MY FRIENDS AND FELLOW CITIZENS:

During the past week, the Senate has largely taken up its time with the consideration of four appropriation bills and the foreign aid authorization bill.

I am happy to report that in each instance the appropriation bills have been reduced below the budget request. I shall not attempt to describe the details of these bills, but let me tell you how much each bill was cut.

The Departments of Labor and Health-Education-Welfare were taken up together and the Administration request was cut more than $96 million. The bill for the Independent Offices — those not under any department — was cut almost $546 million. The funds for the operation of the District of Columbia were reduced nearly $13 million.

Finally, the request for the Department of Agriculture was cut by $296 million.

As you may have heard, the soil bank program was retained for another year in spite of the great amount of dissatisfaction with the program. I voted for retaining the soil bank because no proposal has been proposed yet as an improvement or substitute for it. I did not feel that we should wipe out the soil bank unless we had a new program to help the farmers immediately.

There are now pending in the Agriculture Committee of the Senate several proposals to amend the cotton price support program. I want to mention them at this time and I will be glad to hear the opinion of any of you who are interested in the bills.
Senator Stennis has introduced a bill proposing that cotton production on farm acreage allotments be divided into a domestic portion and an export portion. Seventy-five per cent of parity would be paid on both portions. In addition, a direct subsidy would be paid on the domestic portion to raise the price to 95 per cent of parity.

Another bill, by Senator Symington, also would divide the allotment into domestic and export portions. His bill would guarantee 90 per cent of parity on the domestic portion and guarantee 95 per cent of the world price on the export portion of the crop.

A third bill introduced by Senator Russell would abolish acreage allotments. Certificates would be issued to farmers for their share of the domestic consumption quota. Certified cotton would receive full parity price support, which means such support as would offset the high costs of production in the United States.

Finally, a bill by Senator Eastland would provide for increasing the cotton allotment by 20 per cent and the payment of 75 per cent of parity.

There appears to be a good deal of sentiment for separating domestic and export allotments and applying different price supports. I doubt that these bills will be taken up at this session of Congress, but I would like to have the views of farmers and others interested in these plans.

During the past week, as chairman of a special subcommittee of the Senate Government Operations Committee, I have held hearings on a bill I introduced to protect the States from the loss of certain taxes. My bill would make contractors working for the Federal Government liable to payment of such taxes to the States.
as South Carolina's sales tax. Contractors on federal projects now enjoy special exemption and the States lose millions of dollars in revenue each year.

Strong support was given my bill by the witnesses who appeared.

On Tuesday, June 18, my subcommittee will hold hearings on a bill to prevent the channeling of federal contracts to so-called depressed areas. I consider it completely unfair for the low bidder on a procurement contract to be told that all or part of the contract has been taken away from him because there is a labor surplus in another area. I would be happy for anybody who could testify on this subject to get in touch with me.

This is Strom Thurmond in Washington. Thank you for listening and this station for making this time available each week.

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