



NEWS from U.S. Senator Bob Dole

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DOLE CALLS U.S. - CANADIAN WHEAT PROPOSAL "ANOTHER FORM OF EXPORT CONTROL"

WASHINGTON, D.C. -- "Secretary Bergland's proposal to the Canadian government is fundamentally just another form of export control," Senator Bob Dole today told participants in an International Seminar on Wheat in Washington, D.C.

"Kansas farmers recognize that stable prices usually mean low prices and this proposal to 'stabilize' the wheat market is no exception," Dole pointed out. "Prices dropped 10 to 14¢ per bushel when talk of an agreement began."

Additional drawbacks cited by Dole in his prepared remarks included:

"One -- the United States would need to reinstitute import controls on wheat and flour. The 21¢ per bushel duty might not be sufficient to preclude wheat and flour from entering the United States in large volume from many sources.

"Two -- a basic minimum export price agreement with the Canadians must then be followed by a market sharing arrangement. How this would be implemented is not clear. Any student of markets knows that the various types of wheat produced in the United States do not fluctuate in any constant relationship with each other. Actually, even qualities of wheat within the same type are subject to premiums and discounts which change daily in relationship to each other.

"Third -- there is serious question whether the Soviet Union would decide to disregard the United States-USSR agreement guaranteeing U.S. grain producers a six million ton market as being designed for a free market situation. One article of that agreement was a pledge not to engage in export control. I would not like to see a guaranteed market of such volume go down the governmental drain.

"Four -- higher world market prices dictated by the government would mean less wheat and flour moving under the Food for Peace program.

"Finally -- the whole scheme means a sharp retreat from the liberal trade policy we have been pursuing in Geneva at the Tokyo Round trade negotiations. It is that liberal trade policy which has enabled us to reach record exports levels."

TRADE NEGOTIATIONS SHOULD INCLUDE AGRICULTURE

Dole said he had renewed his recommendation -- this time to President Carter -- that an agricultural trade expert be made one of the ambassadors in the Office of Special Trade Representative. "Agricultural and industrial negotiations must be kept together if we are to make progress in liberalizing agricultural trade."

The ranking minority member of the Senate Agriculture Committee also voiced his support for President Carter's nomination of Robert Strauss as a U.S. Special Trade Representative.

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