The original documents are located in Box 31, "5/7/76 - Remarks at Farm Forum, Omaha, Nebraska" of the President's Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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# FARM FORUM

- THANK YOU, SENATOR CURTIS
- SENATOR HRUSKA
- LADIES AND GENTLEMEN

# REMARKS AT FARM FORUM

OMAHA, NEBRASKA

FRIDAY, MAY 7, 1976

IT'S GREAT TO BE IN OMAHA -- AND I HOPE

THE FEELING IS "MUTUAL." AFTER ALL, I WAS BORN HERE.

BEFORE GETTING TO OUR QUESTION AND ANSWER SESSION,

LET ME MAKE A FEW COMMENTS ON MY ADMINISTRATION'S

AGRICULTURAL POLICIES.

FIRST OF ALL, THOSE POLICIES HAVE BEEN SUCCESSFUL.

THE AVERAGE AMERICAN FARMER HAS HAD A HIGHER NET

INCOME DURING THE LAST THREE YEARS THAN EVER BEFORE IN

HISTORY - AND IT WILL BE JUST AS GOOD OR BETTER IN 1976.

WHILE REALIZED NET INCOME FOR THE AVERAGE

FARMER IN NEBRASKA WAS 4,041 DOLLARS IN 1964,

IT WAS 17,510 DOLLARS IN 1974.

# THAT IS A FOUR-FOLD INCREASE, AND YOU

EARNED EVERY PENNY OF IT.

THIS VERY SUCCESSFUL RECORD HAS BEEN ACHIEVED

WITHOUT A LOT OF BUREAUCRATIC INTERFERENCE FROM WASHINGTON --

AND I DON'T THINK THAT'S JUST COINCIDENCE.

#### YOU NO LONGER HAVE HEAVY FARM SURPLUSES HANGING

OVER THE MARKET DEPRESSING YOUR PRICES AND COSTING

THE GOVERNMENT A MILLION DOLLARS A DAY IN STORAGE FEES.

INSTEAD OF STORING GRAIN IN GOVERNMENT BINS

WE ARE SELLING IT -- IN RECORD VOLUME.

FARM EXPORTS TOTALLED 21 BILLION, 600 MILLION

DOLLARS IN THE LAST FISCAL YEAR, AND IT WILL BE AROUND

22 BILLION DOLLARS THIS FISCAL YEAR.

WE WILL EXPORT AN ESTIMATED 3.1 BILLION BUSHELS

OF WHEAT AND FEED GRAIN IN THIS MARKETING YEAR

AN ALL-TIME RECORD.

#### WE WILL EXPORT ABOUT ONE AND A HALF BILLION

BUSHELS OF CORN, 1.2 BILLION BUSHELS OF WHEAT,

250 MILLION BUSHELS OF GRAIN SORGHUM,

AND ABOUT 50 MILLION

BUSHELS OF BARLEY AND OATS.

WITHIN THE LAST TWO WEEKS, WE HAVE ANNOUNCED

THE SALE OF ALMOST FIVE MILLION METRIC TONS OF CORN AND WHEAT

TO THE SOVIET UNION, WHICH BRINGS THE TOTAL SALE OF GRAIN

TO THE SOVIET UNION FROM OUR 1975 CROPS

TO 16.5 MILLION METRIC TONS.

BEYOND THAT, WE HAVE ALREADY SOLD GRAIN FROM

THE 1976 CROP AS PART OF THE AGREEMENT MY ADMINISTRATION

NEGOTIATED WITH THE SOVIET UNION, TO ENSURE THE SALE OF AT LEAST

SIX MILLION METRIC TONS OF GRAIN TO THE SOVIET UNION EVERY YEAR

THROUGH 1981. I HOPE WE CAN SELL THEM EVEN MORE.

# THIS LONG-TERM AGREEMENT WAS A DIRECT AND

# BENEFICIAL RESULT OF THE NEGOTIATIONS PURSUED BY THIS

ADMINISTRATION LAST FALL.

# LAST SUMMER, A SHORT SOVIET CROP

BROUGHT THE SOVIET UNION TO THE AMERICAN MARKET --

FOR 375 MILLION BUSHELS OF GRAIN.

OUR WHEAT HARVEST WAS NEARLY COMPLETED

BY JULY, BUT DRY WEATHER HAD ALREADY CAUSED DAMAGE

IN THE WESTERN CORN BELT, WE COULD NOT DISCOUNT

THE POSSIBILITY OF ANOTHER DROUGHT OR AN EARLY FREEZE,

AS IN THE PREVIOUS YEAR.

# TO PROTECT OUR LIVESTOCK PRODUCERS

OUR REGULAR CUSTOMERS OVERSEAS, AND THE AMERICAN PEOPLE,

WE WERE FORCED TO INTERVENE TO LEARN THE SOVIETS' INTENTIONS.

# WITH THE GREATEST RELUCTANCE WE PUT A TEMPORARY

HOLD ON FURTHER GRAIN SALES TO THE SOVIET UNION.

