UNITED STATES TARIFF COMMISSION

NONFAT DRY MILK

Report to the President on Investigation No. 22-35
Under Section 22 of the
Agricultural Adjustment Act, as Amended

TC Publication 616
Washington, D.C.
October 1973

UNITED STATES TARIFF COMMISSION

Address all communications to

United States Tariff Commission

Washington, D.C. 20436

C O N T E N T S

	Page
Report to the President	1
Finding and recommendation of the Commission	3
Statement of the Commission	4
Statement of Commissioner Young	8
Recent developments on nonfat dry milk	A-1
Appendix A. The President's letter	A-8
Appendix B. Presidential Proclamation 4238	A-11
Appendix C. Statistical tables	A-15

TABLES

1. Dairy products: U.S. milk production, and whole-milk equivalent (fat-solids basis) of U.S. exports, and imports for consumption, 1953-72, January-August 1972, and January-August 1973	A-16
2. Milk: U.S. utilization of domestic output, 1953-72	A-17
3. Butter, Cheddar cheese, nonfat dry milk, and all milk for manufacturing: U.S. market prices, Department of Agriculture support prices, and price-support objectives, marketing years 1953-72 and Mar. 15-Aug. 31, 1973	A-18
4. Butter, Cheddar cheese, and nonfat dry milk: U.S. Department of Agriculture and section 32 purchases, utilization (disposals), and uncommitted supplies 1953-72, and January-August of 1971-73	A-19
5. Nonfat dry milk: U.S. production, market prices, and U.S. Department of Agriculture support prices, by months, 1968-73	A-21
6. Nonfat dry milk: U.S. production, imports for consumption, exports, yearend stocks, and commercial consumption, 1953-72, January-August 1972, and January-August 1973	A-22
7. Milk and nonfat dry milk: U.S. production and Department of Agriculture purchases, 1953-73	A-23
8. Nonfat dry milk: Commercial (manufacturers') and Government-owned stocks as of end of month, 1968-72 and January-August 1973	A-24
9. Nonfat dry milk: Stocks in major producing and exporting countries, 1972 and 1973	A-25

REPORT TO THE PRESIDENT

U.S. Tariff Commission,
October 12, 1973.

To the President:

Pursuant to your request of August 28, 1973, 1/ the U.S. Tariff Commission has conducted an investigation 2/ under subsection (d) of section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), to determine whether 100,000,000 pounds of dried milk (hereinafter referred to as nonfat dry milk) described in item 115.50 of the Tariff Schedules of the United States (TSUS) may be imported into the United States during the period beginning August 29, 1973, and ending October 31, 1973, in addition to the regular quota (1,807,000 pounds) specified for such article under TSUS item 950.02 and the three special additional temporary quotas (25,000,000 pounds, 60,000,000 pounds, and 80,000,000 pounds) for such article provided for in headnote 3(a)(vi) of part 3 of the appendix to the TSUS, without rendering or tending to render ineffective, or materially interfering with, the price-support program now conducted by the U.S. Department of Agriculture for milk, or reducing substantially the amount of products processed in the United States from domestic milk. 3/

1/ The full text of your letter is shown in app. A.

2/ Public notice of the investigation (No. 22-35) was issued Aug. 29, 1973. The notice was posted at the Commission's offices in Washington, D.C., and in New York City and was published in the Federal Register of Sept. 5, 1973 (38 F.R. 23995). A public hearing was held on Sept. 10, 1973; all interested parties were afforded opportunities to produce evidence and to be heard.

3/ Presidential Proclamation 4238, providing for the special additional temporary quota of 100 million pounds of nonfat dry milk, is contained in app. B.

The report of the Commission on the aforementioned matter, including its finding and recommendation, is submitted herewith. The information contained in this report was obtained from evidence submitted at the public hearing, from briefs, from other Government agencies, from questionnaires, and from the Commission's files.

Finding and Recommendation of the Commission 1/

On the basis of the investigation, the Commission finds that the importation of 100 million pounds of nonfat dry milk into the United States during the period beginning August 29, 1973, and ending October 31, 1973, in addition to the annual quota quantity specified for such article under item 950.02 of the Tariff Schedules of the United States, as provided for in Presidential Proclamation 4238 of August 28, 1973, will not render or tend to render ineffective, nor materially interfere with, the price-support program now conducted by the Department of Agriculture for milk, nor reduce substantially the amount of products processed in the United States from domestic milk.

We therefore recommend that the enlarged quota provided for by Presidential Proclamation 4238 be permitted to continue in effect until October 31, 1973.

1/ Commissioner Leonard did not participate in the finding and recommendation.

Statement of the Commission 1/

U.S. imports of certain dairy products, including nonfat dry milk, have been subject to quotas under section 22 of the Agricultural Adjustment Act, as amended, since June 1953. The quotas were established to prevent imports from rendering or tending to render ineffective, or materially interfering with, the price-support program for milk now conducted by the Secretary of Agriculture, or reducing substantially the amount of products processed in the United States from domestic milk. The annual quota for nonfat dry milk (1,807,000 pounds) remained unchanged from 1953 until December 30, 1972. Since that date, four additional temporary import quotas have been established pursuant to emergency action taken by the President under section 22(b) of the Agricultural Adjustment Act, as amended. These four additional quotas were in the amounts of 25 million pounds, 60 million pounds, 80 million pounds, and 100 million pounds. The first three additional quotas, which totaled 165 million pounds, had each been filled within several weeks after they became effective. The fourth additional quota, the subject of this investigation (No. 22-35), was established August 28, 1973; it was 67 percent filled as of October 5, 1973. The latter quota, however, was allocated to four specific countries or areas, while the first three additional quotas were on a first-come, first-served global basis.

During the 20-year period following the imposition of the annual quota in 1953, there were generally no abrupt changes in the domestic market situation for nonfat dry milk. In the last quarter of 1972, however, production declined more than seasonally. Purchases of the

1/ A separate statement of Commissioner Young is shown on page 8.

product by the Department of Agriculture under the price-support program virtually ceased, stocks were drawn down to abnormally low levels, and market prices increased as a shortage of supply developed. These changed circumstances have generally continued and intensified in 1973, as discussed below; in addition, commercial consumption of the product has risen.

Production of nonfat dry milk during January-August 1973 declined about 22 percent from the corresponding period of 1972. Moreover, the Department of Agriculture has now estimated that for 1973 production will be between 875 million to 925 million pounds which will be some 26 percent below the 1972 level. Prior history has not shown such a precipitous decline in production.

Commercial consumption of nonfat dry milk in January-August 1973, meanwhile, as reported by the Department of Agriculture, was about 34 percent above that in the corresponding period of 1972. This figure reflects, in part, a buildup of inventories in end-users hands.

