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STATEMENT BY SENATOR STROM THURMOND (D-SC) BEFORE SENATE AGRICULTURE
SUBCOMMITTEE ON TOBACCO, WASHINGTON, D. C., DECEMBER 16, 1958.

Mr. Chairman:

I am very pleased that the Agriculture Committee has agreed to conduct this investigation, and I welcome this opportunity to present to your subcommittee my views on the necessity for providing a proper price support differential between tied and loose tobacco. I am confident that the facts which the committee's special investigator collected in his visit to the Georgia and South Carolina tobacco markets in August will provide convincing evidence to support the contention that some action must be taken to remedy the problem for the best interest of the tobacco farmers, buyers, warehousemen, the Federal Government, and the public.

Great numbers of South Carolina farmers, supported by the South Carolina Farm Bureau, the State Grange, and the South Carolina Tobacco Warehouse Association, are very disturbed over the fact that tied tobacco sold on the South Carolina markets has not been bringing a sufficient price differential over loose tobacco sold in Georgia and Florida. This is a problem which has plagued our South Carolina tobacco farmers for several years. Each year they have appealed to the buyers and the Agriculture Department without any indication of relief. These farmers go to the expense and trouble of tying and grading their tobacco without adequate compensation for their time, expense, and labor.

Since they are not receiving a proper support differential they have requested that they be given similar support prices for

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loose tobacco as is provided tobacco farmers in Georgia and Florida. Drawing a distinction between our farmers and those in Georgia and Florida, the Agriculture Department has denied this request. This unfair action has resulted in the hauling of loose tobacco from South Carolina fields to markets in Georgia, where in many instances the particular farmer has received more for his loose tobacco on the Georgia market than he has for his tied and graded tobacco on the South Carolina market. The transportation of this tobacco has caused sales to decrease in South Carolina and has placed more loose tobacco on the markets.

Both the Agriculture Department and the tobacco companies say that they desire more tied rather than loose tobacco, but by refusing to provide the proper differential between tied and loose tobacco the Department and the companies are causing more loose and less tied tobacco to be sold on the markets.

In July I joined a group of South Carolina farmers, warehousemen, and representatives of the Farm Bureau and Grange in meeting with Secretary Benson for the purpose of arriving at some satisfactory arrangement on this problem. We presented our case to the Secretary and then asked that he either provide a support differential of eight cents or else authorize support prices for loose tobacco sold in South Carolina and North Carolina. The Secretary appeared to be impressed by our arguments, but soon thereafter we received a letter from him denying our request.

I have also appealed to the tobacco companies requesting that they take steps to insure our farmers a proper differential

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on the markets, but the replies I have received have not been at all encouraging. Since we have been turned down by both the tobacco companies and the Department of Agriculture, either of which could solve the problem, we must now turn to the appropriate committees of the Congress and request that you inquire into the matter. As I stated at the beginning of this statement, I am confident that your investigation will prove the necessity and wisdom of taking some course of action which will do justice and eliminate an annual problem to our tobacco farmers. I trust that your committee will act without delay in this matter of vital importance to our tobacco farmers and the entire tobacco industry.

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