



NEWS from U.S. Senator Bob Dole

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STATEMENT BY SENATOR BOB DOLE ON SECRETARY BERGLAND'S FARM BILL TESTIMONY

If this proposal had been submitted to a committee of Congress by Earl Butz, he would have needed a bodyguard to get safely off Capitol Hill. I am shocked and dismayed by the inadequacy of what we now know to be President Carter's farm program. It spells nothing but economic ruin for American farmers. It is a total contradiction of every agricultural policy pronouncement made by the Democratic candidates for President and Vice President during an election campaign which occurred only a few months ago.

It is obvious that Mr. Carter has forgotten not only his campaign statements but his promise to let each Cabinet officer run his department. Secretary Bergland must understand the desperate plight of many American farmers. I cannot believe, therefore, that he prepared the statement that was presented to the Senate Agriculture Committee today.

Target Price Sham

By proposing to support the price of wheat on the same basis as feed grains, Secretary Bergland would make a sham of the carefully conceived target price concept of income support for farmers. Target prices would actually be pegged lower than the loan levels.

Every previous witness who appeared before our committee expressed a desperate need for loan rates and target prices at levels above what the Administration is recommending. The conservative target prices for wheat suggested in a bill cosponsored by Senator Talmadge, the chairman of the committee, and myself would be \$2.91 a bushel. Secretary Bergland is proposing \$2.60. For corn, the Dole-Talmadge bill called for a target price of \$2.28 a bushel. The Administration is requesting \$1.75 a bushel.

Grain Reserves

The Carter grain storage program makes no sense. Farmers would be paid to store grain until the price reached \$3.15 a bushel. When the price reached that level, he would be free to put the stored wheat on the market, which would have the effect of forcing prices back down. In other words, the President is in favor of a grain reserve program only when prices are low. When prices start up so the farmer can begin recovering his cost of production, the grain reserve mechanism would act to lower prices.

It is hard to see how this program would provide any income support for farmers. In the case of rice producers, it would actually reduce the target price -- at a time when costs are continuing to climb for all farmers. The target price for rice would drop from \$8.40 a hundredweight to \$6.75 under the Carter-Bergland plan.

Disaster Relief Inadequate

I am also disappointed that the Carter Administration wants to extend the present inadequate crop disaster relief provisions for another year. My more sensible crop insurance bill would insure all crops in all counties against disaster. It is unthinkable that disaster relief be tied to the Carter lowered target prices, reducing the return available to a farmer who is the victim of severe drought or some other disaster.

Based on our new knowledge of the Administration's true feelings about agriculture, Congress has its work cut out for it if we are to enact a farm bill that will permit the American farmer to survive.