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NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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FOR RELEASE
SAT., MAY 12 p.m.'s.

The following are excerpts of remarks made by Senator Bob Dole at the Annual Meeting of the Great Bend Cooperative Association, Saturday, May 12.

GREAT BEND -- This has been a great week for the farmers. In the Senate, the farm bill mark-up was completed by the Senate Agriculture Committee. In addition, the Joint Conference Committee worked out the differences between the bills passed in the Senate and the House for the Rural Electric and Rural Telephone Loan Programs. Provisions of the compromise legislation, which has now been approved by the House and Senate and awaits the President's signature before it becomes law, are continuation of five per cent insured loans at a budgeted level of \$653 million and a limited number of two per cent insured loans in rural areas of sparse population or in case of extreme hardship. This legislation is especially important to Kansas because a number of our electric associations serve remote areas with sparse populations and continuation of the 2 per cent loan is essential.

Wednesday evening of this past week, the Senate Agriculture and Forestry Committee completed action on a new approach to the farm legislation. The major change that this bill makes to the present farm program is to establish a target or guaranteed price concept for the entire acreage allotment, rather than the present marketing certificate payment for only the domestic portion of a farmer's production.

The advantageous provision of the bill for Kansas farmers is that this target price would be tied to basic production costs, reflecting production items and interest, taxes, and wage rates. An index would be established so that the target price would rise

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or fall in proportion to change in production costs. The farm income would for the first time reflect increased production costs. The bill will be scheduled for consideration on the floor of the Senate late this month.

Essentially, the bill provides incentive for the Department of Agriculture and the Administration to make good in its forecast for continued expanded exports that would bring higher prices, but provides some protection for our farmers against disastrously low prices that could result.

Agriculture is one of the few areas in which we enjoy a real competitive advantage. The ability of our agriculture community to produce foodstuffs in greater abundance and at less cost than any other country in the world is one of our strongest national assets. But there is only one thing more important to this country's stability than the continued productive capacity of our farmers. That one thing is that farmers be assured fair payments for what they produce.

If we do this, it will be good