



NEWS from U.S. Senator Bob Dole

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STATEMENT BY SENATOR BOB DOLE - FOR IMMEDIATE RELEASE

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THE TRUTH ABOUT FOOD PRICES

If you were to believe some of the reports we hear on television and read in the papers about high meat prices, it would appear the farmers are sitting back counting an ever increasing pile of money as the highest cattle prices were reached in early February. The truth is these prices have been too low for the past 20 years.

Other stories will put the blame on the processor or the grocery store. This is equally false, for the prices we pay for food are lower in proportion to the increase in average income. In the past few years the percent of the average spendable income has dropped from 23 percent to the lowest ever this year at less than 16 percent. We are paying more for groceries, but we are earning a lot more.

How many of us would be satisfied with the income we were making in 1952? The farmers are receiving the same prices for their cattle as they did then.

AMERICANS ENJOY THE WORLD'S BEST DIET

If we consider economic matters which directly or indirectly affect the welfare of farmers, let us remember that the American consumer is now enjoying the World's best diet at the lowest cost of any people in the World who buy our family food requirements at a smaller percentage of income than any other consumers in the World. The American farmer--supported by a highly competitive and efficient marketing system--has made that possible.

FAIR STANDARDS OF MEASUREMENT

What are fair standards for the public to measure the performance of our farm families?

1. By its capacity and willingness to produce abundantly? Farm output has increased some 40% from 1950. One farm worker is supplying over three times as many people with food as 20 years ago.
2. By its capacity and willingness to increase productivity? Output per man hour on farms is 3.3 times higher than 20 years ago; while in manufacturing industries, output per man hour is 1.6 times greater than 20 years ago. Output per man hour on farms is increasing twice as fast as in industry. Today it takes about 60% fewer man hours to produce 40% more food and fiber than in 1950.
3. By its ability and willingness to meet emergency needs? The record on this is clear--as was demonstrated by the war and post war period. There are ample grain reserves and set-aside acreages ready to meet any unexpected expansion of needs.
4. By its capacity and willingness to improve our basic political and economic structure by increasing foreign exchange earnings and assisting the developing nations?

U.S. FARM EXPORTS REACH \$6.7 BILLION

Last fiscal year, U.S. farm exports for dollars reached the unprecedented level of \$6.7 billion. Agricultural trade provided a billion dollars plus to the Nation's balance of payments. PL 480 shipments added \$1.1 billion to our exports. These concessional sales help to feed millions of human beings.

Having accomplished these achievements in the national interest, what is their financial reward? The USDA recently stated as follows:

"Farm people have only three-fourths as much income per capita as non-farm people--even though farmers income must cover both their rate of return on a \$335 billion farm business, as well as representing the only return on their labor. Farm people have to rely on off-farm income for one-half of their total net income, which even then brings their income up to only three-fourths of the per capita disposable income of non-farm people."

While net farm income will be the highest on record in 1972, and per capita income on farms has improved sharply during the Nixon administration, the level of income is not adequate, not equitable. We must and will do better. We must not respond to these triumphs of economic achievement by our farmers by imposing ceiling prices on some food items that would restrict their income.

We need to utilize every possible forum to tell the true facts about the American farmer and his great accomplishments.

FACTS ABOUT THE AMERICAN FARMER

American agriculture is always ready to serve the national interests. It is probably the most responsive and dependable segment of our economy. Secretary of Agriculture Earl Butz put it very well, "The Nation's Farmers are not walking off the job; and farmers and farm leaders are not walking away from their responsibilities in the battle against inflation. We can promise the President and promise the American people that the Nation's farmers will do their part in this crucial test of the spirit and the will of our citizens. Two overwhelming challenges face our Nation in 1972. One is the crusade for peace in the world and the other is a crusade for economic and social stability here at home.

Secretary Butz also said, "The attack on inflation is vital to the present and future well-being of every man, woman and child in America. And every man and woman has a place in the front lines of that attack. Each man and woman can fight inflation with productivity, performance, and prudence. Each man and woman can fight inflation with unselfishness and determination. Each man and woman can fight inflation with personal statesmanship and patriotism."

"The specter of a labor leader walking out on the Nation's Pay Board as if to say this is somebody else's responsibility is a sorry sight. The power of labor leaders has willingly helped create inflation; the same power should have the will to help correct inflation. If this kind of responsibility isn't in our present labor leadership, then the Nation's union members should get new leaders who are in tune with today's needs and who will rise to the call of greatness in a time of trial."