Mr. Speaker, yesterday's commodity report of the WALL STREET JOURNAL clearly sets forth the facts concerning the current premeditated and deliberated effort by the U.S. Department of Agriculture to intentionally and systematically depress corn market prices.

This newspaper summarizes the Department's action as follows:

"Surplus corn sales have been stepped up by the Government, a development which grain traders believe is part of the Administration's effort to curb inflation. Federal disposals ballooned to 140.2 million bushels in February, up from only 4.4 million bushels in December and the largest for any month in four years."

As this report shows, Chicago prices on number 2 yellow corn, a key grade, have dropped to $1.27 per bushel, or down 6 cents from 3 weeks ago.

The clear import of this reactionary is that the U.S. Department of Agriculture is now acting like the Office of Price Administration of World War II days. It is taking an active role in price controls on one of our most important grains. It is deliberately depressing the corn price by dumping the government surplus.

This shocking activity certainly should be stopped by Secretary Freeman. Is it fair to farmers for this Administration to wink its eye at wage and price increases in excess of 3.2 percent alleged Johnson-Humphrey guidelines for other segments of the economy and then turn around and depress the corn market? By placing the economic discrimination the Administration is not really getting at the root of the problem of inflation. The real villain in the increase in the cost of living is the Johnson-Humphrey...
Administration which will increase the cost of the Federal government by
$20 billion in a two-year period. Let me re-emphasize the villian is not
the American farmer but a more expensive and expanding Federal government.

I ask unanimous consent to include the entire contents of the
WALL STREET JOURNAL article of March 7, 1966, at this point in the Record.
GOVERNMENT CORN DUMPING SPEEDED UP
USDA becomes OPA

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As this report shows, Chicago prices on number 2 yellow corn, a key grade, have dropped to $1.27 per bushel, or down 6 cents from 3 weeks ago.

The clear import of this new story is that the U.S. Department of Agriculture is now acting like the Office of Price Administration of World War II days. It is taking an active role in price controls on one of our most important grains.

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Is it fair to farmers for this Administration to wink its eye at wage and price increases in excess of 3.2 percent alleged Johnson-Humphrey guidelines for other
segments of the economy and then turn around and depress the corn market?
By piecemeal economic discrimination the Administration is not really
going at the root of the problem of inflation. The real villain in
the increase in the cost of living is the Johnson-Humphrey Administration
which will increase the cost of the Federal government by $26 billion in
a two-year period. Let me re-emphasize, the villain is not the American
farmer but a more expensive and expanding Federal government.

I ask unanimous consent to include the entire contents of the WALL
STREET JOURNAL article of March 7, 1966, at this point in the Record.
The Republican Policy Committee supports the extension and amendment of Public Law 480 which was enacted under the leadership of President Eisenhower and by a Republican Congress in 1954. This is the cornerstone of "Food for Peace." It has meant the difference between life and death for millions of people in a world where much of the population is engaged in a race between food production and population growth. At the same time, our farm export markets have grown enormously due to the foresight embodied in the original law.

We commend the Republican members of the Committee on Agriculture for adding a number of amendments that improve this legislation. These amendments would:

(a) provide continuing Congressional review of the operation and administration of the program by limiting the extension to 2 years,
(b) retain the basic concept of "friendly countries,
(c) strengthen our national efforts to halt the supply of hostile Communist regimes in Cuba and North Vietnam,
(d) improve the effectiveness of the P.L. 480 Joint Congressional-Executive Advisory Committee,
(e) insist, when possible, upon a 5-percent cash payment in title I sales agreements,
(f) place stronger emphasis upon agricultural self-help by earmarking at least 20 percent of certain foreign currencies generated by title I sales for this purpose,
(g) require, to the extent practicable, the identification of food sold for foreign currencies as being provided through the generosity of the American people, and
(h) expanded technical assistance in friendly developing countries through a "farmer to farmer" program.

It is unfortunate that during the entire consideration of this bill, the Johnson-Humphrey Administration labored to discard the statutory concept of "friendly" countries that has been in P.L. 480 for many years. Under this concept, such countries have obtained subsidized sales from our government. We believe that any nation that either sells or furnishes or allows ships or aircraft under its registry to carry any equipment, supplies, or commodities to or from North Vietnam or Cuba should not be deemed to be a "friendly" country entitled to subsidized sales. Moreover, any nation now carrying on commercial activities with Hanoi and Havana need only refrain from doing so if it wishes to acquire U.S. farm products for its own currency or on a long-term dollar-credit basis. Certainly, when we are asking Americans to fight and die in the defense of freedom, nations receiving special treatment from this country should not trade with our enemies.
While H.R. 14929 now represents a distinct improvement over the original proposals submitted by the Administration, we believe that it should be further amended and changed to make the Food for Peace program even more effective.

We oppose the Committee amendment which would permit long-term dollar-credit sales being made for 40-year repayment periods with grace periods of up to 10 years. The impact on the balance of payments problem, the distinction between loans for food and loans for permanent structures, and the uncertainty of any substantial repayment of such long-term loans all demand that the present law which limits dollar credit sales to 20 years with 2-year grace periods be retained.

We are pleased that H.R. 14929 does not contain the Johnson-Humphrey Administration's request that would have given the Secretary of Agriculture new and unprecedented authority to manipulate market prices for a host of agricultural commodities. The granting of such power is both unwise and unnecessary. Unfortunately, the bill contains a completely ineffective and inoperative provision relating to government sales of grains into the domestic market. An amendment was offered by the Republican members of the Committee which would prevent large-scale dumping of grains by the Secretary of Agriculture in order to depress market prices for corn, sorghum, other feed grains and wheat. However, it was rejected. Such an amendment will be offered on the Floor of the House in order to prevent the Secretary of Agriculture from selling government stocks of grain at less than 80 percent of parity plus carrying charges. This amendment also would improve market prices for grain producers.