The U.S. supply of nonfat dry milk had been substantially in excess of commercial market demand for a long period preceding the fall of 1972 and the Department of Agriculture had purchased the surplus production and removed it from the commercial market. Even during the first three quarters of 1972, the Department purchased 298 million pounds of the product (about a fourth of that year's production). From November 1972, about the time the current deficit supply situation developed, through October 12, 1973 (the last date for which data are available), the Department did not purchase any nonfat dry milk under

the price-support program, except for 10.5 million pounds of the instantized product purchased on April 4, 1973. The Department of Agriculture made this purchase at a price of 12.77 cents per pound above the support price for the product in bulk to compensate for processing and packaging. At the Commission's public hearing, the Department of Agriculture testified that in the present situation, and in the foreseeable future, significant purchases of nonfat dry milk by the Department of Agriculture under the price-support program are extremely unlikely.

Since October of 1972, the Government has had no uncommitted supplies of nonfat dry milk for the first time in more than a decade. Commercial manufacturers' stocks of the product, meanwhile, also have been drawn down to abnormally low levels. Although the August 31 stocks were slightly larger in 1973 than in 1972, they were significantly lower than they had been in most years of the past two decades, notwithstanding the additional supplies having been available through increased import quotas.

In the fall of 1972, when the deficit supply situation developed for nonfat dry milk, the U.S. market price, which had been at or near the support price of 31.7 cents per pound for more than a year, began to rise rapidly. Despite the additional importation of 165 million pounds of nonfat dry milk under the first three temporary quotas from January through early August 1973, the market price not only rose about 25 percent, but it also remained substantially above the support price which was increased from 31.7 cents to 37.5 cents and then to 41.4 cents per pound, or about 30 percent during the period.

On August 28, 1973, through emergency Presidential action, the fourth additional temporary quota of 100 million pounds of nonfat dry milk was authorized to be imported during the period ending October 31, 1973. The U.S. market price still continued to rise and by September 7 it had increased to 49.5 cents per pound, or 8.1 cents per pound above the current support price, where it remained as of October 12 (the last date for which data are available).

On the basis of the facts disclosed by this investigation, we have concluded that the importation of an additional 100 million pounds of nonfat dry milk, as provided for in Presidential Proclamation 4238, will not render or tend to render ineffective, nor will it materially interfere with, the price-support program now conducted by the Department of Agriculture for milk, nor reduce substantially the amount of products processed in the United States from domestic milk.

Statement of Commissioner Young

Although I concur in the determination of my colleagues, it is the purpose of this statement to set forth my views more fully with respect to the current dairy situation. The factual situation contained in the first part of the views of my colleagues is not herein repeated except as needed in my analysis.

Increased prices of nonfat dry milk beginning in the fall of 1972 and continuing in 1973 were the market's response to a nationwide shortage of the product. My previous determinations in favor of the 25 million pound and the 80 million pound quotas had been based on these price increases as well as on the relatively short times required to fill the quotas which were indicators of the shortage. 1/ In this investigation substantial additional information has been developed including inventories of consumers and importers, prices of imported nonfat dry milk and sales of imports to consumers. The behavior of prices in 1973, the production outlook for the coming months, and the rate of movement of the imported product to commercial users are additional factors that enter into my current decision.

In the fall of 1972 the market price for nonfat dry milk increased significantly and by December it exceeded the support price by 21 percent The two other significant price increases which occurred in March and August of 1973 were not, however, the result principally of a product shortage, but were market reactions to the government influence on the price system. Increases in the price-support levels in those months were about equivalent to the increases in the market prices. Thus, no

1/ Commissioner Young did not participate in the finding and recommendation of the Commission in Nonfat Dry Milk: Report to the President on Investigation No. 22-32 . . ., TC Publication 587, 1973.

significant change occurred in the price differential which had developed in late 1972. This maintenance of the price differential between market price and support price was no doubt influenced by the availability of imported nonfat dry milk during the 1973 period. Information from domestic users established that they have a definite preference for the domestic product and, accordingly, have been reluctant to buy imported nonfat dry milk except at a sharp discount generally equivalent to the price differential between the market price for the domestic product and the support price. This preference is a result of commercial users' reluctance to desert traditional domestic sources of supply, somewhat less satisfactory performance of the imported product, and users unwillingness to depend upon irregular supplies of imported nonfat dry milk.

In determining what effect, if any, the production-consumption relationship in 1973 had on prices, the monthly consumption statistics of the U.S. Department of Agriculture and the Cost of Living Council were reviewed. It was clearly evident that these statistics did not reflect actual use of nonfat dry milk by consumers. 1/

1/ The method used in the collection of these statistics was obviously not designed to cover the situation where large volumes of imports enter in a given month since imports are included in the consumption statistics for the month they were imported. This technique was satisfactory when annual imports were limited by quota to less than 2,000,000 pounds but gave a distorted picture in the short run when imports of the magnitude of 60,000,000 or 70,000,000 pounds entered in a single month. Generally, substantial changes in actual consumption were not occurring from month-to-month, yet consumption for May and July were reported to be more than 50 percent above the prior and following months. It was during these 2 months when practically all of the 60 million and 80 million pounds, respectively, were entered. Additionally, the methodology employed assumed that all nonfat dry milk acquired by end-users was consumed as acquired. Thus, the consumption statistics do not allow for increases in inventory in the hands of consumers.

After making adjustments to reflect more nearly the prevailing conditions, it seems reasonably certain that production and consumption of nonfat dry milk during January through August 1973 were approximately equal.

With production and consumption in balance for the first 8 months of 1973, it logically follows that the equivalent of the entire 265,000,000 pound increase in the import quota 1/ (if all is entered) will be available for consumption or addition to stocks during the months of September, October, and November when production is at its seasonal low. Although there appears to be a seasonal decline in consumption during these 3 months, it is more modest than the decline in production. Thus consumers must to a degree rely on stocks during that period. Since imported nonfat dry milk accounts for a large part of the stocks available for consumption until production begins its normal seasonal increase in December, the seasonal decline in consumption may be more pronounced this year due to the reluctance of consumers to use imported nonfat dry milk. 2/

1/ Four Presidential actions increased the 1.8 million pound permanent annual import quota as follows: 25,000,000 pounds on Dec. 30, 1972, 60,000,000 pounds on May 10, 1973, 80,000,000 pounds on July 18, 1973, and 100,000,000 pounds on Aug. 28, 1973.

2/ This outlook is strengthened by the fact that information obtained in this investigation (but not included in the report) regarding the disposition of increased imports authorized by the President reveals that less than one-half (33 million pounds) of the imports entered under the 80,000,000 pound quota had been bought by consumers by Oct. 1, 1973, two months after the entire amount had been imported. Furthermore, as of Oct. 1, 1973 (5 weeks after the 4th increase in the quota was authorized) only 41,000,000 pounds of the last 180,000,000 pound increase authorized in nonfat dry milk imports had been bought by consumers at the beginning of the period of deficit production.

