights reported to the U.S. Customs Service and compiled by the U.S. Department of Commerce. Table 12 converts those entered weights to carcass weights. 1/

1/ For the cattle covered in table 12, the conversion factor for obtaining carcass weights from entered weights is 0.57. For the beef covered by the table, the rate varies from 1.00 to 1.40, but in 1976 averaged 1.34. A further conversion to product weight may be made by multiplying carcass weights by a factor of 0.709. Unless otherwise specified, however, import quantities in this report are given as reported by the U.S. Department of Commerce, and are not given in carcass or product weights.

Table 11.--Beef and veal: U.S. imports for consumption, by types, 1964-76,
January-April 1976, and January-April 1977

Period	Fresh, chilled, or frozen 1/				Except fresh, chilled, or frozen 2/								Total or average
	Beef with bone 3/	Boneless beef 4/	Veal 5/	Total or average	Edible offal 6/	Beef :sau- sages 7/	Cured or :pickled : beef or :veal 8/	Corned : beef 9/	Other beef :in air- tight con- :tainers 10/	Cooked : frozen :beef 11/	Other 12/	Total or average	
Quantity (1,000 pounds)													
1964-----	17,211	670,948	17,451	705,610	1,769	4,897	371	13/	14/78,708	9,762	15/ 3,283	98,790	804,400
1965-----	29,338	535,989	18,855	584,182	2,243	2,235	313	13/	14/90,542	21,183	15/ 7,622	124,138	708,320
1966-----	20,663	720,193	22,029	762,885	3,332	3,374	496	13/	14/90,399	30,403	15/20,728	148,732	911,617
1967-----	11,703	814,634	14,244	840,581	3,509	471	1,577	85,708	11,953	36,750	15/14,422	154,390	994,971
1968-----	26,835	893,939	18,256	939,030	3,802	135	1,137	101,029	16,948	63,774	15/14,890	201,715	1,140,745
1969-----	19,599	984,543	25,732	1,029,874	5,642	408	1,327	94,659	22,755	64,171	15/ 9,089	198,051	1,227,925
1970-----	24,317	1,083,200	23,459	1,130,976	9,846	505	1,543	88,488	30,883	70,174	36,061	237,500	1,368,476
1971-----	22,043	1,056,488	21,796	1,100,327	6,488	3,732	884	67,181	24,081	72,307	49,400	224,073	1,324,400
1972-----	12,321	1,251,436	36,130	1,299,887	7,870	3,268	579	80,135	19,694	52,660	33,640	197,846	1,497,733
1973-----	18,851	1,292,026	31,165	1,342,042	7,208	3,531	452	69,672	23,783	48,862	15,990	169,498	1,511,540
1974-----	10,662	1,034,066	30,533	1,075,261	5,888	3,543	599	66,917	26,876	41,221	11,155	156,199	1,231,460
1975-----	7,554	1,175,878	24,361	1,207,793	5,586	3,149	1,013	53,018	10,692	35,511	10,540	119,509	1,327,302
1976-----	21,042	1,238,515	22,029	1,281,586	5,349	3,568	1,191	99,835	18,766	62,703	24,961	216,373	1,497,959
January-April--													
1976-----	5,890	419,163	8,997	434,050	1,453	1,654	114	29,246	7,538	13,575	6,340	59,920	493,970
1977-----	11,289	373,251	7,139	391,679	1,871	780	48	30,496	6,002	14,477	6,088	59,762	451,441
Value (1,000 dollars)													
1964-----	5,420	216,666	6,513	228,599	660	1,352	222	13/	14/25,305	5,015	15/ 1,503	34,057	262,656
1965-----	8,769	180,254	6,817	195,840	774	657	206	13/	14/32,157	11,697	15/ 3,318	48,809	244,649
1966-----	7,171	281,303	9,921	298,395	1,076	921	305	13/	14/34,731	16,692	15/ 8,501	62,225	360,620
1967-----	4,347	332,424	7,174	343,945	1,200	197	919	33,389	4,383	20,113	15/ 5,904	66,105	410,050
1968-----	10,477	375,087	9,302	394,866	1,086	74	743	40,914	6,615	39,106	15/ 7,190	95,728	490,594
1969-----	9,024	456,338	14,357	479,719	1,661	215	859	37,717	9,030	39,601	15/ 3,613	92,696	572,415
1970-----	11,121	542,458	14,249	567,828	2,516	288	990	36,592	13,952	47,129	16,353	117,820	685,648
1971-----	10,556	562,560	13,851	586,967	1,955	2,338	627	41,194	14,587	69,402	22,322	152,425	739,392
1972-----	7,320	711,863	25,138	744,321	2,813	2,234	419	51,420	11,812	40,957	14,071	123,726	868,047
1973-----	16,068	998,725	26,904	1,041,697	3,351	3,583	513	51,864	20,138	50,024	9,489	138,962	1,180,659
1974-----	7,268	709,752	23,455	740,475	2,768	3,918	724	71,932	27,486	50,328	9,092	166,248	906,723
1975-----	4,447	562,280	13,141	579,868	1,951	3,508	895	39,421	6,784	28,903	6,655	88,117	667,985
1976-----	11,733	732,882	14,165	758,780	1,686	4,311	1,387	76,446	11,755	50,877	13,911	160,373	919,153
January-April--													
1976-----	3,363	240,680	5,277	249,320	446	1,955	143	21,375	4,506	10,613	3,656	42,694	292,014
1977-----	6,005	227,257	4,959	238,221	554	995	127	24,214	3,934	11,696	3,815	45,335	283,556

See footnotes at end of table.

Table 11.--Beef and veal: U.S. imports for consumption, by types, 1964-76,
January-April 1976, and January-April 1977--Continued

Period	Fresh, chilled, or frozen <u>1/</u>				Except fresh, chilled, or frozen <u>2/</u>										Total or average	Total or average
	Beef with bone <u>3/</u>	Boneless beef <u>4/</u>	Veal <u>5/</u>	Total or average	Edible offal <u>6/</u>	Beef sau- sages <u>7/</u>	Cured or: pickled : beef or veal <u>8/</u>	Corned beef <u>9/</u>	Other beef: in air- tight con- tainers <u>10/</u>	Cooked frozen beef <u>11/</u>	Other <u>12/</u>	Total or average				
Unit value (per pound)																
1964-----	\$0.31	\$0.32	\$0.37	\$0.32	\$0.37	\$0.28	\$0.60	<u>13/</u>	<u>14/</u>	\$0.32	\$0.51	<u>15/</u>	\$0.46	\$0.34	\$0.33	
1965-----	.30	.34	.36	.34	.35	.29	.66	<u>13/</u>	<u>14/</u>	.36	.55	<u>15/</u>	.44	.39	.35	
1966-----	.35	.39	.45	.39	.32	.27	.61	<u>13/</u>	<u>14/</u>	.38	.55	<u>15/</u>	.41	.42	.40	
1967-----	.37	.41	.50	.41	.34	.42	.58	\$0.39		.37	.55	<u>15/</u>	.41	.43	.41	
1968-----	.39	.42	.51	.42	.29	.55	.65	.40		.39	.61	<u>15/</u>	.48	.47	.43	
1969-----	.46	.46	.56	.47	.29	.53	.65	.40		.40	.96	<u>15/</u>	.40	.47	.47	
1970-----	.46	.50	.61	.50	.26	.57	.64	.41		.45	.62		.45	.50	.50	
1971-----	.48	.53	.64	.53	.30	.63	.71	.61		.61	.67		.45	.68	.56	
1972-----	.59	.57	.70	.57	.36	.68	.72	.64		.60	.78		.42	.63	.58	
1973-----	.85	.77	.86	.78	.46	1.00	1.13	.74		.85	1.02		.59	.82	.78	
1974-----	.68	.69	.77	.69	.47	1.11	1.21	1.07		1.02	1.22		.82	1.06	.74	
1975-----	.59	.48	.54	.48	.35	1.11	.88	.74		.63	.81		.63	.74	.50	
1976-----	.56	.59	.64	.59	.32	1.21	1.17	.77		.63	.81		.56	.74	.61	
January-April--																
1976-----	.57	.57	.59	.57	.31	1.18	1.25	.73		.60	.78		.58	.71	.59	
1977-----	.53	.61	.69	.61	.30	1.28	2.65	.79		.66	.81		.63	.76	.63	

1/ Imports of beef and veal covered by the Meat Import Act of 1964.

2/ Imports of beef and veal not covered by the Meat Import Act of 1964.

3/ TSUSA items 106.1020 and 106.1040.

4/ TSUSA item 106.1060.

5/ TSUSA item 106.1080.

6/ TSUS items 106.80 and 106.85.

7/ TSUS item 107.20 and TSUSA item 107.2520.

8/ TSUS item 107.45.

9/ TSUSA items 107.4820 and 107.4840.

10/ TSUSA items 107.5220 and 107.5240.

11/ TSUSA item 107.6040.

12/ TSUS item 107.55 and TSUSA items 107.6020, 107.7540, and 107.7560.

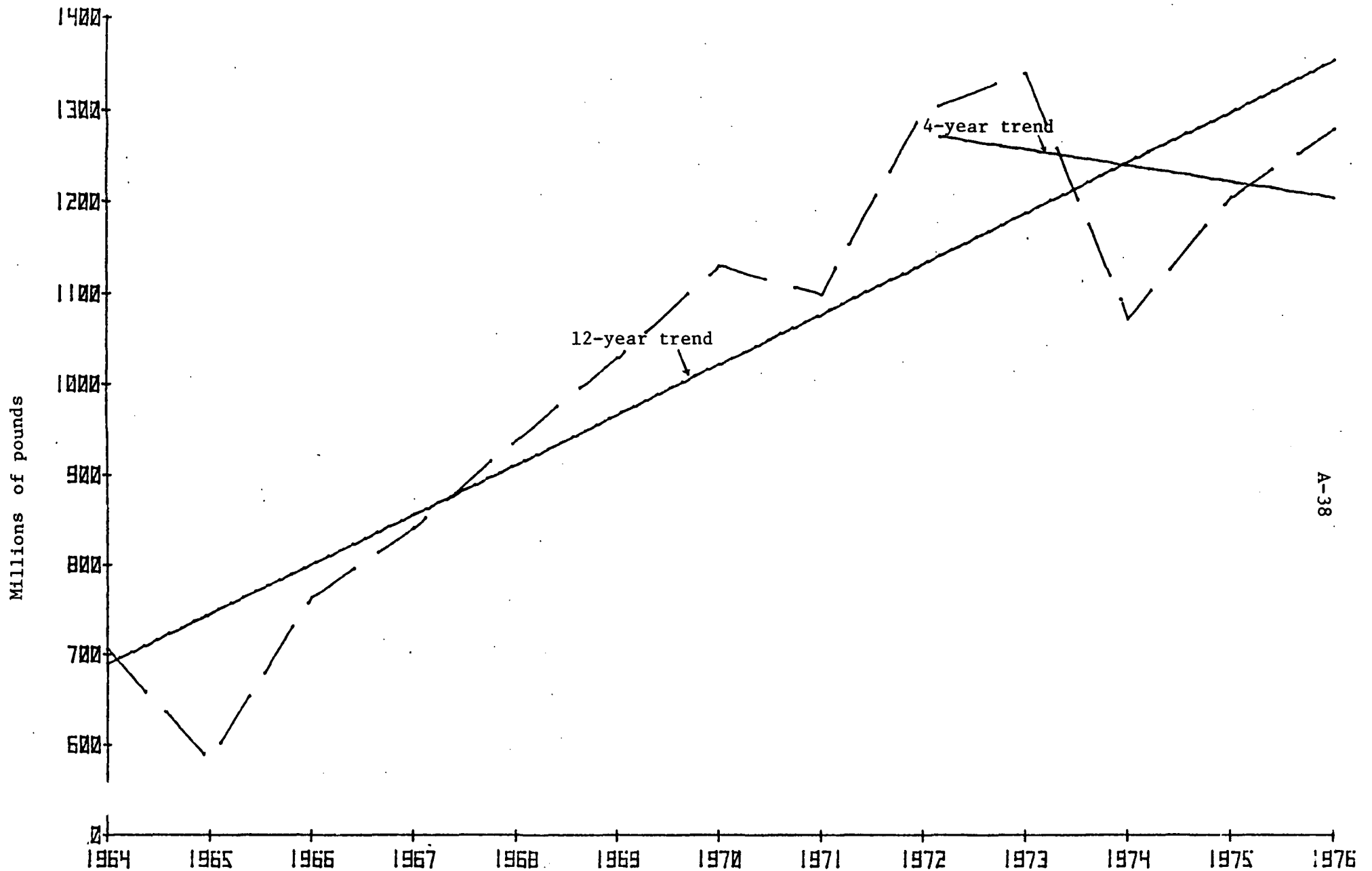
13/ Not separately classified prior to Jan. 1, 1967.

14/ Includes corned beef.

15/ Includes lamb and mutton.

Source: Compiled from official statistics of the U.S. Department of Commerce.

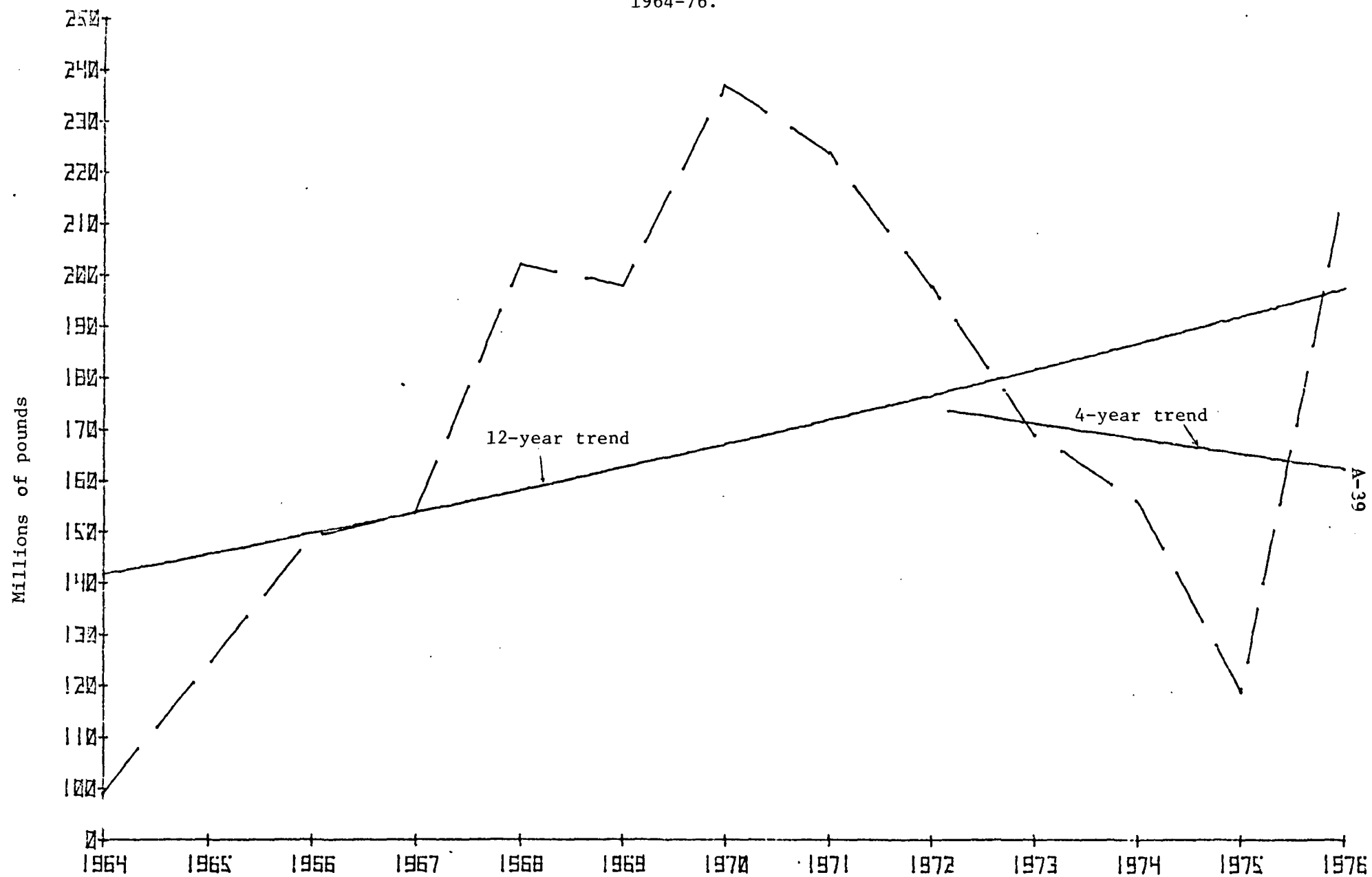
Figure 4.--Beef, fresh, chilled, or frozen: U.S. imports for consumption, 1964-76.



A-38

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure 5.--Beef, except fresh, chilled, or frozen: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

A-40

See footnotes at end of table.

Table 12.--Live cattle and beef: U.S. imports for consumption, by types, 1964-76, January-April 1976, and January-April 1977--Continued

Period	Beef							Total	
	Beef, except fresh chilled or frozen 5/						Total		
	Corned beef 8/	Other beef in airtight containers 8/	Cooked frozen beef 9/	Other 9/	Total	Total			
Entered weight (1,000 pounds)									
1964-----	10/	11/	78,708	9,762	12/	3,283	98,790	804,400	1,017,345
1965-----	10/	11/	90,542	21,183	12/	7,622	124,138	708,320	1,208,396
1966-----	10/	11/	90,399	30,403	12/	20,728	148,732	911,617	1,367,013
1967-----	85,708	11,953	36,750	12/	14,422	154,390	994,971	1,260,666	
1968-----	101,029	16,948	63,774	12/	14,890	201,715	1,140,745	1,523,967	
1969-----	94,659	22,755	64,171	12/	9,089	198,051	1,227,925	1,592,340	
1970-----	88,488	30,883	70,174	36,061	237,500	1,368,476	1,775,518		
1971-----	67,181	24,081	72,307	49,400	224,073	1,324,400	1,667,174		
1972-----	80,135	19,694	52,660	33,640	197,846	1,497,733	1,907,160		
1973-----	69,672	23,783	48,862	15,990	169,498	1,511,540	1,917,325		
1974-----	66,917	26,876	41,221	11,155	156,199	1,231,460	1,464,192		
1975-----	53,018	10,692	35,511	10,540	119,509	1,327,302	1,581,205		
1976-----	99,835	18,766	62,703	24,961	216,373	1,497,959	2,036,871		
January-April--									
1976-----	29,246	7,538	13,575	6,340	59,920	493,970	648,894		
1977-----	30,496	6,002	14,477	6,088	59,762	451,441	60,639		
Carcass-weight equivalent (1,000 pounds)									
1964-----	10/	11/	110,191	10,738	12/	3,611	131,577	1,085,438	1,206,817
1965-----	10/	11/	126,759	23,301	12/	8,384	163,738	946,236	1,231,279
1966-----	10/	11/	126,559	33,443	12/	22,801	190,769	1,220,125	1,479,701
1967-----	119,991	16,734	40,425	12/	15,864	198,949	1,390,945	1,542,391	
1968-----	141,440	23,727	70,151	12/	16,379	257,003	1,526,790	1,745,227	
1969-----	132,523	31,857	70,588	12/	9,998	252,664	1,646,819	1,854,536	
1970-----	123,883	43,236	77,191	39,667	296,250	1,828,210	2,060,223		
1971-----	94,053	33,713	79,538	54,340	273,653	1,764,881	1,960,262		
1972-----	112,189	27,572	57,926	37,004	247,166	2,010,084	2,243,457		
1973-----	97,541	33,296	53,748	17,589	214,152	2,034,244	2,265,541		
1974-----	93,684	37,626	45,343	12,271	199,771	1,657,636	1,790,293		
1975-----	74,225	14,969	39,062	11,594	150,410	1,793,278	1,938,003		
1976-----	139,769	26,272	68,973	27,457	273,507	2,013,344	2,320,524		
January-April--									
1976-----	40,944	10,553	14,933	6,974	76,977	666,117	754,424		
1977-----	42,694	8,403	15,925	6,697	76,583	606,365	725,608		

- ^{1/} Conversion factor for obtaining carcass weight from entered weight, 0.57.
^{2/} Imports covered by the Meat Import Act of 1964.
^{3/} Conversion factor for obtaining carcass weight from entered weight, 1.00.
^{4/} Conversion factor for obtaining carcass weight from entered weight, 1.37.
^{5/} Beef imports not covered by the Meat Import Act of 1964.
^{6/} Conversion factor for obtaining carcass weight from entered weight, 1.20.
^{7/} Conversion factor for obtaining carcass weight from entered weight, 1.18.
^{8/} Conversion factor for obtaining carcass weight from entered weight, 1.40.
^{9/} Conversion factor for obtaining carcass weight from entered weight, 1.10.
^{10/} Not separately classified prior to January 1, 1967.
^{11/} Includes corned beef.
^{12/} Includes lamb and mutton.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Ratio of U.S. imports of live cattle and beef to
U.S. production

The ratios of U.S. imports of live cattle (converted to carcass-weight equivalents) and beef (in carcass-weight equivalents) to U.S. production of beef (in carcass-weight equivalents) for 1964-76 are graphically presented in figures 6 and 7 and shown below (in percent):

<u>Year</u>	<u>Live cattle</u>	<u>Beef</u>
1964-----	0.6	5.6
1965-----	1.4	4.8
1966-----	1.3	5.9
1967-----	.7	6.6
1968-----	1.0	7.1
1969-----	1.0	7.6
1970-----	1.0	8.2
1971-----	.9	7.9
1972-----	1.0	8.8
1973-----	1.1	9.4
1974-----	.6	7.0
1975-----	.6	7.2
1976-----	1.1	7.5

Source: Based on official statistics of the U.S. Department of Commerce, and the U.S. Department of Agriculture.

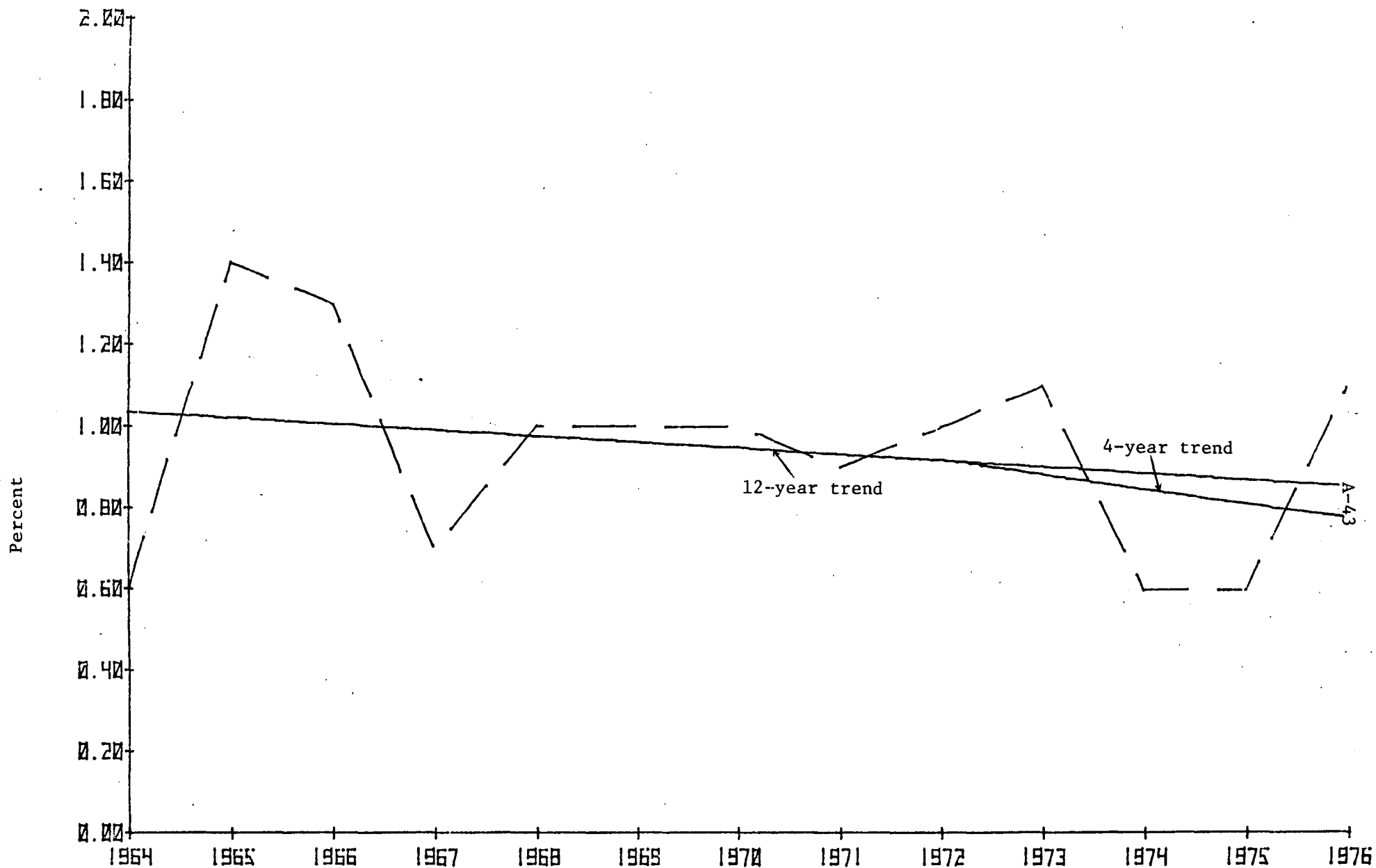
The Question of Serious Injury or Threat Thereof to the
Domestic Industry

U.S. production

Cattle and calves.---The January 1, 1977, inventory of all cattle and calves on farms was reported to be 122.9 million head, down 4 percent from the previous year. This was the second consecutive year in which the total cattle inventory declined. Contributing to the decline was the smaller 1976 calf crop, the record 43.2-million-head commercial cattle slaughter, and the 5.6-million-head commercial calf slaughter, as shown in table 13.

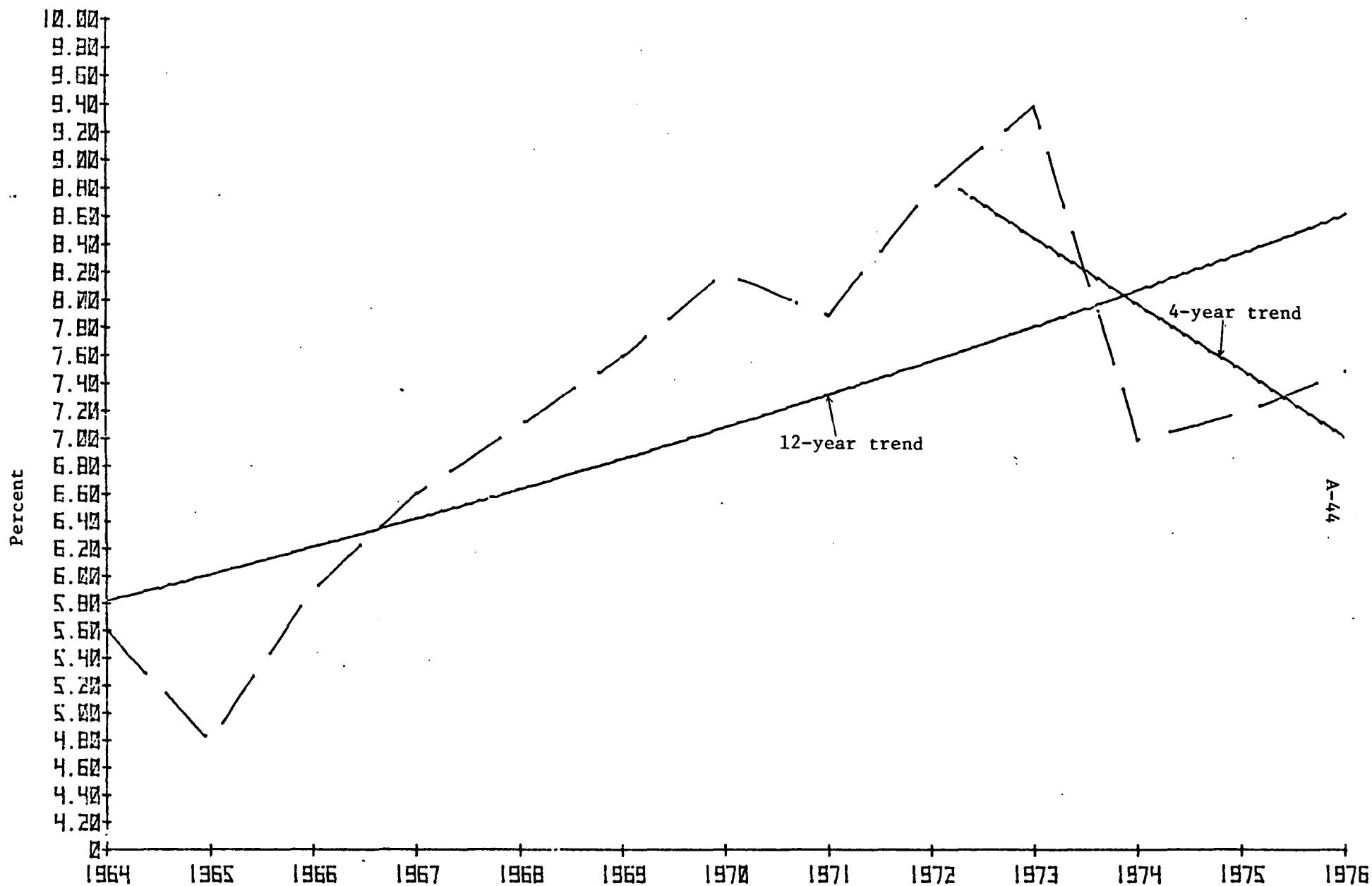
The reported cow herd on January 1, 1977, was 52.4 million head, about 4 percent below the previous year, as shown in table 14. The beef cow herd, at 41.4 million head, also showed a decrease from the previous year.

Figure 6.--Live cattle: Ratios of U.S. imports (converted to carcass-weight equivalents) to production of beef, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce and the U.S. Department of Agriculture.

Figure 7.--Beef: Ratios of U.S. imports in carcass-weight equivalents to production, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce and the U.S. Department of Agriculture.

Table 13.--Cattle balance sheet, 1970-76

(In thousands of head)							
Item	1970	1971	1972	1973	1974	1975	1976
On farms, Jan. 1-----	112,369	114,578	117,862	121,534	127,670	131,826	127,976
Imports-----	1,168	991	1,186	1,039	568	389	984
Calf crop-----	45,871	46,739	47,695	49,132	50,695	50,426	47,415
Total supply-----	159,408	162,308	166,743	171,705	178,933	182,641	176,375
Less:							
Cattle slaughter-----	35,354	35,895	36,083	34,027	37,327	41,464	43,170
Calf slaughter-----	4,203	3,821	3,184	2,376	3,172	5,406	5,550
Death loss-----	4,297	4,464	5,136	6,497	6,100	7,000	4,500
Exports-----	88	93	104	273	204	196	205
Total disappearance----	43,942	44,273	44,507	43,173	46,803	54,066	53,425
To balance-----	-888	-173	-702	-862	-304	-599	-54
On farms, Dec. 31-----	114,578	117,862	121,534	127,670	131,826	127,976	122,896

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table 14.--Cattle and calves on farms, by classes, Jan. 1 of 1970-77

(In thousands of head)									
Class	1970	1971	1972	1973	1974	1975	1976	1977	
Cows and heifers									
that have									
calved:									
Beef cows-----	36,689	37,877	38,807	40,917	43,007	45,471	43,743	41,364	
Milk cows-----	12,091	11,909	11,778	11,624	11,286	11,211	11,092	11,031	
Total-----	48,780	49,786	50,585	52,541	54,293	56,682	54,835	52,395	
Heifers 500 pounds									
and over:									
Replacement for--									
Beef cows-----	6,431	6,664	6,987	7,436	8,225	8,878	7,196	6,554	
Milk cows-----	3,880	3,843	3,828	3,874	3,942	4,095	3,973	3,906	
Other-----	6,132	6,113	6,399	6,434	6,821	6,509	7,395	8,051	
Total-----	16,443	16,620	17,214	17,743	18,988	19,482	18,564	18,511	
Steers 500 pounds									
and over-----	15,265	15,610	15,999	16,555	17,802	16,373	17,153	16,935	
Bulls 500 pounds									
and over-----	2,272	2,327	2,376	2,466	2,645	2,987	2,849	2,668	
Heifers, steers									
and bulls under									
500 pounds-----	29,609	30,235	31,688	32,229	33,942	36,302	34,575	32,388	
Total, cattle									
and calves---	112,369	114,578	117,862	121,534	127,670	131,826	127,976	122,896	

Source: Compiled from official statistics of the U.S. Department of Agriculture.

The number of head of cattle on farms in the United States rose steadily from 1970 through 1975, but declined somewhat in 1976 and 1977 as shown in table 15. The farm value per head of cattle increased sharply between 1972 and 1974 but declined sharply in 1975, as shown in table A-25. There was some recovery in 1976, but only to about 65 percent of the 1974 peak.