Without question, there is a growing world food and population crisis. This crisis has a vital impact on American agriculture and the American people. A program to meet the challenges and needs of the future must be enacted. With appropriate amendments, H.R. 14929 is a right step in the right direction.
STATEMENT BY REPRESENTATIVE FORD:  

Immediet Release

On March 31st last, the Secretary of Agriculture, Orville L. Freeman, announced that the prices of farm products had dropped during the preceding weeks and expressed delight in this fact. The press throughout the nation reported his elation in detail and farmers throughout America reacted angrily.

The New York Times began its report on the situation in this way:

"Secretary of Agriculture Orville L. Freeman expressed pleasure today with the fact that the prices of farm products had dropped recently.

"It was the first time in the memory or Federal farm officials that a Secretary of Agriculture indicated that he was pleased with a decrease in farm prices. Like Mr. Freeman, the officials were happy to note that consumers would benefit from lower prices by this summer."

Let me repeat that last sentence: "Like Mr. Freeman, the officials were happy to note that consumers would benefit from lower prices by this summer." There is only one flaw in this statement. It simply isn't true. Paradoxically, as farm prices have moved steadily downward, retail food prices have risen even more rapidly and the Department of Labor's cost of living index has continued to climb to record highs.

Secretary Freeman, Economic Advisor Gardner Ackley, and each of the other prominent agriocrats have tried, repeatedly and with zeal, to make the American farmer and his family the whipping boys for the inflation that is steadily taking more and more dollars from the pockets of every American. The housewives of America should be told that 61% of the cost of the food in their market baskets is added after it leaves the farm. I repeat -- the housewives of America should be told that 61% of the cost of the food in their market baskets is added after it leaves the farm.
Representative Ford:

The cold hard fact of the matter is that the rising costs of living in this country can be attributed primarily to the excessive, reckless spending of our people's money for wasteful, too often unnecessary programs conceived by the so-called Great Society planners and concurred in by the great majority of Democrats in Congress.

Secretary Freeman has alleged that during his tenure of office the American farmer has enjoyed a fifty per cent increase in his income. Will all the farmers who have enjoyed a real income increase of fifty per cent please stand up? Or, better yet, let the Administration and the Congress hear from you by letter, wire, or telephone.

Farm organizations, farm state newspapers, farm leaders and countless individual farmers from coast to coast are boiling with anger over the policies and practices of this Administration which are driving farm prices swiftly downward and consumer costs harshly upward with each passing day.

Let there be no mistake. The Johnson-Humphrey Administration is using and abusing American farmers and ranchers as the scapegoats of inflation. To this statement I attach a listing of specific examples and I invite your attention to it.

When the agricrats of the Johnson-Humphrey Administration impose policies and practices which help no one and harm everyone, the Congress and the American people are fully justified in their anger. The boiling point is near at hand.

Therefore, our Question-of-the-Week:

Mr. President, are you going to keep prices down on the farm?

(note attachment)
The Johnson-Humphrey Administration is using and abusing American farmers and ranchers as the scapegoats of inflation:

(1) by domestic fiscal policies which have sharply increased farm production costs;

(2) by market price manipulations which have decreased prices received by farmers, with the result that the present parity ratio stands at only 73 even including direct subsidies, despite Democratic promises of 100;

(3) by refusing to admit that increased consumer prices -- increased food costs to the housewife and the wage-earner -- have not been caused by farmers, such consumer prices having risen steadily as farm prices have as steadily decreased;

(4) by recommending drastic cuts in Congressional appropriations for school milk, school lunches, land grant colleges, and other vital programs;

(5) by the Secretary of Agriculture's dumping of huge quantities of grain at unrealistic prices upon the domestic market in order to break and depress grain and livestock market prices;

(6) by the Department of Commerce action of March 7, 1966 imposing restriction on the export of cattle hides, calf and kip skins, such action resulting in lower domestic livestock products;

(7) by a large and unilateral increase in Cheddar cheese imports, without any attempt being made to secure reciprocal trade concessions from other nations to expand U. S. agricultural exports overseas;

(8) by a sharp curtailment of purchases of pork and of butter and other dairy products by the Department of Defense;

and, I repeat -

(9) by the Secretary of Agriculture's expression of pleasure with the fact that prices of farm products have dropped.
STATEMENT BY SENATOR DIRksen:  
June 16, 1966

When farm prices go down and farm production costs rise -- when the taxpayer's living costs rise and his dollar earnings decrease in value -- the American people are experiencing what is known in some circles as "the double whammy". The Johnson-Humphrey Administration's "double whammy" on this nation is now past all endurance.

For the agricrats of this Administration to contend or even to imply that the price of farm products is a cause of inflation is ridiculous. The principal cause of the inflation now upon us throughout America is, rather, the wild, willful and witless spending of the Johnson-Humphrey Administration and its supporters in countless needless areas.

Inflation is on the move throughout the nation. Should it become rampant -- as it threatens to do -- those who will suffer most will be those in the lowest income brackets. Make no misjudgements about this whatever.

Thus far, this Administration's major attack upon rapidly rising living costs has been directed -- wholly misdirected -- against farm prices. Living costs cannot be reduced significantly by any such action, even though the Administration's economic advisers appear to think so. With farm prices down 13 per cent and retail food prices up 16 per cent between America's wars of 1951 in Korea and 1966 in Viet Nam, it should be clear even to these agricrats that the real villain confronting them is the inflation so steadily promoted by their reckless spending for needless programs and not by the prices down on the farm.

Let it be recorded here and now that our vigorous protest against these policies is neither partisan nor improperly political.