The net effect is the strong likelihood that very substantial quantities of imported nonfat dry milk (probably more than 100,000,000 pounds) will be unused when the seasonal increase in nonfat dry milk production in early 1974 reaches the point where production is large enough to fill consumption requirements. When the full implications of these prospective market conditions are realized by importers, urgent efforts to dispose of the imported product will likely occur.

How much of a premium are consumers willing to pay for domestic nonfat dry milk over the imported product? At least some imported nonfat dry milk has been bought at a discount of 13 cents per pound with no decline in domestic nonfat dry milk prices, according to information obtained in the investigation.

Thus, the objective of the Cost of Living Council to achieve lower domestic nonfat dry milk prices by massive increases in imports has been unsuccessful up to this time. However, further discounts in prices of nonfat dry milk will undoubtedly weaken prices for the domestic product. If this occurs, it is likely that purchases of nonfat dry milk by the CCC would result, but they will be neither immediate nor substantial.

In a supplementary statement included in the report to the President on Investigation No. 22-33, relating to the effect on the milk price-support program of the importation of 80 million pounds of nonfat dry milk, 1/ I expressed the opinion which I reiterate here that Congress did

1/ Statement of Commissioners Leonard and Young in Nonfat Dry Milk: Report to the President on Investigation No. 22-33 . . ., TC Publication 603, 1973, pp. 12-14.

not intend that the "emergency" provision of the second paragraph of subsection (b) of section 22 1/ should be applicable to the conditions existing with respect to nonfat dry milk. Further, I am convinced that no emergency exists requiring the importation of 100 million pounds of additional imports. This conclusion is based on facts developed in this investigation which at the time of the authorization of the 100,000,000 pound increase in the quota were apparently not available to the executive branch.

Although there may be some interference with the purchase program for nonfat dry milk, I do not find that the information obtained in the investigation warrants a conclusion that the importation of the 100,000,000 pounds of nonfat dry milk authorized by the President on August 28 will render or tend to render ineffective, or materially interfere with, the price-support program now conducted by the Department of Agriculture for milk, or reduce substantially the amount of products processed in the United States from domestic milk.

1/ "In any case where the Secretary of Agriculture determines and reports to the President with regard to any article or articles that a condition exists requiring emergency treatment, the President may take immediate action under this section without awaiting the recommendations of the Tariff Commission, such action to continue in effect pending the report and recommendations of the Tariff Commission and action thereon by the President."

Recent Developments on Nonfat Dry Milk

On August 28, the President, for the fourth time since late December 1972, took emergency action under section 22(b) of the Agricultural Adjustment Act, as amended, to establish a special additional temporary import quota for nonfat dry milk. The four temporary quotas were established to allow 265 million pounds of nonfat dry milk to be imported in 1973 in addition to the regular quota (1,807,000 pounds) that has been in effect since 1953. The following table shows the periods for which the temporary quotas were effective and the dates on which the quotas were filled:

Nonfat dry milk: Special additional temporary quotas, Dec. 30, 1972-Oct. 31, 1973

Period	Quota quantity	Date quota filled	Days used to fill quota
	Million pounds		
Dec. 30, 1972-Feb. 15, 1973	25	Jan. 15	17
May 11-June 30, 1973	60	May 25	15
July 19-Aug. 31, 1973	80	Aug. 6	19
Aug. 29-Oct. 31, 1973	100	-	-

By October 5, 67 million pounds of the 100-million-pound quota had been imported. That quota, unlike the other three quotas, was allocated to four supplying countries or areas.

Notwithstanding the importation of 232 million pounds of nonfat dry milk under the additional quotas in 1973, the average U.S. market price for the product not only continued to rise but remained substantially above the purchase price of the Department of Agriculture. From January 1973 through September 7, 1973, the market price rose from 39.0 to 49.5 cents per pound, or about 27 percent. Meanwhile, the purchase

price was increased from 31.7 to 41.4 cents per pound, or about 30 percent. 1/ The market price had continued its increase following the August 28 announcement of the 100-million-pound additional quota; it rose from 48.5 cents per pound on August 24 to 49.5 cents on September 7. On September 14, however, it remained at 49.5 cents, the first time in a month and a half that the price had not risen from the level of a week earlier; on October 12, the price continued to be 49.5 cents per pound.

The Department of Agriculture has revised downward its estimates of milk production several times this year and now forecasts total output to be between 116.6 billion and 117.0 billion pounds--about 3 percent less than was produced in 1972. 2/

The flush season for production of nonfat dry milk is now past, and such production in that period was substantially less than anticipated. The advance in the price of milk used for making cheese relative to the price of that used for butter has caused a shift in the use of manufacturing milk from the production of butter and nonfat dry milk to the manufacture of cheese. Also, larger amounts of the fluid

---

1/ The last increase in the purchase price for nonfat dry milk (effective Aug. 10)--from 37.5 cents to 41.4 cents per pound--was in response to the raising of the minimum parity price for milk from 75 to 80 percent, as required by the Agriculture and Consumer Protection Act of 1973.

2/ On Sept. 5, 1973, the Department of Agriculture announced that for the last 3 weeks of the month it was temporarily increasing by about 10 percent the minimum price paid to farmers for Class I milk (that marketed for fluid consumption under Federal milk marketing orders, as opposed to that sold exclusively for manufacturing and not subject to such orders); the Department said the increase was being taken to insure an adequate domestic milk supply and to give immediate assurance to dairy farmers that milk prices will be more closely related to higher costs.

skim milk are being consumed in the fluid form, thereby diminishing the amount of the fluid product available for drying; during 1968-72, consumption of fluid skim and low-fat milk increased about 65 percent. In view of the foregoing, the Department of Agriculture now estimates that production of nonfat dry milk in 1973 will amount to 875 million to 925 million pounds (compared with 938 million pounds estimated in July), or some 24 to 29 percent less than the 1,223 million pounds produced in 1972. The Department has reported that it does not expect domestic production of nonfat dry milk to be adequate to meet commercial consumption requirements and maintain sufficient stocks during the current marketing year (beginning April 1). During January-August 1973, commercial consumption of nonfat dry milk was 34 percent larger than in the corresponding period in 1972. This increase in consumption includes a buildup of stocks in the hands of commercial users, as discussed below.

Data received from the commercial users of nonfat dry milk (users that accounted for about 42 percent of the total commercial sales of the product in 1972) show their stocks of the product on June 30, 1973, were 34 percent larger than on that day in 1972, 47 percent larger than in 1971, and 11 percent larger than in 1970. On September 13, 1973, their stocks (44 million pounds, based on the survey) were 26 percent larger than they had been on June 30. Domestically produced nonfat dry milk accounted for about 77 percent of the total reported users' stocks on September 13; most of the stocks were available for immediate use. With market prices for nonfat dry milk remaining relatively high,

the Department of Agriculture has not purchased any of the product under the price-support program since April 1973; moreover, it has reported that any significant purchases under the program in the foreseeable future are extremely unlikely. At the hearing on investigation No. 22-34, the Department of Agriculture recommended that the annual import quota on nonfat dry milk be suspended, based on its belief that such action would not in the foreseeable future interfere with the price-support program for milk. The Department further reported that, consistent with that position, it believes that the additional importation of 100 million pounds authorized on August 28 likewise will not cause interference with the price-support program.