Cattle slaughter: total beef and veal production.---The U.S. slaughter of cattle increased from 34 million head in 1973 to 43 million head in 1976, as shown in table 13. During the same period, calf slaughter increased from 2.4 million head to 5.6 million head. The total U.S. slaughter of cattle and calves thus increased from 36 million head in 1973 to 49 million head in 1976. Tables 16-18 show the total slaughter, by types of animal slaughtered and geographic areas. It is notable that in 1976, as shown in table 16, about 60 percent of the commercial cattle slaughter consisted of fed steers and heifers, a substantial portion of which become table cuts. About 40 percent of the 1976 slaughter consisted of nonfed steers and heifers, and cows, bulls, and stags. Although some of this meat might become table cuts, it would be of lower grade and much would be used for manufacturing. Table 17 indicates that about 13 percent of the 1975 federally inspected cattle slaughter consisted of canner and cutter cattle, virtually all of which probably became manufacturing-grade meat. Cows, bulls, and stags, most of whose meat is of manufacturing grade (some may become table cuts), accounted for an additional 31 percent of the 1975 slaughter.

Total U.S. production of beef and veal (slaughter) in the United States increased from about 19 billion pounds in 1964 to nearly 27 billion pounds in 1976, in carcass-weight equivalents, as shown in table 19. U.S. commercial production of beef increased irregularly from about 18 billion pounds in 1964 to 26 billion pounds in 1976. Commercial production of veal declined irregularly from 928 million pounds in 1964 to 325 million pounds in 1973, the year calves were held for herd replacements, but increased irregularly thereafter and in 1976 totaled 813 million pounds---more than double the 1973 level. Farm production of beef and veal is small in relation to commercial production.

Beef and veal inventories.---Cold-storage holdings (as of January 1) of commercially produced beef, as shown in table 20, increased annually from 366 million pounds in 1972 to 448 million pounds in 1974, declined to 350 million pounds in 1976, and then increased to 454 million pounds in 1977. Cold-storage holdings of veal increased from 9 million pounds in 1972 to 14 million pounds in 1975, but declined to 11 million pounds in 1976 and 1977. Cold-storage holdings of beef and veal for 1972-76 averaged about 2 percent of domestic production.

Table 15.--Number of cattle on U.S. farms or ranches
or in feedlots, 1964-77

(in thousands of head)		
Year	Cattle on cattle farms	Cattle in feedlots <u>1/</u>
1964-----	107,903	9,256
1965-----	109,000	9,381
1966-----	108,862	9,967
1967-----	108,783	10,698
1968-----	109,371	10,835
1969-----	110,015	11,965
1970-----	112,369	12,644
1971-----	114,578	12,209
1972-----	117,862	13,330
1973-----	121,534	13,920
1974-----	127,670	13,067
1975-----	131,826	9,619
1976-----	127,976	12,296
1977-----	122,896	11,945

1/ Statistics on cattle on feedlots available for 23 States as of
Jan. 1.

2/ Not available.

Source: Compiled from official statistics of the U.S. Department of
Agriculture.

Table 16. --Commercial cattle slaughter, by classes, 1973-76

Year	Steers and heifers			Cows	Bulls and stags	Total
	Fed	Non-fed	Total			
Quantity (1,000 head)						
1973-----	25,890	873	26,763	6,248	676	33,687
1974-----	23,880	4,598	28,478	7,514	820	36,812
1975-----	21,210	7,047	28,257	11,557	1,097	40,911
1976-----	25,040	5,997	31,037	10,619	998	42,654
Percent of total						
1973-----	77	3	79	18	2	100
1974-----	65	12	77	20	2	100
1975-----	52	17	69	28	3	100
1976-----	59	14	73	25	2	100

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Note.--Because of rounding, figures may not add to the totals shown.

Table 17.--Cattle slaughter: Number slaughtered under Federal inspection and percentage of total cattle slaughtered, by classes, 1970-75.

Year	Steers	Heifers	Cows	Bulls and stags	Canner and cutter cattle
Quantity (1,000 head)					
1970-----	16,608	8,304	5,373	507	2,701
1971-----	17,003	3,224	5,627	560	2,854
1972-----	17,749	8,535	5,402	583	2,906
1973-----	16,604	7,645	5,659	613	2,948
1974-----	17,824	7,960	6,794	741	3,536
1975-----	16,070	9,420	10,421	996	4,895
Percent of total cattle slaughtered					
1970-----	53.9	27.0	17.4	1.7	8.8
1971-----	54.1	26.2	17.9	1.8	9.1
1972 <u>1</u> /-----	55.0	26.5	16.7	1.8	9.0
1973 <u>1</u> /-----	54.4	25.1	18.5	2.0	9.7
1974 <u>1</u> /-----	53.5	23.9	20.4	2.2	10.6
1975 <u>1</u> /-----	43.6	25.5	28.2	2.7	13.3

1/ Includes only 48 states.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table 18.--Commercial cattle slaughter, 1/ by geographic areas, 1975

Area	: Number of cattle slaughtered	: Percent of total	: Total live weight of cattle slaughtered	: Percent of total	: Average weight of cattle slaughtered
	: <u>1,000 head</u>	: <u>Percent</u>	: <u>Million</u> <u>pounds</u>	: <u>Percent</u>	: <u>Pounds per head</u>
Range area-----	12,054	29.5	11,655	28.6	967
Corn Belt-----	19,715	48.2	20,390	50.1	1,034
Southeast-----	4,476	10.9	3,756	9.2	839
California-----	2,892	7.1	3,016	7.4	1,043
Other-----	1,774	4.3	1,916	4.7	1,081
Total or average-----	40,911	100.0	40,733	100.0	996
	:	:	:	:	:

1/ Does not include calf slaughter.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table 19.--Beef and veal: U.S. production by class of slaughter, in carcass-weight equivalents, 1964-76

(In millions of pounds)						
Year	Commercial			Farm	Total	
	Federally	Other	Total 1/			
	inspected					
Beef						
1964-----	15,103	2,934	18,037	392	18,429	
1965-----	15,421	2,904	18,325	374	18,699	
1966-----	16,220	3,272	19,493	202	19,695	
1967-----	16,829	3,162	19,991	193	20,184	
1968-----	17,850	2,812	20,662	185	20,847	
1969-----	18,474	2,486	20,960	165	21,125	
1970-----	19,152	2,320	21,472	180	21,652	
1971-----	19,373	2,324	21,697	171	21,868	
1972-----	20,241	1,978	22,218	169	22,387	
1973-----	19,294	1,794	21,088	189	21,277	
1974-----	20,937	1,907	22,844	294	23,138	
1975-----	21,628	2,045	23,673	303	23,976	
1976-----	23,726	1,941	25,667	302	25,969	
Veal						
1964-----	550	378	928	85	1,013	
1965-----	572	364	936	84	1,020	
1966-----	490	372	862	49	911	
1967-----	423	326	749	43	792	
1968-----	420	276	696	39	735	
1969-----	400	241	640	33	673	
1970-----	337	220	558	30	588	
1971-----	324	192	516	30	546	
1972-----	283	146	429	30	459	
1973-----	210	115	325	32	357	
1974-----	285	157	442	44	486	
1975-----	494	333	827	46	873	
1976-----	563	250	813	40	853	
Total						
1964-----	15,653	3,312	18,965	477	19,442	
1965-----	15,993	3,268	19,261	458	19,719	
1966-----	16,710	3,644	20,355	251	20,606	
1967-----	17,252	3,488	20,740	236	20,976	
1968-----	18,270	3,088	21,358	224	21,582	
1969-----	18,874	2,727	21,600	198	21,798	
1970-----	19,489	2,540	22,030	210	22,240	
1971-----	19,697	2,516	22,213	201	22,414	
1972-----	20,524	2,124	22,647	199	22,846	
1973-----	19,504	1,909	21,413	221	21,634	
1974-----	21,222	2,064	23,286	338	23,624	
1975-----	22,122	2,378	24,500	349	24,849	
1976-----	24,289	2,191	26,480	342	26,822	

^{1/} Calculated on the unrounded figures.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table 20.---Cold-storage holdings of commercially produced
beef and veal, Jan. 1 of 1972-77

(In millions of pounds)			
Date	Beef	Veal	Total
Jan. 1---	:	:	:
1972-----	366	9	375
1973-----	367	13	380
1974-----	448	12	460
1975-----	402	14	416
1976-----	350	11	361
1977-----	454	11	465
	:	:	:

Source: Compiled from official statistics of the U.S. Department of Agriculture.

U.S. exports

Exports of live cattle, as shown in table 13, increased from 88,000 head in 1970 to 273,000 head in 1973 then dropped to about 200,000 head in 1974, 1975, and 1976.

The following tabulation, compiled from official statistics of the U.S. Department of Commerce, shows U.S. exports of beef and veal, including shipments to U.S. territories, for 1964-76:

<u>Year</u>	<u>Exports</u> <u>(million pounds)</u>
1964-----	96
1965-----	97
1966-----	87
1967-----	94
1968-----	94
1969-----	87
1970-----	104
1971-----	121
1972-----	124
1973-----	152
1974-----	130
1975-----	124
1976-----	170

The principal U.S. export markets were Canada, Japan, and the Bahamas. U.S. exports of beef and veal were equivalent to less than 0.1 percent of U.S. production and 10 percent of the volume of U.S. imports.

U.S. Employment

Public data are available on employment of slaughterers and processors. Table 21 shows employment and earnings of meat packers and processors for 1963, 1967, and 1972-76.

U.S. Prices

The average price of live choice-grade steers at Omaha increased irregularly from \$29.95 per hundredweight in 1969 to \$44.52 per hundredweight in 1973, declined to \$41.88 per hundredweight in 1974, and increased to \$44.59 per hundredweight in 1975. In 1976, the average price per hundredweight declined to \$38.60. The peak price for choice steers occurred in August 1973 at \$53.83 per hundredweight, as shown in table 22 and figure 8, and the lowest price since January 1969 occurred in November 1969 at \$28.05 per hundredweight. On a carcass-weight basis, the retail value of choice steer meat increased from \$68.20 per 100 pounds in 1969 to \$103.50 per 100 pounds in 1975. The highest value in the period, \$114.15 per 100 pounds, occurred in July 1976, and the lowest price, \$63.46 per 100 pounds, occurred in January 1969. Retail values peaked in August and September 1973, fell thereafter, but jumped again to new highs between May 1975 and January 1976.

The average price of utility cows (for manufacturing) at Omaha during 1972-76 fluctuated between a high of \$32.56 per hundredweight in 1973 and a low of \$21.09 in 1975. The 1973 prices contributed to the suspension of the quota and the high level of meat imports during 1974-76. In 1973, the price peaked in August at \$35.56 per hundredweight but by December had declined to \$30.10 per hundredweight. In 1976, utility cow prices averaged \$25.31 per hundredweight, up 20 percent from 1975, and in the first 5 months of 1977 continued upward, slightly, averaging \$25.54 per hundredweight.

Price comparisons between imported boxed beef and domestic lean beef are difficult owing to the effects of several complicating variables, including freight charges, differences in fat content, uniformity of the quality of the meat, and the end use of the meat. Imported boxed beef is noted for its leanness and is reputed to be more consistent in quality than its domestic counterpart, although 90 percent chemical lean beef can be obtained from either foreign or domestic sources. Purchasers include purveyors, jobbers, traders, and processors, each making purchases for potentially different reasons or, as do the processors, for different uses (e.g., sausage, hamburger, or precooked dinners). Statements received from processors indicate that lean beef

Table 21.--Meat packers and processors: Average number of employees, total and production workers, average hours worked per week, and average hourly and weekly earnings, 1963, 1967, and 1972-76

Item	1963	1967	1972	1973	1974	1975	1976
Total employees:							
Packers and processors---thousands--	245.5	242.3	239.7	229.5	232.3	232.5	236.7
Production workers:							
Packers and processors---thousands--	189.2	184.6	187.5	178.3	180.2	180.3	183.9
Average weekly hours per worker:							
Packers-----number--	42.4	42.4	41.1	41.3	42.3	41.3	41.9
Processors-----do----	41.6	41.4	40.2	40.0	40.7	40.5	40.7
Average hourly earnings per worker:							
Packers-----per hour--	\$2.82	\$3.24	\$4.49	\$4.70	\$5.15	\$5.61	\$6.06
Processors-----do----	\$2.62	\$3.04	\$4.24	\$4.45	\$4.91	\$5.50	\$4.98
Average weekly earnings per worker:							
Packers-----per week--	\$119.57	\$137.38	\$184.54	\$194.11	\$217.85	\$231.67	\$253.91
Processors-----do----	\$109.82	\$125.86	\$170.45	\$178.00	\$199.84	\$222.75	\$243.39

Source: Compiled from official statistics of the U.S. Department of Labor.

Table 22--Beef: Live animal and wholesale prices and wholesale and retail values, by months, 1969-76

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Live animal price 1/													
1969-----	\$28.15	\$28.09	\$29.38	\$30.62	\$33.36	\$34.21	\$31.61	\$30.47	\$29.02	\$28.07	\$28.05	\$28.35	\$29.95
1970-----	28.45	29.43	31.23	30.96	29.90	30.59	31.27	30.27	29.71	29.14	27.69	27.04	29.64
1971-----	28.75	32.12	31.86	32.43	32.78	32.37	32.35	33.06	32.53	32.27	33.48	34.20	32.35
1972-----	34.33	35.89	34.99	34.45	35.66	37.66	37.85	35.28	34.72	34.92	33.83	36.96	34.61
1973-----	40.61	43.25	45.29	44.74	45.70	46.72	48.01	53.83	45.42	41.33	39.91	39.48	44.52
1974-----	47.51	46.11	42.22	41.28	40.44	37.70	43.97	47.33	41.34	39.70	37.93	37.00	41.88
1975-----	36.58	35.00	36.34	43.12	49.44	52.33	50.60	46.71	48.18	46.97	44.59	45.17	44.59
1976-----	40.68	38.16	35.70	42.96	40.31	39.97	37.24	36.62	36.40	37.20	38.42	39.39	38.60
Carcass value 2/													
1969-----	\$30.81	\$30.39	\$31.71	\$32.93	\$35.78	\$36.38	\$34.45	\$33.00	\$31.82	\$30.55	\$30.39	\$30.85	\$32.44
1970-----	32.02	31.97	33.67	33.39	32.24	32.75	34.00	33.13	32.27	31.47	30.73	29.86	32.29
1971-----	32.65	34.93	34.71	35.56	36.38	35.50	35.33	36.15	35.50	34.86	36.38	37.60	35.46
1972-----	38.71	38.94	37.87	37.31	39.03	40.82	40.63	38.46	37.70	38.00	37.02	40.28	38.73
1973-----	43.97	46.78	42.12	48.36	48.37	49.58	50.53	-	59.71	45.46	44.38	45.70	-
1974-----	51.88	52.42	46.63	45.77	45.63	42.89	49.26	50.98	45.87	44.41	42.43	41.13	46.61
1975-----	41.58	39.60	40.60	47.72	54.39	57.73	56.42	53.27	54.25	51.80	50.06	50.22	49.80
1976-----	46.10	43.37	40.23	46.30	44.88	44.26	41.67	40.88	41.08	41.26	42.62	43.93	43.05
Carcass price 3/													
1969-----	\$46.65	\$45.95	\$47.92	\$49.56	\$54.10	\$55.00	\$41.74	\$49.26	\$47.29	\$45.44	\$45.29	\$46.09	\$48.69
1970-----	47.88	47.70	50.38	49.90	48.31	49.30	51.36	49.85	58.45	47.05	56.07	45.03	48.44
1971-----	49.75	52.95	52.50	53.68	55.01	53.71	53.53	54.84	53.73	52.68	55.06	56.96	53.70
1972-----	58.54	48.62	56.12	54.89	57.58	60.44	59.85	55.75	54.47	54.23	52.65	58.63	56.81
1973-----	64.14	68.00	70.44	70.81	70.37	72.00	72.83	-	72.37	65.78	64.03	66.35	-
1974-----	75.95	77.00	68.31	67.41	67.76	63.98	73.33	75.62	68.24	66.26	63.67	62.03	69.13
1975-----	63.00	60.04	41.21	71.74	82.23	87.38	84.86	79.53	81.19	77.25	74.45	74.97	74.82
1976-----	66.34	63.89	58.70	68.04	65.31	64.54	60.19	58.99	59.13	60.24	62.65	64.38	62.87
Retail value (carcass-weight basis) 4/													
1969-----	\$63.46	\$63.53	\$64.45	\$66.15	\$69.34	\$72.25	\$72.60	\$71.68	\$70.26	\$67.50	\$68.42	\$68.70	\$68.20
1970-----	69.13	68.99	70.47	70.83	70.47	69.84	71.40	41.18	69.98	69.41	69.20	68.40	69.94
1971-----	68.91	71.82	71.82	73.74	74.30	74.94	74.23	74.94	75.08	74.52	75.37	76.93	73.94
1972-----	79.05	82.10	82.10	79.41	48.98	80.47	83.17	82.10	80.05	79.98	79.62	81.25	80.69
1973-----	86.57	92.38	95.93	96.42	96.42	96.07	96.64	102.24	102.73	96.42	95.64	95.20	96.06
1974-----	101.39	106.25	100.82	96.71	95.72	93.73	97.77	101.67	100.39	96.99	95.29	93.72	98.38
1975-----	94.16	91.46	90.04	94.94	104.79	111.88	114.15	110.25	108.34	108.05	107.20	106.78	103.50
1976-----	105.36	101.17	95.79	100.68	100.47	99.83	97.98	96.28	95.22	94.65	96.21	98.48	98.51

1/ Average price per 100 pounds live weight of choice grade steers at 7 leading public stockyards and average quotations to California feeders and ranches.

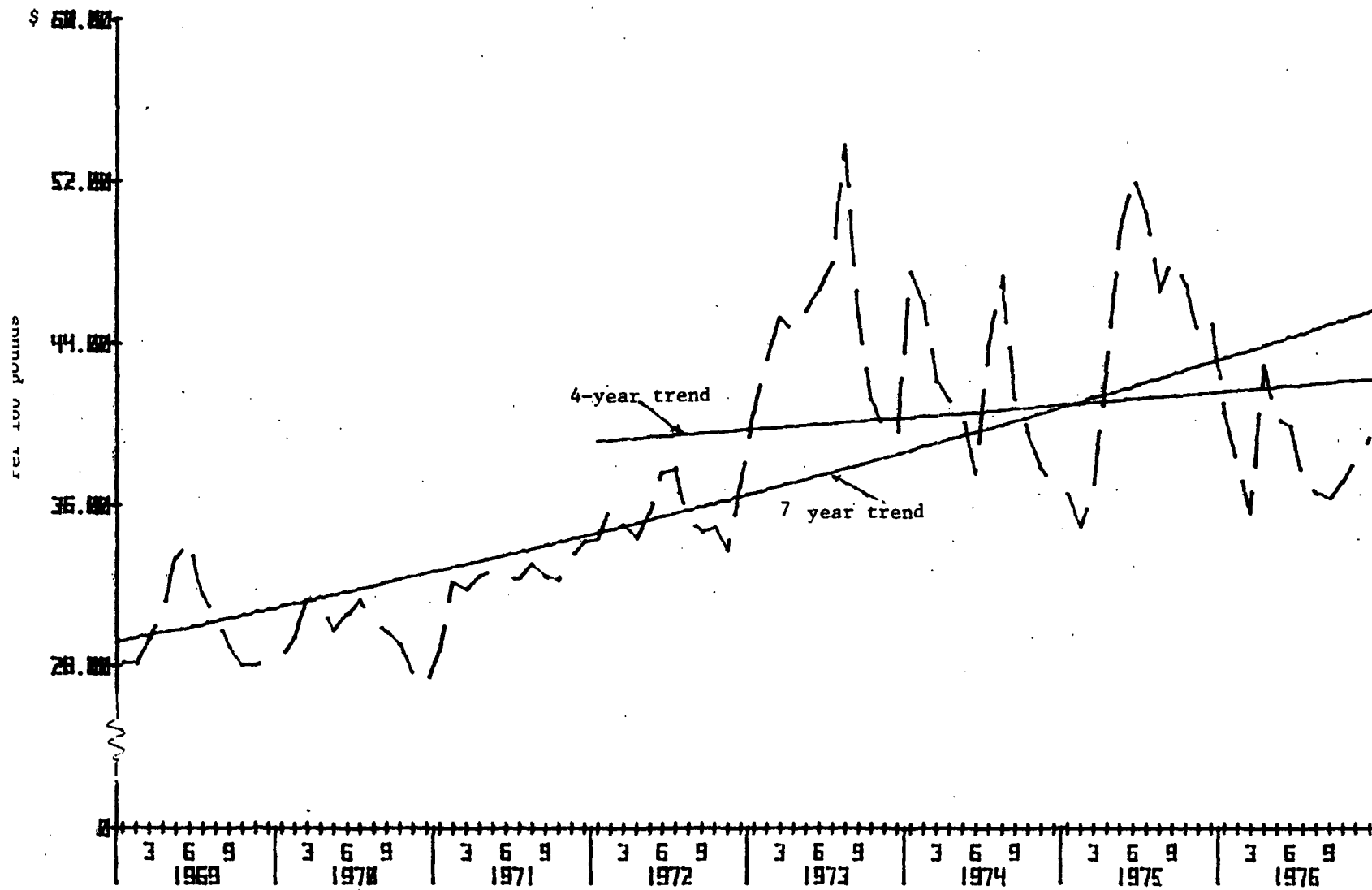
2/ Wholesale value of carcass and byproducts per 100 pounds live weight.

3/ Weighted average of price quotations for choice grade carcasses at Chicago (plus 75 cents per 100 pounds) and at Los Angeles, San Francisco, and Seattle-Tacoma-Portland.

4/ Calculated from prices published by the Bureau of Labor Statistics and prices reported by a group of retail food chains. From 100 pounds carcass weight, 70.9 pounds of beef is sold at retail.

Source: Compiled from official statistics of the U.S. Department of Agriculture, except as noted.

Figure 8.--Live cattle prices, by months, 1969-76



Source: Compiled from official statistics of the U.S. Department of Agriculture.

in sausages may be used in specific ratios of imported meat to domestic meat or, for hamburger. Proportions of the added lean product vary depending on the fat content of the meat to be processed. Although 90 percent chemical lean meat may be used in the same product as 85 percent chemical lean, the former commands a premium price.

There are two major commercial reporters of prices of domestic and imported beef. 1/ A sampling of prices compiled by one of these services during the period 1974-77, comparing imported 85 percent chemical lean meat, port of entry and at Chicago, domestic 85 percent chemical lean trimmings, and domestic 90 percent chemical lean beef on 22 separate dates, is shown in appendix G. On 5 of 22 dates reported (23 percent), domestic 90 percent chemical lean beef was lower in price than imported 85 percent chemical lean beef, port of entry. On 12 dates (55 percent), domestic 90 percent chemical lean beef was lower in price than imported 85 percent chemical lean beef at Chicago. Freight is included in the Chicago price of the imports. On 18 dates (82 percent), domestic 85 percent chemical lean trimmings were lower in price than imported 85 percent chemical lean beef, port of entry. On 19 dates (86 percent), the domestic 85 percent chemical lean trimmings were lower in price than imported 85 percent chemical lean beef at Chicago.

The higher prices that occurred for imported 85 percent chemical lean beef compared with domestic 85 percent chemical lean beef are corroborated by a sample of comparative prices made during the concurrent 332 investigation of beef and cattle, as shown in table 23, and is further supported by invoices showing prices of imported 85 percent chemical lean beef sold to domestic users.

According to data reported in response to the Commission's questionnaire by 95 slaughterers of cattle and processors of beef, the average delivered cost of imported boneless beef to processors ranged from 4 cents per pound (in 1973) to 13 cents per pound (in January-April 1976) higher than the average delivered cost of domestic boneless beef. Table A-26 shows the quantity of domestic imported beef used by the respondents and their average delivered cost, and table A-27 shows the same for the imported boneless beef used. Tables A-28 and A-29 show average prices received by farmers for livestock and average prices received at retail for selected cuts of beef.

Table A-30 shows expenditures per person and percent of income spent for red meat for 1972-76, January-March 1976, and January-March 1977. According to the Department of Agriculture, increasing personal income and rising employment translate into strong consumer demand. In combination with slightly reduced red meat supplies, upward pressure on retail meat prices and livestock prices is expected during the late summer and fall of 1977. 2/

1/ The National Provisioner, publisher of the "yellow sheet," and Meat Sheet, Inc., publisher of the "meat sheet."

2/ Livestock and Meat Situation (No. 215), June 1977.

Table 23.--Boneless beef: U.S. prices of certain domestic and imported products, by months, January 1972-May 1977

(In cents per pound)														
Year and item	January	February	March	April	May	June	July	August	September	October	November	December	Average	
1972:														
Domestic-----	66.40	69.13	71.25	72.13	72.60	73.50	73.40	74.13	74.63	74.00	73.00	73.68	72.30	
Import -----	62.80	63.75	66.13	68.13	68.45	69.81	68.50	67.81	67.31	66.65	67.31	71.00	67.30	
Difference-----	3.60	5.38	5.12	4.00	4.15	3.69	4.90	6.32	7.32	7.35	5.69	2.68	5.00	
1973:														
Domestic-----	76.20	86.38	93.63	90.40	89.68	87.88	91.50	1/	104.00	98.10	96.50	97.20	91.95	
Import -----	77.20	85.44	91.00	84.30	84.00	81.50	90.00	115.00	104.00	98.50	96.75	94.40	91.84	
Difference-----	-1.00	.94	2.63	6.10	5.63	6.38	1.50	-	0	-.40	-.25	2.80	.11	
1974:														
Domestic-----	96.75	94.25	88.75	82.60	78.75	73.00	81.00	77.75	68.10	64.50	61.50	57.60	77.05	
Import -----	93.00	90.88	79.83	74.20	70.25	65.25	74.90	73.63	64.00	63.00	60.75	57.30	72.25	
Difference-----	3.75	3.37	8.92	8.40	8.50	7.75	6.10	4.12	4.10	1.50	.75	.30	4.80	
1975:														
Domestic-----	54.75	57.63	60.20	63.33	65.38	66.00	64.38	60.25	64.90	66.38	65.00	66.75	62.91	
Import -----	52.50	51.75	52.50	58.33	62.25	62.70	61.50	59.00	65.75	69.63	68.25	65.83	60.83	
Difference-----	2.25	5.88	7.70	5.00	3.13	3.30	2.88	1.25	-.85	-3.25	-3.25	-.92	2.08	
1976:														
Domestic-----	68.38	75.00	78.60	85.06	84.25	75.90	74.88	71.60	69.88	65.00	65.10	67.00	73.89	
Import -----	67.13	71.44	77.00	82.00	81.75	73.70	69.69	71.55	71.22	64.75	64.20	68.00	71.38	
Difference-----	1.25	3.56	1.60	3.06	2.50	2.20	5.19	.05	-1.37	.25	.90	-1.00	1.51	
1977:														
Domestic-----	70.20	72.50	76.88	78.00	74.50	2/	2/	2/	2/	2/	2/	2/	74.42	
Import -----	71.70	74.88	73.88	70.50	68.10	2/	2/	2/	2/	2/	2/	2/	71.82	
Difference-----	-1.50	-2.38	3.00	7.50	6.40	2/	2/	2/	2/	2/	2/	2/	2.60	

1/ Unquoted.

2/ Not available.

Source: Compiled from data published by The National Provisioner.

Prices received by farmers for all cattle sold increased from \$18 per hundredweight in 1964 to \$43 per hundredweight in 1973, and then declined to \$32 per hundredweight in 1975, as shown in table 24. The price rose to \$34 per hundredweight in 1976, 87 percent higher than the 1964 price, and for prime steers and utility cows the price increases amounted to 66 percent and 91 percent, respectively. In view of the rapid inflation in prices in the United States in general, however, prices received by farmers may more properly be compared on a constant-dollar basis--i.e., prices adjusted by the standard gross national product deflator. On this basis, as shown in table 24, prices received by farmers increased by 63 percent between 1964 and 1973 for all cattle (32 percent for prime steers and 68 percent for utility cows) and then declined to only 2 percent above the 1964 level in 1976. For prime steers the 1976 prices were 10 percent below the 1964 level, and for utility cows the 1976 prices were 4 percent above the 1964 level. In 1975, however, the prices of utility cows had fallen to 9 percent below the 1964 level.

The farm to retail price spread is shown in table 25, for 1969-76, and January-March 1976 and January-March 1977.

Financial Position of U.S. Cattle Growers, Feedlot Operators, Slaughterers, and Processors

Testimony at the Commission's hearings, the petition, briefs, and other submissions to the Commission indicate that many cattle farmers may be losing money on their cattle operations at this time.

Limited data are available from the Department of Agriculture concerning costs of production and profitability of cow-calf operations in five regions of the United States. The regions are shown in the figure and data related to them are presented in tables A and B, all in appendix H. Tables A and B indicate that cow-calf operations were generally nonprofitable in 1974 and 1975. Profitability assumptions are based on the prices for choice or good steers at Kansas City.

The tables indicate that the degree of nonprofitability and costs of factors of production vary widely among regions. For example, charges for land, the largest cost-of-production factor, ranged from \$50 in the Intermountain Area to \$295 in the Southwest High Plains in 1975.

Among individual operations, there are wide variations in "cash" costs of production. Most of the costs listed as ownership expenses, for example, are not immediate, out-of-pocket, cash costs in established operations. However, in newly founded operations, they frequently do represent immediate cash costs. Because immediate cash costs may be minimal in established operations, it may be possible for such operations to continue producing for many years; however, recently established operations, faced with high cash costs, may be forced out of business rather quickly.

Table 24.—Live cattle: Average prices received by farmers, in current dollars and in constant 1972 dollars, 1964-76

Year	Current dollars			Constant 1972 dollars		
	All cattle	Prime steers	Utility cows	All cattle	Prime steers	Utility cows
Price (per hundredweight)						
1964-----	\$18.00	\$23.38	\$13.24	\$24.76	\$32.15	\$18.21
1965-----	19.90	26.59	14.44	26.78	35.78	19.43
1966-----	22.20	26.31	17.83	28.92	34.28	23.23
1967-----	22.30	26.10	17.22	28.22	33.03	21.79
1968-----	23.40	27.86	17.94	28.34	33.74	21.73
1969-----	26.20	30.67	20.29	30.21	35.37	23.40
1970-----	27.10	30.02	21.32	29.66	33.57	23.33
1971-----	29.00	33.37	21.62	30.20	34.75	22.52
1972-----	35.50	36.65	25.21	35.50	36.65	25.21
1973-----	42.80	44.80	32.56	40.41	42.30	30.74
1974-----	35.60	43.10	25.56	30.58	37.02	21.96
1975-----	32.30	41.39	21.09	25.38	32.53	16.57
1976-----	33.70	38.79	25.31	25.20	29.00	18.92
Index (1964=100)						
1964-----	100	100	100	100	100	100
1965-----	111	114	109	108	111	107
1966-----	123	113	135	117	107	128
1967-----	124	112	130	114	103	120
1968-----	130	119	135	114	105	119
1969-----	146	131	153	122	110	129
1970-----	151	128	161	120	104	128
1971-----	161	143	163	122	108	124
1972-----	186	157	190	143	114	138
1973-----	238	192	246	163	132	168
1974-----	198	184	193	124	115	121
1975-----	179	177	159	103	101	91
1976-----	187	166	191	102	90	104

Source: Prices in current dollars compiled from official statistics of the U.S. Department of Agriculture; prices in constant dollars estimated on the basis of standard gross national product deflator as reported by the U.S. Department of Commerce for each of the years 1964-76.

Table 25.--Farm-to-retail price spread for beef, pork, and lamb,
1969-76, January-March 1976, and January-March 1977

Year	Retail price <u>1/</u>	Gross farm value <u>2/</u>	Byproduct allowance <u>3/</u>	Net farm value	Farm- retail spread	Farmers' share
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Percent
Beef (choice grade):						
1969-----	96.2	66.9	4.7	62.2	34.0	65
1970-----	98.6	66.2	4.7	61.5	37.1	62
1971-----	104.3	72.3	4.5	67.8	36.5	65
1972-----	113.8	79.8	7.4	72.4	41.4	64
1973-----	135.5	100.0	10.1	89.9	45.6	66
1974-----	138.8	93.7	7.6	86.1	52.7	62
1975-----	146.0	99.9	7.0	92.9	53.1	64
1976-----	138.0	86.3	8.4	77.9	61.0	56
Jan.-Mar.--						
1976-----	129.6	80.3	5.1	75.2	54.4	58
1977-----	134.8	84.7	9.3	75.4	58.1	56
Pork:						
1969-----	74.3	44.5	3.2	42.3	32.0	57
1970-----	78.0	42.8	3.4	39.4	38.6	51
1971-----	70.3	35.0	2.7	32.3	38.0	46
1972-----	83.2	51.2	3.5	47.7	35.5	57
1973-----	109.8	78.2	6.7	71.5	38.3	65
1974-----	108.2	68.0	7.2	60.8	47.4	46
1975-----	135.0	94.8	7.9	86.9	48.1	64
1976-----	134.3	84.4	6.0	78.4	55.9	58
Jan.-Mar.--						
1976-----	141.5	92.6	6.2	86.4	55.1	61
1977-----	120.2	74.0	6.2	67.8	52.4	56
Lamb (choice grade):						
1969-----	100.7	66.9	7.6	59.3	41.4	59
1970-----	105.5	65.1	6.4	58.7	46.8	56
1971-----	109.9	63.1	5.9	57.2	52.5	52
1972-----	118.8	70.5	7.5	63.0	55.8	53
1973-----	134.3	86.6	12.9	73.7	60.6	55
1974-----	146.4	91.7	12.5	79.2	67.2	54
1975-----	167.6	102.3	9.0	93.3	74.3	56
1976-----	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>
Jan.-Mar.--						
1976-----	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>
1977-----	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>

1/ Estimated weighted average price for retail cuts.