We invite the attention of the Congress, the press and the public to the several resolutions that have been filed from both sides of the aisle in a dedicated effort to meet this problem squarely -- Senate Concurrent Resolution 93 and Senate Concurrent Resolution 88, among others -- and we commend without reservation the fair-minded determination of the Republican and Democratic senators sponsoring them.
Meanwhile, down on the farm, the public anger to which we have referred is finding ever greater expression with each passing day -- and we in the Congress are well aware of it. It has found voice with particular force and eloquence in an editorial that first appeared in the Walsh County Record published at Grafton, North Dakota, on May 19 last, in which these two paragraphs seem to me especially pertinent:

"Mr. President: This is either the fifth or sixth draft of this brief comment. The first, written in instantaneous anger a couple of weeks ago was, after overnight reflection, discarded as just too furious. In the intervening days, there's been a mighty struggle going on to temper our fury down to rage, and then to wrath, and then to indignation. That seems to be as far as the emotion can be distilled.

"When you and your appointed aides announce that you are going to control inflation by making war on farm prices, you've set a grass-fire, Mr. President. For the fact is, war is never waged against an abstraction, like prices. War is waged against people. In this case, us."

We repeat "... against people. In this case, us."

I suggest that we listen now to the men and the women who feed the nation -- taxpayers like all the rest of us. I suggest we stop listening to these agricrats in Washington, far removed from the farmlands and even farther removed from reality.

Therefore, our Question-of-the-Week:

Mr. President, are you going to keep prices down on the farm?
RADIO TAPE REMARKS

Agriculture Secretary Orville Freeman has told Democratic candidates for Congress to "slip, slide, and duck any question of higher consumer prices if you possibly can." I am not surprised that Mr. Freeman gave this advice to Democrats at a recent candidates conference. He knows full well that the Johnson-Humphrey-Freeman Administration is entirely to blame for the shockingly swift rise in the cost of living during the first half of 1966. He knows that the cost of living rose 2 per cent last year and is going up at a 3 to 4 per cent rate this year. Naturally Mr. Freeman is telling Democrats to avoid questions on inflation. He knows it's the No. 1 issue in the country and it is damaging to the Democrats.

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LBJ AID WARNS CANDIDATES OF FARMERS’ IRE

Don’t Talk Inflation, Freeman Advises

BY ALDO BECKMAN
(Chicago Tribune, press service)
Washington, July 11 — Secretary of Agriculture Orville Freeman has told Democratic congressional candidates at a closed briefing that they must overcome deep resentment against the administration in farm areas and should stay away from discussion of inflation.

"There is a reaction far deeper and more bitter than I could ever have anticipated," among the nation’s farmers over recent remarks by administration officials concerning farm prices, Freeman told the candidates. "Farmers know what a tremendous minority they are and they are very sensitive."

Several weeks ago, President Johnson indicated that high farm prices were partly to blame for the increased cost of living and two days later, Freeman announced he was "pleased to report" that certain farm prices were down.

Directed to Conference
Both remarks triggered almost instant criticism from farm belt congressmen and from farm leaders throughout the nation.

A CHICAGO TRIBUNE reporter listened in on Freeman’s discussions with congressional candidates, after a girl, who was a staff member of the Democratic national committee, directed him into the room for a scheduled "news briefing."

The reporter was wearing a badge which had been issued by press officials, but it was similar in these ways by the candidates and was never checked closely. The reporter later learned that the news briefing, which was to be held in an adjacent room of a Washington hotel, had been canceled.

Ask for Advice
A candidate from Columbus, O., told Freeman that a poll in his district showed that the major issue was inflation, and he sought advice on how to handle questions about the increased cost of living.

"I’ve been trying to figure out an answer to that question for six years," Freeman replied. "Slip, slide, and duck any question of higher consumer prices if you possibly can."

"Don’t get caught in a debate over higher prices between homemakers and farmers," he cautioned. "If you do, and have to choose a side, take the farmers’ side. It’s the right side, and, besides, homemaker aren’t nearly as well organized."

"Get 40 Per Cent"
Freeman said that farmers got only 40 per cent of the dollar that homemaker spend for food at the supermarkets and suggested that candidates could point out that homemaker pay extra for the luxury of ready-made foods.

"A TV dinner that costs 50 cents at the store could be fixed at home for 20 cents," Freeman said.

He urged the candidates to emphasize that not farm income is at its highest in history. "Farm incomes and farm outlooks are better under this administration than they have been in any other in years," he said. "But," he warned, "farmers never like to be told they’re doing all right."

"Squash of Nonsense"
Freeman said grain surpluses that were such a problem several years ago have diminished so much that "we may be able to increase wheat acreage allotments" this fall.

He described a "complete bunch of nonsense" the controversy over his letter to Secretary of Defense Robert McNamara, asking the defense department to stop buying pork several months ago, when the farmers were receiving 20 cents a pound for hogs at the market. "It didn’t affect farm incomes at all," he said. "It was the absolutely logical thing to do and was consistent with the farmers’ interests."

He indicated he would take the same action if a similar situation arose again. "It is only good sense that the defense department buy hogs when there is less demand for it by the nation’s consumers," he said.

"They Won’t Buy It"
Freeman said he asked the defense department to resume their pork purchases as soon as the market prices dropped several cents.

The former Minnesota governor told the candidates that the percentage of each check that new runs for feed is lower than it was. "You can’t tell them (the homemaker) that, but we know they wouldn’t buy it," he said.

The three-day closed meeting will end tomorrow. During the sessions, the candidates were permitted to question either cabinet members or representatives from such cabinet-level departments.
FOR IMMEDIATE RELEASE
TUESDAY, AUGUST 2, 1966

STATEMENT BY REP. GERALD R. FORD, R-MICHIGAN.