PRESSURES MOUNTED IN THE CONGRESS TO HALT

ALL PRIVATE GRAIN SALES AND PUT AGRICULTURAL EXPORTS IN THE

HANDS OF A GOVERNMENT MANAGEMENT AND CONTROL BOARD,

AS CANADA AND SOME OTHER COUNTRIES HAVE DONE.

## BUT YOU AND I KNOW THAT THE LAST THING WE NEED

IS THE GOVERNMENT RUNNING YOUR BUSINESS 365 DAYS A YEAR.

THE SITUATION, HOWEVER, DID REQUIRE CORRECTIVE

at market sies

ACTION AND A LONG-TERM SOLUTION. THE SOLUTION WAS THE

NEGOTIATION OF A FIVE-YEAR AGREEMENT

IS WORKING VERY VERY WELL.

NOW WE HAVE A STEADY MARKET, NOT A BOOM

AND BUST CYCLE THAT CAN'T BE CONTROLLED OR PREDICTED.

THE PROSPECTS FOR GRAIN AND SOYBEAN SALES

THIS YEAR ARE EXCELLENT. CARRY-IN INVENTORIES ARE MUCH

HIGHER THAN A YEAR AGO.

AS OF APRIL FIRST, WHEAT STOCKS IN THE

UNITED STATES WERE UP 42 PERCENT FROM LAST YEAR, CORN STOCKS

WERE UP 27 PERCENT. AND SOYBEAN STOCKS WERE UP 31 PERCENT.

EARLY NATIONWIDE PRODUCTION FORECASTS INDICATE

THIS YEAR'S CROPS SHOULD BE BOUNTIFUL. THUS, OUR INVENTORIES

AND PRODUCTION SHOULD BE FULLY SUFFICIENT TO SATISFY ALL OUR

ANTICIPATED DOMESTIC AND EXPORT DEMAND.

# THEREFORE, I FORESEE NO PROSPECTS WHATSOEVER

OF ANY GOVERNMENT INTERRUPTION OF THE EXPORTS OF THE

AMERICAN FARMER

THESE GOOD SALES AND GLOWING PROSPECTS ARE

THE FRUITS OF FREE TRADE. THEY ARE ALSO THE FR

OF PEACE, OF AGGRESSIVE, SUCCESSFUL NEGOTIATIONS,

AND OF YOUR OWN HARD WORK. FURTHERMORE, THEY ARE

A MAJOR FORCE BEHIND AMERICA'S RISING PROSPERITY,

AND I CONGRATULATE YOU AND THANK YOU.

#### I HAVE NO INTENTION OF EXPLOITING THE

AMERICAN FARMER BY USING FARM EXPORTS AS A PAWN IN

AMERICA'S FOREIGN POLICY, NOR DO I INTEND TO SEE

AMERICA'S FARM EXPORT MARKET JEOPARDIZED BY CORRUPTION

OR INEFFICIENCY AT THE GRAIN INSPECTION STATION.

#### I HAVE DIRECTED THE DEPARTMENT OF AGRICULTURE

TO DO EVERYTHING IT CAN TO MAINTAIN THE CONFIDENCE

OF OUR EXPORT GRAIN CUSTOMERS THROUGH PROPER CERTIFICATION.

IN ADDITION, I FAVOR LEGISLATION PROVIDING

MORE CAREFUL SUPERVISION OF GRADING AND WEIGHING OF

GRAIN FOR EXPORT.

#### BUT TURNING OVER MORE OF YOUR BUSINESS

TO ONE MORE GOVERNMENT BUREAUCRACY

FEDERALIZING THE ENTIRE INSPECTION SYSTEM

IS GOING TOO FAR.

IT IS NOT NECESSARY TO EXTEND FEDERAL PARTICIPATION

TO INTERIOR POINTS

WHERE NO HINT OF IMPROPRIETY

HAS BEEN REPORTED.

# BUT I INTEND TO SEE CORRUPTION

IN THE GRAIN INSPECTION BUSINESS STOPPED.

PERIOD.

#### I ALSO INTEND TO REDUCE THE EXCESSIVE GOVERNMENT

REGULATION OF FARM OPERATIONS. FOR THAT REASON

I WAS GLAD TO SIGN THE LEGISLATION EXEMPTING CUSTOM COMBINE

OPERATORS AND OTHER SKILLED FARM WORKERS FROM THE PROVISIONS

OF THE FARM LABOR CONTRACTOR REGISTRATION ACT.

I WOULD LIKE TO SIGN AN AMENDMENT SHORTENING THE

TITLE OF THAT ACT, TOO, BUT I GUESS YOU CAN'T HAVE EVERYTHING.

I FAVOR FEDERAL REGULATION WHEN IT IS NECESSARY,

AS IN THE CASE OF THE PROPOSED PACKER BONDING LEGISLATION,

TO PROTECT LIVESTOCK PRODUCERS AGAINST LOSSES RESULTING

FROM BANKRUPTCIES AND OTHER SERIOUS FINANCIAL PROBLEMS

IN THE LIVESTOCK PACKING INDUSTRY.