2/ Payment to farmer for quantity of live animal equivalent to 1 pound of retail cuts: beef, 2.28 pounds; pork, 1.97 pounds; lamb, farm-product equivalent varies from 2.42 pounds in May to 2.48 pounds in October.

3/ Portion of gross farm value attributed to edible and inedible byproducts.

4/ Not available.

Source: Compiled from data supplied by U.S. Department of Agriculture (Statistical Bulletin No. 522).

Table A shows that in 1975 only two regions, the Northern Plains and the Southwest High Plains, had variable expenses (feed, veterinary, hauling, labor, and so forth) that were lower than market prices, a deterioration from the 1974 situation in which only one region, the Southeast, had variable costs higher than market prices. The tables also show that none of the regions in either 1974 or 1975 had total expenses (excepting land and management) that were lower than market prices.

The Department of Agriculture has not yet released data it has gathered on the profitability of cow-calf operations in 1976; however, it has published some related index numbers that suggest cow-calf operations were nonprofitable again in 1976. These index numbers include (a) an average value per acre for farm real estate, which rose to 244 in 1976 compared with 214 in 1975 and 187 in 1974; (b) an index for feed cost, which was 191 in 1976 compared with 187 in 1975 and 194 in 1974; (c) an index of wages paid by farmers, which rose to 210 in 1976 compared with 192 in 1975 and 178 in 1974. Offsetting these costs is the average price per hundredweight for choice and good steers at Kansas City, referred to in footnote c of the tables. This price was \$38.82 in 1976, up from \$29.90 in 1975 and about equal to the price in 1974. On the basis of these data it appears that the largest losses of the 1973-76 period may have been sustained in 1975 but that the losses in 1976 were greater than in 1974.

The Question of Imports as a Substantial Cause of Serious Injury

U.S. consumption of live cattle

U.S. consumption of live cattle (defining production of live cattle as births) increased from 44 million head in 1964 to 51 million head in 1974, and declined thereafter to 48 million head in 1976, as shown in table 26. An alternative way of measuring U.S. consumption of live cattle is to examine slaughter data. By such a measure, apparent consumption amounted to 39.3 million head in 1964 and remained at approximately that level during 1965-72, when it also averaged 39.3 million head. It declined to 36.4 million head in 1973, but increased annually thereafter, and reached its highest point for the period in 1976 at 48.7 million head, as shown in table 27. The ratio of imports of live cattle to consumption based on cattle births declined from 2 percent or more during the years 1970-73 to 0.8 percent in 1975, and then returned to 2 percent in 1976, as shown in figure 9. The ratio of imports to consumption based on the number of cattle slaughtered declined from 2.4 percent or more during each of the years 1970-73 to 0.8 percent in 1975, and increased to 2 percent in 1976, as shown in figure 10. Table 28 shows the reported weight and the carcass-weight equivalent of U.S. imports of cattle relative to apparent U.S. consumption. In 1976, the ratio of imports of live cattle (converted to carcass weight) to apparent U.S. consumption amounted to 1.1 percent, as shown in figure 11.

Table 26.--Live cattle: U.S. births, imports for consumption, exports of domestic merchandise, and apparent consumption, 1964-76

Year	Births	Imports	Exports	Apparent consumption	Ratio of imports to consumption	Ratio of imports to births
	<u>1,000</u> <u>head</u>	<u>1,000</u> <u>head</u>	<u>1,000</u> <u>head</u>	<u>1,000</u> <u>head</u>	<u>Percent</u>	<u>Percent</u>
1964-----	43,809	527	62	44,274	1.2	1.2
1965-----	43,922	1,110	54	44,978	2.5	2.5
1966-----	43,537	1,080	35	44,582	2.4	2.5
1967-----	43,803	738	55	44,486	1.6	1.7
1968-----	44,315	1,025	36	45,304	2.3	2.3
1969-----	45,177	1,020	39	46,158	2.2	2.2
1970-----	45,871	1,143	88	46,926	2.4	2.5
1971-----	46,739	970	93	47,616	2.0	2.1
1972-----	47,695	1,169	104	48,760	2.4	2.5
1973-----	49,132	1,019	273	49,878	2.0	2.1
1974-----	50,695	556	204	51,047	1.1	1.1
1975-----	50,426	383	196	50,613	.8	.8
1976-----	47,415	973	205	48,183	2.0	2.0

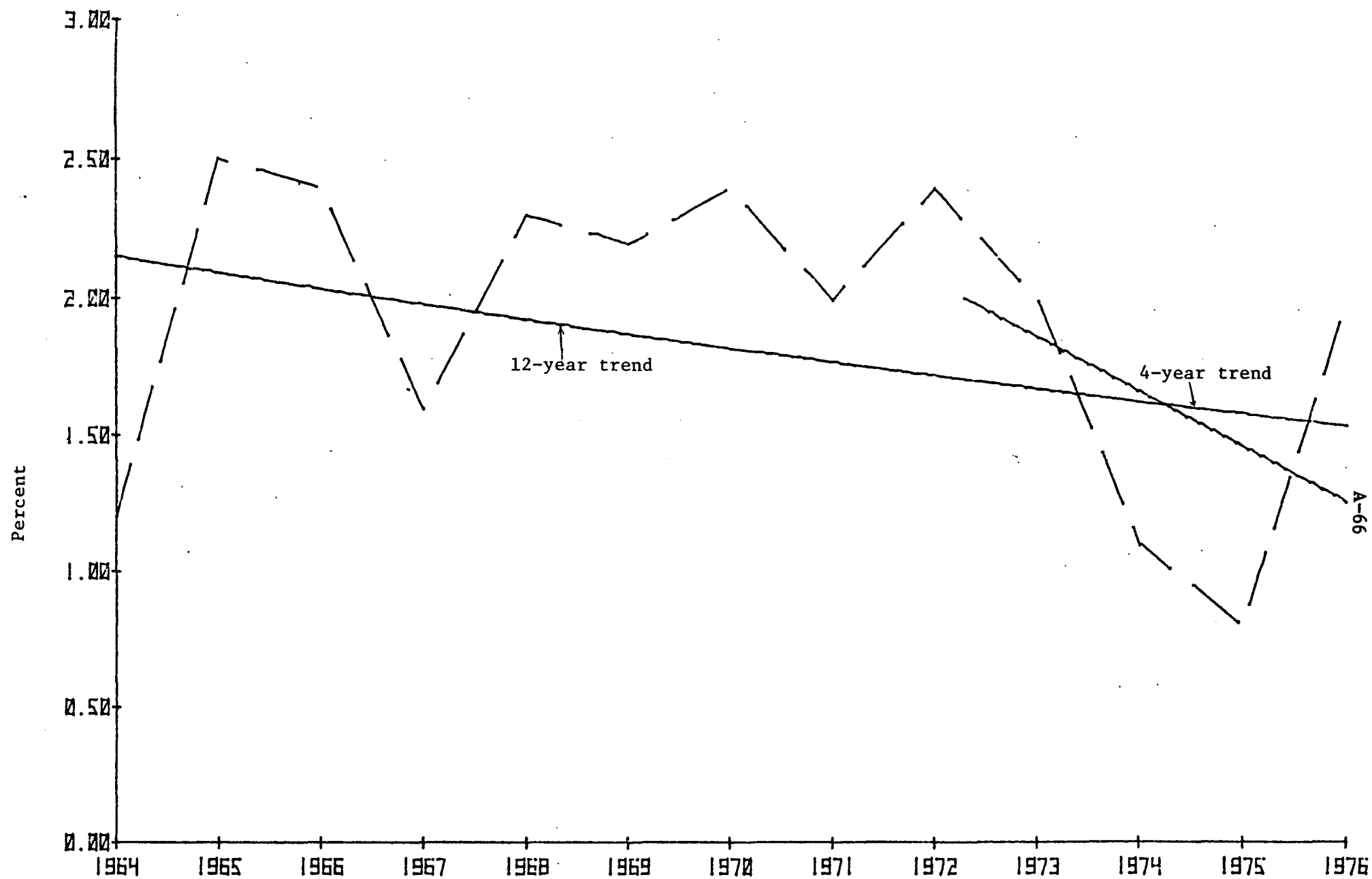
Source: Compiled from official statistics of the U.S. Department of Agriculture and the U.S. Department of Commerce.

Table 27.--Live cattle: U.S. production for slaughter, imports for consumption, exports of domestic merchandise, and apparent consumption (slaughter), 1964-76

Year	Production : : for : : slaughter :	Imports : : Imports : : 1,000 head:	Exports : : Exports : : 1,000 head:	Slaughter : : (Apparent : : consumption): : 1,000 head :	Ratio of : : imports to : : consumption : : Percent	Ratio of : : imports to : : production : : Percent
1964-----	38,845 :	527 :	62 :	39,310 :	1.3 :	1.4
1965-----	39,903 :	1,110 :	54 :	40,959 :	2.7 :	2.8
1966-----	39,991 :	1,080 :	35 :	41,036 :	2.6 :	2.7
1967-----	39,724 :	738 :	55 :	40,407 :	1.8 :	1.9
1968-----	40,045 :	1,025 :	36 :	41,034 :	2.5 :	2.5
1969-----	39,603 :	1,020 :	39 :	40,584 :	2.5 :	2.6
1970-----	38,502 :	1,143 :	88 :	39,557 :	2.9 :	3.0
1971-----	39,839 :	970 :	93 :	39,716 :	2.4 :	2.5
1972-----	38,202 :	1,169 :	104 :	39,267 :	3.0 :	3.1
1973-----	35,657 :	1,019 :	273 :	36,403 :	2.8 :	2.9
1974-----	40,147 :	556 :	204 :	40,499 :	1.4 :	1.4
1975-----	46,683 :	383 :	196 :	46,870 :	.8 :	.8
1976-----	47,952 :	973 :	205 :	48,720 :	2.0 :	2.0

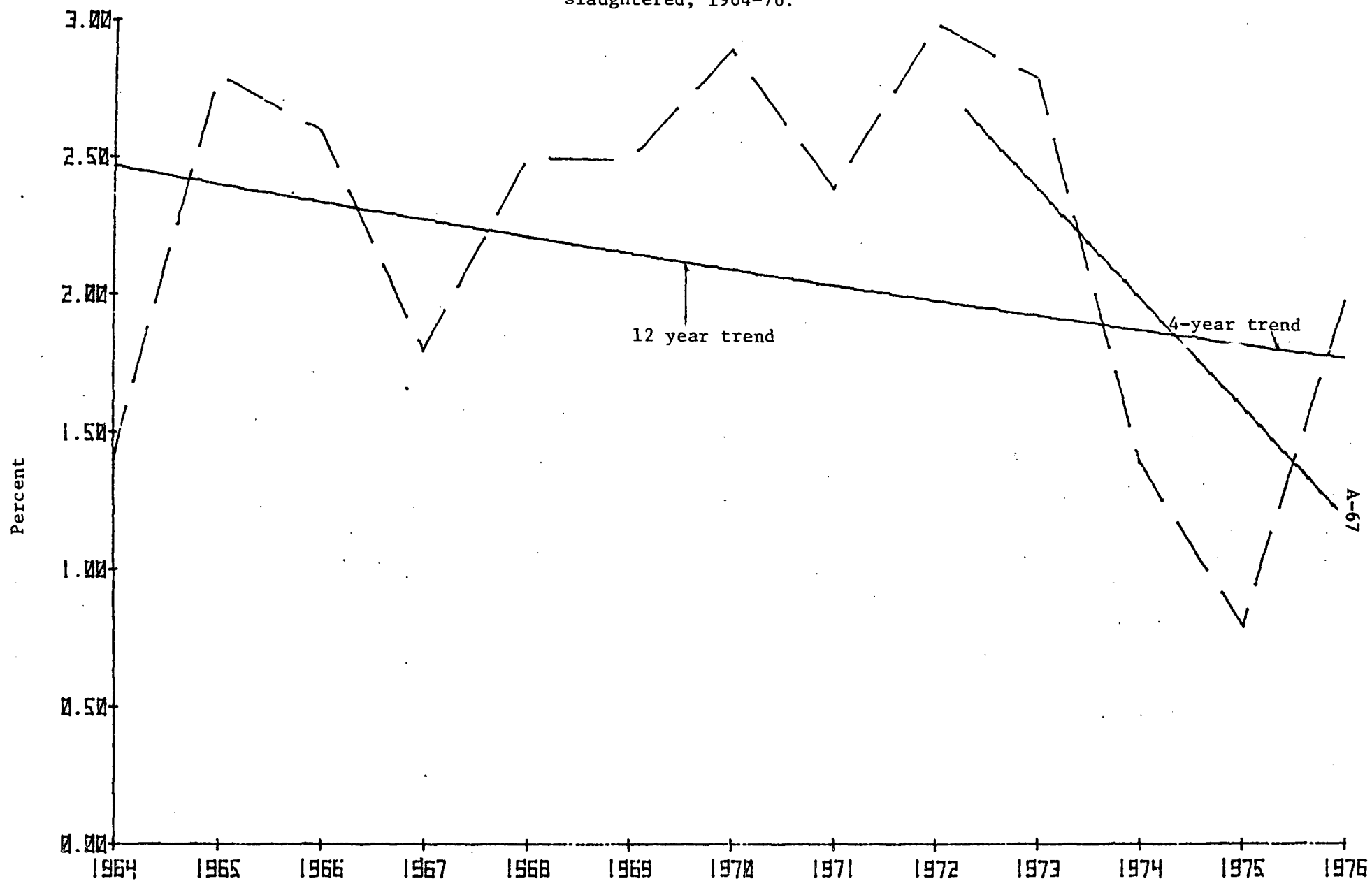
Source: Compiled from official statistics of the U.S. Department of Commerce and the U.S. Department of Agriculture.

Figure 9.--Live cattle: Ratios of U.S. imports to apparent consumption based on births, 1964-76.



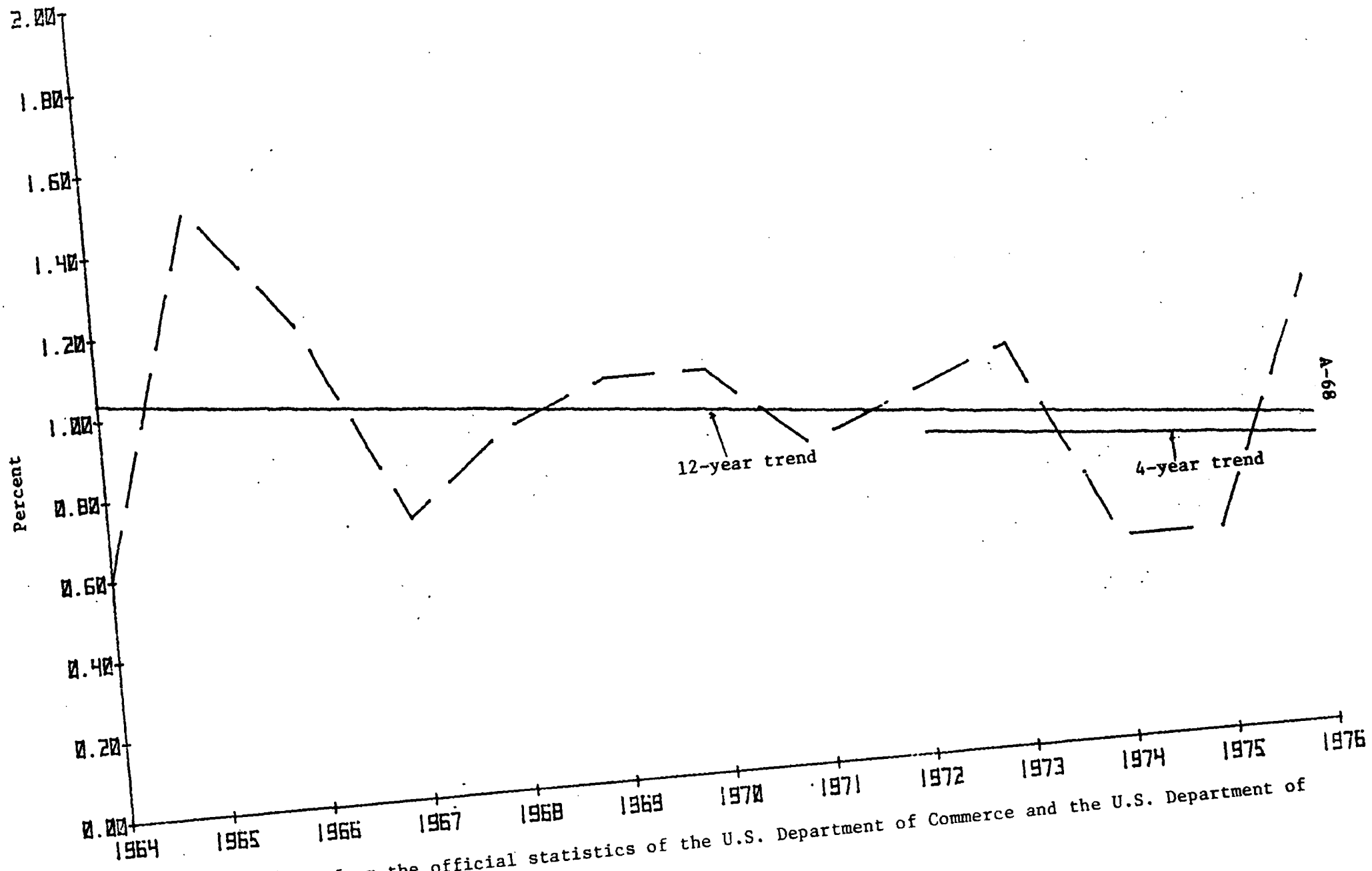
Source: Compiled from official statistics of the U.S. Department of Agriculture and the U.S. Department of Commerce.

Figure 10.--Live cattle: Ratios of U.S. imports to apparent consumption based on number of cattle slaughtered, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Agriculture and the U.S. Department of Commerce.

Figure 11.--Live cattle: Ratios of U.S. imports (converted to carcass-weight equivalents) to apparent consumption 1964-76.



Source: Compiled from the official statistics of the U.S. Department of Commerce and the U.S. Department of Agriculture.

U.S. consumption of meat of cattle

U.S. consumption of beef and veal, as shown in table 28, increased irregularly from 20.4 billion pounds (carcass-weight equivalent) in 1964 to 28.7 billion pounds in 1976. The ratio of imports of beef to consumption ranged from a low of 4.6 percent in 1965 to a high of 8.1 percent in 1973 and 1974 but averaged 6.9 percent during the 1964-76 period, on a carcass-weight-equivalent basis, as shown in figure 12. In 1976 it amounted to 7.0 percent. If imports of cattle are added to imports of meat on a carcass-weight-equivalent basis, U.S. imports as a share of domestic consumption increased from 5.9 percent in 1964 to 9.6 percent in 1973, declined to 7.1 percent in 1974, and increased again to 8.1 percent in 1976, as shown in figure 13.

U.S. production of live cattle and beef as a share of domestic consumption

U.S. cattle slaughter accounted for 97.4 to 99.6 percent of the total of U.S. cattle slaughter plus imported cattle minus exported cattle during 1964-76. The ratio declined slightly from 99.6 percent in 1975 to 98.4 percent in 1976, as shown in the tabulation below. U.S. production of beef accounted for about 93 percent of U.S. consumption of beef during the period 1964-76, increasing from 92 percent in 1973 to 93.7 percent in 1975. In 1976, it amounted to 93.6 percent.

U.S. production of live cattle and U.S. production of beef as a share of U.S. consumption during 1964-76 are shown in the following tabulation:

Year	<u>Live cattle 1/</u> <u>(percent)</u>	<u>Beef 2/</u> <u>(percent)</u>
1964-----	98.8	95.2
1965-----	97.4	95.9
1966-----	97.5	94.8
1967-----	98.3	94.2
1968-----	97.6	93.8
1969-----	97.6	93.3
1970-----	97.4	92.8
1971-----	97.8	93.2
1972-----	97.4	92.4
1973-----	98.0	92.0
1974-----	99.1	93.2
1975-----	99.6	93.7
1976-----	98.4	93.6

1/ Based on data presented in table 27.

2/ Based on data presented in table 28.

Table 28.--Live cattle, beef, and veal: U.S. production (slaughter), imports for consumption, exports of domestic merchandise, and apparent consumption, 1964-76

Year	U.S. imports for consumption						U.S. exports	Apparent consumption <u>1/</u>
	U.S. production: (slaughter)	Live cattle	Beef			Total		
			Fresh, chilled, or frozen:	Other	Total			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Reported weight (million pounds)								
1964-----	19,442	213	706	99	804	1,017	96	20,150
1965-----	19,719	500	584	124	708	1,208	97	20,330
1966-----	20,606	455	763	149	912	1,367	87	21,431
1967-----	20,976	266	841	154	995	1,261	94	21,877
1968-----	21,582	383	939	202	1,141	1,524	94	22,629
1969-----	21,798	364	1,030	198	1,228	1,592	87	22,939
1970-----	22,240	407	1,131	238	1,368	1,776	104	23,504
1971-----	22,414	343	1,100	224	1,324	1,667	121	23,617
1972-----	22,846	409	1,300	198	1,498	1,907	124	24,220
1973-----	21,634	406	1,342	169	1,512	1,917	152	22,994
1974-----	23,624	233	1,075	156	1,231	1,464	130	24,725
1975-----	24,849	254	1,208	120	1,327	1,581	124	26,052
1976-----	26,822	539	1,282	216	1,498	2,037	170	28,150
Carcass-weight equivalent (million pounds)								
1964-----	19,442	121	954	132	1,085	1,207	96	20,431
1965-----	19,719	285	782	164	946	1,231	97	20,568
1966-----	20,606	260	1,029	191	1,220	1,480	87	21,739
1967-----	20,976	151	1,192	199	1,391	1,542	94	22,273
1968-----	21,582	218	1,270	257	1,527	1,745	94	23,015
1969-----	21,798	208	1,394	253	1,647	1,855	87	23,358
1970-----	22,240	232	1,532	296	1,828	2,060	104	23,964
1971-----	22,414	195	1,491	274	1,765	1,960	121	24,058
1972-----	22,846	233	1,763	247	2,010	2,243	124	24,732
1973-----	21,634	231	1,820	214	2,034	2,266	152	23,516
1974-----	23,624	133	1,458	200	1,658	1,790	130	25,152
1975-----	24,849	145	1,643	150	1,793	1,938	124	26,518
1976-----	26,822	307	1,740	274	2,013	2,321	170	28,665

See footnote at end of table.

Table 28.--Live cattle, beef, and veal: U.S. production (slaughter), imports for consumption, exports of domestic merchandise, and apparent consumption, 1964-76--Continued

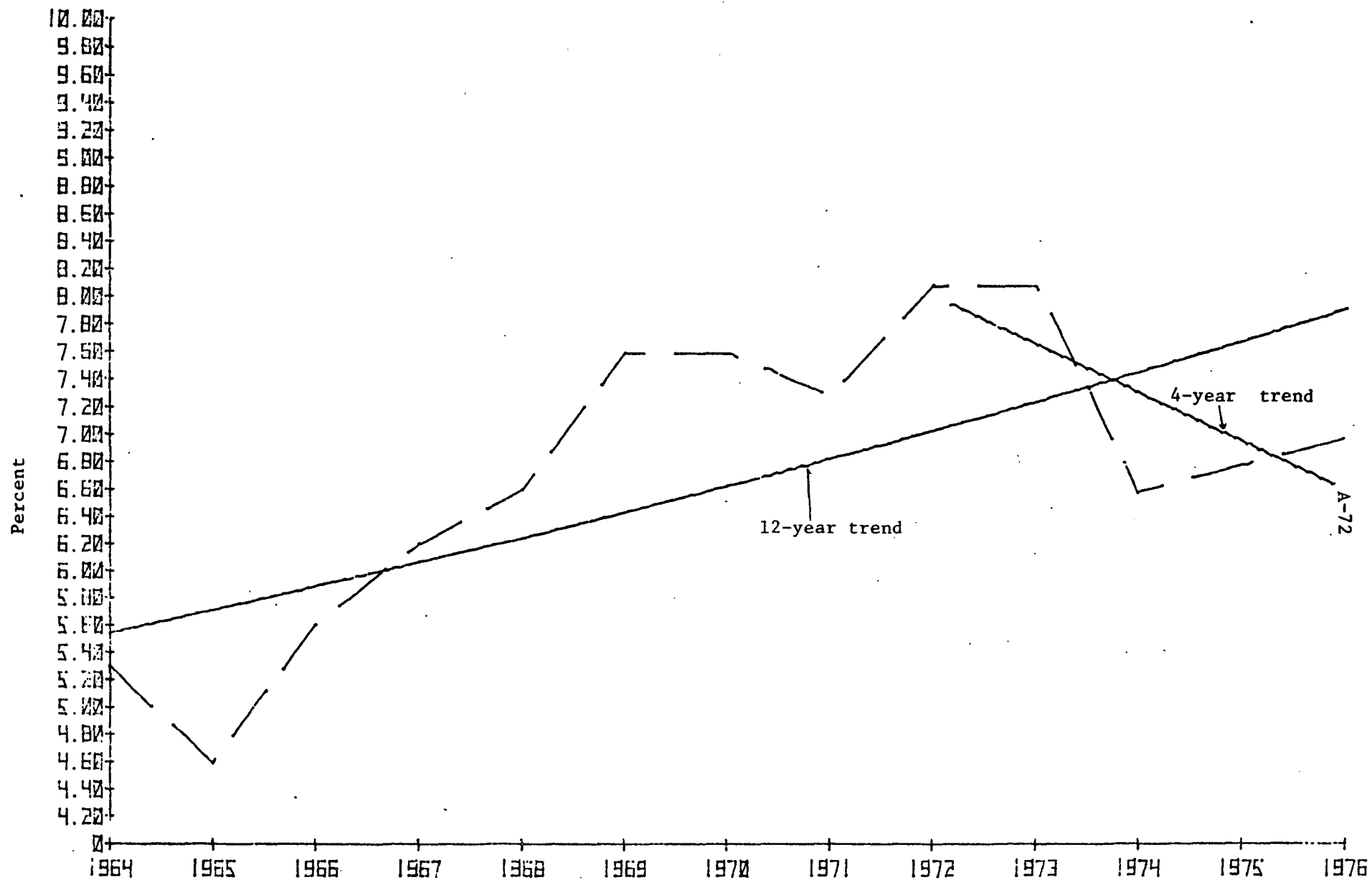
Year	Ratio of imports to consumption					Ratio of imports to production				
	(2)+(8)	(3)+(8)	(4)+(8)	(5)+(8)	(6)+(8)	(2)+(1)	(3)+(1)	(4)+(1)	(5)+(1)	(6) + (1)
	Reported weight (percent)									
1964-----	1.1	3.5	0.5	4.0	5.0	1.1	3.6	0.5	4.1	5.2
1965-----	2.5	2.9	.6	3.5	5.9	2.5	3.0	.6	3.6	6.1
1966-----	2.1	3.6	.7	4.3	6.4	2.2	3.7	.7	4.4	6.6
1967-----	1.2	3.8	.7	4.5	5.8	1.3	4.0	.7	4.7	6.0
1968-----	1.7	4.1	.9	5.0	6.7	1.8	4.4	.9	5.3	7.1
1969-----	1.6	4.5	.9	5.4	6.9	1.7	4.7	.9	5.6	7.3
1970-----	1.7	4.8	1.0	5.8	7.6	1.8	5.1	1.1	6.2	8.0
1971-----	1.5	4.7	.9	5.6	7.1	1.5	4.9	1.0	5.9	7.4
1972-----	1.7	5.4	.8	6.2	7.9	1.8	5.7	.9	6.6	8.3
1973-----	1.8	5.8	.7	6.6	8.3	1.9	6.2	.8	7.0	8.9
1974-----	.9	4.3	.6	5.0	5.9	1.0	4.6	.7	5.2	6.2
1975-----	1.0	4.6	.5	5.1	6.1	1.0	4.9	.5	5.3	6.4
1976-----	1.9	4.6	.8	5.3	7.2	2.0	4.8	.8	5.6	7.6
	Carcass-weight equivalent (percent)									
1964-----	0.6	4.7	0.7	5.3	5.9	0.6	4.9	0.7	5.6	6.2
1965-----	1.5	4.0	.8	4.6	6.0	1.4	4.0	.8	4.8	6.2
1966-----	1.2	4.7	.9	5.6	6.8	1.3	5.0	.9	5.9	7.2
1967-----	.7	5.4	.9	6.2	6.9	.7	5.7	.9	6.6	7.4
1968-----	.9	5.5	1.1	6.6	7.6	1.0	5.9	1.2	7.1	8.1
1969-----	1.0	6.5	1.2	7.6	8.6	1.0	6.4	1.2	7.6	8.5
1970-----	1.0	6.4	1.2	7.6	8.6	1.0	6.9	1.3	8.2	9.3
1971-----	.8	6.2	1.1	7.3	8.1	.9	6.7	1.2	7.9	8.7
1972-----	.9	7.1	1.0	8.1	9.1	1.0	7.7	1.1	8.8	9.8
1973-----	1.0	7.7	.9	8.1	9.6	1.1	8.4	1.0	9.4	10.5
1974-----	.5	5.8	.8	6.6	7.1	.6	6.2	.8	7.0	7.6
1975-----	.5	6.2	.6	6.8	7.3	.6	6.6	.6	7.2	7.8
1976-----	1.1	6.1	1.0	7.0	8.1	1.1	6.5	1.0	7.5	8.7

1/ Obtained by adding U.S. production (slaughter) plus imports of beef minus exports of beef.

Source: Compiled from official statistics of the U.S. Department of Agriculture and the U.S. Department of Commerce.

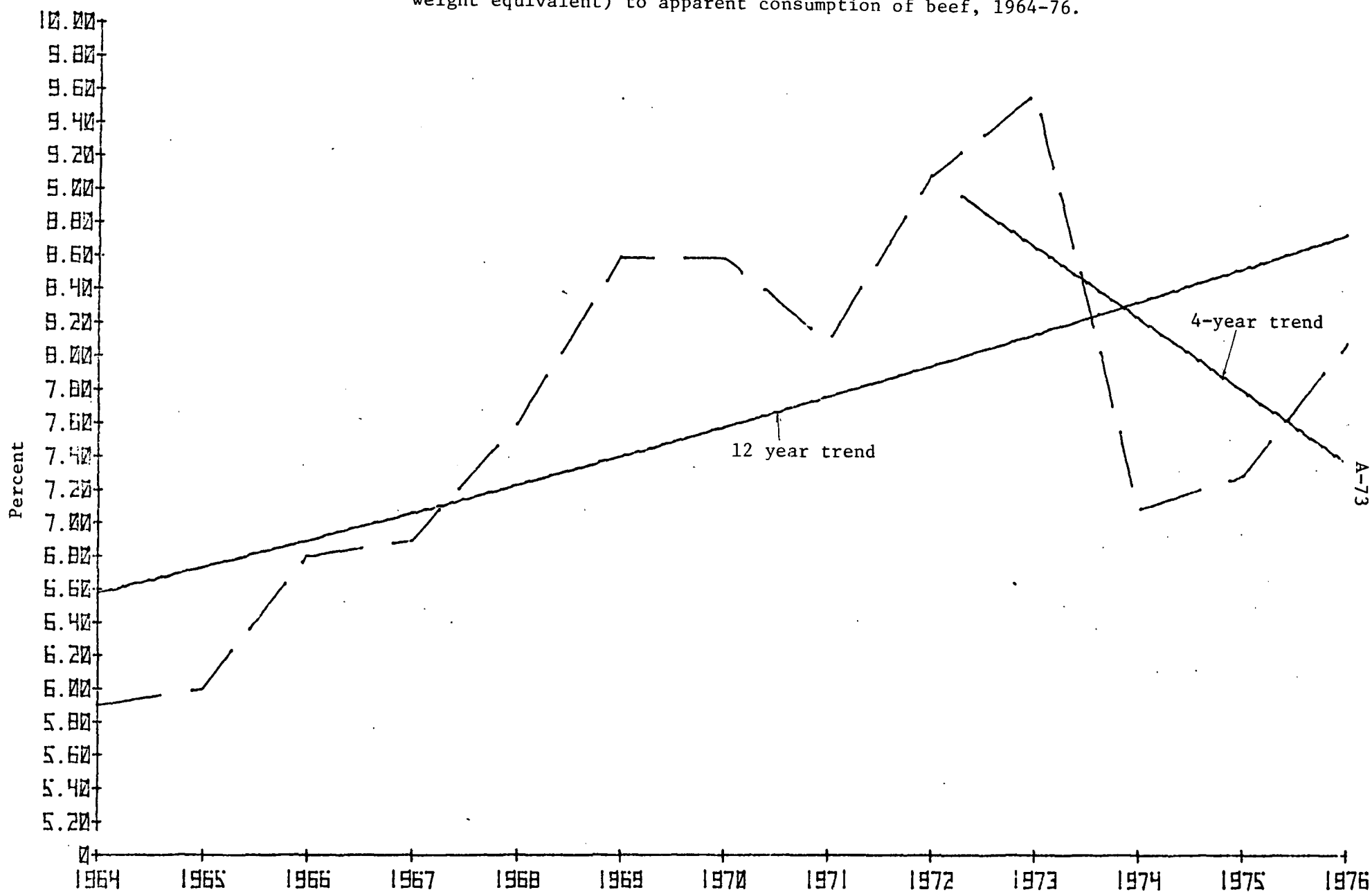
Note. -- Because of rounding, figures may not add to the totals shown.