In panic Democratic members of Congress from farm states are seeking
to placate farmers by calling for a Congressional investigation of bread and
dairy product prices.

Such an investigation might be informative, and I am not opposed to it.

But it also appears to be a smokescreen designed to divert farmer attention
from Administration actions which drove down farm prices earlier this year.

There seems little question that the call for an investigation of bread
and dairy product prices is a diversionary tactic by the Democrats from the
farm states. It is a move to cool off farmers angry at the Johnson-Humphrey-
Freeman Administration and Democrats in Congress. Farmers are too smart
to let themselves be fooled into forgiving and forgetting.

The Administration used the farmer as the whipping boy for inflation until
be turned on them in righteous wrath. Now Democrats in Congress are looking for
another scapegoat for the cost-of-living increases caused primarily by the
inflationary fiscal policies of the Johnson Administration.

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STATEMENT BY REPRESENTATIVE FORD  

Democratic Secretary of Agriculture, Orville Freeman, met in Washington last week in a closed session with a number of Democratic candidates for reelection to Congress, to discuss Democratic tactics and techniques of the coming campaign.

A reporter from the Chicago Tribune was present and recorded that Democratic political discussion in detail. Among other things, he wrote:

"Secretary of Agriculture Orville Freeman has told Democratic congressional candidates at a closed briefing that they must overcome deep resentment in farm areas and should stay away from discussion of inflation. . . ."

"A candidate from Columbus, O., told Freeman that a poll in his district showed that the major issue was inflation and he sought advice on how to handle questions about the increased cost of living.

"'I've been trying to figure out an answer to that question for six years,' Freeman replied. 'Slip, slide, and duck any question of higher consumer prices if you possibly can.'"

"Don't get caught in a debate over higher prices between housewives and farmers,' he cautioned. 'If you do, and have to choose a side, take the farmers' side. It's the right side, and besides, housewives aren't nearly as well organized.'"

These are unbelievable statements by the Democratic Secretary of Agriculture. The American people will find them unbelievable. America's farmers and America's housewives will find them not only unbelievable but intolerable. A strong reaction to them is both certain and deserved.

The attitude revealed by these statements has consistently characterized the Johnson-Humphrey Administration. Its failure to tell the whole truth about inflation, about Viet Nam, about taxation, about the poverty program, about Government employment, about foreign aid, about the budget, has been almost unequaled in our political history.
As the days go by will the Johnson-Humphrey Administration and its Democrat-controlled Congress continue to "slip, slide and duck" the great and crucial issues that confront the nation? Will The Great Unorganized of the Nation -- the housewives, the majority of wage-earners, the small businessmen, the independent professional people, parents and the young people, be increasingly ignored because they do not fit the Freeman formula of "slip, slide and duck" unless they're organized?

Among The Great Unorganized, too, are our school children -- the very ones whose daily school milk Secretary Freeman and this Administration seek to cut back so drastically!

In further reference to our farm population, the Chicago Tribune story continues:

"'There is a reaction far deeper and more bitter than I could ever have anticipated among the nation's farmers over recent remarks by administration officials concerning farm prices,' Freeman told the candidates. 'Farmers know what a tremendous minority they are and they are very sensitive.'"

Are we asked to assume from this disparaging reference that our farmers are an unimportant, as well as a sensitive, minority? Are we expected to conclude from this that The Great Unorganized majority of Americans are to be disregarded by the Johnson-Humphrey Administration in the months ahead? Can we expect, that not alone on the issue of inflation, but on every other issue of importance to our people, this wretched philosophy, this unworthy attitude, this shocking Freeman formula, will prevail?

Therefore, our Question-of-the-Week:

Mr. President, will the Democrats "slip, slide and duck" EVERY issue?
"... and besides, housewives aren't nearly as well organized."

Thus spake Democratic Secretary Freeman. Must we conclude from this that the age of chivalry is indeed dead? Must we assume that America's housewives are of no consequence in the eyes of the Johnson-Humphrey Administration?

I, for one, do not believe that the age of chivalry has passed. Indeed, I like to believe it is in full flower, despite these Democratic spokesmen. As for Secretary Freeman's indifference to the nation's housewives, I can only conclude that he has sadly underestimated the power of America's women.

There is not a single issue of our time that is not of paramount concern to the housewives of America. Foremost among these are the issues of inflation and the war in Viet Nam. None know their impact so intimately; none are more willing to make whatever sacrifice may be needed to solve them; none are so undeserving of such official scorn as the women who make the homes and shape the future of the nation. I hope, indeed I am certain, that this downgrading of America's housewives will bring forth from them a resentment and a reaction that will be fierce and formidable.

During the past several months, we Republicans in loyal opposition have, in addition to the making of positive and constructive proposals for administrative and legislative action, addressed specific questions to the Johnson-Humphrey Administration. Our intentions in this have been honorable. Our objectives have been in the public interest. These questions, making reference to the important issues of the time, have read as follows:

(On the high cost of living):

Mr. President, what are YOU doing about the rising costs of living?

(On poverty):

Mr. President, why is the War on Poverty being lost?

(On credibility):

Mr. President, what CAN we believe?

(On farm prices):

Mr. President, are you going to keep prices down on the farm?
Sen. Dirksen

(On foreign aid):

Mr. President, why are we losing our money AND our friends?

(On inflation):

Mr. President, why do you brag about inflation?

To date, in reply to these questions, there has come from the Johnson-Humphrey Administration only a deep and pregnant silence, from which we can only assume that the Freeman formula of "slip, slide and duck" is of much earlier origin and application than last week. Will the Democratic campaign theme song this year be: "We Will Slip, Slide and Duck Our Way to Victory"?

