

WILD ANIMALS—MEAT IMPORTS

August 17, 1964.—Ordered to be printed

Mr. MILLS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 1839]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

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 average 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 subsection, 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.

(e) 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.

And the Senate agree to the same.

That the title of the bill be amended to read as follows: "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."

W. D. MILLS,
HALE BOGGS,
JOHN W. BYRNES,
THOS. B. CURTIS,

Managers on the Part of the House.

HARRY F. BYRD,
RUSSELL LONG,
GEO. A. SMATHERS,
JOHN J. WILLIAMS,
FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House provided for the free importation of wild animals and wild birds imported specially for exhibition.

SENATE AMENDMENT

The Senate amendment to the text of the bill struck out all after the enacting clause and inserted new text to impose quotas on imports of certain meat and meat products.

The first section of the Senate amendment would add a new headnote to the Tariff Schedules of the United States.

Paragraph (a) of the new headnote provided basic quotas on imports of five categories of meat and meat products:

- (1) Cattle meat, fresh, chilled, or frozen.
- (2) Goat and sheep meat (except lamb), fresh, chilled, or frozen.
- (3) Lamb meat, fresh, chilled, or frozen.
- (4) Sausages (other than sausages in chief value of pork).
- (5) Beef or veal, prepared or preserved (except sausages).

The quotas were on a quarterly basis and were to apply to each calendar quarter beginning after December 31, 1964.

Paragraph (b) of the new headnote provided for increases in the quotas imposed by paragraph (a) if the average price received in the United States for the animals from which the quota articles are produced equals or exceeds 90 percent of the average parity price for such animals for a 6-month period and the domestic slaughter of such animals for such period exceeds the base amount specified in the amendment. An increase in quota would be in the same ratio as the increase in the domestic slaughter over the base amount specified and would apply for the second and third calendar quarters following the 6-month period.

Paragraph (c) provided exceptions. Subparagraph (i) provided that the operation of the new headnote shall be suspended with respect to any period which the President declares to be a period of national emergency. Subparagraph (ii) provided for the suspension of (or increase in) a quota where, because of a natural disaster to the livestock in the United States from which the quota articles are produced, the United States supplies thereof are inadequate to meet demand at reasonable prices to domestic consumers. Sub-

paragraph (iii) provided that any individual entry having an entry weight of 25 pounds or less shall not be taken into account.

Paragraph (d) provided for the proration of a quota for a calendar quarter on a monthly or more frequent basis where determined by the Secretary of Agriculture as being necessary to prevent the disruption of the orderly operation of the market.

Paragraph (e) required that the weight taken into account for quota purposes be the weight used for customs purposes.

Paragraph (f) authorized the President, whenever he deems it necessary to prevent the entry, at any port of entry in the United States, of excessive quantities of articles in any quota category, to prescribe (within the overall quota for the period) maximum quantities of such articles which may be entered at such port of entry during such period.

Section 2 of the Senate amendment provided that no trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of the first section.

CONFERENCE SUBSTITUTE

Under the conference agreement, new text is substituted for both the text of the bill as passed by the House and the text of the Senate amendment.

Subsection (a) of the first section of the conference substitute amends the Tariff Schedules of the United States to permit the free entry of 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.

Subsection (b) of the first section makes a technical conforming amendment and subsection (c) provides that the amendments made by the first section shall take effect on the 10th day after the date of the enactment of the bill.

Section 2 of the conference substitute relates to provisions for the imposition of quotas on certain meat and meat products.

Subsection (a) provides that 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 2 preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these articles during the years 1959 through 1963, inclusive.

Subsection (b) of section 2 provides that 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 sub-

section (a) which (but for sec. 2) 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.

Paragraph (1) of subsection (c) provides that 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 section 2 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).

Paragraph (2) of subsection (c) provides that 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 section 2 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).

Paragraph (3) of subsection (c) requires the Secretary of Agriculture to 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. Paragraph (3) also requires the Secretary of Agriculture to certify such allocations to the Secretary of the Treasury.

Subsection (d) of section 2 provides that the President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such subsection, 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 the bill insure 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 subsection (d).

It was the understanding of the managers both on the part of the House and of the Senate that the overriding economic interests of the United States referred to in paragraph (1) include largely trade and balance-of-payment considerations. If, for example, the President could expand U.S. exports for dollars significantly, or prevent a drastic decline in such exports, by suspending or increasing meat import quotas, this would be in the overriding national economic interest. If a balance-of-payments deficit were to threaten U.S. fiscal integrity, and if the situation could be materially improved by suspending or increasing quotas, this would be in the overriding national economic interest. Speaking directly of agriculture, if other importing countries were in retaliation prepared to adopt tight restrictions covering a wide range of U.S. agricultural export products, and if the effect would be to reduce U.S. agricultural exports in an amount disproportionate to gains to the cattle industry, the overriding national economic interest might be served by suspending or increasing quotas.

It was the understanding of the managers both on the part of the House and of the Senate with respect to paragraph (2) that in determining whether or not consumer prices of beef are reasonable the primary consideration will be current prices in relation to prices over the immediately preceding years. If prices received by farmers and ranchers for beef cattle in the current year unduly exceed and are expected to continue to exceed unduly through the end of the calendar year average prices over the preceding 5 years, and if furthermore, these prices result in comparable or greater increases in the retail prices of beef, as reflected in reports of the Bureau of Labor Statistics, a basis would be established for suspending quotas. Due consideration would be given, however, to increases in production costs experienced by livestock producers.

It was the understanding of the managers both on the part of the House and of the Senate with respect to paragraph (3) that trade agreements would accomplish the same policy set forth in section 2 if they establish conditions that over a reasonable period of time assure a pattern of world trade in beef, veal, and mutton that results in U.S. imports of these meats in amounts consistent with subsection (a).

Subsection (e) provides that the Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of section 2. The conferees particularly had in mind the possibility that the form or packaging of articles included under a quota might be altered in an effort to avoid quota controls. Examples might be (1) the dicing of boneless beef (so that it would, but for such regulations, be entered as a prepared product rather than as fresh, chilled, or frozen), or (2) the packaging of fresh, chilled, or frozen beef or veal in some type of airtight container.

Subsection (f) provides that all determinations by the President and the Secretary of Agriculture under section 2 shall be final.

Authority to control imports by port of entry has not been included under the conference substitute. The conferees recognize that it would be most difficult to administer controls on this basis. However, the problem to be dealt with in this area is the undue concentration of imports in particular ports of entry. It would be hoped that the

President could alleviate any such problems that exist through consultations with supplying countries.

W. D. MILLS,
HALE BOGGS,
JOHN W. BYRNES,
THOS. B. CURTIS,

Managers on the Part of the House.

