

Ag-food for peace  
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**House of Representatives, U.S.**

**Committee on Agriculture**

**Washington, D.C.**

IMMEDIATE RELEASE

MARCH 26, 1968

Washington . . . . . The House Committee on Agriculture approved today a bill extending for one year the life of the Food for Peace Act, otherwise known as the Agricultural Trade Development and Assistance Act (Public Law 480) of 1954.

Several changes provided for by the House group seek to ease present restrictions now imposed on the uses this country may make in the foreign currencies it receives in sales abroad of American farm commodities.

They were proposed as means of improving the dollar balance of payment situation in international trade.

The Food for Peace Act bill, extending the life of legislation which expires at the end of this year, was one of two measures approved today by the committee.

A bill backed by House Majority Leader Carl Albert (D-Okla.) authorizing the Secretary of Agriculture to establish the Robert S. Kerr Memorial Arboretum and Nature Center in Oklahoma also won committee approval. The project was planned as a memorial to the late Oklahoma Senator, a former Governor of that State.

Committee Chairman W. R. (Bob) Poage, D-Tex., commenting on approval of the Food for Peace extension bill, said:

"I think throughout the years Public Law 480 has been extremely helpful, both to the United States and recipient countries.

"It can continue to be helpful, but the recipient nations must recognize that cooperation means help for the United States as well as by the United States. We will be in a better position to extend this aid if we keep our

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own dollar balance of payment position sound, and that is what we are seeking in this legislation."

One provision in the bill changing the existing program gives authority to those handling negotiations for the United States to enter into agreements specifying that up to 50 percent of foreign currencies accumulated by P. L. 480 sales could be sold at the current rate of exchange to U. S. importers for the procurement of materials or commodities from the recipient nation.

The U. S. negotiators would be directed, under another provision, to enter into agreements which would provide that up to 50 percent of the foreign currencies generated by P. L. 480 transactions be offered for sale, at a discounted rate, to U. S. Contractors doing business in the recipient country, or to local contractors in that country, provided that the local currencies be used only for payment of wages within that purchasing country on public works

Still another of the provisions states that there shall be a determination of the amounts of foreign currencies needed for certain governmental purposes, including operation of the American Embassy in a country receiving goods under P. L. 480, and then requirement of immediate partial payment on delivery of the goods so the funds can be used for defraying U. S. expenses in that country.

One provision of the measure strips from the existing law certain reference to barter. It would bar all three-way barter, but leave intact the direct bartering authority for off-shore procurement and for materials, goods and equipment required in connection with foreign economic and military aid. Backers of this change argue that three-way barter generally depresses farm product prices.

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