

News from Senator

BOB DOLE



(R - Kansas)

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DOLE HAILS WHEAT ACREAGE REDUCTION DECISION

HAYS, Kan. -- "The acreage reduction program on 1982 crop wheat announced by Agriculture Secretary John Block today is a positive step toward reducing the current wheat surplus and restoring acceptable farm prices," Senator Bob Dole (R-Kan.) said this afternoon.

"While the action sends a clear signal to wheat producers on the acreage they plant for harvest next year, its effect on the actual size of the 1982 crop, and on total supplies of wheat for domestic consumption and export, will not have a measurable impact on consumer prices and inflation."

Dole's remarks followed a decision by Block to require wheat farmers to reduce production by 15 percent in 1982 in order to qualify for the price support loan, farmer-owned reserve and target price programs administered by the U.S. Department of Agriculture. The action reflected the growing supply of surplus wheat resulting from this year's record wheat harvest, now projected by the department at 2.75 billion bushels. Wheat stocks at the end of May 1982, prior to the affected harvest, are expected to exceed 1.1 billion bushels, or more than 30 percent above annual domestic U.S. consumption.

"The acreage reduction program serves notice that the Reagan Administration intends to play an active role in restoring profitable conditions for American agriculture," Dole said. "The action has no direct impact on the federal budget, and will actually reduce outlays under the target price program by bolstering farm prices. Combined with a reasonable level of support in the 1981 farm bill and an aggressive policy on agricultural exports, today's action on wheat acreage will contribute toward including the farm sector in our overall commitment to the President's economic recovery program."