

water and sewer systems go to the 16 States with the largest number of low-income rural residents.

We are making special efforts to reach minority groups who are locked out both by poverty and by discrimination. In the past fiscal year more than 104,000 rural Negroes received 20,800 FHA loans totaling over \$50 million. This was a 30-percent increase over 1965 and a 146-percent increase over 1960.

Our agricultural conservation program helps low-income farmers develop and improve their soil, water, woodland, and recreational resources.

Since 1964, for example, a total of 170 projects to modernize family owned community water systems in a seven-county area of north central New Mexico have been carried out with special ACP cost share assistance.

The systems serve 6,049 farms. Most of these families are Mexican and Spanish-American or American Indian.

Farmers in Taos County, N. Mex., are putting in water conservation measures year by year with Federal and State help. In 1964 they completed 4,000 feet of concrete lined ditch at a cost of \$15,000 with cost share help from ACP and the State of New Mexico. In 1965, work was started on a diversion dam and pipeline.

In 1966 another pipeline, a flume across a river and 2,000 feet of concrete ditch lining were installed, plus facilities for efficient handling of water on individual farms.

Assured of water, these small farmers are raising more stock and growing more crops. They will have better incomes, better homes, better living.

Our Farmer Cooperative Service also reaches out to low-income farmers. In Mississippi I talked with the Negro president of a farm co-op composed of 155 low-income growers of cotton, soybeans, and other crops. Previously, they lacked harvesting machinery and their crops were often impaired and even ruined by bad weather.

With FCS help they formed a co-op, obtained an EO loan of \$113,000 from FHA and now own three cottonpickers, three combines, six trailers, four trucks, and a sprayer. Their increased efficiency will boost their income.

Our Cooperative Extension Service devotes two-fifths of its time to working with low-income farmers, families and youth.

Since 1960 more than 3,500 new business enterprises employing nearly 48,000 rural people have been established as a result of conservation work carried out with technical and financial help of the Soil Conservation Service.

The timber harvest from the national forests annually creates 300,000 man-years of rural employment. Another 20,000 seasonal employees, mostly rural residents, work in the national forests each year.

Rural Electrification Administration borrowers last year helped set up about 450 projects to establish new, small industries, new community facilities, and new tourist attractions. This created an estimated 31,000 jobs.

Our Consumer and Marketing Service here through the food stamp, direct food distribution, school lunch, milk, and child nutrition programs is doing a great deal to improve the diets of low-income people,