



NEWS from U.S. Senator Bob Dole

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DOLE OUTLINES INCENTIVE PROGRAM

WASHINGTON, D.C.--"Export controls have the same disastrous effect on farm prices that dumping surplus commodities has had in the past," Senator Bob Dole, top Republican on the Senate Agriculture Committee said today in his opening statement in hearings to consider a proposed Agriculture and Anti-Depression Act of 1975

"In the four months since the export monitoring and approval system was initiated, we have seen the stocks of wheat and grains accumulate in the marketing system, thereby creating a price-busting surplus. If we can dispose of the present monitoring system, the proposed program will provide for future needs without destroying incentives to our producers or costing the consumers \$1 million a day for storage of 'reserves'," Dole said.

In his first major statement since being named ranking Republican on the Agriculture Committee, Dole outlined several suggestions which he feels would provide more incentives for farmers to produce the adequate supply of food consumers need.

- Lift export controls before the depressed prices they are causing result in loss of incentive to farmers. If depressed prices continue, farmers will reduce their plantings.
- Allow foreign buyers to purchase agricultural commodities for future use and store those commodities in the U.S. in their own storage facilities without fear of loss due to any export controls. This would give importing countries an incentive to create their own grain reserves rather than depending on U.S. surplus or subsidy.
- Legislation for market development programs for livestock and meat industries to promote the consumption and export of meat and poultry.
- Increase dairy price supports to prevent the further liquidation of dairy herds and a loss in milk production.
- Stricter controls on meat imports to prevent dumping of excessive world-wide meat in the U.S. since it is the only major open market.

Bob Dole appealed to consumer interests to understand the incentive economy under which agriculture operates. He pointed out that a controlled economy under rigid production and price controls could readily put us back in the position of paying \$1 million a day in government grain storage payments with a resultant increase in taxes.