The regular quota for nonfat dry milk, which is allocated by licenses from the Department of Agriculture to importers authorized only to enter the product from Australia and Canada, has been equivalent to about 0.1 percent of the U.S. production of nonfat dry milk in recent years. The four temporary quotas that have been in effect in 1973 are equivalent to about 30 percent of estimated production for that year.

The following table shows the imports of nonfat dry milk, by country, for the regular quota (which is about 60 percent filled thus far in 1973), plus the 165 million pounds authorized prior to August 28:

Nonfat dry milk: U.S. imports for consumption, by sources, January-August 1973

Source	Quantity	Share of total	Source	Quantity	Share of total
	1,000 pounds	Percent		1,000 pounds	Percent
Canada	69,066	41.8	Netherlands	17,301	10.4
France	25,397	15.3	United Kingdom	2,653	1.5
Ireland	24,476	14.8	Denmark	1,961	1.2
Belgium	23,772	14.3	Australia	1,196	.7
			Total	165,822	100.0

Source: Compiled from official statistics of the U.S. Departments of the Treasury and Agriculture.

The importation of 100 million pounds of nonfat dry milk authorized on August 28 is to be allocated as follows:

Source	Million pounds
European Community	40
Australia	25
New Zealand	25
Canada	10
Total	100

Of the 67 million pounds imported under the 100-million-pound quota as of October 5, the European Community (EC) supplied 40 million pounds, Australia 15.2 million pounds; Canada, 10 million pounds; and New Zealand, 1.8 million pounds. The EC and Canada have filled their respective shares of the quota. Representatives of Australia and New Zealand have indicated that their countries will be able to fill the quota allotments assigned to them. At the hearing on this investigation, the spokesman for New Zealand testified that most of the nonfat dry milk from that country was in bonded warehouses in the United States. He pointed out that the New Zealand Dairy Board is the sole exporter of dairy products from that country, and the quota is available until the end of October.

Therefore, he said, there was no need to rush the sale of the product, but rather it can be marketed in an orderly fashion. He said that the Board is actively negotiating with U.S. purchasers.

Stocks of nonfat dry milk on July 1, 1973, in the countries that are the major producers and exporters of the product amounted to 1,267 million pounds, about 70 percent higher than on July 1, 1972. Stocks in countries designated as being free of foot-and-mouth disease and rinderpest accounted for about 45 percent of the total. New Zealand, the largest holder of such stocks, accounted for 32 percent of these stocks; the United Kingdom, for 20 percent; Canada, for 16 percent; Australia, for 14 percent; and Ireland, for 11 percent. Stocks in countries not designated as being free of these diseases accounted for the remaining 55 percent of the total. France was the largest holder, with about 60 percent of these stocks; the Netherlands accounted for about 17 percent of them, and West Germany, for 14 percent.

During January-August 1973 about two-fifths of the total U.S. imports of nonfat dry milk came from France, Belgium, the Netherlands, and Denmark, countries infected with rinderpest or foot-and-mouth disease. The chief method of producing nonfat dry milk is considered inadequate by the U.S. Department of Agriculture for destruction of rinderpest and foot-and-mouth disease viruses. The Department is concerned that some of the nonfat dry milk from countries infected with rinderpest or foot-and-mouth disease may contain the virus and may reach susceptible domestic animals. This could occur if the product were diverted from human consumption into livestock feeds. In order to

prevent such an occurrence, the Department, on September 6, 1973, had published in the Federal Register 1/ a proposal to place restrictions on the importation of certain milk and milk products, including nonfat dry milk, originating in any country infected with the diseases. Under the proposal, users of nonfat dry milk may import the product from infected countries only if their establishments have been approved by the Department of Agriculture. Written submissions could have been filed on the Department's proposal until October 6, 1973.

1/ Vol. 38, No. 172, pp. 24219 and 24220.

APPENDIX A

THE PRESIDENT'S LETTER

THE WHITE HOUSE

WASHINGTON

The Western White House
San Clemente

August 28, 1973

Dear Madam Chairman:

Pursuant to Section 22 of the Agricultural Adjustment Act, as amended, I have been advised by the Secretary of Agriculture, and I agree with him, that there is reason to believe that additional supplies of nonfat dried milk may be imported during a temporary period ending October 31, 1973, without rendering or tending to render ineffective, or materially interfering with, the price support program for milk now conducted by the Department of Agriculture, or reducing substantially the amount of products processed in the United States from domestic milk.

Specifically, reference is made to the following article presently subject to Section 22 quantitative limitations under item 950.02 of the Tariff Schedules of the United States:

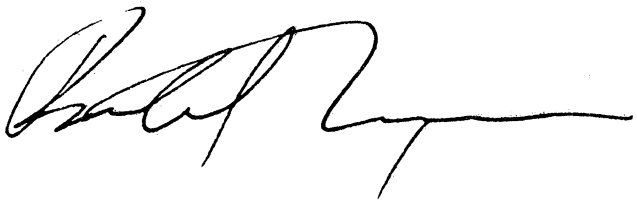
> Dried milk, provided for in part 4 of schedule 1 of the Tariff Schedules of the United States Annotated (1972), described in item 115.50 (Dried milk, other than buttermilk, containing not over 3 percent of butterfat).

The Secretary has also advised me, pursuant to Section 22(b) of the Agricultural Adjustment Act, as amended, that a condition exists requiring emergency treatment with respect to nonfat dried milk and has, therefore, recommended that I take immediate action under Section 22(b) to authorize the importation of 100,000,000 pounds during a temporary period ending October 31, 1973. I have, therefore, this day issued a proclamation establishing a special temporary quota of 100,000,000 pounds to be effective through October 31, 1973. This quota is in addition to the quantities otherwise authorized to be imported under Section 22 quantitative limitations.

The United States Tariff Commission is, therefore, directed to make an investigation under Section 22 of the Agricultural Adjustment Act, as amended, and to make findings and recommendations as to whether 100,000,000 pounds of the above-described article may be imported during a temporary period ending October 31, 1973, in addition to the quantities otherwise authorized to be imported under Section 22 quantitative limitations, without rendering or tending to render ineffective, or materially interfering with, the price support program now conducted by the Department of Agriculture for milk, or reducing substantially the amount of products processed in the United States from domestic milk.

The Commission is directed to report its findings and recommendations at the earliest practicable date.