Figure 12.--Beef: Ratios of U.S. imports (converted to carcass-weight equivalents) to apparent consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce and the U.S. Department of Commerce.

Figure 13.--Live cattle and beef: Ratios of U.S. imports of live cattle and beef (converted to carcass-weight equivalent) to apparent consumption of beef, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce and the U.S. Department of Agriculture.

The effect of import levels on U.S. prices

In a 1975 study conducted by J. W. Freebairn and Gordon C. Rausser, assessment was made of the effects of various levels of imported beef on domestic retail prices, farm livestock prices, and growth of the beef industry in terms of production levels and cattle inventory numbers. 1/ The study concludes that actual changes in the annual levels of beef imports since 1960 have had only a modest influence on performance of the U.S. livestock sector, and it projects little or no change in the near future. 2/ Reductions in retail prices as a result of imports were shown for choice beef, hamburger, pork, and chicken, with larger reductions occurring for hamburger--approximately an 8-percent decrease per 700-million-pound import increase, on a long-term basis, as shown in table 29.

The study concludes that increased beef imports would result in declining prices for slaughter steers, cull cows, and feeder calves. For 700 million pounds of increased beef imports over a long-term period, there would be a 4-percent decrease in the price of cull cows and a 2 percent decrease in that for feeder calves. On a short-term basis (same year) there would be a 3-percent decrease in the price of cull cows and a 2-percent decrease in that for feeder cattle. The report also projects the effects of a 200-million-pound increase in imports. These are also shown in table 29. Note that the magnitude of import increases hypothesized in the study--200 million pounds and 700 million pounds--are sizable relative to present actual import levels, being about 15 percent and 55 percent, respectively, of total beef and veal imports in 1976, and that many of the variables that might have been present during recent years as determinants of price, may not have been taken into account by the model.

1/ "Effects of Changes in the Level of U.S. Beef Imports," by J. W. Freebairn, a research fellow, at Australia National University, and Gordon C. Rausser, professor of economics and statistics at Iowa State University.

2/ See also testimony of Dr. Ernest E. Davis, Fort Worth, Tex., June 28, 1977, referring to the Freebairn and Rausser model, as well as "Effects of Variability in Prices and Production Cycles on Profitability in Beef Cattle", by D. Farris and J. Mallett; "An Econometric Analysis of the U.S. Beef Sector", by R. Folwell and H. Shapouri, and "Demand and Supply Functions for Beef Imports", by R. Enrich and M. Usman.

Table 29.--Estimated effects of 200- and 700-million-pound increases in beef imports on some domestic items

Endogenous variable	1972 levels	200-million-pound increase		700-million-pound increase	
		Percentage change			
		Current year	Long term	Current year	Long term
Retail prices:					
Choice beef---	<u>1/</u> 113.8	-0.99	-1.31	-3.47	-4.59
Hamburger-----	<u>1/</u> 74.4	-1.10	-2.29	-3.85	-8.02
Pork-----	<u>1/</u> 83.2	- .19	- .20	- .07	- .70
Chicken-----	<u>1/</u> 41.4	- .26	- .31	- .91	-1.09
Farm prices:					
Slaughter					
steers-----	<u>2/</u> \$35.83	- .56	- .60	-1.96	-2.10
Cull cows-----	<u>2/</u> \$25.21	- .94	-1.09	-3.29	-3.82
Feeder calves--	<u>2/</u> \$46.54	- .69	-1.16	-2.42	-2.42
Inventory:					
Cattle on					
feed-----	<u>3/</u> 29.16	- .10	- .15	- .34	- .53
Beef cows-----	<u>3/</u> 41.10	.11	.18	.38	.63

1/ Cents per pound.2/ Per 100 pounds.3/ Million head.

Source: "Effects of Changes in the Level of U.S. Beef Imports," by J. W. Freebairn and Gordon C. Rausser.

Other possible causes

Cattle cycles.--Cattle production has historically fluctuated in regular cyclical patterns. "These cycles may be charted as year-to-year changes in cattle prices, slaughter, or inventory numbers." 1/ Such numbers have risen and fallen in a series of cycles, each spanning a number of years.

Cattle cycles are characterized by herd buildups--accompanied by declining slaughter rates and increasing prices--and by subsequent herd liquidations--accompanied by increasing rates of slaughter and declining cattle prices.

Fluctuations among calves, cows and steers, and heifers differ during a period of a cycle. The retention of calves is one of the first indications that an inventory buildup is commencing. Changes in the rate of cattle and calf slaughter generally lead to changes in cattle inventories. The effects of increased cow retention are a short-run reduction in meat supplies and increased prices. The additional births of calves and their later marketing, along with the slaughter of those previously held cows, contribute at a later date to additional beef supplies and the lowering of prices. 2/

Overproduction.--Prices received by farmers for their cattle show a general correlation with increases and decreases in supplies of beef (cattle slaughter plus imports). Generally, as supplies of beef increase, prices drop to levels sufficient to clear inventories. Consumption, therefore, generally accounts for all production plus imports. Table 30 shows that the total annual supply of beef (apparent consumption) declined in only 3 years since 1964--in 1965, in 1969, and in 1973. In each of those years, prices received by farmers (as measured in constant dollars) increased by substantial percentages. During 5 years--1967, 1970, 1974, 1975, and 1976--prices received by farmers for all their cattle declined. In each of those years, domestic supplies of beef increased. In the recent year in which farmers' prices declined the most (1974) imports of beef also declined sharply but domestic production increased.

Domestic production (slaughter) appears to be a much more important factor in determining domestic prices than imports, since imports are very small relative to production. For example, in 1976, total U.S. slaughter of beef increased by 2 billion pounds, compared with an increase of only 220 million pounds for imports. During 1974, the year of the greatest price drop, U.S. production also increased by 2 billion pounds while imports of beef dropped by about 400 million pounds. During the last several years, U.S. production has increased annually by more

1/ DeGraff, Beef Production and Distribution, University of Oklahoma Press, Norman, Okla., 1960.

2/ Ibid.

Table 30.--Annual changes in average prices received by farmers for live cattle (in constant 1972 dollars), and annual changes in U.S. slaughter, imports, and consumption of beef and imports of live cattle, all converted to carcass-weight equivalents, 1965-76

Year	: Annual increase or : (decrease) in price $\frac{1}{\text{hundred-weight}}$: received by farmers for--				Annual increase or (decrease) (in carcass-weight equivalents) in--			
	All cattle	Prime steers	Utility. cows	U.S. slaughter	Imports			Total consumption
	Live cattle	Beef	Total					
	Per hundred- weight	Per hundred- weight	Per hundred- weight	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1965-----	\$2.02	\$3.63	\$1.22	(858)	164	(140)	24	(999)
1966-----	2.14	(1.50)	3.80	2,022	(25)	273	248	2,305
1967-----	(.70)	(1.25)	(1.44)	370	(109)	171	62	534
1968-----	.12	.71	(.06)	606	67	136	203	742
1969-----	1.87	1.63	1.67	(1,552)	(10)	120	110	(1,425)
1970-----	(.55)	(1.80)	(.07)	2,210	24	181	205	2,374
1971-----	.54	1.18	(.81)	174	(37)	(63)	(100)	94
1972-----	5.30	1.90	2.69	432	38	245	283	674
1973-----	4.91	5.65	5.53	(1,212)	(2)	24	23	(1,216)
1974-----	(9.83)	(5.28)	(8.78)	1,990	(98)	(376)	(476)	1,636
1975-----	(5.20)	(4.49)	(5.39)	1,225	12	135	148	1,366
1976-----	(.18)	(3.53)	2.35	1,973	162	220	383	2,147
	: Percentage increase or : (decrease) in price $\frac{1}{\text{hundred-weight}}$: per hundredweight				Percentage increase or (decrease) (in carcass- weight equivalents)			
	All cattle	Prime steers	Utility. cows	U.S. slaughter	Imports			Total consumption
	Live cattle	Beef	Total					
1965-----	8.2	11.3	6.7	(4.4)	135.5	(12.9)	2.0	(4.9)
1966-----	8.0	(4.2)	19.6	10.9	(8.8)	28.8	20.1	11.9
1967-----	(2.4)	(3.6)	(6.2)	1.8	(41.9)	14.0	4.2	2.5
1968-----	.4	2.1	(.3)	2.9	44.4	9.8	13.2	3.3
1969-----	6.6	4.8	7.7	(7.2)	(4.6)	7.9	6.3	(6.2)
1970-----	(1.8)	(5.1)	(.3)	11.0	11.5	11.0	11.1	11.0
1971-----	1.8	3.5	(3.5)	.8	(15.9)	(3.4)	4.9	.4
1972-----	17.5	5.5	11.9	1.9	16.3	13.8	14.4	2.8
1973-----	13.8	15.4	21.9	(5.3)	(.9)	1.2	1.0	(4.9)
1974-----	(24.3)	(12.5)	(28.6)	9.2	(42.4)	(18.5)	(21.0)	7.0
1975-----	(17.0)	(12.1)	(24.5)	5.2	8.3	8.1	8.3	5.4
1976-----	(.7)	(10.9)	14.2	7.9	111.7	10.9	19.8	7.5

$\frac{1}{\text{hundred-weight}}$ In 1972 constant dollars.

Source: Tables 24 and 28.

than the total annual quantity of imports. The effect of changes in import and production levels on the price of hamburger since 1973, as shown in table 31, shows a notable correlation between changes in domestic production levels and prices that is absent in a comparison of changes in import levels and prices.

Rising costs of farm operations.---Prices received by farmers and ranchers for their cattle, as shown in table 32, increased from 1964 to 1976 by about 80 percent (for feeder cattle at Kansas City, in current prices). During the same period, although income received for other farm products may have risen faster than cattle prices, outlays for such farm expenses as feed, feeder livestock, seed, fertilizer, agricultural chemicals, fuels, and energy increased by 105 percent, interest expenses increased by 333 percent, and taxes increased by 115 percent. At a time of lower livestock prices received, increased cost of operations are a crucial factor in the profitability of domestic cattle raising. Table A-32 shows the cost required bring steers to market in 1975, 1976, and 1977. Tables A-33 and A-34 show the breakdown of costs, by item during 1976 and 1977, for custom feeding of cattle.

Per capita consumption of beef and veal.---Table 33 and table A-35 indicate that per capita consumption of beef rose steadily during the period 1964-76 (with the exception of the year of the consumer boycott, 1973), and that consumer demand has not shifted significantly to other meats. While the consumer boycott of beef in 1973 reduced per capita consumption of beef by 6 pounds, from 116 to 110 pounds, per capita consumption of other meats did not increase, and, in fact, consumption of poultry and pork also declined. In general, although consumer demand for poultry has risen significantly, on a per capita basis, since 1964, it has not appreciably diverted demand from beef or veal. Overall, declining demand for pork has been more than made up for by increased demand, on a per capita basis, for beef and poultry.

Table 31.--Estimated effects of increases in imports and production of meat of cattle on the price of hamburger, 1/ 1973-76 (all weights in carcass-weight equivalent)

Year	Price in current dollars	Price in constant 1972 dollars	Percentage decrease in price in constant 1972 dollars	Percentage decrease in price resulting from increased imports [according to Freebairn estimation]	Percentage decrease in price resulting from increased domestic production [if Freebairn analysis is applied to domestic production]
1973-----	\$1.00	\$0.94	<u>2/</u>	<u>2/</u>	<u>2/</u>
1974-----	.87	.75	20	-	11.0
1975-----	.89	.70	7	.7	7.0
1976-----	.85	.64	9	1.2	11.0

1/ Using the Freebairn and Rausser factors shown in table 32.

2/ Not applicable.

Source: Compiled from data presented in tables 32 and 33.

Table 32.--Indexes of prices received and costs paid by farmers and ranchers, 1964-76

Year	Index (1967=100) of--				Index (1967=100) of costs of--				
	Choice feeder:	Kansas:	Farm real:	Feed grain	Production:				Wage rate
	cattle prices:	City :	estate,	and hay	items,	Production:	Interest:	Taxes	for hired
	Kansas City	feeder:	average :	prices	interest,	items	3/	3/	farm
	average 1/	cattle:	value per:	received 3/	tax, and	3/ 4/			labor 3/
	prices:	acre 2/			wages 3/				
	Per hundred-								
	weight								
1964----	\$21.92	82	82	96	90	94	70	82	82
1965----	24.12	90	86	100	94	96	79	87	86
1966----	27.43	103	93	104	99	100	90	94	93
1967----	26.68	100	100	100	100	100	100	100	100
1968----	27.92	105	107	90	102	100	112	110	108
1969----	31.78	119	113	96	107	104	125	120	119
1970----	33.70	126	117	103	112	108	136	129	128
1971----	34.87	131	122	108	120	113	147	136	134
1972----	41.40	155	132	104	126	121	164	142	142
1973----	53.17	199	150	163	149	146	189	146	155
1974----	37.88	142	187	243	172	166	235	154	178
1975----	33.91	127	213	230	187	182	281	162	192
1976----	39.40	148	242	218	199	193	303	176	210

1/ Livestock and Meat Situation; 1964 and 1965, 500 to 800 pounds; 1966-71, 550 to 750 pounds; 1972-76, 600 to 700 pounds.

2/ Farm Real Estate Market Developments, Economic Research Service.

3/ Agricultural Prices, Statistical Reporting Service.

4/ Includes feed, feeder livestock, seed, fertilizer, agricultural chemicals, fuels and energy, farm and motor supplies, autos and trucks, tractors and self-propelled machinery, building and fencing, and farm services and cash rent.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Per capita consumption of beef on a retail-weight basis is shown in table 34. A decline is expected in such consumption in 1977, and an increase in per capita consumption of pork is also expected to occur in 1977.

Table A-30 indicates that the percentage of disposable income per capita spent on beef declined only slightly between 1972 and 1976. Tables A-36 through A-38 compare the retail prices of beef with those of other meats.

Table 33.--Beef, veal, poultry, fish, pork, and lamb: Per capita civilian consumption, 1964-76

(In pounds)							
Year	Beef	Veal	Poultry	Fish	Pork	Lamb	Total
1964	100	5	39	14	65	4	227
1965	100	5	41	14	59	4	223
1966	104	5	44	14	58	4	229
1967	107	4	46	14	64	4	239
1968	110	4	45	14	66	3	242
1969	111	3	47	14	65	3	243
1970	114	3	49	15	66	3	250
1971	113	3	49	15	73	3	256
1972	116	2	51	16	67	3	255
1973	110	2	50	16	62	3	243
1974	117	2	50	15	67	2	253
1975	120	4	49	15	55	2	245
1976 ^{1/}	129	4	53	13	58	2	259
	:	:	:	:	:	:	:

^{1/} Preliminary.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Note.--Beef, veal, pork, and lamb are presented on a carcass-weight basis, while poultry and fish are presented on a product-weight basis.

Increased use of manufacturing beef.--The great bulk of imported beef is used in the United States in competition with the meat from domestic cows, bulls, and stags, and the trimmings obtained from preparing table cuts from fed beef. This beef is generally consumed as manufacturing beef in the form of processed meat products (i.e., hamburger, sausage, frankfurters, and meat specialties). Hamburger is also the principal outlet for imported boneless beef. The bulk of the hamburger consumed in the United States is made from parts of domestic carcasses not salable as steaks or roasts. Hamburger is also made by mixing trimmings of domestic beef of choice grade with

Table 34.--Beef, veal, pork, and lamb and mutton: Per capita meat consumption on a retail-weight basis, 1972-77 1/

(In pounds)					
Year	: Beef	: Veal	: Pork	: Lamb and mutton	: Total
1972-----	: 85.9	: 1.8	: 62.7	: 2.9	: 153.3
1973-----	: 81.1	: 1.5	: 57.3	: 2.4	: 142.3
1974-----	: 86.4	: 1.9	: 61.9	: 2.0	: 152.2
1975-----	: 88.9	: 3.6	: 51.0	: 1.8	: 145.3
1976-----	: 95.3	: 3.3	: 53.9	: 1.7	: 154.2
1977 <u>2/</u> -----	: 92.8	: 3.2	: 56.9	: 1.6	: 154.5

1/ Conversion factors of 0.74 for beef, 0.83 for veal, 0.93 for pork, and 0.89 for lamb and mutton were used to adjust carcass-weight consumption to retail-weight consumption.

2/ Partly estimated.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

lean, grass fed beef which retailers purchase especially for grinding. Some retailers use only domestic lean beef, while others use domestic and imported lean beef interchangeably.

Beef products other than hamburger are also an important outlet for manufacturing beef. Such products include frankfurters, sausages, bologna, and other luncheon meats, as well as canned products (including soups) and meat specialties such as precooked dinners, and frozen meat pies. Table 35 shows the quantities of meats and meat food products prepared and processed under Federal inspection for fiscal years 1973-75.

As the slaughter rate for cows, bulls, and stags increases, as it has in recent years, the size of the domestic supply of manufacturing grade beef increases also. When hamburger is in heavy supply and prices accordingly fall, consumers tend to substitute ground beef for the more expensive table cuts. Stocks of higher quality beef build up and price reductions result for table cuts as well as hamburger. In such a situation many table cuts eventually end up as hamburger, as retail outlets attempt to reduce their inventory losses.

The slaughter rate for nonfed steers and heifers, cows, bulls, and stags increased significantly from 12.4 million head in 1973 to 19.7 million head in 1975, or by 59 percent, as shown in table 16. In 1976, the slaughter of such animals amounted to 17.6 million head--less than in 1975, but more than in 1973 or 1974. Such cattle accounted for only 23 percent of the total U.S. slaughter in 1973, but for 35 percent in 1974, 48 percent in 1975, and 41 percent in 1976. When such cattle slaughter is high in the United States, the import share of consumption of manufacturing beef will be lower than when domestic manufacturing beef is in short supply, although imports of manufacturing beef may not necessarily have declined and, indeed, the competitive effect of imports may be heightened in an environment of market oversupply.

Table 35.--Meats and meat food products prepared and processed under Federal inspection, 1/ fiscal years 1973-75

(In thousands of pounds)				
Product	1973	1974	1975	
Cooked beef-----	112,202	115,635	131,822	
Sausage:				
Fresh-finished-----	753,056	762,315	824,507	
Dried or semidried-----	226,333	220,344	252,999	
Franks, weiners-----	1,261,811	1,319,786	1,419,635	
Bologna-----	746,044	777,726	825,933	
Hamburger-----	488,677	517,097	500,419	
Ground beef-----	1,078,526	1,232,077	1,470,513	
Convenience foods (frozen and unfrozen)-----	1,507,298	1,657,964	1,567,532	

1/ All figures do not represent production because a product may be inspected more than once in the course of further manufacture.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

APPENDIX A
STATISTICAL TABLES AND FIGURES

Table A-1.--Cattle: U.S. imports for consumption, by TSUS items, and by sources, 1972-76

TSUS item description and number and source	1972	1973	1974	1975	1976
	Number (head)				
Under 200 pounds each, up to 200,000 head a year (TSUS item 100.40):					
Canada-----	130,770	128,638	74,138	9,374	114,996
Mexico-----	42,444	15,187	3,464	592	4,769
Total-----	173,214	143,825	77,602	9,966	119,765
Under 200 pounds each, other (TSUS item 100.43):					
Canada-----	0	0	0	0	49
Mexico-----	58	0	0	0	0
All other-----	0	0	0	179	0
Total-----	58	0	0	179	49
200 pounds or more but under 700 pounds (TSUS item 100.45):					
Mexico-----	869,527	631,074	395,905	190,062	492,491
Canada-----	69,637	147,521	17,787	30,745	70,104
Ireland-----	0	56	60	0	36
Sweden-----	0	0	22	0	0
United Kingdom-----	0	0	0	6	63
New Zealand-----	4	5	0	0	0
All other-----	0	1,334	0	44	13
Total-----	939,168	779,990	413,774	220,851	562,707
Dairy cows, 700 pounds or more (TSUS item 100.50):					
Canada-----	25,123	18,107	9,498	2,270	15,777
Mexico-----	40	173	0	0	49
France-----	5	0	0	0	0
All other-----	0	1	4	36	0
Total-----	25,168	18,281	9,502	2,306	15,826
700 pounds or more, n.s.p.f., up to 400,000 head a year (TSUS item 100.53):					
Canada-----	27,379	53,993	19,332	142,029	255,116
Mexico-----	3,735	22,744	0	5,385	10,294
United Kingdom-----	34	186	300	481	348
Ireland-----	60	144	166	147	144
France-----	5	0	0	378	237
New Zealand-----	0	8	14	0	0
Bahamas-----	56	0	0	0	16
All other-----	30	166	35,427	1,039	12
Total-----	31,299	77,241	55,239	149,459	266,167
700 pounds or more, n.s.p.f., other (TSUS item 100.55):					
Canada-----	64	18	0	163	7,891
Sweden-----	0	0	52	0	0
France-----	0	1	0	0	0
Mexico-----	0	0	0	0	214
Total-----	64	19	52	163	8,105
Total:					
Canada-----	252,973	348,277	120,755	184,581	449,733
Mexico-----	915,804	669,178	399,369	196,039	507,817
All other-----	194	1,901	36,045	2,304	15,069
Total-----	1,168,971	1,019,356	556,169	382,924	972,619

Table A-1.--Cattle: U.S. imports for consumption, by TSUS items, and by sources, 1972-76--Continued

TSUS item description and number and source	1972	1973	1974	1975	1976
	Value (1,000 dollars)				
Under 200 pounds each, up to 200,000 head a year (TSUS item 100.40):					
Canada-----	8,213	10,918	3,713	269	2,859
Mexico-----	3,002	1,344	309	41	377
Total-----	11,215	12,262	4,022	310	3,236
Under 200 pounds each, other (TSUS item 100.43):					
Canada-----	-	-	-	-	1
Mexico-----	2	-	-	-	-
All other-----	-	-	-	2	-
Total-----	2	-	-	2	1
200 pounds or more but under 700 pounds (TSUS item 100.45):					
Mexico-----	102,773	95,516	59,096	23,152	58,203
Canada-----	12,368	37,250	5,997	5,770	11,770
Ireland-----	-	397	87	-	130
Sweden-----	-	-	99	-	-
United Kingdom-----	-	-	-	60	231
New Zealand-----	60	52	-	-	-
All other-----	-	299	6	98	21
Total-----	115,201	133,514	65,285	29,080	70,355
Dairy cows, 700 pounds or more (TSUS item 100.50):					
Canada-----	10,401	9,242	5,433	1,056	7,524
Mexico-----	8	64	-	-	106
France-----	2	-	-	-	-
All other-----	-	-	-	6	1
Total-----	10,411	9,306	5,433	1,062	7,631
700 pounds or more, n.s.p.f., up to 400,000 head a year (TSUS item 100.53):					
Canada-----	13,627	28,139	19,081	35,763	68,779
Mexico-----	995	6,424	-	1,858	2,215
United Kingdom-----	34	1,280	2,462	3,314	1,500
Ireland-----	289	1,036	1,206	646	153
France-----	5	-	-	4,382	1,848
New Zealand-----	-	57	212	-	-
Bahamas-----	51	-	-	-	11
All other-----	18	264	8,724	555	21
Total-----	15,219	37,200	31,685	46,518	74,527
700 pounds or more, n.s.p.f., other (TSUS item 100.55):					
Canada-----	37	7	-	269	1,674
Sweden-----	-	-	183	-	-
France-----	-	10	-	-	-
Mexico-----	-	-	-	-	56
Total-----	37	17	183	269	1,730
Total:					
Canada-----	44,646	85,556	34,224	43,127	92,607
Mexico-----	106,780	103,348	59,405	25,051	60,957
All other-----	659	3,395	12,980	9,063	3,916
Total-----	152,085	192,299	106,609	77,241	157,480

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-2.--Cattle: U.S. imports for consumption,
by principal customs districts, 1974 and 1976

Customs district	1974	1976
	Quantity (pounds)	
El Paso, Tex-----	53,085,988	115,918,880
Pembina, N. Dak-----	5,229,841	150,853,591
Great Falls, Mont-----	6,444,775	61,259,462
Ogdensburg, N.Y-----	19,975,761	47,960,867
Seattle, Wash-----	2,849,722	42,838,505
Nogales, Ariz-----	43,876,738	39,221,137
San Diego, Calif-----	55,855,237	27,976,474
Laredo, Tex-----	30,591,537	19,648,088
Detroit, Mich-----	4,019,454	15,598,215
St. Albans, Vt-----	6,740,811	16,582,564
Other-----	4,127,765	9,270,166
Total-----	232,797,628	547,127,949
	Value	
El Paso, Tex-----	\$26,308,938	\$38,785,870
Pembina, N. Dak-----	5,808,196	36,028,161
Great Falls, Mont-----	9,239,028	20,429,153
Ogdensburg, N.Y-----	9,113,953	13,902,958
Seattle, Wash-----	1,684,795	9,805,390
Nogales, Ariz-----	10,056,957	8,118,089
San Diego, Calif-----	17,078,274	7,183,031
Laredo, Tex-----	14,336,959	6,874,303
Detroit, Mich-----	3,873,188	5,391,660
St. Albans, Vt-----	2,690,993	4,341,507
Other-----	6,427,021	6,623,706
Total-----	106,618,302	157,483,528
	Number (head)	
El Paso, Tex-----	157,098	300,945
Pembina, N. Dak-----	10,429	167,192
Great Falls, Mont-----	7,172	64,906
Ogdensburg, N.Y-----	62,184	116,278
Seattle, Wash-----	2,775	42,775
Nogales, Ariz-----	110,786	102,527
San Diego, Calif-----	91,086	56,023
Laredo, Tex-----	75,725	48,322
Detroit, Mich-----	9,583	14,854
St. Albans, Vt-----	23,792	36,047
Other-----	5,559	22,750
Total-----	556,189	972,619

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-3.--Beef with bone, fresh or chilled (TSUSA item 106.1020): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	January-April--	
						1976	1977
Quantity (1,000 pounds)							
Canada-----	5,432	9,973	5,378	271	13,693	3,206	10,583
Australia-----	211	369	168	313	1,686	172	-
Costa Rica-----	19	0	0	1,430	0	0	0
New Zealand-----	265	103	0	72	456	94	0
All other-----	229	310	458	912	<u>1/</u> 2,786	<u>2/</u> 1,133	<u>3/</u> 491
Total-----	6,156	10,755	6,004	2,998	18,621	4,605	11,074
Value (1,000 dollars)							
Canada-----	2,713	8,577	2,889	154	7,006	1,701	5,398
Australia-----	113	280	101	225	1,043	95	-
Costa Rica-----	9	-	-	659	-	-	-
New Zealand-----	168	76	-	34	261	55	-
All other-----	90	168	314	481	<u>1/</u> 1,796	<u>2/</u> 684	<u>3/</u> 469
Total-----	3,093	9,101	3,304	1,553	10,106	2,535	5,867
Unit value (per pound)							
Canada-----	\$0.50	\$0.86	\$0.54	\$0.57	\$0.51	\$0.53	\$0.51
Australia-----	.54	.76	.60	.72	.62	.55	-
Costa Rica-----	.47	-	-	.46	-	-	-
New Zealand-----	.63	.74	-	.47	.57	.59	-
All other-----	.39	.54	.69	.53	<u>1/</u> .65	<u>2/</u> .60	<u>3/</u> .96
Average-----	.50	.85	.55	.52	.54	.55	.53

1/ Includes 2,688 thousand pounds valued at 1,695 thousand dollars with a unit value of \$0.63 per pound, imported from the Dominican Republic.

2/ Includes 1,120 thousand pounds valued at 674 thousand dollars with a unit value of \$0.60 per pound imported from the Dominican Republic.

3/ Includes 424 thousand pounds valued at 261 thousand dollars with a unit value of \$0.62 per pound, imported from the Dominican Republic.

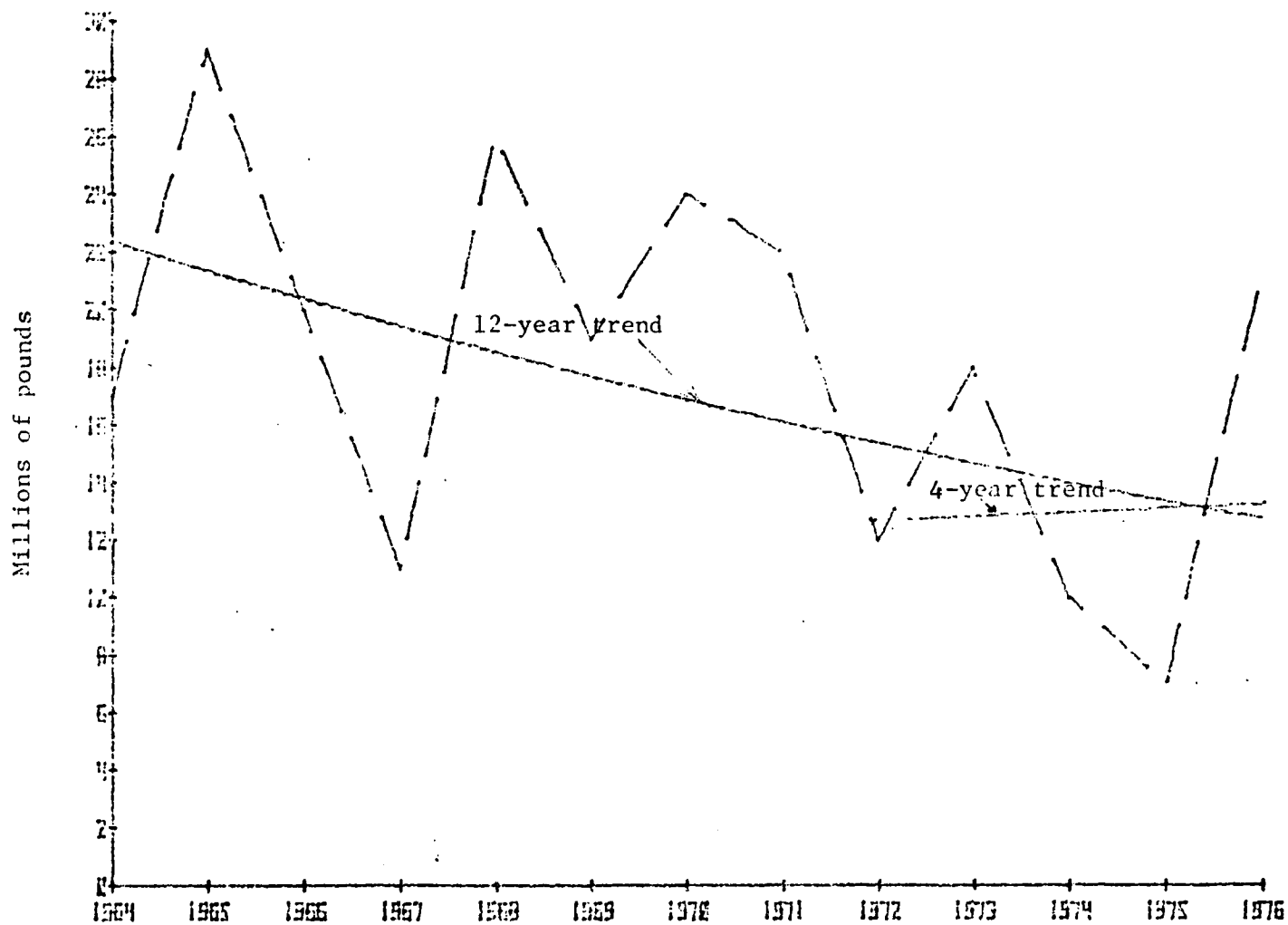
Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-4.--Beef with bone, frozen (TSUSA item 106.1040): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977.

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
	Quantity (1,000 pounds)						
Australia-----	3,863	5,244	2,391	1,284	1,154	638	69
Canada-----	1,061	1,896	566	1,347	746	502	56
New Zealand-----	382	887	190	183	438	139	10
Dominican Republic--	32	0	1,185	824	0	0	0
Nicaragua-----	195	0	29	393	0	0	0
Costa Rica-----	381	0	0	161	0	0	0
All other-----	251	69	297	364	83	6	80
Total-----	6,165	8,096	4,658	4,556	2,421	1,285	215
	Value (1,000 dollars)						
Australia-----	2,786	4,689	2,363	875	765	389	48
Canada-----	773	1,580	493	876	549	363	36
New Zealand-----	208	652	147	98	270	74	12
Dominican Republic--	11	-	690	443	-	-	-
Nicaragua-----	131	-	16	282	-	-	-
Costa Rica-----	183	-	-	95	-	-	-
All other-----	135	46	255	225	43	2	42
Total-----	4,227	6,967	3,964	2,894	1,627	828	138
	Unit value (per pound)						
Australia-----	\$0.72	\$0.98	\$0.99	\$0.68	\$0.66	\$0.61	\$0.70
Canada-----	.73	.83	.87	.65	.74	.72	.64
New Zealand-----	.55	.74	.77	.54	.62	.53	1.20
Dominican Republic--	.34	-	.58	.54	-	-	-
Nicaragua-----	.67	-	.55	.72	-	-	-
Costa Rica-----	.48	-	-	.59	-	-	-
All other-----	.54	.67	.86	.26	.52	.33	.52
Average-----	.69	.86	.85	.64	.67	.64	.64

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-1--Beef with bone (fresh, chilled, or frozen): U.S. imports for consumption, 1964-76.



