

despair and defeat to move out and develop a farming operation that would enable them to live on the farm in decency.

Mr. Chairman, a lot of people like the Committee for Economic Development apparently believe that the solution of this problem is to get people off the farm. I would like to point out here that, while this may appear to afford a simple solution to this problem of poverty in rural America, it is not a simple solution, for this reason. The costs of programs to maintain these families in the city are far greater than if they remain on the farm. They will be able to live decently under a good farm program with adequate loans, and grants such as title III would provide. If the family moves to town and can't earn a living they are on welfare; and, as we all know, welfare costs have been increasing about a billion dollars every 3 years. The total cost is up over \$4 billion total now. If the family is on welfare, they more than likely are going to live in a federally subsidized housing project. The money that goes to help build sewage facilities is a part of this cost. Furthermore, as these people leave rural America you are drying up the opportunity for main street business in rural America. Therefore, it seems to me to be the most prudent course of action to try to develop programs that will give people an opportunity to develop themselves, to maintain themselves under decent standards in rural America.

We believe that title III would be a big asset in this effort.

Title III would authorize a corporation through which large tracts of land could be bought. In many areas there are large land holdings that could be broken up. The Government does not break it up under this provision—that ought to be made clear, farm families who want to farm additional land are enabled to establish a corporation to buy and hold available land until it can be broken up. We think this section 303 of title I is also a very important part of this bill.

Mr. Chairman, that is all I have to say. I will be happy to respond to questions.

Mr. PERKINS. Mr. Johnson, I appreciate your statement this morning. I share your view all the way. In fact, I have personally witnessed the operation of the Farmers Home Administration under the Department of Agriculture down in east Kentucky, which borders right on the point you have testified about here this morning. Many grants were made in eastern Kentucky during the past year to needy farmers much in the same manner as title III would operate. We should do something to assist these people who cannot for a number of reasons leave the farm.

If we can give some assistance to enable those people on the farm where retraining is not appropriate, to make a decent living, it certainly would be the least that should be done. I agree with your viewpoint.

Mr. Holland, do you have any questions?

Mr. HOLLAND. I was much interested in your statement about keeping people on the farm, because the conditions that exist, as you point out to us, are exactly the same in Pittsburgh. We have that trouble there. Some have been taken away from the farm. Eventually, they go on relief and there they stay. I think your ideas coincide with mine; that we should let them stay on the farm and help prepare them to secure an income, to create an income. Today it is just a case of