In fairness to the Congress and the American people these questions should be answered, these issues must be faced, these problems must be solved. Republicans in Congress and across the country have repeated their willingness and demonstrated their ability to propose, and to cooperate fully with respect to, such solutions but in this great republic of ours, the public interest requires that the majority show an equal readiness to cooperate, an equal willingness to face the facts squarely and with courage. The Freeman formula of "slip, slide and duck" indicates quite clearly that the Administration and its overwhelming Democratic Congressional majorities have neither the wit nor the wish nor the will to do so.

Therefore, our Question-of-the-Week:

Mr. President, will the Democrats "slip, slide and duck" EVERY issue?
Republican Policy Committee Statement on Rural Community Development Act

The House Republican Policy Committee is opposed to S.2934, the Rural Community Development Act. This bill duplicates a number of other federal planning programs and proliferates the bureaucracy of the Agriculture Department. It would destroy the incentive for State and local communities to do their own planning. It calls for additional non-essential spending at a time when excessive government spending is one of the major contributors to a dangerous inflationary situation.

Under this bill, Secretary of Agriculture Orville Freeman would be authorized to tell the Department of Housing and Urban Development which districts in strictly rural areas may get planning grants from H.U.D. Such grants would then be paid from funds that are now earmarked for urban and suburban communities.

Stripped of its fancy phrases and technical provisions, this bill is a make-work project for the Department of Agriculture. It is a poorly-disguised attempt to get a piece of the urban development "action" for the "underprivileged" bureaucrats of the Agriculture Department.

Having "helped" the American farmer to the point of desperation, Secretary Freeman and his hordes of bureaucrats are now ready and eager to furnish the same type of "help" to the city dweller. Thanks to a cultivated and highly successful capacity for growth, the manpower for this task is presently available in the Department of Agriculture. Although the farm population has suffered a serious and continuing decline (down 3.2 million since 1960), the Department of Agriculture has mushroomed into one of the largest Departments in the Federal Government. There are, today, 232,244 regular full time and part-time employees, plus 38,920 temporary part-time employees.

The House Appropriations Committee earlier this year furnished an example of how this Department expands and grows. The Rural Community Development Service of the Department of Agriculture started with just 33 people and a budget of $88,000 in 1963. This budget was expanded to $118,945 in 1964, $181,872 in 1965, and $625,000 in 1966. Shortly after R.C.D.S. was established, 3 field offices were created. Last year 20 field offices were proposed. And the request of $3,468,000 for fiscal year 1967 contemplates 40 field offices and a total of 221 man-years in Washington and the field. Fortunately, the House Committee on Appropriations reduced the 1967 money request to $637,000 and this action was subsequently upheld by the House.

Although the Secretary of Agriculture cannot designate the boundaries of each Planning district, he would have the authority to withhold the Planning grant in the event a district did not conform to the standards that he desired. Significantly, when asked for his ideas regarding the size and scope of such districts, Secretary Freeman stated: "There is not a limit of any kind. Under this approach the size, shape and description of the newly-formed district can expand or contract as the ever-changing Washington policy may dictate. Historic city, town, and county boundaries can be disregarded for little or no reason.

At the same time that the Johnson-Humphrey Administration has called for a reduction in the school milk program, the school lunch program, and many other well established and useful agricultural programs, it is ironic that it would pressure Congress for this new and unnecessary program. We urge the rejection of this legislation.
The Republican Policy Committee supports the Extension of Public Law 480. This statute which is the cornerstone of the Food for Peace Program, was enacted into law under the leadership of President Eisenhower and by a Republican Congress in 1954. It has meant the difference between life and death for millions of people in a world where much of the population is engaged in a desperate race between food production and population growth.

The provisions of "P. 16165 would:

1) extend titles I & II of the act for 1 year, through December 31, 1969;

2) clarify the President's authority to accept foreign currencies for certain uses authorized by the act;

3) establish the policy that the United States should get a 'fair share' of any growth in commercial agricultural markets in developing nations;

4) permit special convertibility of foreign currency at mutually agreed to rates for the purpose of paying U.S. and foreign public works contractors;

5) permit the payment of U.S. importers in foreign currency;

6) place increased emphasis on rodent, insect, weed and plant and animal pest control programs in developing nations;

7) repeal stockpile barter and

8) reduce the size of the joint Congressional-Executive Advisory Committee and establish a regular meeting procedure.

Public Law 480 was established to provide aid to the hungry people of the world, to assist in the orderly disposition of the excess productivity of American agriculture, and to expand meaningful trade between the United States and friendly nations throughout the world. Today, there are no longer surpluses in many agricultural commodities. As a result, this law has become in great part another aspect of foreign aid and must be considered as such in figuring the total cost of this program.

(over)
This law still provides a good vehicle through which this Country can assist those in need. However, we must make certain that this aid is not given to those who should be growing their own agricultural products or purchasing ours with dollars. Moreover, every effort should be made to insure that the foreign exchange available in under-developed and newly-emerging nations is used for the purchase of food and fibre rather than the purchase of expensive arms and sophisticated weapons that escalate tensions and are unnecessary for internal security purposes.

In 1966 Congress adopted amendments under which friendly developing nations receiving assistance were encouraged to engage in greater agricultural self-help. The program was converted in great part from local currency sales to dollar credit and commercial sales. Voluntary family planning services were emphasized. And, as a result of Republican efforts which overcame the opposition of the Johnson-Humphrey Administration, concessional sales to nations carrying on commerce with North Vietnam and Cuba were prohibited.

Properly oriented and directed, Public Law 480 can be a useful instrument for developing overseas markets. The annual billion dollar cash market in Japan had its origin in concessional sales. The cash markets in Israel, Taiwan, Korea, Italy, Spain, the Philippines and other countries are expanding.

