

Mr. THOMPSON. Governor Sanford has done a wonderful job in initiating in his own State a poverty program.

Dr. BISHOP. Let us contrast now the situation for these people who are between 45 and 65 years of age. I said that we have 895,000 of males between 15 and 24 years of age. We would expect 726,000 of those to leave during this decade.

In contrast, there were 1,287,000 who were between the ages of 45 and 65, we would expect only 150,000 of those to leave agriculture during this decade.

In other words, your migration of these people who are in the upper age categories cannot be expected to solve their low-income problem.

In short, these people are trapped; they are there; they are going to spend their lives there. The question is: What kind of income, what kind of opportunity, will they have in the rural area?

Now, just a word about title IV, particularly on part B. I notice in reading this part that the States that the Director may require, at his discretion, that people who are provided with loans under this part take certain types of managerial training to improve their managerial skills.

It would suit my taste much better if this "may" at the discretion of the Director was changed to "will" because I believe we can learn from the program which has been conducted by the Farmers Home Administration that supervised management can do a great deal, supervised managerial assistance can do a great deal to help people in low-income States who are trying to operate small businesses.

In the agricultural sector when loans are given by the Farmers Home Administration, we do give supervisory management assistance and we have found this to be very effective.

I suspect you would find the same to be true in nonfarm industries.

Mr. Chairman, I am available for questions.

Mr. ROOSEVELT. Mr. Bishop, thank you very much for your testimony. Certainly I would agree that I think you have given us a most interesting discussion of the concept and background of poverty and applying it in specifics which I think will help us greatly as we study the bill itself.

Mr. Bishop, price supports and, therefore, higher prices for agricultural goods have raised the cost of living especially for the very poor since they spend a higher portion of their income on food.

What is the solution to this problem if you will elaborate a little on what you have said?

Dr. BISHOP. I suspect that this is questionable. I do not believe I wish to permit myself the statement that price supports as they have operated in the American economy have raised the prices of foods to our society. We have one of the lowest cost budgets for food of any nation in terms of percentage of our disposable consumer income.

If you assume that price supports in a relatively stable agriculture would induce increased output, I suspect it would be hard to reach the conclusion that price supports had raised the prices of foods because most foods are not supported.

Mr. PUCINSKI. I want to say, Mr. Chairman, I am very grateful for that answer because I have supported some of that legislation.

Mr. ROOSEVELT. In a slightly different field, you have mentioned