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FOR IMMEDIATE RELEASE

WASHINGTON, D.C., July 29, 1971 -- U.S. Senators Bob Dole and James Pearson announced today that lower rail rates on grain moving to the West Coast for export are expected to open new marketing opportunities to Colorado and Kansas wheat producers.

The rate reductions ranging as high as 13¢ per bushel, go into effect today. The Senators said that they were hopeful that the railroad and West Coast Longshoreman's strikes would be settled in the near future so that these wheat producers can begin realizing the benefits of lower rail rates.

The reductions were achieved after several months of discussion among California grain exporters, Colorado and Kansas producers, and the Santa Fe Railroad. The lower rates are expected to expand markets for these wheat farmers and permit a greater flexibility for exporters to offer wheat to foreign buyers.

The Senators stressed that the rate reductions were especially significant this year because of the large domestic wheat crop.

Transportation specialists in USDA Consumer and Marketing Service worked closely with the Colorado--California Wheat Council in achieving the reduction.

The Council formed last January is composed of Colorado producer interest and California exporters.

Senators James Pearson and Bob Dole, in a joint statement, said they believe an end of the current rail strike is imperative "to

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salvage the prospects for profitably marketing this year's record wheat crop. We are encouraged," they said, "by this rate reduction. It comes at a time when relief for Kansas farmers, shippers, and grain dealers is badly needed, and will serve to improve the competitive position of Kansas wheat in Asian markets."

The two Senators expressed concern that rates for Kansas flour should also be brought into line with rates for wheat. Such a balance, they said, is essential to maintain the Kansas milling industry.