Much more can be accomplished. The half-billion dollar loss in agricultural sales that we suffered last year must be restored. As quickly as possible, commercial markets must be developed to replace the gift or concessional sales.

The present fiscal crisis makes it absolutely imperative that this program as well as all other programs produce the greatest benefit at the least possible cost. In sharp contrast to our position of just a few years ago, we are now the nation with the serious budget deficit and the balance of payments problem. The tragic drift toward fiscal disaster is evidenced by our "surplus trade deficit.

This Country cannot engage indefinitely in massive and tremendously expensive foreign aid programs. The helping hand must be replaced by self-help. Food-deficient countries must be encouraged to develop their own resources so that they can carry a larger share of the responsibility for feeding their people.
It is little wonder that President Johnson devoted only one sentence to agriculture in his 1966 Economic Report. Eight years of Democratic mismanagement and neglect have placed the American farmer in grave financial trouble. Since 1961, net farm debt has increased $23.7 billion while production costs have increased 31 percent. The parity ratio, which averaged 95 during the eight years of the Eisenhower Administration, averaged only 74 for 1967 as a whole and was down to 73 on April 15, 1969. The realized net farm income in 1967 was down nearly $2 billion - a 10% cut in real terms for farmers. The inflationary fiscal policies of the last eight years have trapped the American farmer in a vicious price-cost squeeze.

Despite the misdirected and self-defeating aspects of the present Federal Farm Program, the energy and ingenuity of the American farmer have produced a food supply that has outpaced the tremendous growth of our population and fed millions of hungry people around the world.

Farmers must have the opportunity to run their own farms with minimum government interference. National farm policy must be geared to the challenges of the 70's and not to the tired theories of the 30's. We believe a realistic farm program can be developed whereby the farmer's freedom to manage his own farm is restored and he is able to earn a fair share of the national net income.

H.R. 17126 would extend the Food and Agriculture Act of 1965 for one additional year. It would provide the farmer with the lead time that is needed to make essential plans for planting and marketing of the crops upon which his livelihood depends. At the same time, it would provide the necessary interval in which the next Congress and the new administration could formulate an effective farm program - (over)
a program that would improve the economic status of American agriculture, reverse the trend toward costly Government programs and insure an adequate food supply at reasonable prices.

For these reasons, the House Republican Policy Committee supports the one-year extension of the Food and Agriculture Act.
House Republican Leader Gerald R. Ford (Mich.) today urged President Johnson to insist on enforcement of a GOP amendment to the Agriculture Appropriations Bill aimed at cutting off third-country aid to North Vietnam. Ford termed the amendment, sponsored by Rep. Paul Findley, R-Ill., "extremely important." The Findley amendment prohibits Public Law 480 food sales for foreign currency or longterm dollar credit to any country furnishing or transporting any commodities, materials or supplies to North Vietnam.

In remarks prepared for delivery on the House floor, Ford asked that the President in signing the Agriculture Appropriations Bill make "crystal clear" the intent of Congress in adopting the Findley Amendment.

The congressional intent, Ford said, was to bar Public Law 480 foreign currency or longterm credit sales to any country aiding North Vietnam, including those instances where a recipient country might sell the commodities to another nation which in turn would sell or give the commodities to North Vietnam.

This aid to North Vietnam "by subterfuge" must be avoided, Ford declared.

Ford asserted:

"While recognizing the difficulty in distinguishing bona fide transactions from the pro forma type of operation that some nations might utilize to avoid the implications of the Findley amendment, I most seriously urge the President to make its prospective application crystal clear when he signs this bill and then, later, to enforce it fully. The Congress has spoken on this particular aspect of the Vietnam struggle. The President should act accordingly."
For Release in P.M.'s of Tuesday, August 30, 1966--

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FOR THE SENATE:
- Everett M. Dirksen of Illinois
- Thomas H. Kuchel of California
- Bob B. Hickenlooper of Iowa
- Margaret Chase Smith of Maine
- George Murphy of California
- Milton R. Young of North Dakota
- Hugh Scott of Pennsylvania

PRESIDING:
The National Chairman
Ray C. Bliss

FOR THE HOUSE OF REPRESENTATIVES:
- Gerald R. Ford of Michigan
- Lee G. Gann of Illinois
- Melvin R. Laird of Wisconsin
- John J. Rhodes of Arizona
- H. Allen Smith of California
- Bob Wilson of California
- Charles E. Goodell of New York
- Richard B. Peake of Virginia
- William C. Croner of Florida

THE REPUBLICAN LEADERSHIP
OF THE CONGRESS

Press Release

Issued following a Leadership Meeting

March 23, 1967

STATEMENT BY REPRESENTATIVE FORD:
2 p.m., March 23, 1967

Among the current headlines: "FARMERS VOTE TO CUT BUYING"

"FARMERS DISMAYED BY DECLINING PRICES" -- "AN ANGRY RUMBLE FROM THE
FARMERS" -- "FARMERS REPORTED DUMPING MILK" -- "FARMERS APPROVE
MACHINE BOYCOTT" -- "SHOOTING, HOARDING MARK DAIRY BOYCOTT". The
American farmer is angry!

The Johnson-Humphrey Administration's inflationary fiscal poli-
cies have shot farm production costs sky-high. The American farmer
now has his back to the barn wall as never before.

The Johnson-Humphrey Administration's market price manipulations
have sharply decreased prices received by farmers. The parity ratio
today stands at 74 -- the lowest since June of 1934 -- down from
last year's 82 and threatening to slide still farther from the parity
level of 100. As you know the parity ratio is the relationship
between prices the farmer receives and the costs he has to meet.