Sincerely,



The Honorable Catherine May Bedell
Chairman
United States Tariff Commission
Washington, D.C. 20436

APPENDIX B

PRESIDENTIAL PROCLAMATION 4238

AMENDING PART 3 OF THE APPENDIX TO THE
TARIFF SCHEDULES OF THE UNITED STATES WITH RESPECT
TO THE IMPORTATION OF AGRICULTURAL COMMODITIES

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

PROCLAMATION 4238

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), limitations have been imposed by Presidential proclamations on the quantities of certain dairy products which may be imported into the United States in any quota year; and

WHEREAS, the import restrictions proclaimed pursuant to said section 22 are set forth in part 3 of the Appendix to the Tariff Schedules of the United States; and

WHEREAS, the Secretary of Agriculture has reported to me that he believes that additional quantities of dried milk provided for in item 950.02 of the Tariff Schedules of the United States (hereinafter referred to as "nonfat dry milk") may be entered for a temporary period without rendering or tending to render ineffective, or materially interfering with, the price support program now conducted by the Department of Agriculture for milk or reducing substantially the amount of products processed in the United States from domestic milk; and

WHEREAS, under the authority of section 22, I have requested the United States Tariff Commission to make an investigation with respect to this matter; and

WHEREAS, the Secretary of Agriculture has determined and reported to me that a condition exists with respect to nonfat dry milk which requires emergency treatment and that the quantitative limitation imposed on nonfat dry milk should be increased during the period ending October 31, 1973, without awaiting the recommendations of the United States Tariff Commission with respect to such action; and

WHEREAS, I find and declare that the entry during the period ending October 31, 1973, of an additional quantity of 100,000,000 pounds of nonfat dry milk will not render or tend to render ineffective, or materially interfere with, the price support program which is being undertaken by the Department of Agriculture for milk and will not reduce substantially the amount of products processed in the United States from domestic milk; and that a condition exists which requires emergency treatment and that the quantitative limitation imposed on nonfat dry milk should be increased during such period without awaiting the recommendations of the United States Tariff Commission with respect to such action;

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, acting under and by virtue of the authority vested in me as President, and in conformity with the provisions of section 22 of the Agricultural Adjustment Act, as amended, and the Tariff Classification Act of 1962, do hereby proclaim that subdivision (vi) of headnote 3(a) of part 3 of the Appendix to the Tariff Schedules of the United States is amended to read as follows:

> (vi) Notwithstanding any other provision of this part, 25,000,000 pounds of dried milk described in item 115.50 may be entered during the period beginning December 30, 1972, and ending February 15, 1973, 60,000,000 pounds of such milk may be entered during the period beginning May 11, 1973, and ending June 30, 1973, 80,000,000 pounds of such milk may be entered during the period beginning July 19, 1973, and ending August 31, 1973, and 100,000,000 pounds of such milk may be entered during the period beginning the day after the date of issuance of this proclamation and ending October 31, 1973, in addition to the annual quota quantity specified for such article under item 950.02, and import licenses shall not be required for entering such additional quantities. No individual, partnership, firm, corporation, association, or other legal entity (including its affiliates or subsidiaries) may during each such period enter pursuant to this provision quantities of such additional dried milk

totaling in excess of 2,500,000 pounds. The 100,000,000 pound additional quota quantity authorized to be entered during the period ending October 31, 1973, shall be allocated among supplying countries as follows:

Supplying Country	Quantity in Pounds
Australia	25,000,000
New Zealand	25,000,000
Canada	10,000,000
Member States of the European Economic Community	40,000,000

The 100,000,000 pound additional quota quantity provided for herein shall continue in effect pending President action upon receipt of the report and recommendations of th Tariff Commission with respect thereto.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-eighth day of August, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-eighth.

APPENDIX C

STATISTICAL TABLES

Table 1.--Dairy products: U.S. milk production and whole-milk equivalent (fat-solids basis) of U.S. exports and imports for consumption, 1953-72, January-August 1972, and January-August 1973

Period	Total milk production	Exports				Imports		Export or import (-) balance
		Sales 1/	Donations 2/	Total 1/				
				Quantity	Ratio to total milk production	Quantity	Ratio to total milk production	
	Million pounds	Million pounds	Million pounds	Million pounds	Percent	Million pounds	Percent	Million pounds
Annual:								
1953	120,521	675	694	1,369	1.1	525	0.4	844
1954	122,294	707	1,340	2,047	1.7	441	.4	1,606
1955	123,045	919	5,743	6,662	5.4	458	.4	6,204
1956	124,860	1,432	4,797	6,229	5.0	514	.4	5,715
1957	124,628	1,028	1,675	2,703	2.2	661	.5	2,042
1958	123,220	757	2,047	2,804	2.3	507	.4	2,297
1959	121,989	651	503	1,154	.9	578	.5	576
1960	123,109	755	21	776	.6	604	.5	172
1961	125,707	645	10	655	.5	760	.6	-105
1962	126,251	434	853	1,287	1.0	795	.6	492
1963	125,202	552	4,484	5,036	4.0	915	.7	4,121
1964	126,967	368	6,504	6,872	5.4	830	.7	6,042
1965	124,173	416	1,420	1,836	1.5	923	.7	913
1966	119,892	778	-	778	.6	2,791	2.3	-2,013
1967	118,769	353	10	363	.3	2,908	2.4	-2,545
1968	117,234	455	730	1,185	1.0	1,780	1.5	-595
1969	116,345	444	477	921	.8	1,600	1.4	-679
1970	117,149	397	41	438	.4	1,874	1.6	-1,436
1971	118,640	480	2,000	2,480	2.1	1,347	1.1	1,133
1972	120,300	3/	3/	1,481	1.2	1,684	1.4	-203
January-August--								
1972	82,987	3/	3/	1,293	1.5	1,000	1.2	293
1973	80,981	3/	3/	483	0.5	1,239	1.5	-756

1/ Includes some commercial sales subsidized by the Commodity Credit Corporation (CCC).
2/ Donations by CCC chiefly to relief agencies for shipment to overseas destinations.
3/ Not available.