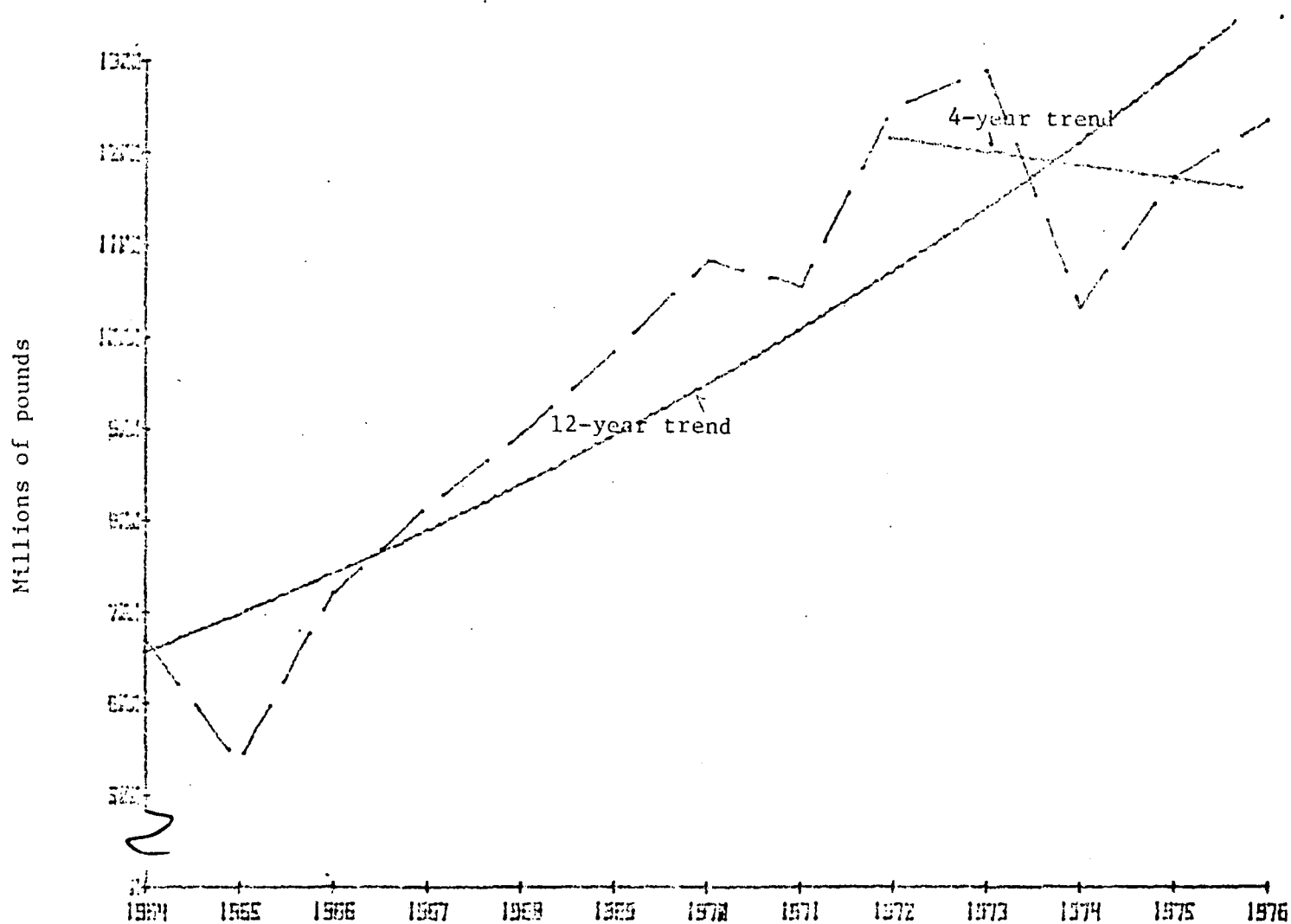
Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-5.--Beef, without bone, fresh, chilled, or frozen (TSUSA item 106.1060): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Australia-----	648,511	672,511	493,359	669,831	657,987	212,549	163,568
New Zealand-----	256,647	278,731	244,734	258,331	248,011	76,270	67,451
Canada-----	47,540	42,728	30,492	20,465	69,218	23,194	25,436
Costa Rica-----	50,059	47,814	60,129	58,901	55,876	31,452	37,954
Nicaragua-----	53,908	54,806	32,660	47,262	49,361	16,925	21,650
Mexico-----	78,085	64,993	37,897	29,721	52,269	15,341	21,681
Honduras-----	25,592	39,942	29,074	34,100	39,010	15,732	18,632
Guatemala-----	32,003	38,289	29,528	33,421	33,427	11,418	11,128
All other-----	59,091	52,168	76,193	23,846	33,356	16,281	5,751
Total-----	1,251,436	1,292,026	1,034,066	1,175,878	1,238,515	419,163	373,251
Value (1,000 dollars)							
Australia-----	365,225	523,759	334,407	304,480	370,273	114,398	95,685
New Zealand-----	146,469	213,758	164,607	114,414	142,373	41,034	38,299
Canada-----	30,634	37,997	23,164	12,052	46,600	15,895	16,635
Costa Rica-----	27,372	33,434	37,671	31,253	36,788	19,813	24,928
Nicaragua-----	33,446	47,340	24,458	27,681	33,556	10,915	14,285
Mexico-----	46,048	50,091	30,268	18,545	32,641	10,354	13,861
Honduras-----	11,268	23,370	19,341	18,500	25,882	10,104	11,839
Guatemala-----	18,622	28,168	21,282	22,266	23,928	8,386	8,026
All other-----	32,779	40,808	54,554	13,089	20,841	9,781	3,699
Total-----	711,863	998,725	709,752	562,280	732,882	240,680	227,257
Unit value (per pound)							
Australia-----	\$0.56	\$0.78	\$0.68	\$0.45	\$0.56	\$0.54	\$0.58
New Zealand-----	.57	.77	.67	.44	.57	.54	.57
Canada-----	.64	.89	.76	.59	.67	.73	.72
Costa Rica-----	.55	.70	.63	.53	.66	.51	.44
Nicaragua-----	.62	.86	.75	.59	.68	.64	.66
Mexico-----	.59	.77	.80	.62	.62	.67	.64
Honduras-----	.44	.80	.65	.54	.66	.64	.64
Guatemala-----	.58	.74	.72	.67	.72	.85	.98
All other-----	.55	.78	.72	.55	.62	.60	.64
Average-----	.57	.77	.69	.48	.59	.57	.61

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-2.--Boneless beef (fresh, chilled, or frozen): U.S. imports for consumption, 1964-76.



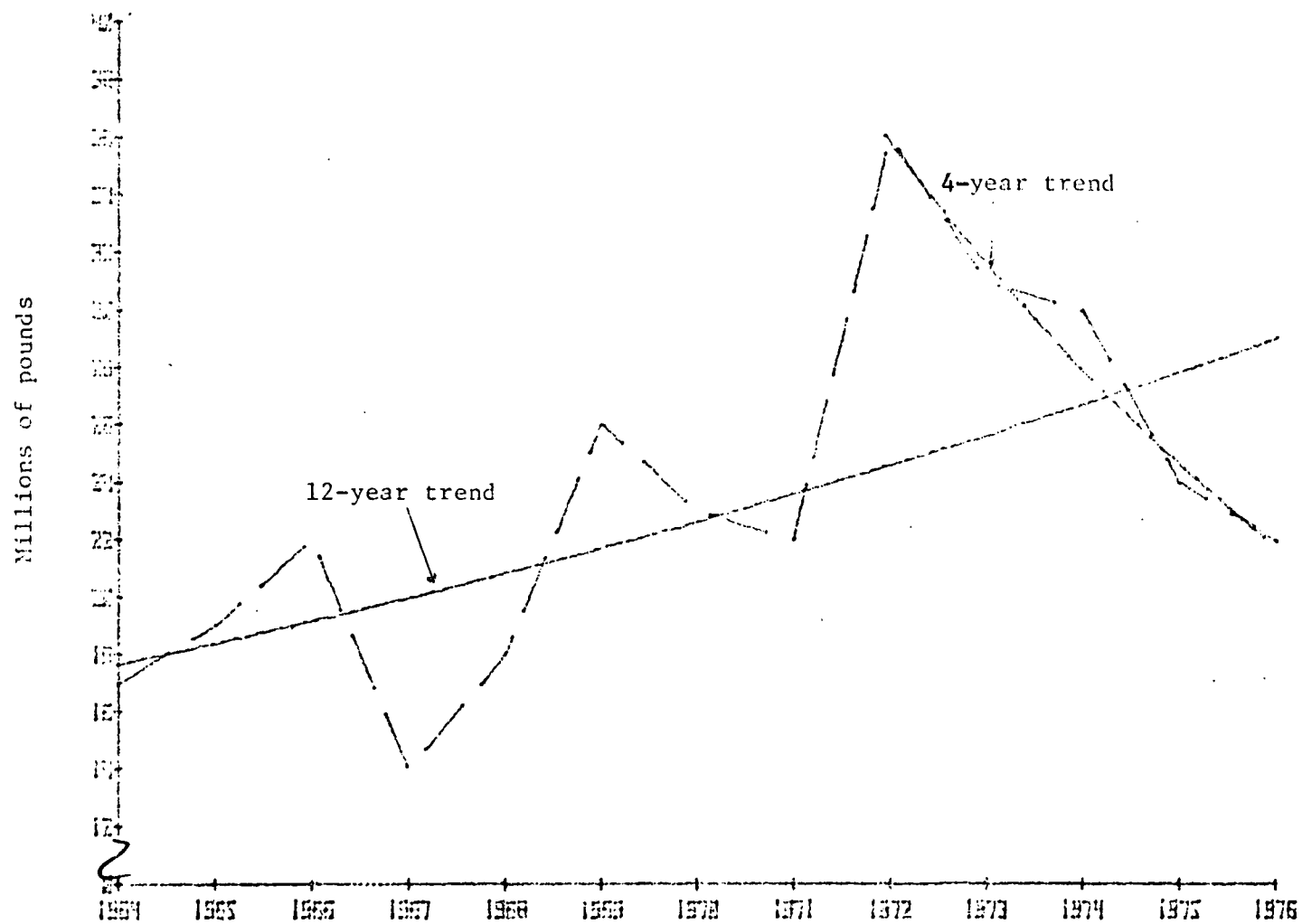
Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-6--Veal, fresh, chilled, or frozen (TSUSA item 106.1080): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
	Quantity (1,000 pounds)						
New Zealand-----	8,751	11,006	14,801	16,735	13,192	6,127	5,254
Australia-----	19,551	17,471	14,825	7,498	8,475	2,700	1,790
Canada-----	4,264	657	104	86	362	170	95
Mexico-----	3,555	1,996	769	42	0	0	0
All other-----	9	35	34	0	0	0	0
Total-----	36,130	31,165	30,533	24,361	22,029	8,997	7,139
	Value (1,000 dollars)						
New Zealand-----	7,123	10,503	10,815	9,346	8,722	3,693	3,754
Australia-----	13,040	14,194	11,785	3,720	5,211	1,486	1,147
Canada-----	2,918	619	73	51	232	98	58
Mexico-----	2,047	1,555	743	24	-	-	-
All other-----	10	33	39	-	-	-	-
Total-----	25,138	26,904	23,455	13,141	14,165	5,277	4,959
	Unit value (per pound)						
New Zealand-----	\$0.81	\$0.95	\$0.73	\$0.56	\$0.66	\$0.60	\$0.71
Australia-----	.67	.81	.80	.50	.62	.55	.64
Canada-----	.68	.94	.70	.59	.64	.58	.61
Mexico-----	.58	.78	.97	.57	-	-	-
All other-----	1.11	.94	1.15	-	-	-	-
Average-----	.70	.86	.77	.54	.64	.59	.69

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-3.--Veal (fresh, chilled, or frozen): U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-7.--Edible meat offal, fresh, chilled, or frozen, of all animals (except birds), valued not over 20 cents per pound (TSUS item 106.80): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
	Quantity (1,000 pounds)						
Canada-----	2,944	1,392	1,307	618	1,655	298	546
Mexico-----	260	261	184	142	296	86	103
Honduras-----	77	23	0	16	37	7	3
Haiti-----	13	17	24	9	10	0	0
All other-----	33	187	0	1/ 7	0	0	124
Total-----	3,327	1,880	1,515	792	1,998	391	776
	Value (1,000 dollars)						
Canada-----	289	195	197	110	239	37	86
Mexico-----	34	40	27	12	37	6	12
Honduras-----	8	3	-	2	7	1	2/
Haiti-----	2	3	4	1	2	-	-
All other-----	4	27	-	1/ 4	-	-	21
Total-----	337	268	228	129	285	44	119
	Unit value (per pound)						
Canada-----	\$0.10	\$0.14	\$0.15	\$0.18	\$0.14	\$0.12	\$0.16
Mexico-----	.13	.15	.15	.08	.13	.07	.12
Honduras-----	.10	.13	-	.16	.19	.14	.14
Haiti-----	.15	.18	.17	.11	.20	-	-
All other-----	.12	.14	-	1/ .57	-	-	.17
Average-----	.10	.14	.15	.16	.14	.11	.15

1/ Misclassified.

2/ Less than \$500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

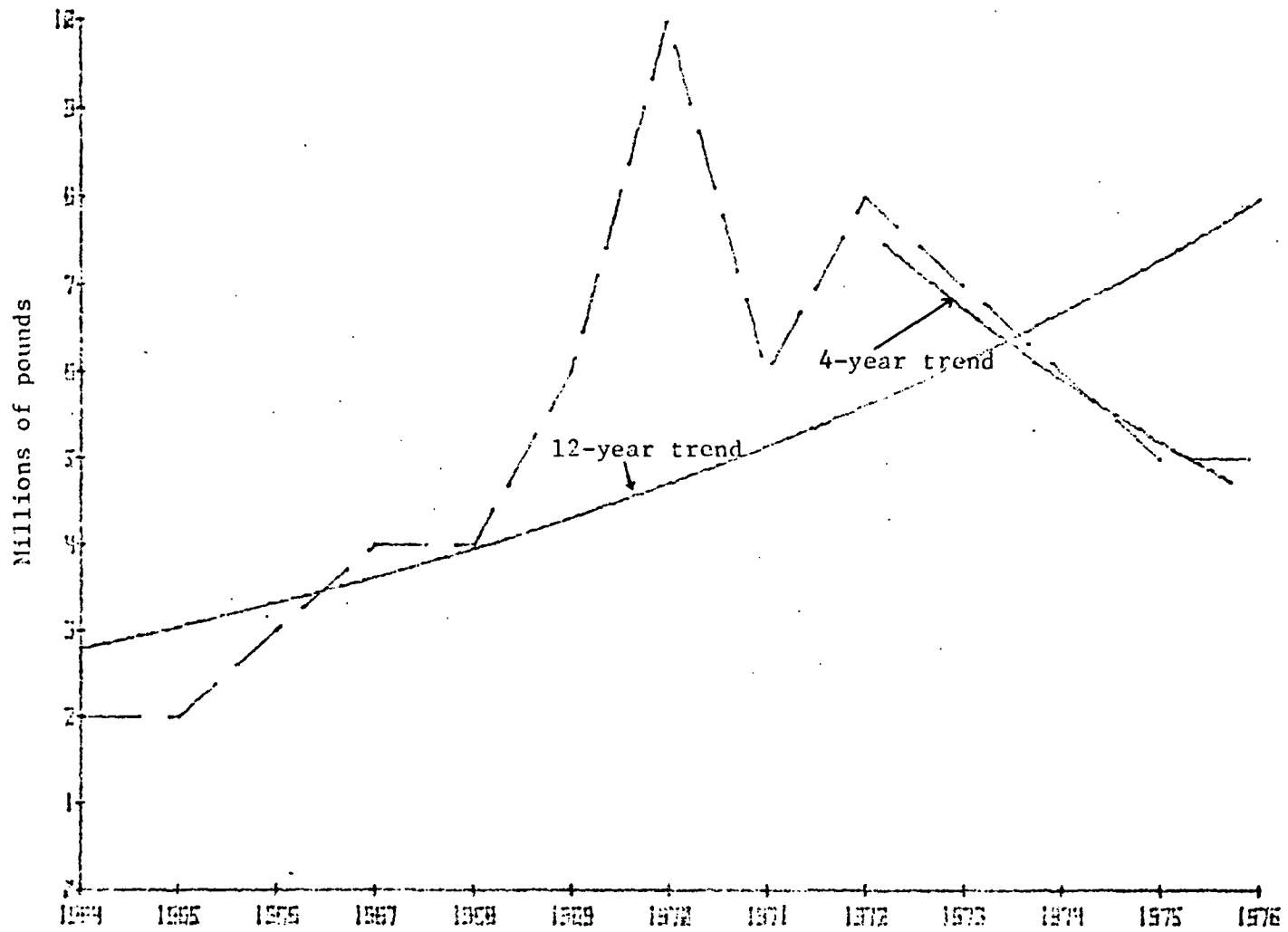
Table A-8.--Edible meat offal, fresh, chilled, or frozen, of all animals (except birds), valued over 20 cents per pound (TSUS item 106.85):
U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
	Quantity (1,000 pounds)						
Canada-----	2,530	2,609	1,790	3,571	2,106	759	747
Australia-----	922	1,221	1,418	704	422	92	93
Honduras-----	183	276	204	79	210	106	14
New Zealand-----	792	651	521	334	103	0	68
Nicaragua-----	69	194	56	19	41	0	13
All other-----	47	377	384	87	1/ 469	105	160
Total-----	4,543	5,328	4,373	4,794	3,351	1,062	1,095
	Value (1,000 dollars)						
Canada-----	1,226	1,183	756	1,312	960	294	310
Australia-----	537	930	937	247	162	40	31
Honduras-----	61	99	80	32	80	35	5
New Zealand-----	606	674	528	191	29	-	18
Nicaragua-----	23	73	62	8	14	-	5
All other-----	23	124	177	32	1/ 156	33	66
Total-----	2,476	3,083	2,540	1,822	1,401	402	435
	Unit value (per pound)						
Canada-----	\$0.48	\$0.45	\$0.42	\$0.37	\$0.46	\$0.39	\$0.41
Australia-----	.58	.76	.66	.35	.38	.43	.33
Honduras-----	.88	.36	.39	.41	.38	.33	.36
New Zealand-----	.77	1.04	1.01	.57	.28	-	.26
Nicaragua-----	.33	.38	1.11	.42	.34	-	.38
All other-----	.49	.33	.46	.37	1/ .33	.31	.41
Average-----	.54	.58	.58	.38	.42	.39	.40

1/ Includes 130 thousand pounds valued at 28 thousand dollars with a unit value of \$0.22 per pound, imported from Ireland.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-4.--Edible offal: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-9.--Sausages of beef, in airtight containers (TSUS item 107.20):
U.S. imports for consumption, by principal sources, 1972-76, January-
April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Argentina-----	574	0	0	13	220	203	0
Brazil-----	18	0	0	38	6	6	0
Canada-----	4	7	0	6	<u>1/</u>	0	0
Guatemala-----	0	13	82	28	0	0	0
Paraguay-----	0	83	58	0	0	0	0
Australia-----	34	0	0	0	0	0	0
All other-----	0	0	28	0	4	0	0
Total-----	630	103	168	85	230	209	0
Value (1,000 dollars)							
Argentina-----	236	-	-	9	155	142	-
Brazil-----	13	-	-	27	5	5	-
Canada-----	10	16	-	7	<u>2/</u>	-	-
Guatemala-----	-	12	64	17	-	-	-
Paraguay-----	-	82	62	-	-	-	-
Australia-----	10	-	-	-	-	-	-
All other-----	-	-	31	-	5	-	-
Total-----	269	110	157	60	165	147	-
Unit value (per pound)							
Argentina-----	\$0.41	-	-	\$0.69	\$0.71	\$0.70	-
Brazil-----	.72	-	-	.71	.83	.83	-
Canada-----	2.50	\$2.29	-	1.17	1.50	-	-
Guatemala-----	-	.92	\$0.78	.61	-	-	-
Paraguay-----	-	.98	1.07	-	-	-	-
Australia-----	.29	-	-	-	-	-	-
All other-----	-	-	1.11	-	1.25	-	-
Average-----	.43	1.07	.94	.71	.72	.70	-

1/ Less than 500 pounds.

2/ Less than \$500.

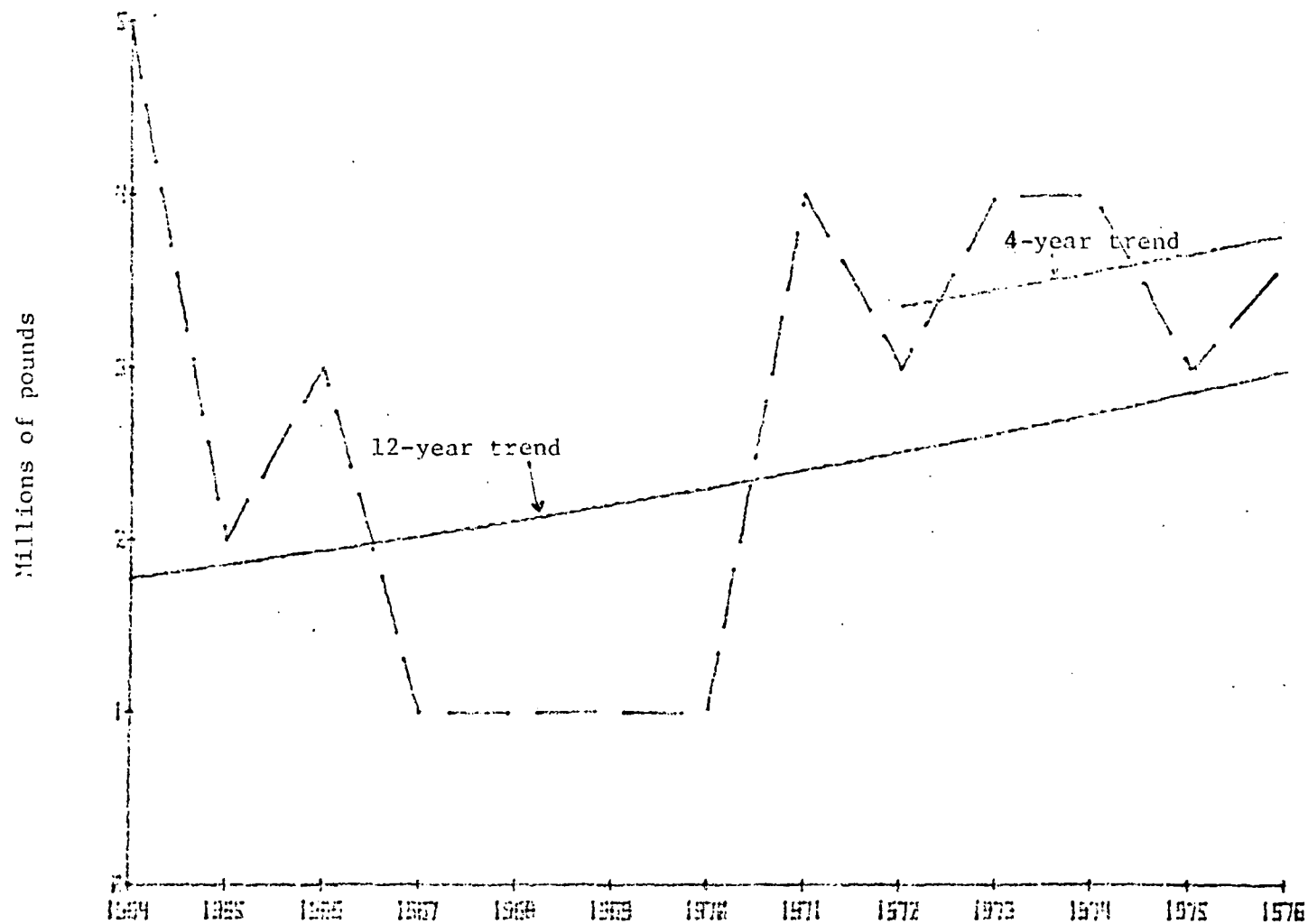
Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-10.--Sausages of beef, not in airtight containers (TSUSA item 107.2520): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Denmark-----	2,374	2,193	2,647	2,901	2,975	1,387	779
West Germany-----	197	1,151	718	90	296	55	0
Guatemala-----	0	69	6	12	25	3	0
All other-----	67	15	4	61	42	0	1
Total-----	2,638	3,428	3,375	3,064	3,338	1,445	780
Value (1,000 dollars)							
Denmark-----	1,767	2,150	2,869	3,287	3,782	1,739	994
West Germany-----	158	1,259	883	108	310	67	-
Guatemala-----	-	52	5	7	16	2	-
All other-----	40	12	4	46	38	-	1
Total-----	1,965	3,473	3,761	3,448	4,146	1,808	995
Unit value (per pound)							
Denmark-----	\$0.74	\$0.98	\$1.08	\$1.13	\$1.27	\$1.25	\$1.28
West Germany-----	.80	1.09	1.23	1.20	1.05	1.22	-
Guatemala-----	-	.75	.83	.58	.64	.67	-
All other-----	.60	.80	1.00	.75	.91	-	1.00
Average-----	.75	1.01	1.14	1.12	1.24	1.25	1.28

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-5.--Beef sausages: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-11.--Beef or veal (except sausages), cured or pickled, valued over 30 cents per pound (TSUS item 107.45): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

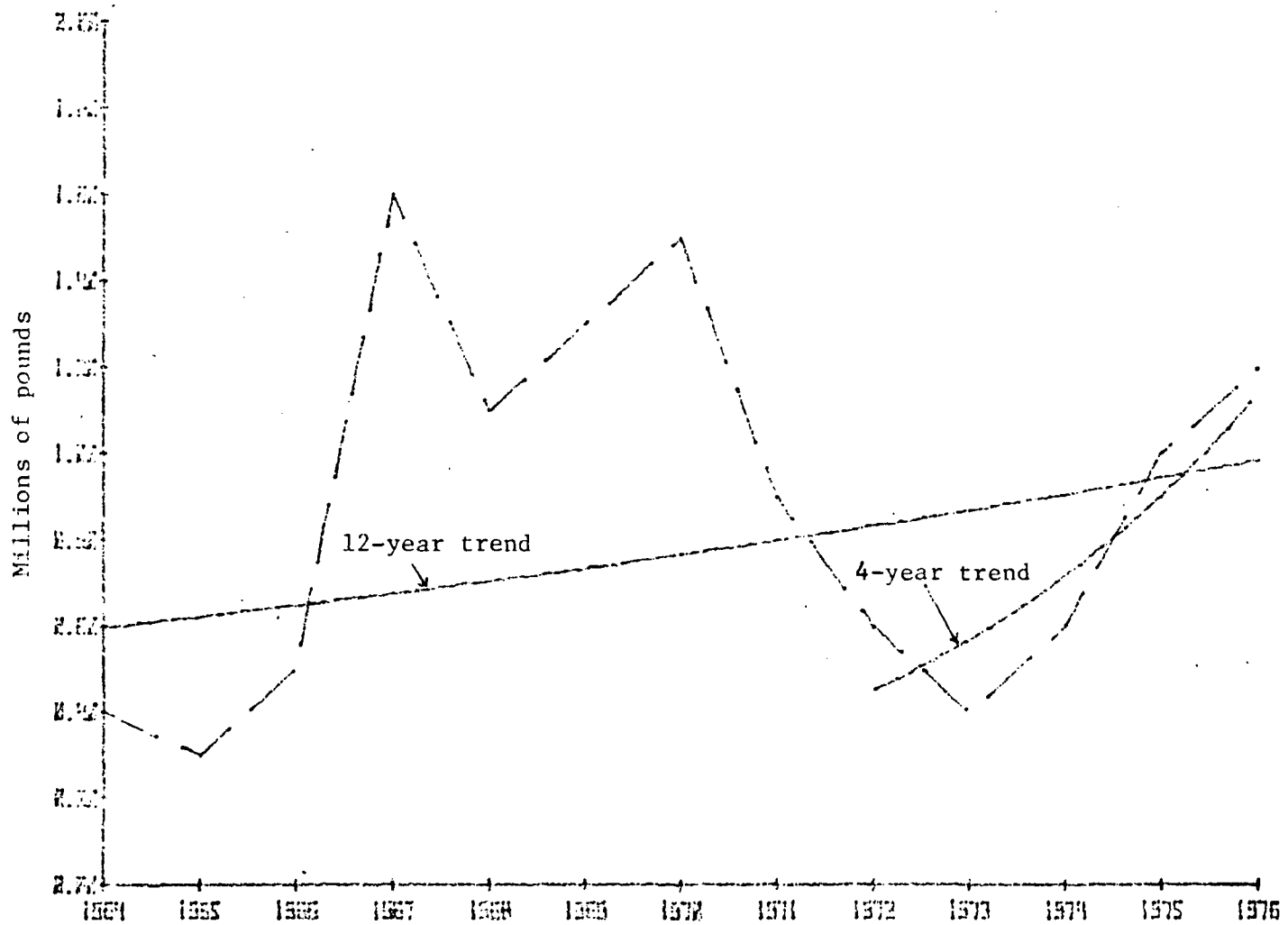
Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Brazil-----	0	105	221	633	772	0	0
Canada-----	14	28	26	30	34	12	10
New Zealand-----	0	1	36	272	72	0	0
Paraguay-----	254	314	276	0	0	0	0
Guatemala-----	113	0	0	69	91	29	36
All other-----	198	4	40	9 :1/	222 :2/	73	2
Total-----	579	452	599	1,013	1,191	114	48
Value (1,000 dollars)							
Brazil-----	-	109	186	528	875	-	-
Canada-----	23	128	143	174	210	71	66
New Zealand-----	-	1	85	151	37	-	-
Paraguay-----	166	266	285	-	-	-	-
Guatemala-----	79	-	-	35	85	16	55
All other-----	151	9	25	7 :1/	180 :2/	56	6
Total-----	419	513	724	895	1,387	143	127
Unit value (per pound)							
Brazil-----	-	\$1.04	\$0.84	\$0.83	\$1.13	-	-
Canada-----	\$1.64	4.57	5.50	5.80	6.18	\$5.92	\$6.60
New Zealand-----	-	.65	2.36	.56	.51	-	-
Paraguay-----	.65	.85	1.03	-	-	-	-
Guatemala-----	.70	-	-	.51	.93	.55	1.53
All other-----	.76	2.25	.63	.78 :1/	.81 :2/	.77	3.00
Average-----	.72	1.13	1.21	.88	1.17	1.25	2.65

1/ Includes 220 thousand pounds valued at 169 thousand dollars with a unit value of \$0.77 per pound, imported from Argentina.

2/ Includes 72 thousand pounds valued at 52 thousand dollars with a unit value of \$0.72 per pound, imported from Argentina.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-6.--Cured or pickled beef or veal: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-12.--Corned beef in airtight containers holding not over 2 pounds (TSUSA item 107.4820): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Brazil-----	24,162	20,893	17,162	19,466	42,120	12,539	11,862
Argentina-----	26,297	15,349	26,777	15,378	27,725	6,936	9,571
Paraguay-----	3,911	8,001	2,822	5,656	5,761	1,238	757
New Zealand-----	0	49	9	87	61	0	0
All other-----	81	83	120	21	1/ 235	0	2/ 152
Total-----	54,451	44,385	46,890	40,608	75,902	20,713	22,342
Value (1,000 dollars)							
Brazil-----	16,303	15,587	19,351	14,914	34,838	9,975	9,806
Argentina-----	16,339	10,523	29,246	11,928	20,970	4,888	7,725
Paraguay-----	2,717	6,386	3,316	4,331	4,743	944	624
New Zealand-----	-	66	15	119	101	-	-
All other-----	74	60	143	23	1/ 200	-	2/ 114
Total-----	35,433	32,622	52,071	31,315	60,852	15,807	18,269
Unit value (per pound)							
Brazil-----	\$0.68	\$0.75	\$1.13	\$0.77	\$0.83	\$0.80	\$0.83
Argentina-----	.62	.69	1.09	.78	.76	.70	.81
Paraguay-----	.70	.80	1.18	.77	.82	.76	.83
New Zealand-----	-	1.35	1.67	1.37	1.66	-	-
All other-----	.91	.72	1.19	1.10	1/ .85	-	2/ .75
Total-----	.65	.74	1.10	.77	.80	.76	.82

1/ Includes 153 thousand pounds valued at 115 thousand dollars with a unit value of \$0.75 per pound, imported from Australia.