Because of its lack of real concern for the consumer's as well
as the farmer's interest, the Johnson-Humphrey Administration has
stirred a storm of discontent and resentment on the part of our
farmers. Consumers have not benefitted accordingly.

Constructively, Republicans in the House and in the Senate have
introduced more than fifty farm bills in this new Congress, bills
designed first to check and then to remedy the damage done to both

(more)
the farmer and the consumer by the Johnson-Humphrey cost-price squeeze.

With the farm price of hogs down over 30 per cent in less than a year, with the farm price of eggs down 24 per cent, with the farm price of wheat down 14 per cent, with the farm price of chickens down 11 per cent -- and with practically none of these price drops benefitting the consumer -- the American people may well ask -- as indeed they do -- what price the Johnson-Humphrey Administration?
Once again, as was true a year ago, the American farmer becomes the victim of the Johnson-Humphrey Administration's double-edged sword: a new record-high in farm operating costs -- a near-record low in farm prices -- and, we repeat, with no real benefit received by the American consumer.

A major factor in the impact of this double-edged sword is the unwanted and unwarranted flow of agricultural imports into this country. Their depressing effect upon farm prices is severe. It threatens to become far worse. One example: in 1965 this country imported 900 million pounds of milk and dairy products; in 1966 this country imported 2.7 billion pounds of milk and dairy products; this year the figure threatens to reach 4 billion pounds of milk and dairy products. More than half of this deluge of milk imports is coming from the Common Market countries of Europe.

57 bills have been introduced by Members of the House and 42 Senators have co-sponsored a bill demanding that such imports be limited. Action by the Johnson-Humphrey Administration in this and every other imperiled area of American agriculture is not only called for but demanded. If agricultural imports continue unchecked at their present rate and volume, our entire agricultural economy is threatened. Our farm surplus is almost gone because of government manipulations and foreign imports. A world food crisis is impending. Our obligations to provide food for the world's needy are increasing annually. It is sheerest folly to impair in any slightest way the efficiency of American agriculture and its incentive and ability to produce food.

As the number and variety of constructive Republican proposals for solution of our several farm programs indicate, there is today no excuse whatever to tolerate the unwillingness or the inability of the Johnson-Humphrey Administration to act -- and to act now -- in the people's interest. How justified our people are in asking -- as indeed they do -- what price the Johnson-Humphrey Administration?
The House Republican Policy Committee supports legislation to revise and update the Act of March 4, 1907, the Horsemeat Act and the Imported Meat Act into a single new statute. H.R. 12144 would broaden the present meat inspection service by establishing a Federal-State cooperative meat inspection program. It would provide the Department of Agriculture with authority to eliminate practices that could defraud consumers and endanger the public health.

At the present time, only twenty-eight States have laws providing for mandatory inspection of animals before and after slaughter. Twelve States provide a system of voluntary inspection. Eight States do not have a meat inspection statute and two States have very limited statutes regulating meat packing.

H.R. 12144 would establish a cooperative Federal-State inspection system under which the Federal government would assist the States in meeting their responsibilities to provide high quality meat inspection. Federal cooperation and assistance to the States would include program planning and technical and laboratory assistance as well as financial aid up to 50% of the total cost of the State program.

The prohibition against counterfeiting, forgery and other unauthorized use of official certificates, labels, and marking devices would be clarified. The authority of the Department of Agriculture to regulate the marking, labeling, and packaging of carcasses, meats and meat food products would be clearly defined. This legislation also would extend to imported meat, the same standards that would apply to meat and meat products produced and processed within the United States.

(over)
This legislation does not preempt the jurisdiction of the States over intrastate commerce. By a vote of 29 to 5, the House Agriculture Committee rejected an amendment that would have virtually eliminated State inspection programs and assigned the responsibility of State and local health protection, at an additional annual cost of $31.2 million, to the Federal government.

Under the provisions of H.R. 12144, a viable Federal-State cooperative meat inspection program would be established. New protection will be afforded to the consumer. By encouraging the confidence of today's homemaker in the integrity of our meat supply, this legislation strengthens and improves a meat packing and processing industry that has $16 billion in annual gross sales and that provides $13 billion in yearly sales of livestock to the American farmer.
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(over)

During the twenty-one years that it has been my privilege to serve as a member of this great body, I have seen many farm bills battled and battered on this floor.

I have seen proposals to literally enchain American agriculture, and I have fought those proposals.

I have seen some real fiscal follies designed and developed through the years and seldom have I seen the Committee on Agriculture in substantial agreement on anything.

I have seen many instances where the Administration -- be it a Republican or a Democratic Administration -- has been in a hammerlock with the Congress over farm legislation -- be it a Republican or a Democratic Congress.

Yes, Mr. Chairman, the rhetoric during the past two decades on farm bills was usually shrill, generally emotional, and yes, inevitably partisan.

This year, for a change, we have a different legislative atmosphere as we consider H.R. 18546.

This year we have a bill which has the support of the Chairman of the Agriculture Committee, the gentleman from Texas (Mr. Poage), and the ranking minority member of that committee, the gentleman from Oklahoma (Mr. Belcher).

This year the Administration and the committee are working together to pass a farm bill.

This year the Committee on Agriculture, with only six dissenting votes -- three Republicans and three Democrats -- has agreed on a farm bill.

Yes, Mr. Chairman, the situation is different this year because the leadership of both parties agrees that it is in the national interest to have a new farm bill to replace the expiring Food and Agriculture Act of 1965.

This year there has been more light than heat in the farm bill dialogue, so let us continue to use reason, not rancor, and analysis, not emotion, as we continue our deliberations over this important legislation.
Now when I said that this year's farm bill was different, I didn't mean it was so different that there isn't any controversy about it.

