

OEO rural loans and USDA credit facilities will be available. Training and education programs will prepare the people of this area to take advantage of developing economic opportunities.

As the damaged land owned by these small farmers becomes productive, the earning value of these farms will increase. We see this as a 10-year project with an added income potential of at least half a million dollars and a job potential about 36,000 man-days.

As I look at our present progress and at the challenge ahead, I can only say that it would be most impossible for me to overstate our interest in the continuation of the community action program and the other OEO activities in rural areas.

It is imperative that they be continued. The Nation cannot afford to discard the experience and the spirit of OEO at this crucial time.

The American people cannot afford to disrupt the programs that are already making inroads on rural poverty. We must now not slow down community action, or turn it over to new management.

So with the utmost sincerity, I urge this committee to continue and expand OEO programs throughout rural America. This is not to say that there are no gaps in our efforts to combat rural poverty. Of course there are. This is inevitable in any new program. The experience of the past 3 years points to many needed improvements. I am confident that the improvements will be made—that the gaps will be filled.

For example, the comprehensive planning aid for rural America that we have recommended as an amendment to section 701 of the Housing Act of 1954 is vital. This legislation is urgently needed to overcome the disadvantages of small, scattered population and lack of planning expertise in rural areas, by pooling resources in logical multicounty groupings.

Innovative financing arrangements must be developed to meet the housing needs of the rural poor. Currently about 5 million, or one-third, of all occupied rural homes need either major repairs or complete replacement. The 1960 census revealed that 35 percent of farm homes and 30 percent of the rural nonfarm homes lacked this convenience.

They did not have hot and cold running water. Only 5 percent of urban homes lacked this convenience. The problem of rural housing requires massive inputs both of funds and of technical assistance if millions of rural people are to be decently housed.

Self-help housing and housing grants are important devices. We have a small self-help housing program, and FHA also has authority to make grants up to \$1,000 for home repair. However, the Congress has restrained us from exercising this authority since the summer of 1964.

It has been estimated that underemployment in rural America is equal to about 2½ million man-years of unemployment. Obviously, training for off-the-farm jobs is of key importance. We need to expand work and training programs.

There are jobs to be had but going begging, so to speak, because qualified people are not available. This reinforces the thought I expressed earlier that economic development and antipoverty are two sides of the same coin. There is no point in developing rural job oppor-