2/ All from Australia.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-13.--Corned beef in airtight containers holding over 2 pounds (TSUSA item 107.4840): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Argentina-----	17,465	12,993	15,405	9,185	18,293	6,753	6,035
Brazil-----	5,796	7,905	4,090	2,362	4,426	1,592	1,934
Paraguay-----	2,328	4,386	513	858	830	98	65
All other-----	1/ 95	3	19	5	2/ 384	3/ 90	120
Total-----	25,684	25,287	20,027	12,410	23,933	8,533	8,154
Value (1,000 dollars)							
Argentina-----	10,634	9,273	15,301	5,881	11,657	4,372	4,449
Brazil-----	3,758	6,360	3,957	1,653	3,027	1,065	1,351
Paraguay-----	1,531	3,607	580	568	608	69	44
All other-----	1/ 64	2	23	4	2/ 302	3/ 162	105
Total-----	15,987	19,242	19,861	8,106	15,594	5,568	5,945
Unit value (per pound)							
Argentina-----	\$0.61	\$0.71	\$0.99	\$0.64	\$0.64	\$0.65	\$0.74
Brazil-----	.65	.81	.97	.70	.68	.67	.70
Paraguay-----	.66	.82	1.13	.66	.73	.70	.68
All other-----	1/ .67	.67	1.21	.80	2/ .79	3/ 1.80	.88
Average-----	.62	.76	.99	.65	.65	.65	.73

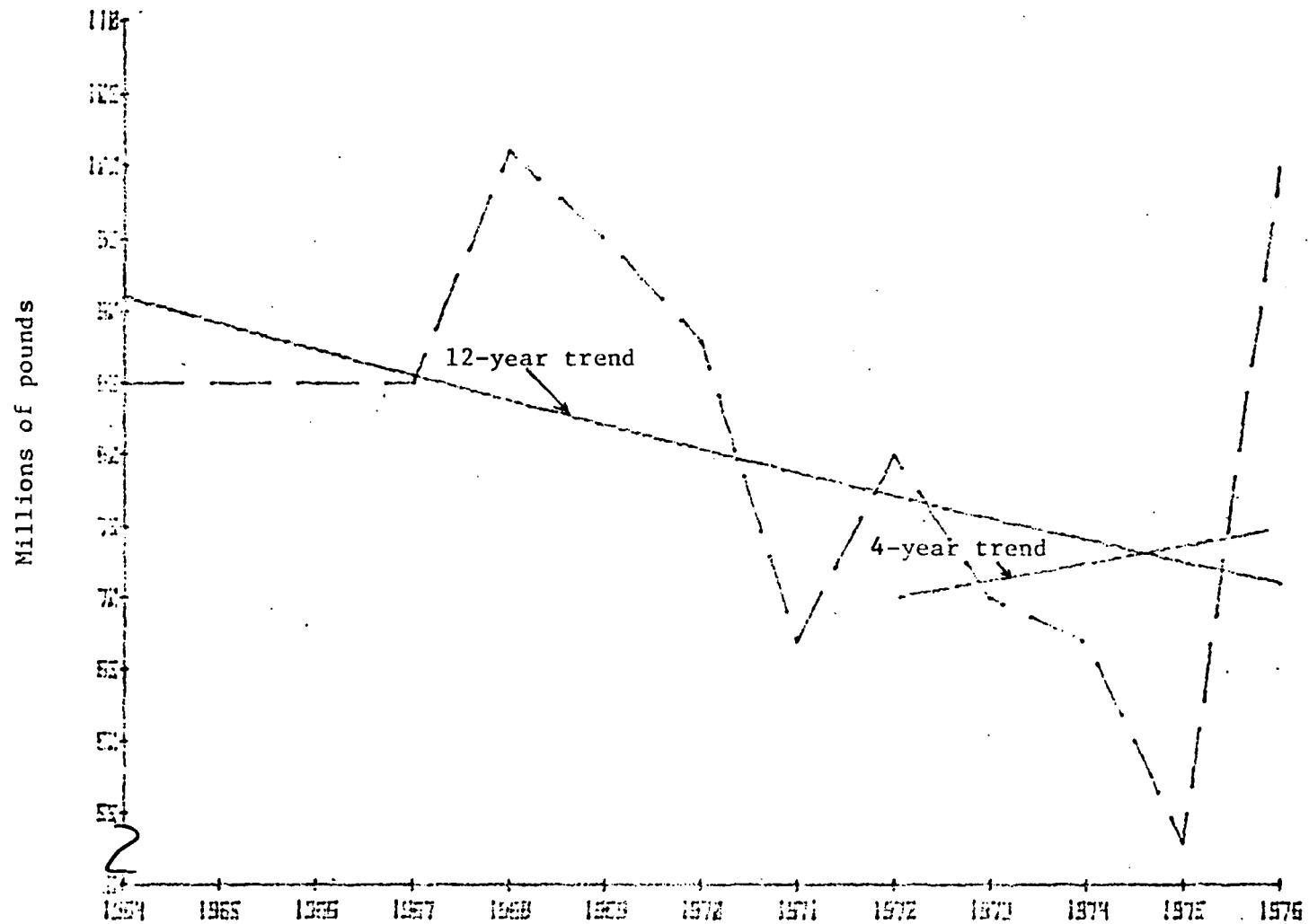
1/ Includes 90 thousand pounds valued at 62 thousand dollars with an average unit value of \$0.69 per pound, imported from Italy.

2/ Includes 359 thousand pounds valued at 258 thousand dollars with a unit value of \$0.72 per pound, imported from Uruguay.

3/ All from Uruguay.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-7.--Corned beef: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-14.--Beef, n.s.p.f., in airtight containers holding not over 2 pounds (TSUSA item 107.5220): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Argentina--	3,213	4,982	6,060	1,135	6,007	2,003	11,935
Italy-----	197	271	103	91	252	81	91
Brazil							
(GSP)-----	0	0	0	0	171	171	0
Brazil-----	1,926	1,884	1,292	311	129	91	18
Paraguay---	227	11	184	32	32	0	0
Canada-----	26	4	0	<u>1/</u>	0	0	0
France-----	0	0	0	<u>1/</u>	0	0	0
Nicaragua--	0	0	7	0	0	0	0
United Kingdom--	14	0	0	0	0	0	0
Total--	5,603	7,151	7,646	1,570	6,592	2,348	2,044
Value (1,000 dollars)							
Argentina--	1,692	3,653	5,148	662	3,571	1,127	1,218
Italy-----	172	268	130	113	328	103	114
Brazil							
(GSP)-----	-	-	-	-	142	142	-
Brazil-----	1,128	1,146	1,158	182	87	65	12
Paraguay---	158	7	169	22	26	-	-
Canada-----	113	19	-	1	-	-	-
France-----	-	-	-	1	-	-	-
Nicaragua--	-	-	2	-	-	-	-
United Kingdom--	7	-	-	-	-	-	-
Total--	3,270	5,093	6,606	982	4,155	1,437	1,344

1/ Less than 500 pounds

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.

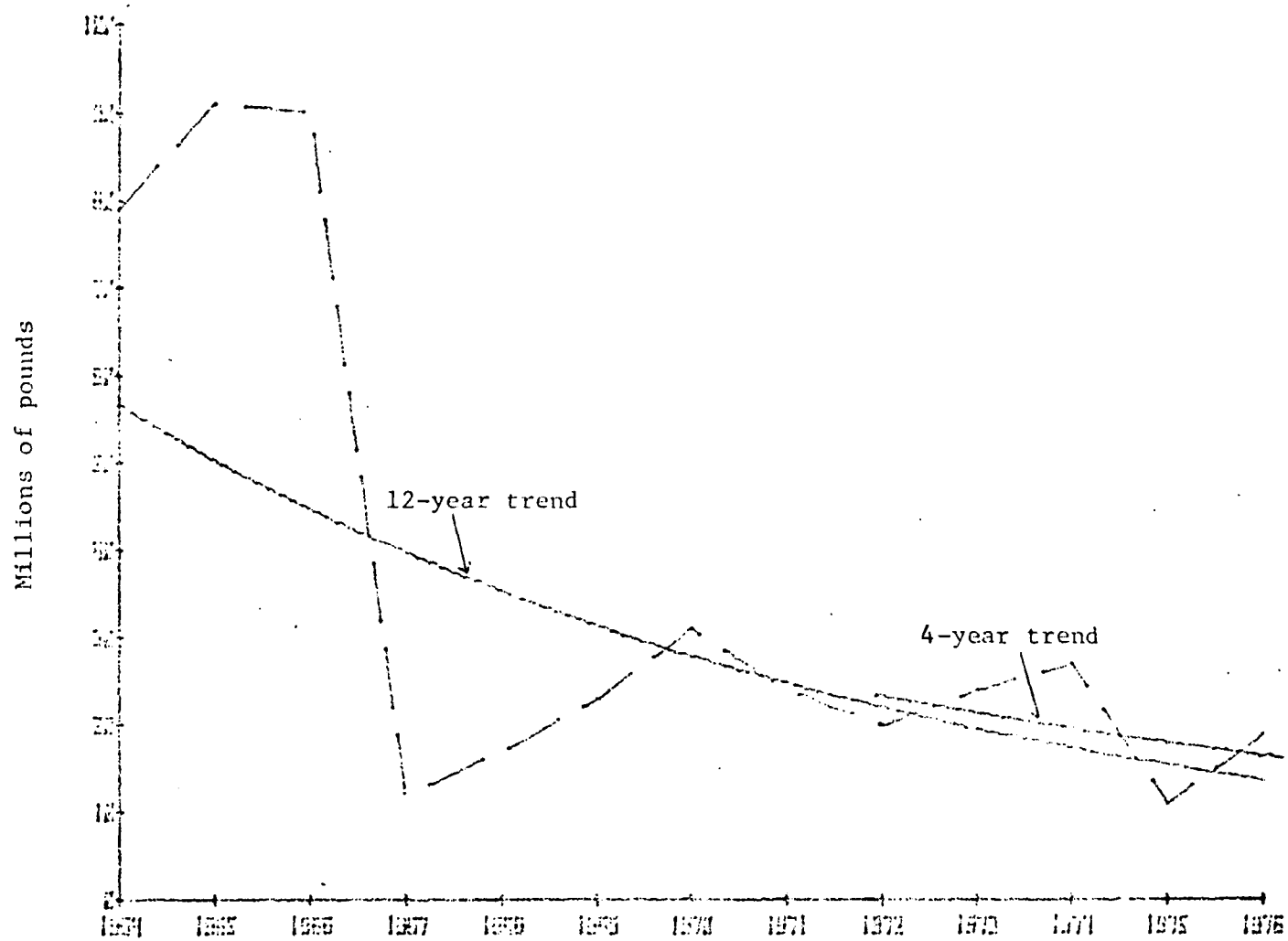
Table A-15.--Beef, n.s.p.f., in airtight containers holding over 2 pounds (TSUSA item 107.5240): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Argentina-----	11,351	13,345	16,196	7,415	10,447	4,447	3,525
Paraguay-----	2,369	2,916	1,876	1,275	1,323	635	235
Brazil-----	241	370	1,147	363	344	108	198
All other-----	130	1	11	69	60	0	0
Total-----	14,091	16,632	19,230	9,122	12,174	5,190	3,958
Value (1,000 dollars)							
Argentina-----	6,732	12,101	15,913	4,615	6,345	2,590	2,236
Paraguay-----	1,611	2,617	1,885	915	950	405	191
Brazil-----	133	327	1,069	230	266	74	163
All other-----	66	1/	13	42	39	-	-
Total-----	8,542	15,045	18,880	5,802	7,600	3,069	2,590
Unit value (per pound)							
Argentina-----	\$0.59	\$0.91	\$0.98	\$0.62	\$0.61	\$0.58	\$0.63
Paraguay-----	.68	.90	1.01	.72	.72	.64	.81
Brazil-----	.55	.88	.93	.63	.77	.69	.82
All other-----	.51	-	1.18	.61	.65	-	-
Average-----	.61	.91	.98	.64	.62	.59	.65

1/ Less than \$500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-8--Other beef in airtight containers: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-16.--Beef and veal, prepared or preserved (except sausages), not cured or pickled and not in airtight containers, not prepared, whether fresh, chilled or frozen, but otherwise preserved and valued over 30 cents per pound (TSUSA item 107.6040): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977 ^{1/}

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
Quantity (1,000 pounds)							
Argentina-----	35,160	33,487	24,538	23,010	32,107	9,803	8,176
Brazil-----	15,841	14,523	15,567	11,706	25,065	3,448	4,709
Australia-----	206	576	929	350	3,088	194	429
New Zealand-----	17	37	31	348	2,210	125	1,134
Canada-----	152	91	21	44	227	5	9
All other-----	1,284	148	135	53	6	2/	20
Total-----	52,660	48,862	41,221	35,511	62,703	13,575	14,477
Value (1,000 dollars)							
Argentina-----	26,278	33,610	29,168	18,698	25,521	7,481	6,825
Brazil-----	13,522	15,452	19,762	9,598	21,977	2,888	3,977
Australia-----	133	679	1,189	292	1,884	137	287
New Zealand-----	10	75	75	190	1,249	97	574
Canada-----	91	87	25	64	230	10	14
All other-----	923	121	109	61	16	3/	19
Total-----	40,957	50,024	50,328	28,903	50,877	10,613	11,696
Unit value (per pound)							
Argentina-----	\$0.75	\$1.00	\$1.19	\$0.81	\$0.79	\$0.76	\$0.83
Brazil-----	.85	1.06	1.27	.82	.88	.84	.84
Australia-----	.65	1.18	1.28	.83	.61	.71	.67
New Zealand-----	.59	2.03	2.42	.55	.57	.78	.51
Canada-----	.60	.96	1.19	1.46	1.01	2.00	1.56
All other-----	.72	.82	.81	1.15	2.67	.83	.95
Average-----	.78	1.02	1.22	.81	.81	.78	.81

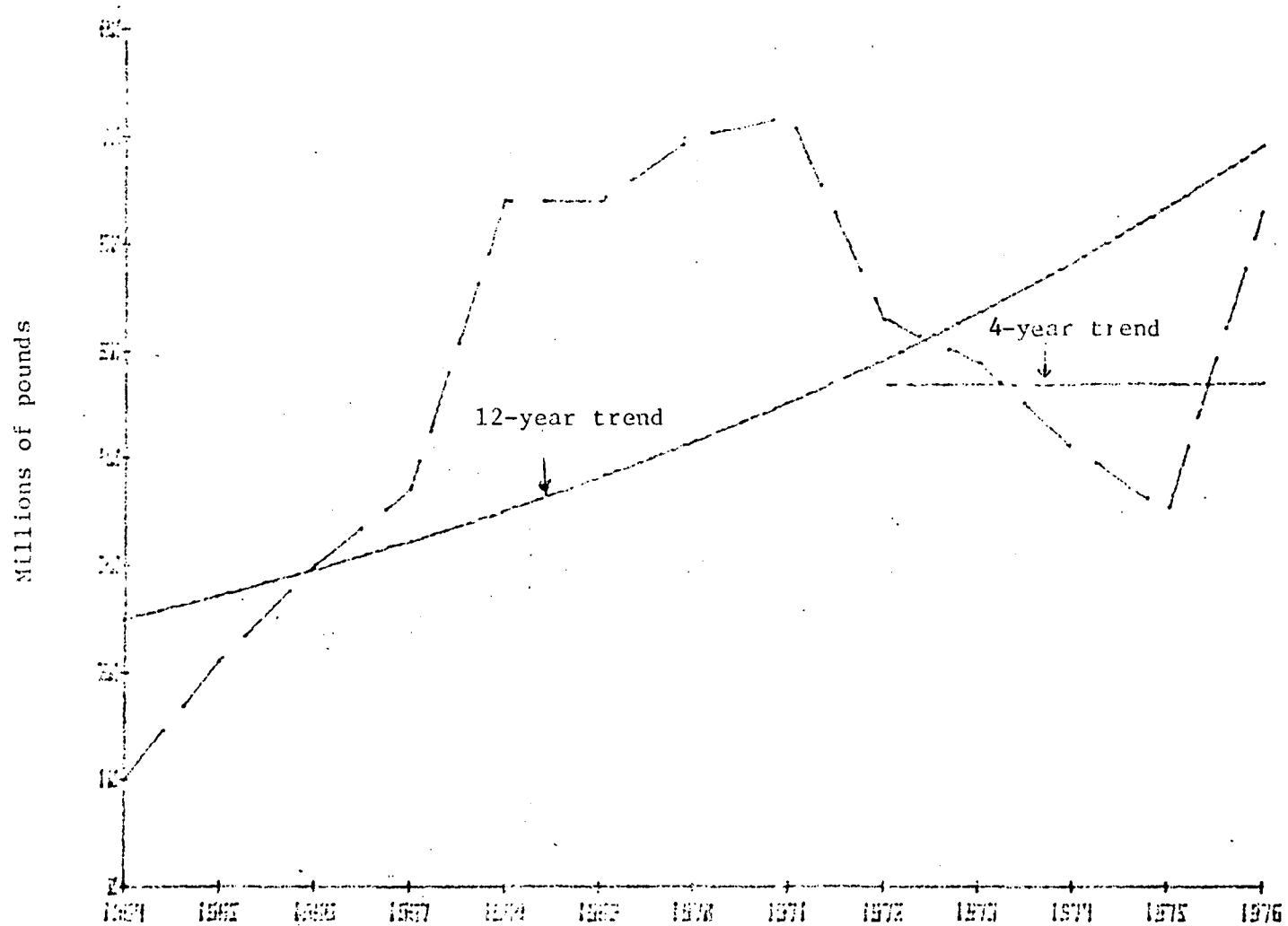
^{1/} Virtually all imports under TSUSA item 107.6040 are thought to consist of cooked frozen beef.

^{2/} Less than 500 pounds.

^{3/} Less than \$500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-9.--Cooked frozen beef: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-17.--Beef and veal, prepared or preserved (except sausages), not cured or pickled and not in airtight containers, valued not over 30 cents per pound (TSUS item 107.55): U.S. imports for consumption, by principal sources, 1972-76, ^{1/} January-April 1976, and January-April 1977

Source	1972	1974	1975	1976	Jan.-Apr.--	
					1976	1977
Quantity (1,000 pounds)						
Australia-----	37	0	533	1,030	150	0
New Zealand-----	84	0	0	34	34	36
All other-----	157	36	196	0	0	0
Total-----	278	36	729	1,064	184	36
Value (1,000 dollars)						
Australia-----	10	-	128	275	38	-
New Zealand-----	24	-	-	9	9	9
All other-----	47	19	58	-	-	-
Total-----	81	19	186	284	47	9
Unit value (per pound)						
Australia-----	\$0.27	-	\$0.24	\$0.27	\$0.25	-
New Zealand-----	.29	-	-	.26	.26	\$0.25
All other-----	.30	<u>2/</u> \$0.52	.30	-	-	-
Average-----	.29	<u>2/</u> .52	.26	.27	.26	.25

^{1/} There were no imports in 1973.

^{2/} Misclassified.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-18.--Beef and veal, prepared or preserved (except sausages), not cured or pickled and not in airtight containers, prepared, whether fresh, chilled, or frozen, but not otherwise preserved and valued over 30 cents per pound (TSUSA item 107.6020): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.-- 1976	Jan.-Apr.-- 1977
Quantity (1,000 pounds)							
New Zealand-----	242	59	16	745	6,300	1,001	1,836
Australia-----	2,191	985	2,574	1,392	5,158	551	520
Honduras-----	10,917	2,353	0	0	1,507	0	866
Nicaragua-----	4,872	471	158	27	511	0	432
Guatemala-----	4,751	1,014	288	464	462	162	241
Canada-----	1,001	885	315	87	66	50	0
All other-----	379	724	47	101	2,872	1,683	53
Total-----	24,353	6,491	3,398	2,816	16,876	3,447	3,948
Value (1,000 dollars)							
New Zealand-----	164	109	26	312	2,890	367	705
Australia-----	1,474	795	3,222	1,209	2,424	238	308
Honduras-----	3,706	838	-	-	831	-	545
Nicaragua-----	2,184	242	99	9	295	-	248
Guatemala-----	2,160	574	202	208	236	85	119
Canada-----	559	634	246	67	62	46	-
All other-----	183	785	24	74	1,486	855	47
Total-----	10,430	3,977	3,819	1,879	8,224	1,591	1,972
Unit value (per pound)							
New Zealand-----	\$0.68	\$1.85	\$1.63	\$0.42	\$0.46	\$0.37	\$0.38
Australia-----	.67	.81	1.25	.87	.47	.43	.59
Honduras-----	.34	.36	-	-	.55	-	.63
Nicaragua-----	.45	.52	.63	.33	.58	-	.57
Guatemala-----	.46	.65	.70	.45	.51	.52	.49
Canada-----	.56	.72	.78	.77	.94	.92	-
All other-----	.48	1.08	.51	.73	.52	.51	.89
Average-----	.43	.61	1.12	.67	.49	.46	.50

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-19.--Mixtures principally of beef and pork (excluding sausages and mixtures principally of pork or beef offal), valued over 30 cents per pound (TSUSA item 107.7540): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
	Quantity (1,000 pounds)						
Denmark-----	8,819	8,974	7,232	4,401	5,722	1,940	1,906
Poland-----	40	342	324	2,309	929	556	0
Netherlands-----	9	31	19	215	133	6	185
France-----	28	54	28	45	30	12	13
All other-----	113	98	118	25	1/ 207	195	0
Total-----	9,009	9,499	7,721	6,995	7,021	2,709	2,104
	Value (1,000 dollars)						
Denmark-----	3,465	5,159	4,923	3,263	4,549	1,493	1,683
Poland-----	15	224	190	1,104	557	346	-
Netherlands-----	3	22	6	114	86	3	128
France-----	29	64	34	83	33	8	23
All other-----	48	43	101	26	1/ 178	168	-
Total-----	3,560	5,512	5,254	4,590	5,403	2,018	1,834
	Unit value (per pound)						
Denmark-----	\$0.39	\$0.58	\$0.68	\$0.74	\$0.80	\$0.77	\$0.88
Poland-----	.38	.66	.59	.48	.60	.62	-
Netherlands-----	.33	.71	.32	.53	.65	.50	.69
France-----	1.04	1.19	1.21	1.84	1.10	.67	1.77
All other-----	.42	.44	.86	1.04	1/ .86	.86	-
Average-----	.40	.58	.68	.66	.77	.74	.87

1/ Includes 124 thousand pounds valued at 108 thousand dollars with a unit value of \$0.87 per pound, imported from Spain.

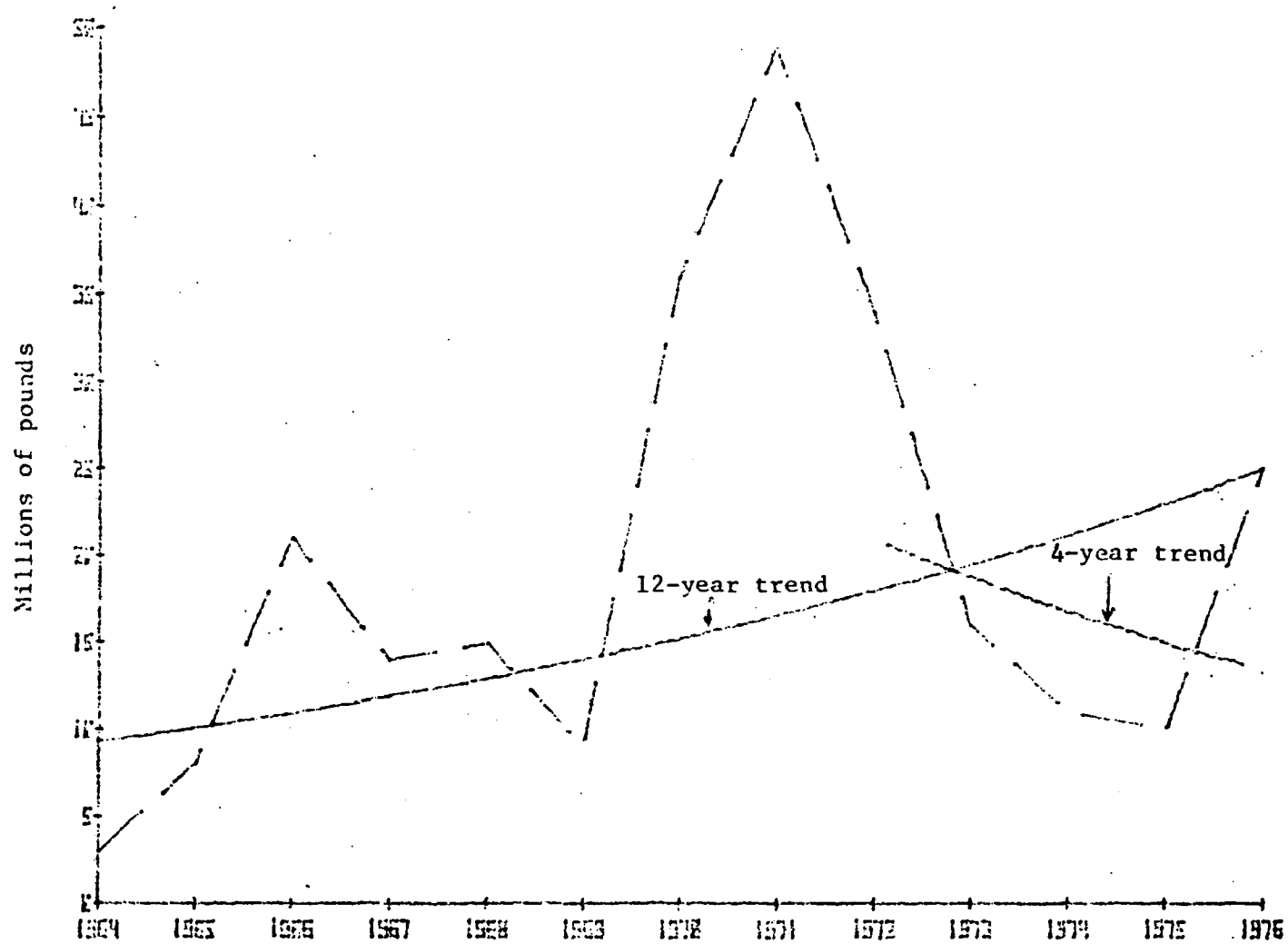
Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-20.--Other meats and edible offal, prepared or preserved (except frog meat, lamb, or mutton), valued over 30 cents per pound (TSUSA item 107.7560): U.S. imports for consumption, by principal sources, 1972-76, January-April 1976, and January-April 1977

Source	1972	1973	1974	1975	1976	Jan.-Apr.--	
						1976	1977
	Quantity (1,000 pounds)						
France-----	1,287	1,407	1,323	936	1,274	431	388
Poland-----	0	66	48	1,707	875	444	0
Turkey-----	25	18	82	100	126	39	18
Yugoslavia-----	56	40	93	132	74	0	53
Denmark-----	579	346	675	718	198	51	50
All other-----	268	272	345	158	490	163	123
Total-----	2,215	2,149	2,566	3,751	3,037	1,128	632
	Value (1,000 dollars)						
France-----	1,868	2,476	2,987	2,607	3,268	1,089	926
Poland-----	-	38	30	894	522	279	-
Turkey-----	47	49	200	283	264	80	59
Yugoslavia-----	79	107	202	306	219	-	120
Denmark-----	253	197	465	434	209	42	57
All other-----	206	174	241	141	542	136	145
Total-----	2,453	3,041	4,125	4,665	5,024	1,626	1,307
	Unit value (per pound)						
France-----	\$1.45	\$1.76	\$2.26	\$2.78	\$2.57	\$2.53	\$2.39
Poland-----	-	.58	.63	.52	.60	.63	-
Turkey-----	1.88	2.72	2.44	2.83	2.10	2.05	3.28
Yugoslavia-----	1.41	2.68	2.17	2.32	2.96	-	2.26
Denmark-----	.44	.57	.69	.60	1.06	.82	1.14
All other-----	.77	.64	.70	.89	1.11	.83	1.18
Average-----	1.11	1.42	1.61	1.24	1.65	1.44	2.07

Source: Compiled from official statistics of the U.S. Department of Commerce.

Figure A-10.--Other beef: U.S. imports for consumption, 1964-76.



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-21.--Beef and veal: U.S. imports for consumption, by principal sources, 1972-76

(In thousands of pounds)					
Source	1972	1973	1974	1975	1976
Fresh, chilled, or frozen <u>1/</u>					
Australia-----	672,136	695,649	51,743	678,926	669,302
New Zealand---	266,045	290,717	259,725	275,251	262,096
Canada-----	58,298	55,253	36,540	21,074	84,019
Costa Rica----	50,460	47,814	60,129	60,492	55,876
Mexico-----	81,870	66,988	38,804	29,722	52,345
Nicaragua-----	54,103	54,806	32,660	47,654	49,361
Honduras-----	25,652	40,064	29,339	35,447	39,038
Guatemala-----	32,025	38,504	29,528	33,421	33,491
All other-----	59,298	52,247	77,793	25,806	36,058
Total-----	1,299,887	1,342,042	1,075,261	1,207,793	1,281,586
Other <u>2/</u>					
Argentina-----	94,134	80,660	88,978	56,214	95,018
Brazil-----	47,987	45,688	39,478	34,841	73,033
Australia-----	3,481	2,832	4,921	2,981	9,852
New Zealand---	1,135	799	587	1,786	8,807
Denmark-----	11,209	11,175	9,879	7,301	8,701
Paraguay-----	9,444	15,711	5,730	7,789	7,946
Canada-----	6,763	5,034	3,437	4,350	4,092
Honduras-----	11,206	2,652	204	0	1,753
Poland-----	40	342	324	2,309	929
Guatemala-----	4,946	1,329	370	464	578
Nicaragua-----	4,959	682	214	0	552
France-----	52	54	0	45	30
All other-----	2,490	2,539	2,077	1,429	5,082
Total-----	197,846	169,498	156,199	119,509	216,373
Total					
Australia-----	675,617	698,481	515,664	681,907	679,154
New Zealand---	267,180	291,516	260,312	277,037	270,903
Argentina-----	94,134	80,972	88,978	56,214	95,018
Canada-----	65,061	60,287	39,977	25,424	88,111
Brazil-----	47,987	45,688	39,478	34,841	73,033
Costa Rica----	50,549	47,855	60,129	60,492	55,903
Mexico-----	82,130	67,393	38,804	29,722	52,431
Nicaragua-----	59,062	55,488	32,874	47,654	49,913
Honduras-----	36,858	42,716	29,543	35,447	40,791
Guatemala-----	36,971	39,833	29,898	33,885	34,069
All other-----	82,184	81,311	95,803	44,679	58,633
Total-----	1,497,733	1,511,540	1,231,460	1,327,302	1,497,959

1/ Imports of beef and veal subject to the Meat Import Act of 1964.

2/ Imports of beef and veal not subject to the Meat Import Act of 1964.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-22.--Beef and veal, fresh, chilled, or frozen: U.S. imports for consumption, by principal customs districts, 1974 and 1976

Customs district	1974	1976
	Quantity (pounds)	
New York, N.Y-----	296,295,061	398,743,759
Philadelphia, Pa-----	199,111,857	191,060,390
Miami, Fla-----	127,830,966	151,977,892
San Juan, P.R-----	26,914,868	86,177,922
Los Angeles, Calif-----	60,728,587	68,595,099
Seattle, Wash-----	42,698,365	54,428,921
San Francisco, Calif-----	47,482,957	46,805,445
Ogdensburg, N.Y-----	19,883,138	36,574,719
Charleston, S.C-----	48,139,149	41,276,541
El Paso, Tex-----	0	36,563,754
Other-----	206,176,169	169,382,514
Total-----	1,075,261,117	1,281,586,952
	Value	
New York, N.Y-----	\$202,861,994	\$228,666,694
Philadelphia, Pa-----	131,797,326	108,007,349
Miami, Fla-----	88,620,564	101,749,908
San Juan, P.R-----	18,323,999	44,057,857
Los Angeles, Calif-----	42,639,973	41,461,878
Seattle, Wash-----	30,279,465	32,359,154
San Francisco, Calif-----	24,773,495	28,023,638
Ogdensburg, N.Y-----	14,642,778	23,930,277
Charleston S.C-----	32,627,132	23,650,284
El Paso, Tex-----	-	22,795,955
Other-----	153,909,077	104,077,331
Total-----	740,475,803	758,780,325

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-23.--Beef, in airtight containers: U.S. imports for consumption, by principal customs districts, 1974 and 1976

Customs district	1974	1976
	Quantity (pounds)	
Philadelphia, Pa-----	23,005,396	23,110,149
San Francisco, Calif-----	9,867,310	15,056,131
Mobile, Ala-----	7,762,146	16,302,404
New York, N.Y-----	7,273,824	15,144,540
San Juan, P.R-----	8,238,335	12,147,108
New Orleans, La-----	16,281,052	10,021,248
Baltimore, Md-----	4,969,293	9,185,066
Houston, Tex-----	6,369,162	5,246,133
Los Angeles, Calif-----	2,296,782	3,313,534
Tampa, Fla-----	1,598,412	2,909,961
Other-----	6,132,031	6,164,242
Total-----	93,793,743	118,600,516
	Value	
Philadelphia, Pa-----	\$23,437,697	\$17,168,535
San Francisco, Calif-----	10,749,507	11,502,284
Mobile, Ala-----	8,271,395	11,273,848
New York, N.Y-----	7,292,088	11,105,556
San Juan, P.R-----	8,918,474	9,606,710
New Orleans, La-----	17,628,643	8,008,762
Baltimore, Md-----	5,095,152	7,036,555
Houston, Tex-----	6,468,307	3,129,032
Los Angeles, Calif-----	2,461,911	2,573,207
Tampa, Fla-----	1,553,522	2,300,979
Other-----	5,540,699	4,495,033
Total-----	97,417,395	88,200,501

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-24.--Beef and veal, prepared or preserved: U.S. imports for consumption, by principal customs districts, 1974 and 1976

Customs districts	1974	1976
	Quantity (pounds)	
New Orleans, La-----	21,880,100	32,608,493
Philadelphia, Pa-----	17,633,355	19,153,399
New York, N.Y-----	3,317,927	9,840,457
San Francisco, Calif-----	626,779	6,523,724
Miami, Fla-----	539,925	4,611,116
Seattle, Wash-----	6,600	3,431,801
Los Angeles, Calif-----	39,044	1,568,805
Detroit, Mich-----	31,080	1,584,009
San Juan P.R-----	0	707,722
Buffalo, N.Y-----	336,096	289,919
Other-----	243,867	323,926
Total-----	44,654,773	80,643,371
	Value	
New Orleans, La-----	\$26,926,474	\$26,978,567
Philadelphia, Pa-----	21,688,624	15,520,361
New York, N.Y-----	3,882,931	5,499,917
San Francisco, Calif-----	742,832	5,138,310
Miami, Fla-----	368,558	2,398,520
Seattle, Wash-----	17,681	1,199,589
Los Angeles, Calif-----	45,546	890,879
Detroit, Mich-----	23,784	807,818
San Juan, P.R-----	-	426,991
Buffalo, N.Y-----	270,560	290,020
Other-----	198,327	233,762
Total-----	54,165,317	59,384,734

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-25.—Cattle and calves on U.S. farms, as of Jan. 1 of 1964-77

Year	Number	Farm value	
		Per head	Total
	<u>1,000 head</u>		<u>1,000 dollars</u>
1964-----	107,903	\$ 127	13,703,681
1965-----	109,000	113	12,359,756
1966-----	108,862	133	14,442,853
1967-----	108,783	149	16,211,800
1968-----	109,371	148	16,240,527
1969-----	110,015	158	17,389,737
1970-----	112,369	179	20,160,403
1971-----	114,578	184	21,112,904
1972-----	117,862	208	23,519,645
1973-----	121,534	252	30,582,529
1974-----	127,670	293	37,446,717
1975-----	131,826	159	20,963,981
1976-----	127,976	190	23,337,880
1977-----	122,896	<u>1/</u>	<u>1/</u>

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-26.--Domestic boneless beef used by and average delivered cost 1/ to U.S. processors of meat, 1974-76, January-April 1976, and January-April 1977

Period	Corn Belt	Range area <u>1/</u>	Southeastern States	All other	Total
Quantity (1,000 pounds)					
1974-----	321,716	6,055	1,102	55,708	384,581
1975-----	233,411	8,281	1,458	59,116	302,266
1976-----	426,520	10,411	7,321	56,865	501,117
January-April--					
1976-----	151,866	3,347	2,350	23,975	181,538
1977-----	153,491	3,285	2,565	25,286	184,627
Average delivered cost <u>2/</u> (cents per pound)					
1974-----	73	55	89	73	73
1975-----	71	54	67	63	69
1976-----	69	54	71	57	67
January-April--					
1976-----	71	54	65	57	62
1977-----	68	48	72	57	66

1/ Includes California.