This farm bill is not ready for the Consent Calendar, believe me.

There are some features in it which I personally do not think are sound, and I'm sure other members of the House feel the same way. This is not the farm bill that I would write, nor is it the kind of farm bill the Administration would write if it had the power to do so. It is a compromise bill which has the thoughts and writings of many. But, by and large, I'm convinced that this bill represents the best bill possible at this time...even if it isn't the best possible bill.

When I say this bill is the best bill possible, I mean that it is preferable, both to the farmer and the taxpayer, than either a straight continuation of the 1965 Act or a reversion to the old laws in effect prior to 1965. Either of these alternatives represents, in my opinion, a reversion to the antique notions of past farm programs which have done so much to hamstring the farmer and deplete the public treasury...programs which I, for one, have consistently opposed.

I think we all have to recognize that while in many ways this bill is similar to the legislation of the past, it at least contains some movement and direction toward the free market. It suspends quotas and controls on wheat and cotton, and it establishes a set-aside system that should help provide farmers with greater flexibility in the management of their own farms.

At the same time, this bill promises that the financial rug will not be pulled from under the American farmer for the next three years. It contains a commitment for the Administration to continue to expend about the same amount of money on the three big commodity programs as is the case now.

As just one member of this House I realize that our national prosperity is directly interlinked with our farm prosperity. Without a sound agricultural economy we are not going to have a sound total economy.

I therefore accept the fact that this bill is a form of subsidy to American agriculture.

I have not observed a developed nation in this world which did not subsidize its agriculture one way or another, and our great country is no exception. The assistance we provide in this bill will, in the long run, be repaid many times over to American taxpayers and consumers.

That is why I am supporting H.R. 18546.

(more)
I do not intend to try to substitute my judgment for what a good farm bill is for that of the 27 Members of Congress who serve on the Committee on Agriculture and who brought this bill to the floor after 38 days of public hearings, 92 executive sessions, 27 night meetings, and a year and a half of negotiating nearly every sentence and word of this 57-page bill.

This bill is supported by the Secretary of Agriculture, by the Administration, by the Democratic leadership of the House and by me as the Republican leader.

I support it, and I urge all members of the House to do likewise.

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MR. SPEAKER:

President Nixon has moved vigorously to help American farmers expand their sales and income, and his actions are most welcome. The farmer needs and deserves our assistance.

I applaud the $1 million increase in fiscal 1972 funding for the Foreign Agricultural Service, which helps our farmers expand their sales abroad.

I applaud the increased Agriculture Department purchases of pork for food distribution and school lunch programs this fiscal year.

I applaud the increase in farm operating loans in fiscal 1972 and the increase in insured ownership loans in the current fiscal year.

I applaud the increase in funds to fight crop and livestock disease and the increase in funding for agricultural research and for soil and water conservation.

I join with the President in saluting American agriculture as we approach May 7, America's Agriculture Day. The American farmer merits the plaudits and the gratitude of our people for the tremendous job he is doing.

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The project will be administered by the Cooperative Extension Service of Michigan State University with the USDA and the Michigan Department of Agriculture cooperating.

Said Ford: "This is great news for our fruit growers. The program will mean a big reduction in the cost of pest control to fruit growers. In some cases, the saving will amount to as much as $50 an acre. The program will also reduce the danger of environmental pollution."

Ford said California and New York also sought the project but Michigan's proposal won out. He said he had contacted top-level USDA officials in behalf of the MSU proposal.

Some 5,000 acres of Michigan apples will initially come under the pest management program.

Ford noted that the highest cost in growing apples is spraying. This means, he said, that any innovations that get the job done more cheaply and without loss of fruit quality will greatly help in reducing growing costs.

Ford concluded: "Michigan's fruit industry is faced with acute financial difficulties. Fruit growers are caught in a squeeze between high costs and low prices and profits. An improvement in production efficiency, particularly the pest control program, can mean the difference between success and failure for many of our growers."

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FOR RELEASE AT 12 NOON FRIDAY, MARCH 10, 1972.

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Rep. Gerald R. Ford today introduced a bill aimed at ending the kind of turmoil apple growers and fruit processors went through last fall in Michigan and a number of other states.

Ford's bill, to be known as the National Agricultural Marketing and Bargaining Act of 1973, would lay down standards for the formation of farm producer bargaining associations and provide for good faith bargaining between such associations and farm produce handlers.

Farmers now are free to set up marketing and bargaining associations. What the Ford bill would do is to improve the legal foundation for such associations and improve the opportunity for farmer-controlled marketing organizations to succeed.

Michigan apple growers last fall banded together and picketed fruit processors in quest of better prices. The growers contended processor-set prices did not afford the growers a decent living and were nothing short of disastrous. After a bitter struggle, growers and processors finally agreed on apple prices that satisfied the growers.

The American Farm Bureau Federation vigorously supports the kind of legislation introduced by Ford.

In introducing the National Agricultural Marketing and Bargaining Act of 1973, Ford declared: "There is an urgent need for legislation which will help farmers manage their production and establish voluntary marketing and bargaining associations. Only in that way can they obtain net incomes commensurate with their contribution to the national economy. The role of the government in all of this should be to create a favorable climate for good faith bargaining and negotiations between such associations and farm produce handlers."

The Farm Bureau asserts that farm produce handlers have been developing and offering terms to farm product contract growers on a take-it-or-leave-it basis. The Bureau describes this as "a one-sided process which often pits a large, well-informed buyer against a smaller, less well-informed producer."

Said Ford: "The days of take-it-or-leave-it must come to an end for America's farmers who are contract growers and do not sell in the open market. They have been at the mercy of handlers for far too long."

# # #