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

A-16

Table 2.--Milk: U.S. utilization of domestic output, 1953-72

Year	Fluid use 1/	Manufactured dairy products						Grand total	Percent of total used for--	
		Butter 2/	Cheese	Condensed and evaporated milk	Frozen products	Other 3/	Total		Butter	Cheese
	Billion pounds	Billion pounds	Billion pounds	Billion pounds	Billion pounds	Billion pounds	Billion pounds	Billion pounds		
1953	55.0	32.4	13.3	6.2	7.8	2.5	62.2	117.2	28	11
1954	56.2	32.9	13.8	6.1	7.7	2.3	62.8	119.0	28	12
1955	57.5	31.2	13.6	6.3	8.2	3.0	62.3	119.8	26	11
1956	58.7	31.5	13.7	6.4	8.5	2.9	63.0	121.7	26	11
1957	59.2	31.4	13.5	6.2	8.4	3.0	62.5	121.7	26	11
1958	58.7	31.7	12.7	5.6	8.8	3.0	61.8	120.5	26	11
1959	58.5	30.3	12.6	5.7	9.4	2.8	60.8	119.3	25	11
1960	58.3	30.7	13.4	5.4	9.5	3.3	62.3	120.6	25	11
1961	57.4	32.9	14.9	5.4	9.6	3.1	65.9	123.3	27	12
1962	57.7	34.0	14.4	5.0	9.7	3.1	66.2	123.9	27	12
1963	58.4	31.5	14.8	5.0	9.8	3.5	64.6	123.0	26	13
1964	58.7	31.9	15.7	5.0	10.2	3.3	66.1	124.8	26	13
1965	58.8	29.0	15.8	4.6	10.4	3.5	63.3	122.1	24	13
1966	58.6	24.0	16.7	4.6	9.1	4.9	59.3	117.9	20	14
1967	56.9	26.4	17.2	4.1	9.4	2.8	59.9	116.8	23	15
1968	56.3	25.1	17.4	3.9	11.0	1.7	59.1	115.4	22	15
1969	55.3	23.8	17.7	3.8	11.0	3.0	59.3	114.6	21	15
1970	54.2	24.1	19.5	3.3	11.0	3.3	61.2	115.4	21	17
1971	53.9	24.0	20.9	3.2	11.1	4.0	63.1	117.0	21	18
1972	54.2	22.9	23.1	3.0	11.2	4.1	64.3	118.5	19	19

1/ Does not include milk fed to calves but does include other milk consumed on farms.
2/ Includes farm and nonfarm butter.
3/ Includes dry whole milk, dry ice-cream mix, creamed cottage cheese, and other miscellaneous products.

Source: Compiled from official statistics of the U.S. Department of Agriculture, Economic Research Service, Dairy Section.

A-17

Table 3.--Butter, Cheddar cheese, nonfat dry milk, and all milk for manufacturing: U.S. market prices, Department of Agriculture support prices, and price-support objectives, marketing years 1953-72 and Mar. 15-Aug. 31, 1973

Year beginning Apr. 1--	Butter (grade A) at Chicago		Cheddar cheese		Nonfat dry milk (spray process)		Milk for manufacturing		
	Market price	Price support	Market price (Wisconsin assembly points)	Price support	Market price (U.S. average)	Price support	Market price (U.S. average)	Price-support objective: Amount	Price-support objective: Percent of parity
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	
1953	65.5	65.8	36.8	37.0	15.5	16.0	3.46	3.74	89
1954	57.8	57.5	33.1	1/ 33.2	15.3	2/ 16.0	3.15	3.15	75
1955	57.4	57.5	33.2	33.2	15.6	16.0	3.19	3.15	80
1956	59.7	59.5	34.7	3/4/35.0	15.5	16.0	3.31	3/3.25	3/ 84
1957	59.6	59.5	34.8	35.0	15.5	16.0	3.28	3.25	82
1958	58.2	57.8	33.3	32.8	13.8	14.2	3.16	3.06	75
1959	59.7	58.0	34.0	32.8	13.7	14.2	3.22	3.06	77
1960:									
Apr. 1-Sept. 16	58.1	58.0	34.4	32.8	14.4	13.4	3.21	3.06	76
Sept. 17-Mar. 9 (1961)	60.6	5/ 60.5	39.1	5/ 34.2	14.7	5/ 13.9	3.29	5/3.22	80
Mar. 10-31 (1961)	60.5	60.5	37.2	36.1	15.9	15.9	3.37	3.40	85
1961:									
Apr. 1-July 17	60.5	60.5	36.7	36.1	15.9	15.9	3.36	6/3.40	83
July 18-Mar. 31 (1962)	60.5	60.5	37.2	36.5	16.0	16.4	3.39	6/3.40	83
1962	58.6	58.0	36.0	34.6	14.4	14.4	3.19	3.11	75
1963	58.2	58.0	36.1	35.6	14.5	14.4	3.24	3.14	75
1964	59.1	58.0	36.8	35.6	14.6	14.4	3.30	3.15	75
1965	61.1	59.0	39.8	36.1	14.9	14.6	3.45	3.24	75
1966:									
Apr. 1-June 29	64.1	61.0	43.5	39.3	17.2	16.6	3.70	3.50	78
June 30-Mar. 31 (1967)	69.1	66.5	49.2	43.8	20.1	19.6	4.24	4.00	89.5
1967	66.7	66.5	45.2	43.8	19.9	19.6	4.06	4.00	87
1968	66.9	66.4	48.3	47.0	23.3	23.1	4.30	4.28	89
1969	68.0	67.6	53.6	48.0	23.6	23.4	4.55	4.28	83
1970	69.9	69.8	55.3	52.0	27.3	27.2	4.76	4.66	85
1971	67.9	67.8	57.0	54.8	31.8	31.7	4.91	4.93	85
1972	68.3	67.7	61.1	54.8	35.2	31.7	5.21	4.93	79
1973:									
Mar. 15-Aug. 9	7/ 61.8	60.9	7/ 67.0	62.0	7/45.0	37.5	7/ 5.58	5.29	75
Aug. 10-31	82.6	60.9	74.8	65.0	48.5	41.4	5.88	5.61	80

1/ Cheddar supported at 32.25 cents per pound from Apr. 1 to July 11, 1954.
2/ Nonfat dry milk supported at 15 cents per pound from Apr. 1 to July 11, 1954.
3/ Applies to the period Apr. 19, 1956-Mar. 31, 1957.
4/ For the period Apr. 1-18, 1956, the support price was 34.0 cents per pound.
5/ Increase required by Public Law 86-799.
6/ The U.S. Department of Agriculture later found that the purchase prices of March 1961 reflected a per hundredweight support objective of only $3.36-$3.37: the new purchase prices of July 1961 more accurately reflected the $3.40 price-support objective.
7/ April-July.

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

Table 4.--Butter, Cheddar cheese, and nonfat dry milk: U.S. Department of Agriculture and sec. 32 purchases, utilization (disposal), and uncommitted supplies, 1953-72 and January-August of 1971-73

(In millions of pounds)

Commodity and year 1/	Purchases 2/	Utilization	Uncommitted supplies at end of year 3/
Butter:			
1953	359	118	257
1954	320	313	264
1955	162	366	60
1956	165	225	-
1957	173	142	31
1958	184	208	7
1959	124	130	-
1960	145	129	16
1961	330	196	150
1962	403	259	294
1963	308	482	120
1964	266	368	18
1965	216	225	9
1966	4/ 29	32	6
1967	259	128	137
1968	193	255	77
1969	188	223	33
1970	246	242	37
1971	324	328	33
1972	224	216	43
January-August--			-
1971	273	5/ 99	174
1972	211	5/ 94	130
1973	98	5/ 91	6/ 39
Cheddar cheese:			
1953	308	54	255
1954	276	196	335
1955	150	224	261
1956	188	303	146
1957	241	245	142
1958	80	215	3
1959	57	53	7
1960	-	7	-
1961	124	70	54
1962	203	194	63
1963	120	164	19
1964	119	121	17
1965	39	56	7/
1966	4/ 20	12	8
1967	182	133	57
1968	78	111	24
1969	4/ 36	58	4
1970	43	47	-
1971	101	86	15
1972	21	36	-
January-August--			
1971	76	5/ 57	7
1972	21	5/ 32	0
1973	8/ 3	5/ 4	0

See footnotes at end of table.