2/ Weighted average.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission by domestic processors of meat.

Table A-27.--Imported boneless beef used by and average delivered cost 1/ to U.S. processors of meat, 1974-76, January-April 1976, and January-April 1977

Period	Corn Belt	Range area <u>1/</u>	Southeastern States	All other	Total
Quantity (1,000 pounds)					
1974-----	8,238	43,193	875	68,127	120,433
1975-----	17,496	43,176	3,320	64,644	128,636
1976-----	15,808	72,821	2,240	77,033	167,902
January-April--					
1976-----	4,551	72,605	1,831	25,377	104,364
1977-----	4,519	75,828	616	24,735	105,698
Average delivered cost <u>2/</u> (cents per pound)					
1974-----	79	74	73	79	77
1975-----	72	73	62	89	81
1976-----	71	73	73	78	75
January-April--					
1976-----	68	73	70	82	75
1977-----	74	73	70	85	76

1/ Include California.

2/ Weighted average.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission by domestic processors of meat.

Table A-28. --Average livestock prices received by farmers for all grades, 1/ 1964-76 and, by months, January-April 1977

(Per 100 pounds)				
Period	: Beef : cattle	: Calves	: Hogs	: Lambs
1964-----	: \$18.00	: \$23.00	: \$14.80	: \$19.90
1965-----	: 19.90	: 22.10	: 20.60	: 22.80
1966-----	: 22.20	: 26.00	: 22.80	: 23.40
1967-----	: 22.30	: 26.30	: 18.90	: 22.10
1968-----	: 23.40	: 27.60	: 18.50	: 24.40
1969-----	: 26.20	: 31.50	: 22.20	: 27.20
1970-----	: 27.10	: 34.50	: 22.70	: 26.40
1971-----	: 29.00	: 36.40	: 17.50	: 25.90
1972-----	: 33.50	: 44.70	: 25.10	: 29.10
1973-----	: 42.80	: 56.60	: 38.40	: 35.10
1974-----	: 35.60	: 35.20	: 34.20	: 37.00
1975-----	: 32.30	: 27.20	: 46.10	: 42.10
1976-----	: 33.70	: 34.10	: 43.30	: 46.90
1977:	:	:	:	:
January-----	: 32.30	: 33.70	: 38.00	: 48.50
February-----	: 33.10	: 35.60	: 39.30	: 49.50
March-----	: 33.80	: 36.60	: 37.10	: 49.20
April-----	: 34.90	: 38.10	: 36.00	: 51.00
	:	:	:	:

1/ Weighted average prices. Hog prices are for marketing year of December through November.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-29,--Beef and veal: U.S. average retail meat prices, by specified products, specified years 1960 to 1975 and, by months, January-April 1977

(In cents per pound)										
Product	1960	1965	1970	1975	1976	1977				
						January	February	March	April	
Round steak-----	105.5	108.4	130.2	188.5	178.3	174.0	174.4	174.7	175.6	
Sirloin steak-----	108.8	113.7	134.9	198.7	193.0	188.1	181.8	181.8	1/	
Porterhouse steak--	1/	132.3	158.6	237.2	238.7	234.0	226.7	226.7	230.5	
Rump roast-----	1/	108.0	128.9	183.6	174.6	173.1	169.6	170.4	171.5	
Rib roast-----	81.7	89.7	111.7	179.6	177.4	182.0	178.9	175.7	168.0	
Chuck roast-----	61.6	59.5	72.5	102.8	96.9	91.0	93.0	91.5	92.5	
Hamburger-----	52.4	50.8	66.2	87.8	87.6	85.5	85.4	84.9	85.1	
Liver-----	1/	57.3	68.2	86.7	76.9	71.2	72.3	73.0	1/	
Veal cutlets-----	141.6	146.3	220.1	323.5	303.3	310.0	314.5	310.5	313.3	

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Labor.

Table A-30.--Per capita disposable income and amount spent for red meat, 1/ 1972-76, January-March 1976 and January-March 1977

Period	: Disposable : : income :	Amount of income spent for--					:	Percentage of income spent for--				
		: Beef <u>2/</u> :	: Pork :	: Veal :	: Lamb :	: Total :		: Beef :	: Pork :	: Veal :	: Lamb :	: Total
1972-----	\$3,837	: \$97.75	: \$52.17	: \$2.77	: \$3.45	: \$156.14	:	2.55	: 1.36	: 0.07	: 0.09	: 4.07
1973-----	4,286	: 109.89	: 62.90	: 2.73	: 3.22	: 178.74	:	2.56	: 1.47	: .06	: .08	: 4.17
1974-----	4,639	: 119.92	: 66.98	: 3.69	: 2.91	: 193.50	:	2.59	: 1.45	: .08	: .06	: 4.17
1975-----	5,060	: 129.72	: 68.85	: 6.52	: 3.02	: 208.18	:	2.58	: 1.37	: .13	: .06	: 4.13
1976-----	5,494	: 132.51	: 72.66	: 5.88	: 3.14	: 214.19	:	2.41	: 1.32	: .11	: .06	: 3.90
Jan.-Mar.:	:	:	:	:	:	:	:	:	:	:	:	:
1976---	1,337	: 34.39	: 18.40	: 1.56	: .90	: 55.25	:	2.57	: 1.38	: .12	: .07	: 4.13
1977---	1,441	: 31.69	: 17.50	: 1.47	: .81	: 51.47	:	2.20	: 1.21	: .10	: .06	: 3.57
:	:	:	:	:	:	:	:	:	:	:	:	:

1/ Estimated from retail weight of consumption times average retail price. Conversion factors of 0.74 for beef, 0.93 for pork, 0.83 for veal, and 0.89 for lamb and mutton were used to adjust carcass-weight consumption to retail-weight consumption.

2/ Based on the average retail price of choice-grade beef; does not account for prices of other grades or the value of away-from-home consumption.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-31.--Summary of the financial condition of the meat-packing industry, 1964-74

Year	:	:	:	Ratio of earnings	
	:	Total	Net	:	to--
	:	sales	worth	Net	Total : Net
	:			earnings	sales : worth
	:	<u>Million</u>	<u>Million</u>	<u>Million</u>	:
	:	<u>dollars</u>	<u>dollars</u>	<u>dollars</u>	<u>Percent</u> <u>Percent</u>
	:				
1964-----	:	15,900	1,900	182	1.2 : 9.6
1965-----	:	17,125	2,050	142	.8 : 6.9
1966-----	:	19,500	2,050	134	.7 : 6.5
1967-----	:	19,825	2,175	200	1.0 : 9.2
1968-----	:	20,750	2,150	185	.9 : 8.6
1969-----	:	23,125	2,325	205	.9 : 8.8
1970-----	:	24,400	2,450	244	1.0 : 10.0
1971-----	:	24,725	2,725	334	1.4 : 12.3
1972-----	:	27,800	2,850	235	.8 : 8.2
1973-----	:	33,225	3,225	340	1.0 : 10.5
1974-----	:	35,500	3,400	374	1.1 : 11.0
	:				

Source: Compiled from data supplied by the American Meat Institute.

Table A-32.--Steer prices, costs, and net margins, by months, January 1975-July 1977 ^{1/}

Month	(Per hundredweight)											
	1975				1976				1977			
	Steers, Omaha	Feed and feeder	Break- even, all costs	Net margin	Steers, Omaha	Feed and feeder	Break- even, all costs	Net margin	Steers, Omaha	Feed and feeder	Break- even, all costs	Net margin
January-----	\$ 36.34	\$ 39.63	\$ 45.27	-\$8.93	\$ 41.18	\$ 37.83	\$ 43.50	-\$2.32	\$ 38.38	\$ 40.85	\$ 47.82	-\$9.44
February-----	34.74	42.39	48.09	-13.35	38.80	39.05	41.67	-5.87	37.98	40.65	46.35	-8.37
March-----	36.08	38.18	43.69	-7.61	36.14	40.04	45.79	-9.65	37.28	39.25	45.06	-7.78
April-----	42.80	39.74	45.37	-2.57	43.12	39.39	45.30	-2.18	40.08	37.86	43.66	-3.58
May-----	49.48	37.54	43.11	+6.37	40.62	38.15	44.01	-3.39	41.98	36.24	42.07	-.09
June-----	51.82	37.53	43.09	+8.73	40.52	38.12	43.98	-3.46	40.24	37.73	43.58	-3.34
July-----	50.21	35.36	40.82	+9.39	37.92	38.34	44.17	-6.25	40.94	38.50	44.41	-3.47
August-----	46.80	34.43	39.91	+6.89	37.02	40.40	46.40	-9.38	-	-	-	-
September-----	48.91	34.57	40.10	+8.81	36.97	39.94	45.94	-8.97	-	-	-	-
October-----	47.90	36.31	41.77	+6.13	37.88	42.53	48.68	-10.80	-	-	-	-
November-----	45.23	38.31	43.93	+1.30	39.15	43.28	49.42	-10.27	-	-	-	-
December-----	45.01	38.97	44.64	+.37	39.96	43.37	49.49	-9.53	-	-	-	-
Average---	42.11	37.75	43.32	+1.21	39.11	40.04	45.96	-6.85	39.55	38.73	44.71	-5.16

^{1/} Selling price required to cover costs of feeding 600 lb. feeder steer to 1,050 lb. slaughter in corn belt.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-33.--Great Plains custom cattle feeding: Selected expenses at current rates, 1/ by months of purchase and marketing, April 1976-January 1978

Purchased during	Apr. 76	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 77	Feb.	Mar.	Apr.	May	June	July
Marketed during	Oct. 76	Nov.	Dec.	Jan. 77	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 78
Cost per head																
Expenses:																
600 lb. feeder steer----	\$265.74	\$253.50	\$248.22	\$234.24	\$231.00	\$208.86	\$210.24	\$208.14	\$215.22	\$218.82	\$228.00	\$231.60	\$250.86	\$243.96	\$230.34	\$232.74
Transportation to feedlot (300 mi.)----	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96
Commission-----	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Feed:																
Milo (1,500 lb.)-----	68.25	69.75	72.75	75.60	68.10	66.15	60.90	57.60	57.30	58.50	59.10	58.05	58.05	56.10	51.90	51.90
Corn (1,500 lb.)-----	73.50	78.45	81.75	82.50	75.75	70.50	66.30	62.40	64.05	66.90	66.00	64.80	65.55	64.50	58.35	56.55
Cottonseed meal (400 lb.)-----	36.40	36.40	38.80	43.20	42.00	42.40	42.40	42.00	43.60	44.80	46.40	46.80	47.20	48.40	48.80	47.60
Alfalfa hay (800 lb.)-----	37.80	38.40	38.00	39.20	39.00	39.40	39.00	38.80	38.60	36.80	40.00	39.40	39.60	38.00	37.20	38.00
Total feed cost-----	215.95	223.00	231.30	240.50	224.85	218.45	208.60	200.80	203.55	207.00	211.50	209.05	210.40	207.00	196.25	194.05
Feed handling and management charge-----	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Vet medicine-----	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Interest on feeder and 1/2 feed-----	17.75	17.34	17.28	16.84	16.31	15.11	14.55	14.27	14.66	14.91	15.44	15.55	16.47	16.07	16.19	15.25
Death loss (1.5% of purchase)-----	3.99	3.80	3.72	3.51	3.46	3.13	3.15	3.12	3.23	3.28	3.42	3.47	3.76	3.66	3.46	3.49
Marketing-----	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/
Total-----	534.39	528.60	531.48	526.05	506.58	476.51	467.50	457.29	467.62	474.97	489.32	490.63	512.45	501.65	476.20	476.49
Cost per hundredweight																
Selling price required to cover 3/---																
Feed to feeder cost (1,056 lb.)-----	\$45.61	\$45.12	\$45.41	\$44.96	\$43.17	\$40.46	\$39.66	\$38.73	\$39.66	\$40.32	\$41.62	\$41.73	\$43.68	\$42.70	\$40.40	\$40.42
All costs-----	50.61	50.06	50.33	49.82	47.97	45.12	44.27	43.30	44.28	44.98	46.34	46.46	48.53	47.50	45.09	45.12
Selling price/cwt 4/---	38.40	40.10	41.10	38.40	38.36	37.91	41.17	43.35	40.87	41.20						
Net margin/cwt-----	12.21	-9.96	-9.23	-11.42	-9.61	-7.21	-3.10	-0.05	-3.41	-3.78						
Costs per 100 lb. gain:																
Variable costs less interest-----	48.79	50.16	51.80	53.60	50.46	49.12	47.15	45.58	46.16	46.86	47.78	47.30	47.63	46.93	44.74	44.31
Feed costs-----	43.19	44.60	46.26	48.10	44.97	43.69	41.72	40.16	40.71	41.40	42.30	41.81	42.08	41.40	39.25	38.81
Unit price																
Choice feeder steer (600-700 lb.), Amarillo, per cwt----	\$44.29	\$42.25	\$41.37	\$39.04	\$38.50	\$34.81	\$35.04	\$34.69	\$35.87	\$36.47	\$38.00	\$38.60	\$41.81	\$40.66	\$38.39	\$38.79
Transportation rate/cwt/100 mi. 5/-----	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Commission fee/cwt-----	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50
Milo/cwt. 6/-----	4.55	4.65	4.85	5.04	4.54	4.41	4.06	3.84	3.82	3.90	3.94	3.87	3.87	3.74	3.46	3.45
Corn/cwt. 6/-----	4.90	5.23	5.45	5.50	5.05	4.70	4.42	4.16	4.27	4.46	4.40	4.32	4.37	4.30	3.89	3.77
Cottonseed meal/cwt. 7/-----	9.10	9.10	9.70	10.80	10.50	10.60	10.60	10.50	10.90	11.20	11.60	11.70	11.80	12.10	12.20	11.90
Alfalfa hay/ton 8/-----	94.50	96.00	95.00	98.00	97.50	98.50	97.50	97.00	96.50	92.00	100.00	98.50	99.00	95.00	93.00	95.00
Feed handling and management charge/ton-----	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Interest, annual rate--	9.60	9.50	9.50	9.50	9.50	9.50	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25

1/ Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ratios and expense items do not necessarily coincide with experience of individual feedlots. Steers are assumed to gain 500 pounds in 180 days at 2.8 pounds per day with a feed conversion of 8.4 pounds per pound gain.

2/ Most cattle sold f.o.b. feedlot with 4-percent shrink.

3/ Sale weight 1,056 pounds (1,100 pounds less 4-percent shrink).

4/ Choice slaughter steers 900-1,000 pounds, Texas-New Mexico direct.

5/ Converted from cents per mile for a 44,000-pound haul.

6/ Texas Panhandle elevator price plus \$0.15 per hundredweight handling and transportation to feedlots.

7/ Average prices received by farmers in Texas.

8/ Average prices received by farmers in Texas plus \$30 per ton handling and transportation to feedlots.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-34.--Corn Belt cattle feeding: Selected expenses at current rates, 1/ by months of purchase and marketing, April 1976-January 1978

Purchased during	Apr. 76	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 77	Feb.	Mar.	Apr.	May	June	July
Marketed during	Oct. 76	Nov.	Dec.	Jan. 77	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 78
Cost per head																
600 lb. feeder steer-----	\$267.72	\$265.26	\$256.98	\$235.08	\$233.64	\$217.08	\$220.32	\$217.56	\$217.38	\$218.94	\$227.16	\$233.70	\$250.86	\$250.32	\$239.40	\$243.84
Transportation to feedlot (400 mi.)-----	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.38	5.28	5.28	5.28	5.28	5.28	5.28
Corn (45 bu.)-----	110.70	118.80	123.75	127.35	117.90	117.90	103.50	90.90	101.70	105.30	104.85	104.85	104.40	99.45	94.50	86.40
Silage (1.7 tons)-----	34.80	36.40	37.40	38.15	36.50	37.77	35.33	33.37	36.40	38.05	38.39	38.45	36.75	34.63	32.71	30.97
Protein supplement (270 lb.)-----	23.49	24.03	27.27	28.35	26.60	28.35	27.14	27.14	28.48	29.02	28.76	29.84	31.86	32.40	31.05	27.81
Hay (400 lb.)-----	9.90	9.95	10.00	10.05	10.15	11.05	11.25	11.55	12.25	12.95	13.25	13.30	12.15	11.30	10.60	10.45
Labor (4 hours)-----	10.24	10.32	10.32	10.32	9.56	9.56	9.56	9.84	9.84	9.84	10.24	10.24	10.24	10.72	10.72	10.72
Management 2/-----	5.12	5.16	5.16	5.16	4.78	4.78	4.78	4.92	4.92	4.92	5.12	5.12	5.12	5.36	5.36	5.36
Vet medicine 3/-----	3.06	3.06	3.09	3.10	3.09	3.09	3.06	3.06	3.09	3.16	3.19	3.22	3.25	3.27	3.25	3.24
Interest on purchase (6 mo.)-----	12.05	11.94	11.56	10.58	10.51	9.77	9.91	9.79	9.78	9.85	10.22	10.52	11.29	11.26	10.77	10.97
Power, equipment, fuel, shelter, depreciation 3/-----	14.27	14.24	14.40	14.47	14.40	14.40	14.29	14.29	14.40	14.75	14.88	15.02	15.17	15.23	15.17	15.10
Death loss (1% of purchase)-----	2.68	2.65	2.57	2.35	2.34	2.18	2.20	2.18	2.17	2.19	2.27	2.34	2.51	2.50	2.39	2.44
Transportation (100 mi.)-----	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31
Marketing expenses-----	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Miscellaneous and indirect costs 3/-----	6.17	6.16	6.23	6.26	6.23	6.23	6.18	6.18	6.23	6.38	6.44	6.49	6.56	6.59	6.56	6.53
Total-----	\$11.14	\$18.91	\$19.67	\$602.16	\$486.64	\$473.10	\$458.46	\$441.72	\$457.58	\$466.29	\$475.71	\$484.03	\$501.10	\$493.97	\$473.42	\$464.77
Cost per hundredweight																
Selling price/cwt. required to cover feed costs (1,050 lb.)-----	\$42.53	\$43.28	\$43.37	\$40.85	\$40.46	\$39.25	\$37.86	\$36.24	\$37.73	\$38.50	\$39.28	\$40.01	\$41.53	\$40.77	\$38.88	\$38.04
Selling price/cwt. required to cover all costs (1,050 lb.)-----	48.68	49.42	49.49	47.82	46.35	45.06	43.66	42.07	43.58	44.41	45.31	46.10	47.72	47.04	45.09	44.26
Feed cost per 100 lb. gain-----	39.75	42.04	44.09	45.31	42.48	43.35	39.38	36.21	39.74	41.18	41.17	41.43	41.15	39.51	37.52	34.58
Choice steers, Omaha-----	37.88	39.15	39.96	38.38	37.98	37.28	40.08	41.98	40.24	40.94	-	-	-	-	-	-
Net margin/cwt-----	-10.80	-10.27	-9.53	-9.44	-8.37	-7.78	-3.58	-0.09	-3.34	-3.47	-	-	-	-	-	-
Unit price																
Choice feeder steer (600-700 lb.) Kansas City, per cwt-----	\$44.62	\$44.21	\$42.83	\$39.18	\$38.94	\$36.18	\$36.72	\$36.26	\$36.23	\$36.49	\$37.86	\$38.95	\$41.81	\$41.72	\$39.90	\$40.64
Corn/bu. 4/-----	2.46	2.64	2.75	2.83	2.62	2.62	2.30	2.02	2.26	2.34	2.33	2.33	2.32	2.21	2.10	1.92
Hay/ton 4/-----	49.50	49.75	50.00	50.25	50.75	55.25	56.25	57.75	61.25	64.75	66.25	66.50	60.75	56.50	53.00	52.25
Corn silage/ton 5/-----	20.47	21.41	22.00	22.44	21.47	22.22	20.78	19.63	21.41	22.38	22.58	22.62	21.62	20.37	19.24	18.22
32-26% protein supp./cwt. 6/-----	8.70	8.90	10.10	10.50	9.85	10.50	10.05	10.05	10.55	10.75	10.65	11.05	11.80	12.00	11.50	10.30
Farm labor/hour 6/-----	2.56	2.58	2.58	2.58	2.39	2.39	2.39	2.46	2.46	2.46	2.56	2.56	2.56	2.68	2.68	2.68
Interest annual rate-----	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Transportation rate/cwt/100 mi. 7/-----	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses 8/-----	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35

1/ Represent only what expenses would be if all selected items were paid for during the period indicated. The feed ratios and expense items do not necessarily coincide with experience of individual feeders.

2/ Assumes 1 hour at twice the labor rate.

3/ Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes, and wage rates.

4/ Average price received by farmers in Iowa and Illinois.

5/ Corn silage price derived from an equivalent price of 5 bushels corn and 330 pounds hay.

6/ Average price paid by farmers in Iowa and Illinois.

7/ Converted from cents per mile for 44,000-pound haul.

8/ Yardage plus commission fees at a midwest terminal market.

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-35.--Beef and veal: U.S. production and civilian consumption, 1964-76

Year	Beef			Veal		
	Production	Consumption		Production	Consumption	
		Total	Per capita		Total	Per capita
		Million pounds	Million Pounds		Million pounds	Million Pounds
1964-----	18,429	19,137	99.9	1,013	990	5.2
1965-----	18,699	19,310	99.5	1,020	992	5.2
1966-----	19,695	20,519	104.2	911	881	4.6
1967-----	20,184	21,085	106.5	792	749	3.8
1968-----	20,847	21,894	109.7	735	707	3.6
1969-----	21,125	22,266	110.8	673	654	3.3
1970-----	21,652	22,916	113.7	588	581	2.9
1971-----	21,868	23,071	113.0	546	545	2.7
1972-----	22,387	23,761	116.1	450	465	2.2
1973-----	21,277	22,637	109.6	357	376	1.8
1974-----	23,138	24,239	116.8	486	493	2.3
1975-----	23,976	25,179	120.1	873	876	4.2
1976-----	25,969	27,297	128.9	853	853	4.1

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-36.--U.S. average retail prices of meat, 1/ by types and by months, January 1970-April 1977

(In cents per pound)													
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Beef (choice grade)													
1970---	97.5	97.3	99.4	99.9	99.4	98.5	100.7	100.4	98.7	97.9	97.6	96.5	98.6
1971---	97.2	101.3	102.2	104.0	104.8	105.7	104.7	105.7	105.9	105.1	106.3	108.5	104.3
1972---	111.5	115.8	115.8	112.0	111.4	113.5	117.3	115.8	112.9	112.8	112.3	114.6	113.8
1973---	122.1	130.3	135.3	136.0	136.0	135.5	136.3	144.2	144.9	136.0	134.9	134.4	135.5
1974---	143.0	150.0	142.2	136.4	135.0	132.2	137.9	143.4	141.6	136.8	134.4	132.2	138.8
1975---	132.8	129.0	127.0	133.9	147.8	157.8	161.0	155.5	152.8	162.4	151.2	150.6	146.0
1976---	148.6	142.7	135.1	142.0	141.7	140.8	138.2	135.8	134.3	133.5	135.7	138.9	138.9
1977---	137.4	134.6	133.2	134.0	-	-	-	-	-	-	-	-	-
Veal													
1970---	117.2	119.3	120.8	123.3	123.9	124.9	125.7	126.6	127.0	127.4	127.6	127.9	124.3
1971---	128.9	129.4	130.6	132.9	133.7	134.8	138.5	139.3	139.6	140.3	140.6	140.9	135.8
1972---	142.8	148.6	149.7	151.0	151.7	154.2	156.4	157.3	157.6	158.4	159.4	159.9	153.9
1973---	162.2	169.1	176.9	180.5	181.1	181.3	183.2	188.7	185.5	190.6	186.2	191.6	181.7
1974---	194.5	198.4	199.1	194.8	193.3	193.7	192.4	194.8	196.1	192.4	189.1	190.6	194.1
1975---	187.0	183.5	179.6	180.2	182.9	183.1	186.6	181.6	178.2	176.8	176.7	177.4	181.1
1976---	174.4	173.7	173.2	171.5	173.6	176.8	174.4	174.9	172.4	169.7	169.4	169.5	172.9
1977---	176.7	179.3	177.0	178.6	-	-	-	-	-	-	-	-	-
Pork													
1970---	82.1	81.8	81.4	79.9	80.0	80.0	80.6	79.7	76.7	74.6	70.8	68.4	78.0
1971---	68.4	69.4	69.9	68.7	68.2	69.6	71.4	71.6	71.0	71.3	71.4	72.9	70.3
1972---	76.3	81.3	79.4	78.2	79.4	82.0	85.6	86.0	86.6	87.5	87.2	88.5	83.2
1973---	94.1	97.1	103.0	102.7	102.4	104.1	107.5	131.5	126.3	117.1	115.4	115.8	108.8
1974---	116.7	117.2	111.8	104.7	99.4	93.7	103.7	108.7	109.9	109.0	111.4	112.7	108.2
1975---	114.9	114.8	113.6	115.7	123.0	130.5	143.7	150.2	153.8	158.7	154.0	147.5	135.0
1976---	144.2	141.6	138.7	136.6	138.6	140.4	142.1	137.4	132.7	124.8	117.5	117.2	134.3
1977---	119.6	121.1	121.0	118.9	-	-	-	-	-	-	-	-	-
Lamb													
1970---	104.8	104.8	104.7	105.6	103.9	105.7	106.0	106.3	103.3	105.9	105.9	106.4	105.5
1971---	105.9	106.5	107.0	107.4	108.0	109.6	111.4	111.5	112.6	110.9	112.7	113.0	109.7
1972---	113.0	115.3	115.5	116.0	115.7	119.0	121.2	121.5	121.0	121.5	122.5	123.7	118.8
1973---	125.6	130.2	136.1	135.5	134.2	132.2	133.4	140.0	145.4	135.2	131.3	131.7	134.3
1974---	132.6	138.2	141.9	141.3	141.8	144.4	151.4	151.5	154.1	151.8	152.2	155.9	146.4
1975---	156.0	157.1	154.5	158.2	164.2	169.2	174.9	173.5	175.7	175.0	176.5	177.0	167.6
1976---	178.3	178.1	181.4	183.4	188.2	193.1	192.4	189.8	184.0	183.0	181.5	180.3	184.5
1977---	181.4	182.9	181.3	178.5	-	-	-	-	-	-	-	-	-

1/ Estimated weighted average price of retail cuts.

Source: Compiled by U.S. Department of Agriculture, Economic Research Service, from Bureau of Labor Statistics data.

Table A-37.--Prices of frying chickens in retail stores (urban areas),
by months, January 1970-April 1977

(In cents per pound)													
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1970----	43	42	42	41	41	41	42	40	39	39	38	41	41
1971----	40	40	41	41	41	42	42	42	42	41	40	40	41
1972----	41	42	42	41	41	41	42	41	43	42	41	41	42
1973----	44	46	60	59	58	58	60	92	73	58	55	53	60
1974----	59	59	58	56	52	51	52	54	57	56	58	60	56
1975----	59	59	59	58	58	62	68	69	70	67	67	66	64
1976----	64	61	61	61	59	62	63	61	59	57	54	54	60
1977----	55	59	61	61	-	-	-	-	-	-	-	-	59

Source: Compiled from official statistics of the U.S. Department of Agriculture.

Table A-38.--Retail prices of frozen filet, perch, and haddock, by
months, January 1970-May 1977
(In cents per pound)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1970----	71	73	74	75	75	76	77	77	78	79	80	81	76
1971----	82	84	85	86	87	88	88	88	88	88	87	87	87
1972----	88	89	88	89	89	90	90	92	93	96	99	100	92
1973----	102	105	107	109	113	116	117	119	120	122	127	127	115
1974----	129	129	129	130	130	128	129	129	128	127	129	129	129
1975----	130	130	129	130	130	130	131	133	134	136	137	138	133
1976----	138	141	142	145	146	148	153	157	162	163	164	167	152
1977----	167	169	171	174	176	-	-	-	-	-	-	-	171

Source: Compiled from official statistics of the U.S. Department of Agriculture.

APPENDIX B

NOTICES OF INVESTIGATION AND HEARINGS

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[TA-201-25]

LIVE CATTLE AND CERTAIN EDIBLE
MEAT PRODUCTS OF CATTLE

Notice of Investigation and Hearings

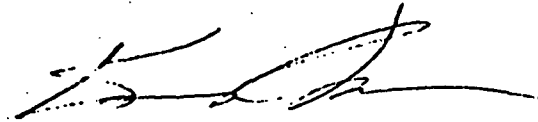
Investigation instituted. Following the receipt on March 17, 1977, of a petition filed by the National Association of American Meat Promoters, the Meat Promoters of South Dakota, the Meat Promoters of North Dakota, the Meat Promoters of Montana, and the Meat Promoters of Wyoming, the United States International Trade Commission, on March 26, 1977, instituted an investigation to determine whether live cattle and certain meat products of cattle fit for human consumption, provided for in items 100.40 through 100.55, inclusive; 106.10, 106.80, and 106.85; 107.20 and 107.25; 107.40 through 107.60, inclusive; and 107.75 of the Tariff Schedules of the United States, are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles.

Public hearings. Public hearings in connection with this investigation will be held in Rapid City, S. Dak., beginning on Tuesday, June 14, 1977; in Dallas, Tex., beginning on Tuesday, June 28, 1977; and in New York, N.Y., beginning on Tuesday, July 12, 1977. Times and locations of the hearings will be announced later. Requests for appearances should be filed with the Secretary of the United States International Trade Commission, in writing, at his office in Washington, D.C., not later than

noon of the fifth calendar day preceding the hearing at which the appearance is requested.

Inspection of the petition. The public portion of the petition filed in this case is available for public inspection at the Office of the Secretary, United States International Trade Commission, 701 E Street NW., Washington, D.C. 20436, and at the New York City office of the Commission, located at 6 World Trade Center.

By order of the Commission:

A handwritten signature in black ink, appearing to read 'K. R. Mason', is written over a horizontal line.

Kenneth R. Mason
Secretary

Issued: April 8, 1977

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[TA-201-25]

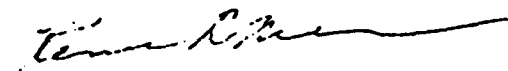
LIVE CATTLE AND CERTAIN EDIBLE
MEAT PRODUCTS OF CATTLE

Notice of Additional Public Hearing

Notice is hereby given that the United States International Trade Commission has scheduled an additional public hearing in its investigation of live cattle and certain meat products of cattle fit for human consumption. The hearing will be held in Kansas City, Mo., beginning on Tuesday, July 19, 1977. The dates and places of previously announced public hearings in this investigation, in Rapid City, S. Dak., beginning on Tuesday, June 14, 1977; in Dallas, Tex., beginning on Tuesday, June 28, 1977; and in New York, N.Y., beginning on Tuesday, July 12, 1977, are unchanged. Times and locations of the hearings will be announced later. Requests for appearances should be filed with the Secretary of the United States International Trade Commission, in writing, at his office in Washington, D.C., not later than noon of the fifth calendar day preceding the hearing at which an appearance is requested.

