Mr. President, the announcement of the Department of Agriculture that income from farm operations dropped another one billion, 14 million dollars in 1955 places an exclamation mark on the necessity for passage of the farm bill now being considered by this Senate.

Farm income has declined each year since 1951. Last year's estimated 10 billion 770 million dollars in farm income for 1955 was 9 per cent below the previous year.

We must take action to halt the downward trend and employ new approaches to push our great agricultural industry upward. I believe some of the provisions of S.3183, which was reported by the Committee on Agriculture, will serve to accomplish this objective.

Any problem of the farmer is a problem of all the people of this nation. We cannot separate the well-being and prosperity of the people on the land from the well-being and prosperity of all our people.

The farmers of this country not only clothe and feed our own people, they also provide the sustenance for a large part of the world. In fact they feed 60 per cent of the entire world from food produced on 20 per cent of the land. Food and fiber enter into the consideration of almost every economic, social and political problem which we have to face.

Proof that action is vital to the well-being of the farmer and the nation is contained in a further statement of the Department of Agriculture. This statement is that non-farm per capita income.
climbed 5 per cent last year, but farm per capita income dropped 6 per cent.

Average per capita farm income last year amounted to only $860. Non-farm income averaged $1,922 during the same period.

Mr. President, while Congress was in recess, I had the privilege of meeting with a number of farm groups in South Carolina. Everywhere I went and listened to the people tell of their problems, from one border to another in my state, there was one inescapable conclusion to be drawn: Not only are our farmers dangling over the precipice of severely declining farm income, they are also hanging by a thin economic thread over the chasm of rising production costs.

Prosperity is by-passing the farmer as he swings precariously between the fearful depths of higher costs and lower income.

Farm prices were at a record high in early 1951. Since that time, farm prices have fallen off as much as 25 per cent. Ten percent of this decline took place during the past year. At the same time, the items essential to farm operations have been increasing in price.

The Government price index of wholesale commodities illustrates my point. Calculated on the base of 1947-49, the index in December for industrials was 119.4 per cent. The index for agriculture was only 83.3 per cent, the lowest since June 1946. But in June 1946 when farm prices were low, they were still 2.8 points above industrials instead of 36.1 points below industrials as they were in December.

The first months of this year have given the farmer no hope for relief under the present situation. It is the duty of the
Congress to find a means of providing relief to this vital segment of our national economy -- a segment which cannot be separated from the economy of the nation as a whole.

Mr. President, I commend the Senate Agriculture Committee for reporting S.3183/which I believe is generally a good bill. I believe the enactment of this bill, with a few amendments, will be a good start toward rescuing our farmers from the brink of disaster.

The Committee has acted especially wisely in approving a return to 90 per cent of parity for crop loans on the basic commodities and in approving an increase in dairy support prices. These provisions, plus the application of a dual parity, as proposed by the Committee, will help to insure that our farmers will receive a fair share of the total national income.

Advocates of flexible price supports argue that high price supports will create larger surpluses and that lower price supports would make our surpluses disappear. Such an argument simply is not valid. As the distinguished chairman of the Agriculture Committee has stated previously on the floor, the advocates of flexible supports overlook the fact that the basic commodities are under strict acreage controls and marketing quotas. The level of price supports will not affect the quantities of basic crops produced on the acres allotted to the farmers for such crops. The records show that lower price supports do not bring about a reduction in the number of bales of cotton or bushels of wheat produced on a certain acreage allotment. At the same time, the facts and figures of the Department of Agriculture show that high price supports do not increase the total production from a certain acreage allotment.
Opponents of high price supports have tried to make the people believe that farmers have been living off Government bounty. The truth is that payments to agriculture have cost little compared with the Government assistance given to industry since World War II.

Data prepared by a House Appropriations Subcommittee in 1954 showed that industry had received approximately $45 billion since the war, most of these payments being in the form of reconversion grants.

On the other hand, the Commodity Credit Corporation program in support of basic crops cost only $21 million during the first 21 years of operation. The support program on basic crops actually showed a profit of $13 million through 1951; and over the entire 21 years through fiscal 1954, the CCC cotton and tobacco programs earned a profit of more than a quarter of a billion dollars.

A guarantee of 90 per cent of parity to our farmers will not provide them with any special treatment. Labor's income is protected by minimum wage and collective bargaining laws. Some protection is given industry through tariffs. Rate-fixing by Government guards utilities with the assurance of profits. And business has fair-trade laws.

Anything we can do for the farmer will be in keeping with the established practices of protection to the other major segments of the national economy. And that is not to mention the billions of dollars we are spending overseas to prop up the economy of foreign countries.

The Committee's proposal for the soil bank and the conservation reserve is excellent. We must offer a plan for voluntary reduction.
of planting, and I believe the soil bank is the right approach. The conservation provision also provides an important guarantee that our soil will be ready for future use, in the event emergency demands for production should arise.

I approve also of the Committee presentation of a plan for regaining this nation's historic share of the world cotton market. Some of our surpluses must be sold, and I believe the sale overseas of cotton is the right direction for the alleviation of this problem.

Such a program also should help to force the State Department to recognize the reasonableness of the requests made for the negotiation of quotas on the importation of textile goods. Wisely provided for in the bill is an acreage protection plan for our small cotton farmers. However, I would like to see 2 per cent instead of one per cent of the national allotment of cotton set aside to guarantee the small-acreage cotton growers a minimum of not less than 4 acres or 100 per cent of their acreage for the three prior years. I was co-sponsor of such a bill last year.

I hope the Senate will support the Stennis amendment to prevent further reductions in cotton acreage in 1957 and 1958.

Many small farmers in the South depend on cotton as their money crop. Without adequate acreage to make a livelihood, they cannot continue to operate. I hope the Senate will support the amendment to accomplish this purpose.

In order to preserve our small farms and prevent acreage restrictions from driving more so-called little farmers off the land and many others into marginal operations, large corporation farms should be required to absorb more of the cutbacks. These larger
farms can take greater percentage reductions of acreage and continue successful operations than the small farms can.

The loss of a single acre of a cotton allotment spells the difference between staying on the farm and being forced to seek other ways of making a living to many of our little farmers. I want to see those who want to stay on the farm be protected to the extent that they are not forced to give up.

I regret that the Agriculture Committee did not approve the request to place a dollar limit on the price support system. This would have given further protection to the family-size farm.

Mr. President, the farm family was a basic unit in the development of our great country. I believe it will be just as basic in the preservation of the American way of life as it was in the establishment of the nation. Strong moral, spiritual and physical qualities -- so essential to a great nation -- are learned early in the farm family.

I hope the Senate will take such action on this bill now before us which will preserve this vital element in American life. I plan to support most of the provisions of S. 3163 and I believe it to be in the best interests of the nation that the bill be enacted into law with minor alterations.

- The End -