

BOB DOLE
1ST DISTRICT, KANSAS

243 CANNON HOUSE OFFICE BUILDING
AREA CODE 202
225-2715

COMMITTEES:
AGRICULTURE
GOVERNMENT OPERATIONS

DISTRICT OFFICE:
210 FEDERAL BUILDING
HUTCHINSON, KANSAS 67501

Congress of the United States
House of Representatives
Washington, D.C. 20515

COUNTIES:		
BARBER	HODGEMAN	RAWL
BARTON	JEWELL	RENC
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CLARK	KINGMAN	RICE
CLOUD	KIOWA	ROOK
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GOVE	NORTON	SMIT
GRAHAM	OS ORNE	STAF
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WASHINGTON, D. C.
OCTOBER 11, 1966

FOR RELEASE WEDNESDAY, OCTOBER 12
AFTER 1 P.M.

Congressman Bob Dole (R-Kans) told Members of Congress, in a statement on the House floor today, that there appear to be 4 major reasons for the sharp drop in wheat prices in the past few weeks. "Cash prices," Dole said, "have dropped from 20 to 30 cents per bushel in Kansas and other wheat producing areas.

President Johnson and Secretary of Agriculture, Orville Freeman, have clearly and repeatedly demonstrated their determination to keep the price of farm commodities low. Price depressing actions by this Administration include limiting the export of hides, ordering the military to reduce pork purchases, dumping of Commodity Credit Corporation stocks of wheat and other grain on the open market.

With specific reference to wheat, Dole cited 4 primary reasons for the price drop, as follows:

1. Sharp curtailment of wheat exports under P. L. 480, the Food For Peace Program. Secretary Freeman has not denied a report in the August 2 New York Times or statements by Democrat Senator George McGovern that P. L. 480 shipments would be reduced by nearly 25 percent.

2. Another factor in depressing wheat prices recently has been the tampering with wheat export subsidies. The amount of export subsidies on wheat was always determined by what was necessary to meet the competition of other nations in getting wheat to world markets. There have been periods in the last month when the Department of Agriculture refused to meet competitive foreign prices. This has resulted in a sharp curtailment in wheat shipments to the West Coast, for sales to Japan and other markets in this area. Tampering with export subsidies is discussed in the brochure entitled "1961-1965: The Farmers' Worst Five Years", just published by Frank LeRoux, a \$25,000 per year USDA appointee, and a Democrat, who quit this Administration on October 3 because of its anti-farmer policies.

3. Announcing increases in wheat allotments for 1967, of approximately 33 percent, without positive assurances to American wheat producers that Freeman and the USDA would not beat down the price next year by dumping Commodity Credit stocks.

4. The overriding and major factor in the drop in wheat prices is the

widespread recognition that the Johnson Administration is determined to hold down farm prices as a means of combatting inflation resulting from vast expenditures for the war in Vietnam and further aggravated by the tremendous cost of countless multi-billion dollar Great Society programs. This policy has prevented farmers from sharing in inflated prices to the extent that other segments of our economy have.

"It is strange indeed," Dole concluded, "that when the price of bread advanced one to two cents a loaf, Committees in both the House and the Senate held 'urgent' hearings, but when the price of wheat drops 30 cents a bushel, not a single spokesman for the Administration even suggests that Congress investigate the causes. Secretary of Agriculture Freeman continues to issue statements that market prices will remain strong, but at the same time does everything to weaken the market.

"The USDA has become so consumer-oriented that the American farmer, in effect, does not have a Cabinet-level spokesman."