Notice of the investigation and hearing was published in the Federal Register of April 13, 1977 [F.R. 19389].

By order of the Commission:


Kenneth R. Mason
Secretary

Issued: May 16, 1977

APPENDIX C

PROBABLE ECONOMIC EFFECTS OF TARIFF CHANGES
UNDER TITLE I AND TITLE V OF THE
TRADE ACT OF 1974 FOR TRADE
AGREEMENT DIGEST NUMBERS 10010,
10015, 10016, 10017, 10021, 10022, AND 10024,
JULY, 1975

A-139-A-150

* * * * *

APPENDIX D

THREE CONGRESSIONAL LETTERS REQUESTING A 332 INVESTIGATION
OF U.S. IMPORTS OF LIVE CATTLE AND BEEF AND NOTICE OF
THE INSTITUTION OF INVESTIGATION NO. 332-85

[illegible]

A-152

United States Senate

COMMITTEE ON
AGRICULTURE, FORESTRY AND FISHERY
WASHINGTON, D.C. 20510

May 18, 1977

Daniel Minchew, Chairman
U. S. International Trade Commission
Washington, D. C. 20436

Dear Mr. Simpson:

It is our understanding that the International Trade Commission now has underway an investigation under Section 201 of the Trade Act of 1974 concerning beef imports. As you know, beef imports are also subject to the Meat Import Act of 1954 and that Act may limit the Commission's ability to provide any relief that may be found necessary in the Section 201 case.

We understand that hearings on the Section 201 case are now scheduled to begin June 14 in Rapid City, South Dakota; June 18 in Dallas, Texas; July 12 in New York, New York; and July 19, 1977, in Kansas City, Missouri. We believe those hearings would be the most efficient means of gathering information pursuant to Section 332 of the Tariff Act relevant to the need for any legislative action with respect to beef imports. Consequently, we urge that the Commission, on its own motion, act promptly to broaden the pending Section 201 proceeding to permit parties interested in legislative relief to appear and be heard pursuant to Section 332 of the Tariff Act at the hearings already scheduled.

We are gratified that the International Trade Commission has moved quickly to consider the beef import problem and we do hope that it will now permit a full exploration of the problems. We look forward to a comprehensive recommendation as to any needed legislation.

Sincerely,

Sincerely,

Benjamin D. ...
Hubert H. ...
Ed. ...
James O. ...
James O. ...

Dear Mr. ...
H. E. ...
James O. ...
James O. ...

JAMES A. ABDNOR
1501 E. 10TH AVE., SOUTH DAKOTA

1520 LONGMOUTH HOUSE OFFICE BUILDING
(605) 275-5165

A-153

COMMITTEES
HOUSE OF REPRESENTATIVES
AND SENATE
VETERANS' AFFAIRS

WALTER C. CONAHAN
ADMINISTRATIVE ASSISTANT

Congress of the United States

House of Representatives

Washington, D.C. 20515

77 FEB 25 PM 4

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

RECEIVED
FEB 25 1977
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

Hon. Daniel Minchew, Chairman
U. S. International Trade Commission
Washington, D. C. 20436

Dear Mr. Minchew:

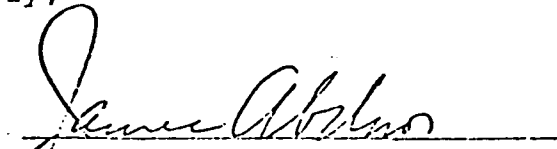
We commend the investigation the International Trade Commission has undertaken with respect to beef imports. We are concerned, however, that the current limitation of the scope of the investigation to Section 201 of the Trade Act of 1974 will result in less than adequate coverage of the issues involved.


Accordingly, we urge that the investigation be expanded pursuant to the authorities contained in Section 332 of the Tariff Act of 1930. It is our understanding this will cause the inquiry to be conducted with specific regard to legislative changes which may be needed as well as to administrative actions which may be justified.

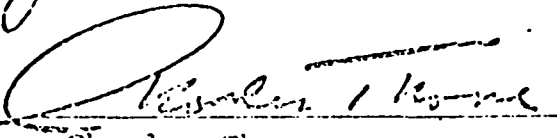
Your prompt attention to this matter will be appreciated.

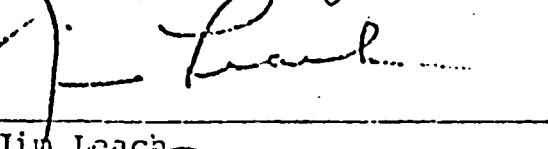
Sincerely,

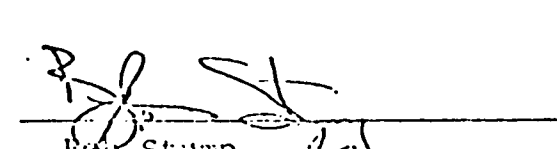

Mark Andrews

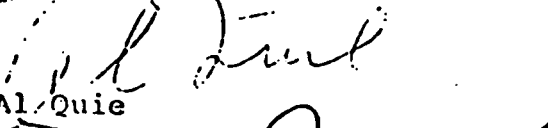

James Abdnor

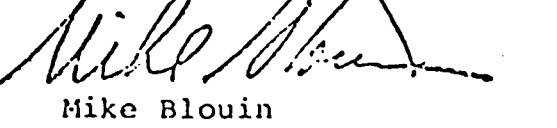

Steve Symms


Charles Thone


Jim Leach


Bob Stamp


Al Quie

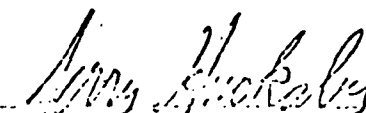

Mike Blouin

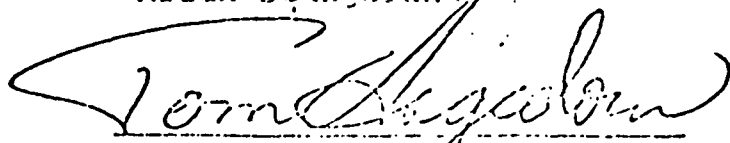

Ed Jones

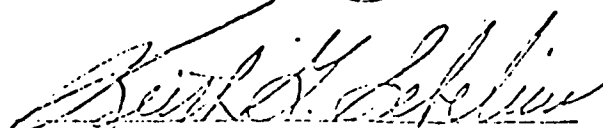
Hon. Daniel Minchew

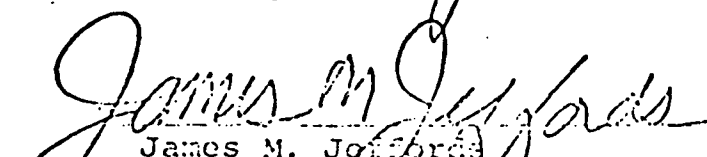
Page 2

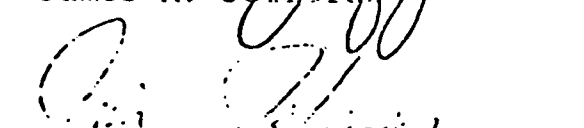

Arlan Stangeland

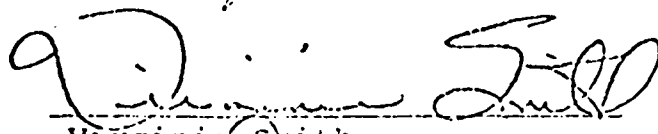

Jerry Huckaby



Tom Hagedorn

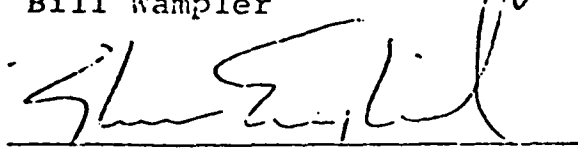

Keith G. Sebelius

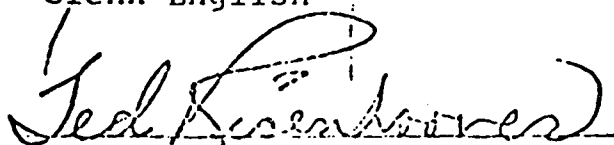

James M. Joffe

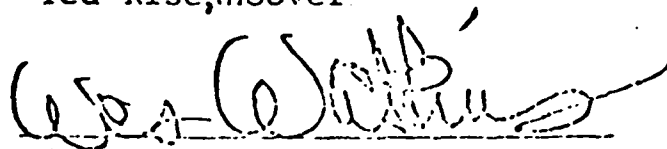

Jim Johnson


Virginia Smith


Bill Wampler


Glenn English


Ted Risehoover


Wes Watkins

JA/agk

JOHN PETER J. LEE
 1112 L... ..
 WASHINGTON, D.C. 20515
 (202) 225-2731

RE: SENATOR
 JAMES H. HARRIS, JR.
 HONOLULU, SOUTH CAROLINA

COMMITTEE:
 EDUCATION AND LABOR
 SMALL BUSINESS
 JOURNAL CAUCUS

Congress of the United States
House of Representatives
 Washington, D.C. 20515

WASHINGTON OFFICE:
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 (803) 275-0250 EXT. 421
 334 SOUTH PHILLIPS AVENUE
 SIOUX FALLS, SOUTH DAKOTA 57102
 (605) 336-2303 EXT. 423

May 23, 1977

The Honorable Daniel Minchew, Chairman
 U.S. International Trade Commission
 Washington, D.C. 20436

Dear Mr. Minchew:

I understand that the International Trade Commission has underway an investigation under Section 201 of the Trade Act of 1974 with respect to beef imports.

Since the Commission has chosen to investigate beef imports under Section 201, I believe it would be most appropriate and useful if this investigation were broadened to include consideration of this import situation as it is affected by Section 332 of the Tariff Act.

The hearings slated by the Commission around the country will be most useful in gathering information on beef imports, and it would be unfortunate if the scope of the investigations were to be limited to Section 201.

I therefore urge the Commission to act promptly and broaden the pending Section 201 proceeding and permit those parties interested in legislative relief to appear and be heard regarding Section 332 of the Tariff Act at the hearings slated in Rapid City, New York, New York and Kansas City.

Thank you for your consideration and prompt response.

Sincerely,

Larry Prosser
 Larry Prosser
 Member of Congress

LP:pl

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UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[TA-201-25]

LIVE CATTLE AND CERTAIN EDIBLE
MEAT PRODUCTS OF CATTLE

[332-85]

CONDITIONS OF COMPETITION IN U.S. MARKETS
BETWEEN DOMESTIC AND FOREIGN LIVE CATTLE
AND CATTLE MEAT FIT FOR HUMAN CONSUMPTION

Section 332 investigation instituted. On May 31, 1977, the United States International Trade Commission instituted, on its own motion, an investigation under section 332(g) of the Tariff Act of 1930, as amended (19 U.S.C. 1332(g)), to study the conditions of competition in U.S. markets between domestic and foreign live cattle and cattle meat fit for human consumption. Such live cattle and cattle meat are of the types provided for in items 100.40 through 100.55, inclusive; 106.10, 106.80, and 106.85; 107.20 and 107.25; 107.40 through 107.60, inclusive; and 107.75 of the Tariff Schedules of the United States.

In its investigation, the Commission will be concerned with, among other things, the effects of imports of such articles on domestic producers and processors of live cattle and products thereof fit for human consumption. The Commission invites the submission of information on the product characteristics of foreign and domestic articles; the characteristics of the domestic industry or industries producing and/or processing such articles; U.S. consumption; production, imports, and exports; inventories held in the United States; pricing practices, price

trends, and price relationships between the imported and domestic products; trends of the major cost elements and profitability of operations of producers and processors; and the actions taken under or in connection with the so-called Meat Import Act of 1964 (Public Law 88-482, approved August 22, 1964 (19 U.S.C. 1202)).

Public hearings. Public hearings in connection with these investigations will be held in Rapid City, S. Dak., beginning on Tuesday, June 14, 1977, at 10:00 a.m., m.d.t., at the Rushmore Plaza Civic Center, 444 Mt. Rushmore Road North, Rapid City, S. Dak.; in Dallas, Tex., beginning on Tuesday, June 28, 1977, at 10:00 a.m., c.d.t., in Room 7A23, 1100 Commerce Street, Dallas, Tex.; in New York, N.Y., beginning on Tuesday, July 12, 1977, at 10:00 a.m., e.d.t., in the auditorium of the United States Mission to the United Nations, 799 U.S. Plaza, 45th Street and First Avenue, New York, N.Y. (please use 45th Street entrance); and in Kansas City, Mo., beginning on Tuesday, July 19, 1977, at 10:00 a.m., c.d.t., in Room 302, 911 Walnut Street, Kansas City, Mo. An additional public hearing in connection with the section 332 investigation will be held beginning on Tuesday, September 20, 1977, at 10:00 a.m., e.d.t., in the Hearing Room, U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. 20436.

The Rapid City, Dallas, New York, and Kansas City hearings will be held in conjunction with the Commission's investigation No. TA-201-25, being conducted under section 201(b) of the Trade Act of 1974 (19 U.S.C.

2251(b)), concerning live cattle and certain meat products of cattle fit for human consumption, notice of which was published in the Federal Registers of April 13, 1977, and May 19, 1977 (42 F.R. 19389 and 42 F.R. 25774, respectively). To the maximum extent possible, witnesses who are addressing testimony to investigation No. TA-201-25 and the criteria relative to relief under section 201(b) of the Trade Act of 1974 are requested to first present their testimony with respect to that investigation and then give their testimony with respect to investigation No. 332-85.

Requests for appearances should be filed with the Secretary of the U.S. International Trade Commission, in writing, at his office in Washington, D.C., not later than noon of the fifth calendar day preceding the hearing at which the appearance is requested. Requests should (a) identify each witness by name and interest and (b) indicate whether the testimony relates to investigation No. TA-201-25 or No. 332-85 or both. Written statements will be accepted in lieu of or in addition to oral testimony. Such statements should be submitted at the earliest practicable time, but in no event later than the closing of the final hearing for each investigation.

By order of the Commission:



KENNETH R. MASON
Secretary

Issued: June 8, 1977

APPENDIX E

MEAT IMPORT ACT OF 1964 (PUBLIC LAW 88-482; 78 STAT. 594)
AND SECTION 204 OF THE AGRICULTURAL ACT OF 1956
(7 U.S.C. 1854).

WILD ANIMALS—MEAT, ETC.—IMPORTATION

For Legislative History of Act, see p. 3070

PUBLIC LAW 88-482; 78 STAT. 594

(H. R. 1339)

An Act to provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That:

(a) Item 852.20 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, August 17, 1963) is amended to read as follows:

" 852.20	Wild animals (including birds and fish) imported for use, or for sale for use, in any scientific public collection for exhibition for scientific or educational purposes	Free	Free	"
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(b) Headnote 1 of part 4 of schedule 8 of such title I is amended by striking out "item 850.50," and inserting in lieu thereof "items 850.50 and 852.20,".

(c) The amendments made by this section shall take effect on the tenth day after the date of the enactment of this Act.

Sec. 2. (a) It is the policy of the Congress that the aggregate quantity of the articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States which may be imported into the United States in any calendar year beginning after December 31, 1964, should not exceed 725,400,000 pounds; except that this quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and the two preceding calendar years increases or decreases in comparison with the aver-

are annual domestic commercial production of these articles during the years 1959 through 1963, inclusive.

(b) The Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish—

(1) before the beginning of such calendar year, the aggregate quantity prescribed for such calendar year by subsection (a), and

(2) before the first day of each calendar quarter in such calendar year, the aggregate quantity of the articles described in subsection (a) which (but for this section) would be imported in such calendar year.

In applying paragraph (2) for the second or any succeeding calendar quarter in any calendar year, actual imports for the preceding calendar quarter or quarters in such calendar year shall be taken into account to the extent data is available.

(c) (1) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b) (2) equals or exceeds 110 percent of the aggregate quantity estimated by him pursuant to subsection (b) (1), and if there is no limitation in effect under this section with respect to such calendar year, the President shall by proclamation limit the total quantity of the articles described in subsection (a) which may be entered, or withdrawn from warehouse, for consumption, during such calendar year, to the aggregate quantity estimated for such calendar year by the Secretary of Agriculture pursuant to subsection (b) (1).

(2) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b) (2) does not equal or exceed 110 percent of the aggregate quantity estimated by him pursuant to subsection (b) (1), and if a limitation is in effect under this section with respect to such calendar year, such limitation shall cease to apply as of the first day of such calendar quarter; except that any limitation which has been in effect for the third calendar quarter of any calendar year shall continue in effect for the fourth calendar quarter of such year unless the proclamation is suspended or the total quantity is increased pursuant to subsection (d).

(3) The Secretary of Agriculture shall allocate the total quantity proclaimed under paragraph (1), and any increase in such quantity pursuant to subsection (d), among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period of the articles described in subsection (a), except that due account may be given to special factors which have affected or may affect the trade in such articles. The Secretary of Agriculture shall certify such allocations to the Secretary of the Treasury.

(d) The President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such section, if he determines and proclaims that—

(1) such action is required by overriding economic or national security interests of the United States, giving special weight to

the importance to the nation of the economic well-being of the domestic livestock industry;

(2) the supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

(3) trade agreements entered into after the date of the enactment of this Act ensure that the policy set forth in subsection (a) will be carried out.

Any such suspension shall be for such period, and any such increase shall be in such amount, as the President determines and proclaims to be necessary to carry out the purposes of this subsection.

(c) The Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of this section.

(f) All determinations by the President and the Secretary of Agriculture under this section shall be final.

Approved August 22, 1964.

Section 204, Agricultural Act of 1956 (7 U.S.C. 1854)

1854. Agreements limiting imports. — The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. In addition, if a multilateral agreement has been or shall be concluded under the authority of this section among countries accounting for a significant part of world trade in the articles with respect to which the agreement was concluded, the President may also issue, in order to carry out such an agreement, regulations governing the entry or withdrawal from warehouse of the same articles which are the products of countries not parties to the agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended (§ 624 of this title). (May 28, 1956, c. 327, Title II, § 204, 70 Stat. 289; June 19, 1962, P. L. 87-428, 76 Stat. 104.)

APPENDIX F

COMMISSION RESPONSE OF FEBRUARY 25, 1977, TO A REQUEST
BY THE GENERAL ACCOUNTING OFFICE ON THE RELATIONSHIP
OF THE MEAT IMPORT ACT TO IMPORT RELIEF UNDER
SECTION 201 OF THE TRADE ACT OF 1974

A-165-A-166

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APPENDIX G

COMPARISON OF NATIONAL PROVISIONER PRICE QUOTES
FOR DOMESTIC AND IMPORTED BEEF

COMPARISON OF NATIONAL PROVISIONER OF
DOMESTIC 90% LEAN BEEF TRIM U.S. IMPORTED 85% BEEF TRIM PORT OF ENTRY

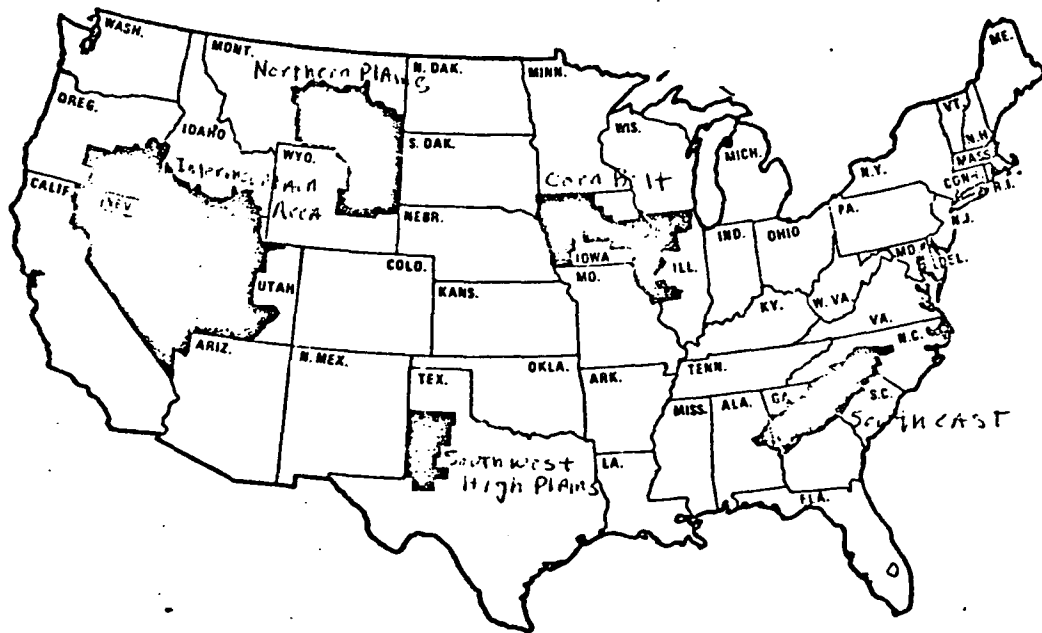
CHICAGO DOMESTIC 85% TRIM'S	DATE	DOMESTIC 90%	IMPORTED P.O.E.	IMP'D 85% AT CHICAGO
54 1/2	12/31/74	59	56	58 1/4
50	1/31/75	53 1/2	50	52 1/4
UNQ.	2/28/75	58	51 1/2	53 3/4
60	3/31/75	65	55 3/4	58
57	4/30/75	60 1/2	58 1/2	60 3/4
65	5/30/75	61 1/2	60 3/4	63
63 1/2	6/30/75	65	60 1/2	62 3/4
UNQ	7/31/75	59	59 1/4	61 1/2
59	8/29/75	61	59	61 1/4
66	9/30/75	69	71	73 1/4
63 1/2	10/31/75	64 1/2	68	70 1/4
64 1/2	11/28/75	68	UNQ	
66 1/2	12/31/75	68 1/2	66 1/2	68 3/4
68	1/30/76	71	UNQ	
72 1/2	2/27/76	76 1/2	74 1/2	76 3/4
72	3/31/76	82	79	81 1/4
80	4/30/76	85	81 1/4	83 1/2
76	5/28/76	79	77	79 1/4
68	6/30/76	74 1/2	71	73 1/4
65	7/30/76	70	68	70 1/4
66 1/2	8/31/76	71	72 3/4	75
61	9/30/76	63 1/2	UNQ	
61	10/29/76	63 3/4	UNQ	
61	11/30/76	66 1/2	UNQ	
62 1/2	12/31/76	68 1/2	UNQ	
65	1/31/77	69 3/4	71 1/2	73 3/4
68 1/2	2/28/77	74 1/2	UNQ	
67	3/31/77	73 1/2	68 1/2	70 3/4
70 1/2	4/29/77	76 1/2	69 1/4	71 1/2
65 1/2	5/31/77	70 1/2	UNQ	

Source: Table and marginal annotations both provided to the U.S. International Trade Commission staff and published by the National Provisioner.

APPENDIX H

LIVESTOCK INVESTMENT EXPENSES AND PRODUCTION PER COW FOR A BEEF
COW-CALF ENTERPRISE IN FIVE REGIONS OF THE UNITED STATES, 1975,
AND 1976, AS ESTIMATED BY THE U.S. DEPARTMENT OF AGRICULTURE

FIGURE I:

COW-CALF PRODUCTION REGIONS REPRESENTED BY BUDGETS

Source: U.S. Department of Agriculture.

Table A—Estimated livestock investment, expenses, and production per cow for a beef cow-calf enterprise in 5 regions of the U.S., 1975

Item	Unit	50 cow herd Corn Belt		50 cow herd Southeast		150 cow herd Northern Plains		300 cow herd Southwest High Plains		300 cow herd Intermountain Area	
		Number of units	Value per unit	Number of units	Value per unit	Number of units	Value per unit	Number of units	Value per unit	Number of units	Value per unit
Livestock Investment											
Brood cows and heifers	HEAD	1.00	185	1.00	210	1.00	195	1.00	180	1.00	210
Replacement heifers, 1-2 yrs.	HEAD	—	—	—	—	—	—	—	—	.23	165
Replacement heifers, under 1 yr.	HEAD	.20	100	.16	100	.16	100	.15	110	.23	75
Bulls	HEAD	.04	240	.04	280	.04	250	.05	250	.06	315
Total livestock in- vestment per breeding unit		—	215	—	237	—	221	—	209	—	284
Variable Expenses		Units per cow	Dollars per cow	Units per cow	Dollars per cow	Units per cow	Dollars per cow	Units per cow	Dollars per cow	Units per cow	Dollars per cow
Pasture	CWT. TDN	24.80	31.53	38.27	105.11	14.70	0.00	43.14	0.00	6.63	7.56
Public grazing	AM	—	—	—	—	4.72	5.19	—	—	6.72	7.39
Crop residue	CWT. TDN	7.29	0.00	3.17	0.00	1.50	0.00	—	—	4.37	0.00
Hay	TON	1.66	61.25	.83	38.46	1.20	24.60	.05	4.65	1.62	48.63
Protein supplement	CWT.	.50	4.70	.50	5.39	.75	5.66	2.24	20.05	.40	4.31
Salt and minerals	CWT.	.20	1.34	.26	1.72	.36	1.02	.65	2.04	.36	2.32
Veterinary and medicine		—	2.40	—	2.18	—	1.80	—	2.13	—	1.82
Hauling livestock and marketing fees		—	7.38	—	5.85	—	5.70	—	.55	—	3.84
Machinery, equipment and facilities		—	13.93	—	10.79	—	2.82	—	7.56	—	10.05
Labor	HR.	10.00	26.50	7.21	14.71	9.16	23.72	10.21	21.96	5.25	14.48
Miscellaneous ex- pense		—	—	—	—	—	2.85	—	—	—	—
Interest on operating capital	DOL.	79.27	7.21	81.40	7.41	37.83	3.44	35.29	3.21	37.79	3.44
General farm overhead		—	7.45	—	9.21	—	3.67	—	2.95	—	5.02
Total variable expenses	—	—	163.69	—	200.83	—	80.47	—	65.10	—	108.86
Ownership Expenses											
Livestock	—	—	20.48	—	25.07	—	20.98	—	19.41	—	29.80
Machinery	—	—	7.44	—	4.29	—	2.55	—	3.73	—	6.35
Other equipment and fencing	—	—	36.19	—	42.00	—	27.42	—	32.64	—	21.98
Real estate taxes	—	—	11.15	—	7.00	—	12.42	—	19.64	—	3.67
Total ownership expenses	—	—	75.26	—	78.36	—	63.37	—	75.42	—	61.80
Land ^a	ACRE	3.00	122.67	2.70	119.33	19.11	136.81	29.76	295.16	4.40	50.02
Management	—	—	7.23	—	7.97	—	5.61	—	8.71	—	4.41
Total all expenses ..	—	—	368.85	—	406.49	—	286.26	—	444.39	—	225.09
Production		Units per cow	Average per cow	Units per cow	Average per cow	Units per cow	Average per cow	Units per cow	Average per cow	Units per cow	Average per cow
		Head	Pounds	Head	Pounds	Head	Pounds	Head	Pounds	Head	Pounds
Steer calves .....		.42	500	.40	470	.41	420	.43	475	.35	380
Heifer calves .....		.22	450	.26	450	.27	390	.28	460	.12	350
Cull replacement heifers .....		.04	850	.02	850	.01	680	.01	650	.08	670
Cull cows .....		.14	1,000	.12	1,000	.13	950	.12	900	.11	900
Average selling price per cwt. to cover ^{b,c}											
Variable expenses			39.03		55.94		18.99		12.74		37.66
All expenses except land and man- agement			60.97		80.28		41.28		34.93		64.70
All expenses (including an imputed charge for land and management			98.85		119.81		91.37		124.30		88.51

^a Does not include public grazing land nor land from which crop residue is grazed. ^b With credit for cull cows of: \$29.81 in the Corn Belt; \$20.70 in the Southeast; \$26.49 in the Northern Plains; \$21.77 in the Southwest High Plains and \$22.76 in the

Intermountain area. ^c The Kansas City average price per hundred-weight of 400 to 500 pound Choice and Good steers was \$29.90 in 1975. Heifers of the same weight and grade brought \$23.48.

Source: U.S. Department of Agriculture.

Table B—Estimated livestock investment, expenses, and production per cow for a beef cow-calf enterprise in 5 regions of the U.S., 1974

Item	Unit	50 cow herd Corn Belt		50 cow herd Southeast		150 cow herd Northern Plains		300 cow herd Southwest High Plains		300 cow herd Intermountain Area	
		Number of units	Value per unit	Number of units	Value per unit	Number of units	Value per unit	Number of units	Value per unit	Number of units	Value per unit
Livestock Investment											
Brood cows and heifers	HEAD	1.00	390	1.00	440	1.00	375	1.00	410	1.00	355
Replacement heifers, 1-2 yrs.	HEAD	—	—	—	—	—	—	—	—	.23	275
Replacement heifers, under 1 yr.	HEAD	.20	225	.16	225	.16	225	.15	260	.23	190
Bulls	HEAD	.04	510	.04	585	.04	480	.05	565	.06	465
Total livestock in- vestment per breeding unit	—	—	455	—	499	—	430	—	447	—	490
Variable Expenses		Units per cow	Dollars per cow	Units per cow	Dollars per cow	Units per cow	Dollars per cow	Units per cow	Dollars per cow	Units per cow	Dollars per cow
Pasture	CWT. TDN	24.80	28.89	38.27	96.52	14.70	0.00	43.14	0.00	6.63	6.93
Public grazing	AM	—	—	—	—	4.72	4.72	—	—	6.72	6.72
Crop residue	CWT. TDN	7.29	0.00	3.17	0.00	1.50	0.00	—	—	4.37	0.00
Hay	TON	1.66	56.72	.83	35.61	1.20	22.78	.05	4.31	1.62	45.03
Protein supplement ..	CWT.	.50	4.80	.50	5.50	.75	5.77	2.24	20.45	.40	4.40
Salt and minerals	CWT.	.20	1.18	.26	1.52	.36	.90	.65	1.80	.36	2.05
Veterinary and medicine	—	—	2.20	—	2.00	—	1.70	—	1.95	—	1.67
Hauling livestock and marketing fees	—	—	6.88	—	5.40	—	5.30	—	.51	—	3.59
Machinery, equip- ment & facilities	—	—	12.15	—	9.70	—	2.44	—	6.57	—	8.45
Labor	HR.	10.00	24.10	7.21	13.34	9.16	21.52	10.21	19.91	5.25	13.17
Miscellaneous expenses	—	—	—	—	—	—	2.60	—	—	—	—
Interest on ope- rating capital	DOL.	72.95	6.64	75.12	6.99	35.12	3.30	33.73	3.17	34.57	3.25
General farm overhead	—	—	6.85	—	8.48	—	3.39	—	2.78	—	4.60
Total variable expenses	—	—	150.41	—	185.06	—	74.42	—	61.45	—	99.86
Ownership Expenses											
Livestock	—	—	43.06	—	53.35	—	42.22	—	49.36	—	52.95
Machinery	—	—	6.37	—	4.32	—	2.19	—	3.15	—	5.43
Other equipment and fencing	—	—	31.77	—	37.16	—	24.42	—	29.08	—	19.57
Real estate taxes	—	—	11.40	—	6.29	—	11.85	—	18.46	—	3.67
Total ownership expenses	—	—	92.60	—	101.12	—	80.68	—	100.05	—	81.62
Land ^a	ACRE	3.00	92.68	2.70	98.78	19.11	110.22	29.76	273.40	4.40	46.75
Management	—	—	6.71	—	7.70	—	5.31	—	8.70	—	4.56
Total all expenses ..	—	—	342.40	—	392.66	—	270.63	—	443.60	—	232.79
Production		Units per cow	Average weight	Units per cow	Average weight	Units per cow	Average weight	Units per cow	Average weight	Units per cow	Average weight
		Head	Pounds	Head	Pounds	Head	Pounds	Head	Pounds	Head	Pounds
Steer calves .....		.42	500	.40	470	.41	420	.43	475	.35	380
Heifer calves .....		.22	450	.26	450	.27	390	.28	460	.12	350
Cull replacement heifers .....		.04	850	.02	850	.01	680	.01	650	.08	670
Cull cows .....		.14	1,000	.12	1,000	.13	950	.12	900	.11	900
Average selling price for cwt. to cover: ^{bc}											
Variable expenses			33.91		44.34		16.87		12.63		33.25
All expenses except land management ..			60.91		75.74		45.24		42.06		68.95
All expenses (including an imputed charge for land and man- agement)			89.88		108.81		85.88		125.03		91.40

^a Does not include public grazing land nor land from which crop residue is grazed. ^b With credit for cull cows of: \$34.10 in the Corn Belt; \$42.30 in the Southeast; \$26.47 in the Northern Plains; \$18.50 in the Southwest High Plains and \$23.85 in the

Intermountain area. ^c The Kansas City average price per hundred-weight of 400 to 500 pound Choice and Good steers was \$38.40 in 1974. Heifers of the same weight and grade brought \$33.58.

Source: U.S. Department of Agriculture.

Library Cataloging Data

U.S. International Trade Commission.

Live cattle and certain edible meat products of cattle. Report to the President on investigation no. TA-201-25 under section 201 of the Trade act of 1974.

4 p. A-172 illus. 27 cm. (USITC Publication 834)

1. Cattle trade. 2. Meat industry and trade--U.S. 3. Beef--U.S. 4. Beef--Prices. I. Title

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WASHINGTON, D.C. 20436

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