Table 4.--Butter, Cheddar cheese, and nonfat dry milk: U.S. Department of Agriculture and sec. 32 purchases, utilization (disposal), and uncommitted supplies, 1953-72 and January-August of 1971-73--Continued

(In millions of pounds)

Commodity and year 1/	Purchases 2/	Utilization	Uncommitted supplies at end of year 3/
Nonfat dry milk: 9/			
1953	597	209	432
1954	649	1,000	97
1955	536	649	4
1956	724	726	32
1957	825	821	27
1958	783	765	45
1959	838	783	-
1960	873	696	177
1961	1,193	1,185	186
1962	1,300	972	514
1963	998	1,146	303
1964	677	977	66
1965	888	823	143
1966	367	433	64
1967	615	478	201
1968	625	582	246
1969	354	461	137
1970	447	560	29
1971	444	462	14
1972	298	353	-
January-August--			
1971	341	5/ 277	68
1972	293	5/ 234	52
1973	10/ 22	5/ 16	-

1/ Calendar year unless otherwise specified.
2/ On the basis of contracts made; some deliveries were made in the subsequent reporting period.
3/ The supplies at the end of a year do not always equal the supplies at the beginning, plus purchases, less utilization, owing to rounding of figures and purchase contract tolerance.
4/ Includes purchases for school lunches under sec. 709 of the Food and Agriculture Act of 1965.
5/ January-July.
6/ Estimated.
7/ Less than 0.5 million pounds.
8/ Includes 1 million pounds purchased under sec. 709 of the Food and Agriculture Act of 1965.
9/ Includes instant nonfat dry milk.
10/ Includes 12 million pounds purchased under sec. 709.

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

Table 5.--Nonfat dry milk: U.S. production, market prices, 1/ and U.S. Department of Agriculture support prices, by months, 1968-73

(Production in thousands of pounds, prices in cents per pound)

Year and item	January	February	March	April	May	June	July	August	September	October	November	December	Total or average
1968:													
Production	125,050	126,056	142,956	165,594	191,018	189,460	152,222	119,452	89,401	88,815	89,356	114,983	1,594,363
Market price	20.50	20.50	20.40	24.00	24.00	23.80	23.80	23.80	23.80	23.80	23.80	23.80	23.00
Support price effective Apr. 1	19.60	19.60	19.60	23.10	23.10	23.10	23.10	23.10	23.10	23.10	23.10	23.10	22.23
Market price above support price	.90	.90	.80	.90	.90	.70	.70	.70	.70	.70	.70	.70	.78
1969:													
Production	117,604	114,207	129,260	147,216	175,717	176,495	140,367	113,000	83,629	79,592	72,444	102,747	1,452,278
Market price	23.80	23.80	23.80	23.80	23.80	23.80	23.80	23.80	23.90	23.90	23.90	23.90	23.80
Support price effective Apr. 1	23.10	23.10	23.10	23.35	23.35	23.35	23.35	23.35	23.35	23.35	23.35	23.35	23.29
Market price above support price	.70	.70	.70	.45	.45	.45	.45	.45	.55	.55	.55	.55	.55
1970:													
Production	104,331	104,116	128,356	139,586	171,234	169,508	141,386	117,685	88,174	89,551	81,524	108,909	1,444,360
Market price	23.80	23.80	24.60	27.80	27.70	27.70	27.70	27.70	27.70	27.70	27.70	27.70	26.80
Support price effective Apr. 1	23.35	23.35	23.35	27.20	27.20	27.20	27.20	27.20	27.20	27.20	27.20	27.20	26.24
Market price above support price	.45	.45	1.25	.60	.50	.50	.50	.50	.50	.50	.50	.50	.56
1971:													
Production	108,949	106,683	125,269	142,465	164.414	171,119	137,530	116,690	86,025	86,813	78,546	93,146	1,417,649
Market price	27.70	27.60	27.60	32.00	32.00	32.00	32.00	31.70	31.50	31.50	31.50	31.60	30.72
Support price effective Apr. 1	27.20	27.20	27.20	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	30.58
Market price above support price	.50	.40	.40	.30	.30	.30	.30	0	-.20	-.20	-.20	-.10	.15
1972:													
Production	95,505	99,729	115,859	130,156	151,330	155,320	121,162	92,356	69,113	63,618	57,219	72,089	1,223,456
Market price	31.70	31.70	31.70	31.60	31.60	31.60	31.60	31.70	32.20	34.40	36.30	38.50	32.88
Support price effective Apr. 1	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70	31.70
Market price above support price	0	0	0	-.10	-.10	-.10	-.10	0	.50	2.70	4.60	6.80	1.18
1973:													
Production	85,154	79,902	95,071	97,347	121,514	118,995	87,105	63,999	-	-	-	-	-
Market price	39.00	39.00	41.90	44.30	44.90	44.90	2/ 45.05	48.50	49.50	5/49.50	-	-	-
Support price effective Apr. 1	31.70	31.70	3/ 37.50	37.50	37.50	37.50	37.50	4/ 41.40	41.40	5/41.40	-	-	-
Market price above support price	7.30	7.30	4.40	6.80	7.40	7.40	7.55	7.10	8.10	5/ 8.10	-	-	-

1/ For 50-pound bags of high-heat powder, f.o.b. Wisconsin shipping points.
2/ The price changed from 44.90 cents to 45.50 cents on July 27.
3/ The increased support price was effective Mar. 15, 1973; for the entire month, the market price averaged 6.8 cents per pound above the average support price.
4/ The support price changed Aug. 10, 1973.
5/ October 12, 1973.