THE FUTURE SUCCESS OF AMERICAN AGRICULTURE DEPENDS

IN PART ON STRIKING A BETTER BALANCE BETWEEN PROVIDING

GOVERNMENT ASSISTANCE WHERE IT IS NEEDED AND REMOVING

GOVERNMENT RESTRICTIONS WHICH ARE NOT NEEDED.

MY ADMINISTRATION IS WORKING TO STRIKE THAT

BALANCE, BECAUSE I KNOW THAT THE FUTURE OF AMERICA DEPENDS

SO MUCH ON YOU AND YOUR WORK AND YOUR SUCCESS.

#### I HAVE TAKEN STEPS TO ENHANCE THAT FUTURE

BY RECOMMENDING IN MY LATEST BUDGET PROPOSAL

A 21 MILLION DOLLAR INCREASE IN FUNDS FOR NEW FUNDAMENTAL

RESEARCH EFFORTS IN THE AGRICULTURAL SCIENCES.

## RESEARCH HAS BEEN THE KEY TO THE AMERICAN

FARMER'S MIRACULOUS PRODUCTION REVOLUTION. IF WE ARE

TO DOUBLE WORLD AGRICULTURAL OUTPUT IN THE NEXT 25 YEARS

BOTH NEW TECHNOLOGY AND BETTER USE OF

EXISTING TECHNOLOGY ARE ESSENTIAL.

### YOUR OWN UNIVERSITY OF NEBRASKA HAS BENEFITTED

FROM OUR RESEARCH PROGRAMS, AND RETURNED THE FAVOR.

IN A JOINT EFFORT WITH THE DEPARTMENT OF AGRICULTURE,

THE UNIVERSITY HAS DEVELOPED A RUGGED NEW STRAIN OF

WINTER WHEAT WHICH NOW ACCOUNTS FOR A MAJOR PORTION

OF OUR TOTAL WINTER WHEAT CROP.

FINALLY, THE FUTURE DEPENDS ON THE NEW GENERATIONS

OF AMERICANS WHO WILL TAKE YOUR PLACE ON THE FARMS

AND FIELDS OF AMERICA.

I WANT TO PRESERVE THE FAMILY FARM,

ONE OF AMERICA'S GREATEST RESOURCES.

**L WANT THOSE FARMS** 

TO STAY IN THE FAMILY, RATHER THAN BE SACRIFICED TO PAY

THE TAX COLLECTORS.

ACCORDINGLY, I HAVE PROPOSED LEGISLATION

TO INCREASE THE ESTATE-TAX EXEMPTION FROM 60,000 TO

150,000 DOLLARS, TO STRETCH OUT ESTATE TAX PAYMENTS AT

LOW INTEREST RATES OVER A 25- YEAR PERIOD, AND TO EXEMPT

FROM TAXATION TRANSFERS OF PROPERTY BETWEEN HUSBAND AND WIFE.

AND SELL ALL YOU CAN, FOR THE AMERICAN CONSUMER TO HAVE

A PLENTIFUL SUPPLY OF GOOD FOOD AND QUALITY FIBER,

FOR OUR AGRICULTURAL EXPORTS TO SELL AT RECORD VOLUME,

FOR THE GOVERNMENT TO STAY OFF YOUR BACKS AND OFF YOUR FARMS

AS MUCH AS POSSIBLE. AND FOR FAMILY FARMS TO STAY IN THE

**FAMILY** 

# I AM PROUD TO HAVE SECRETARY OF AGRICULTURE

EARL BUTZ WORKING WITH ME TO MAKE OUR FARM POLICIES

**SUCCESSFUL** 

TO REFLECT THE SECRETARY'S DOMINANT ROLE

IN ALL FARM POLICY, BOTH FOREIGN AND DOMESTIC, I HAVE

APPOINTED EARL TO SERVE AS CHAIRMAN OF MY CABINET-LEVEL

AGRICULTURAL POLICY COMMITTEE. BUT HE IS THE FIRST TO ADMIT

WE NEED THE ADVICE OF THE FARMER AS WELL AS THE GOVERNMENT

OFFICIAL.

# I CAN ASSURE YOU THIS CABINET COMMITTEE

IN NO WAY REPLACES THE MANY COMMITTEES SPONSORED

BY THE AGRICULTURE DEPARTMENT, THROUGH WHICH FARMERS

GIVE US GUIDANCE ON EVERYTHING FROM GRAZING PROBLEMS

TO COMMODITIES AND RESEARCH ACTIVITIES.

#### YOU HAVE HELPED US MAKE THE FARM POLICIES

WE HAVE FOLLOWED IN THE PAST 21 MONTHS.

MORE IMPORTANTLY, YOU HAVE HELPED MAKE THOSE POLICIES SUCCEED.

WE'RE A GOOD TEAM AND I WOULD HATE TO SEE A GOOD TEAM

BROKEN UP RIGHT IN THE MIDDLE OF THE GAME.

THAT IS WHY I AM ASKING FOR YOUR SUPPORT

NEXT TUESDAY, NEXT NOVEMBER, AND IN THE YEARS AHEAD.

THANK YOU VERY MUCH, AND NOW LET'S GET

TO THE QUESTIONS.

END OF TEXT