



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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DOLE BILL WOULD HALT EXPORT PRIOR APPROVAL SYSTEM

WASHINGTON, D.C.--In an attempt "to halt foot-dragging going on in the Administration, Department of Agriculture and Department of Treasury," Senator Bob Dole today introduced legislation that would prohibit the prior approval system now in effect on export sales of feed grains, wheat soybeans, other agricultural commodities, or the products thereof. Dole has urged removal of the system which was announced by the Administration on October 4, 1974.

Dole said farmers have been the subjects "of a discriminating policy of discouraging farm exports. The farmers I know are not asking for billion dollar subsidies from the government. But Kansas farmers are asking for a fair chance to compete in the market." Dole added that farmers have been denied that fair chance because the federal government's prior approval export system discourages foreign buyers from buying the grain they want.

Citing numerous cancelled grain sales to foreign countries, the Kansas Senator said foreign buyers, "when faced with the uncertainty of completing their purchases in the U.S. market, go to other sources." Dole said the drop in exported agricultural commodities has depressed farm commodity prices and has aggravated the balance of payment deficit which "means an even greater loss of jobs and national income. It means that every American, not just farmers, suffers from the discriminating export control policy since every American suffers a loss of real income when more dollars leave the country than come in."

Rejecting the myth that low farm prices mean lower food prices for consumers, Dole said that in recent months, "when the price of wheat declined by more than \$1.50, the price of bread has not declined any. In fact, the price of bread from October to January rose from 35.6¢ to 37.3¢, according to USDA. I suggest that even if wheat was given away free, there would be no reduction in the price of bread.

"The price decline for farm commodities can actually be harmful to consumers," Dole continued. "That is because the price of wheat, corn and soybeans has now declined to a level lower than what will provide a fair return on investment by farmers. The result must be that farmers are more likely to reduce production and rebuilding that production will be far costlier to farmers and consumers."

Dole said the decline in the price of farm commodities is directly related to the export prior approval system established last year which has discouraged exports.