

News from Senator

BOB DOLE



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DOLE HAILS 1983 WHEAT PROGRAM

ENCOURAGES PARTICIPATION

WASHINGTON -- Senator Robert Dole (R.-Kan.) today called the 1983 Government Wheat Program "a balanced package that gives farmers enough incentives to cut back on production and enough time to make the decision to participate in the program."

Dole, the senior majority member of the Senate Agriculture Committee, made that comment today following the final details of this year's wheat program.

As announced late this week by Agriculture Secretary John Block, the program reaffirms the 1983 target price of \$4.30 per bushel, and raises the price support loan rate from \$3.55 to \$3.65. Instead of a 20 percent Acreage Reduction Program, as announced in July, there will be a 15 percent program combined with a 5 percent paid acreage diversion. Participation in both programs would be required in order to be eligible for program benefits.

The diversion payment will be \$2.70 per bushel times the farm yield on 5 percent of the farm's wheat base. The base for both the ARP and the paid diversion will be the same as for 1982: either the average of 1980 and 1981 acres planted for harvest or just 1981 acres, whichever is higher.

"Considering the heavy supplies of wheat which are continuing to press downward on farm prices, the \$4.30 target price and paid diversion should attract broad participation in Kansas and throughout the wheat belt," Dole stated. "In addition, the early clarification of program details gives all producers the chance to push a pencil on their own operation before making a decision on whether to comply."

"The decision to amend the program to include a paid diversion was the result of an agreement I worked out with Congressman Foley, Chairman of the House Subcommittee on Livestock and Grains," Dole added. "Congressman Foley and I also agreed to raise the wheat and corn loan rates from their 1982 levels and to keep the requirement that advance payments be made on both the 1983 crop deficiency payments and the paid acreage diversion."

Dole also cited the advance payment provisions of the Administration's program as an added incentive for cash-starved farmers to join the program. "The USDA will now be sending checks for one-half of the diversion payment and one-half the projected 1983 deficiency payment soon after the beginning of the new Fiscal Year on October 1," Dole mentioned. Combined with the Congressional requirement that at least 70 percent of the 1982 crop deficiency payment be made early, farmers should get a break in their cash flow problems this Fall."

The Kansas Senator concluded that "producers who don't find enough incentive in this program and subsequently don't participate should not complain later if we again fail to bring total wheat production under control and reduce stocks. It's a program that makes sense, and I urge farmers to participate."