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

Table 6.--Nonfat dry milk: U.S. production, imports for consumption, export yearend stocks, and commercial consumption, 1953-72, January-August 1972, and January-August 1973

Year	Production	Imports 1/	Exports	Yearend stocks	Commercial consumption	Ratio export to production
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percen
1953	1,214	2/	175	540	646	1
1954	1,334	1	257	324	672	1
1955	1,366	2	528	250	809	3
1956	1,490	1	644	201	777	4
1957	1,624	2	667	223	801	4
1958	1,710	2	671	243	821	3
1959	1,723	2	663	157	944	3
1960	1,819	1	447	383	1,000	2
1961	2,020	2	761	488	963	1
1962	2,230	1	872	675	944	1
1963	2,106	2	1,119	487	924	5
1964	2.177	2	1,311	174	969	6
1965	1,989	1	863	154	931	4
1966	1,	3	388	118	1,024	2
1967	1,679	1	434	257	986	2
1968	1,594	2	397	278	1,031	1
1969	1,452	2	329	222	1,040	1
1970	1,444	2	416	138	960	
1971	1,418	2	348	90	958	
1972	1,223	2	282	45	899	
Jan.-Aug:						
1972	961	2/	226	3/ 135	639	
1973	749	182	15	3/ 89	859	

1/ Imports entered under absolute quota pursuant to sec. 22 of the Agricultural Adjustment Act, as amended.
2/ Less than 0.5 million pounds.
3/ August 31 stocks.

Source: Production, imports (except January-August 1972 and January-August 1973), and stocks compiled from official statistics of the U.S. Department of Agriculture; exports and imports for January-August 1972 and January-August 1973 compiled from official statistics of the U.S. Department of Commerce.

Table 7.--Milk and nonfat dry milk: U.S. production and Department of Agriculture purchases, 1953-73

Year	U.S. production of milk	Milk equivalent of Department of Agriculture purchases	Ratio of purchases to U.S. milk production	U.S. production of nonfat dry milk	Department of Agriculture purchases of nonfat dry milk	Ratio of purchases to U.S. production of nonfat dry milk
	Million pounds	Million pounds	Percent	Million pounds	Million pounds	Percent
1953--	120,521	10,328	8.6	1,214	586	48.2
1954--	122,294	9,216	7.5	1,334	55	4.1
1955--	123,045	4,780	3.9	1,366	425	31.1
1956--	124,860	5,224	4.2	1,490	612	41.1
1957--	124,628	5,899	4.7	1,624	694	42.7
1958--	123,220	4,713	3.8	1,710	703	41.1
1959--	121,989	3,214	2.6	1,723	589	34.1
1960--	123,109	3,112	2.5	1,819	688	37.8
1961--	125,707	8,024	6.4	2,020	830	41.0
1962--	126,251	10,748	8.5	2,230	1,114	49.9
1963--	125,202	7,777	6.2	2,106	969	46.0
1964--	126,967	8,464	6.7	2,177	960	44.0
1965--	124,173	6,426	5.2	1,989	916	46.0
1966--	119,892	645	.5	1,595	311	19.4
1967--	119,294	7,427	6.2	1,679	589	35.0
1968--	117,281	5,159	4.4	1,594	626	39.2
1969--	116,200	4,479	3.9	1,452	354	24.3
1970--	117,149	5,744	4.9	1,444	447	30.9
1971--	118,640	7,268	6.1	1,418	444	31.3
1972--	120,300	5,402	4.5	1,223	298	24.3
1973--	1/ 117,000	2/ 2,173	3/ 1.9	4/	2/5/ 22	2.4

1/ Estimated by the Department of Agriculture.
2/ January-August.
3/ Assumes the Department of Agriculture will not purchase additional dairy products during the remainder of the year.
4/ Estimated by the Department of Agriculture to be between 875 million and 925 million pounds.
5/ Includes 12 million pounds purchased at market prices under the authority of sec. 709 of the Food and Agriculture Act of 1965.

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

Table 8.--Nonfat dry milk: Commercial (manufacturers') and Government-owned stocks as of end of month, 1968-72 and January-August 1973

(In thousands of pounds)

Year and stocks	January	February	March	April	May	June	July	August	September	October	November	December
1968:												
Commercial	83,017	79,170	77,044	89,730	118,999	147,678	140,878	126,962	106,317	85,533	74,852	79,047
Government-owned	166,355	185,746	193,186	202,383	207,334	228,755	256,609	253,772	232,821	202,686	196,633	198,716
Total	249,372	264,916	270,230	292,113	326,333	376,433	397,487	380,734	339,138	288,219	271,485	277,763
1969:												
Commercial	71,563	68,171	64,128	78,622	112,091	140,955	154,372	150,890	130,529	107,935	90,163	83,913
Government-owned	202,213	211,102	205,330	183,700	193,810	203,671	229,611	231,524	209,105	187,669	171,594	137,787
Total	273,776	279,273	269,458	262 322	305,901	344,626	383,983	382,414	339,634	295,604	261,757	221,700
1970:												
Commercial	77,280	75,608	76,641	96,076	136,215	155,860	156,941	161,112	139,416	118,074	101,236	95,346
Government-owned	98,332	86,080	79,298	65,634	66,692	66,357	57,175	64,503	70,518	49,881	49,755	42,569
Total	175,618	161,688	155,939	161,710	202,907	222,217	214,116	225,615	209,934	167,955	150,991	137,915
1971:												
Commercial	87,060	97,377	74,353	99,553	134,309	151,121	152,525	143,025	107,165	100,842	85,063	77,005
Government-owned	39,382	10,729	14,099	14,113	14,549	29,092	48,565	40,681	55,293	48,872	19,568	12,526
Total	126,442	108,106	88,452	113,666	148,858	180,213	201,090	183,706	162,458	149,714	104,631	89,531
1972:												
Commercial	76,282	63,817	62,132	78,364	97,073	106,687	107,427	86,343	64,679	47,907	34,889	37,928
Government-owned	8,705	12,738	15,129	14,003	15,513	25,630	40,432	48,605	40,203	19,863	14,559	6,929
Total	84,987	76,555	77,261	92,367	112,586	132,317	147,859	134,948	104,882	67,770	49,448	44,857
1973:												
Commercial	34,446	36,899	38,261	56,791	75,441	96,583	91,014	88,795	-	-	-	-
Government-owned	5,661	1,260	167	110	0	0	0	0	-	-	-	-
Total	40,107	38,159	38,428	56,901	75,441	96,583	91,014	88,795	-	-	-	-

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

A-24

Table 9.--Nonfat dry milk: Stocks in major producing and exporting countries, 1972 and 1973

Country	Date	1972	1973	Percent change, 1973 over 1972
		Million pounds	Million pounds	
New Zealand	June 1	163	188	15
United Kingdom	July 1	56	116	107
Canada	Aug. 1	124	95	-23
Australia	July 1	31	81	161
Ireland	Aug. 1	-	66	-
Sweden	July 1	22	40	82
Norway	July 1	3	4	33
Countries designated free of foot-and-mouth disease and rinderpest, total		399	590	48
France	June 1	210	398	90
Netherlands	July 1	117	115	-2
Germany	July 1	-	96	-
Switzerland	June 1	17	21	24
Denmark	July 1	-	20	-
Belgium	June 30	-	14	-
Austria	July 1	12	13	8
Other countries, total		356	677	90
Grand total		755	1,267	68

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