



NEWS from U.S. Senator Bob Dole

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DOLE CALLS FOR AGRICULTURE COMMITTEE HEARING ON CHICAGO MARCH WHEAT FUTURES SITUATION

DES MOINES, Iowa -- Sen. Bob Dole (R-Kan.), a member of the Senate Agriculture Committee, today called for oversight hearings by the committee into yesterday's closing of the market for March 1979 wheat futures at the Chicago Board of Trade. The Commodity Futures Trading Commission (CFTC) ordered a halt to trading in March wheat options, declaring an emergency situation following reports that some traders were in a position to artificially inflate prices.

"It is essential that the Senate Agriculture Committee use its oversight capabilities to learn all the facts in this extremely unusual action," Dole said. "I understand that there were major problems of delivery and storage in the Chicago area which have made it more difficult to alleviate shortages naturally. But it is reported that one speculator alone held contracts calling for delivery of 2.5 million bushels of wheat, which was more than the total supply available for delivery in the Chicago area.

"This is an area where the Agriculture Committee can play an effective role in determining and disseminating the facts. I propose that the committee call for the CFTC, the Chicago Board of Trade, and some of the major holders of long-term wheat contracts to offer testimony on this unusual situation.

"I have learned that the CFTC and the Chicago Board of Trade have been talking for some time about how to alleviate the current potential for a market squeeze. The Agriculture Committee can serve to determine whether any additional legislation is needed."