ruptcy laws the same as other people are aware of them, but to encourage their use.

Secretary FREEMAN. I think that would be very bad practice, and I think if such kind of encouragement were part of a national program rather than encouraging people to pay their bills, it would have an adverse effect upon our loan programs.

Chairman PERKINS. Mr. Quie.

Mr. QUIE. Mr. Secretary, it is good to have you with us and it kind of reminds me of my service on another committee of the Congress to see you sitting here. I would like to ask you a little bit more about Charlie Hamlin.

As I recall your explanation of his need in previous testimony, you say he has 16 head of livestock and 18 acres of quality pasture and his total family income this year including earnings from the farm is expected to be $3,000.

How much of that $3,000 is earned off the farm and how much is net earnings now from his operations on the farm?

Secretary FREEMAN. I don't have those figures with me. Might I submit them for the record?

Mr. QUIE. I think it would be good. I don't have any objection to lending the money to Charlie Hamlin but I think it does give an impression that he is having a greater net earning from the farm than must be the case. Sixteen head of livestock, assuming they are beef cows, and 18 acres of pasture really won't give a person a very high net. He may not be able to save anything for his family for a long time. If there are substantial earnings off the farm this is evidently new and I would expect it would have nothing to do with this loan.

If it did have something to do with the loan it would be interesting to know how it did and it would be interesting to know how the earnings off the farm improved and what specifically caused these earnings to increase.

I find it interesting to follow a particular individual as you have in your testimony and if you could provide this information for us I would appreciate it.

Secretary FREEMAN. I would be glad to do that.

(The document referred to follows:)

ECONOMIC OPPORTUNITY LOAN TO CHARLIE HAMLIN, FAYETTE COUNTY, MISSISSIPPI

An initial EO loan for $2,200 was made in May 1965 to Mr. Hamlin. At the time he owned and operated a small farm in a remote section of Fayette County, Mississippi. His farming operation consisted of a few acres of cotton and corn plus some production of garden produce for home use. In 1963 he also worked four days a week in a box factory. However, he was laid off during the year and received unemployment compensation until September 1963, at which time this source of off-farm income stopped. His yearly income from farming was $365, including home use of garden produce. Mr. Hamlin's family includes himself, wife, and 9 daughters aged six months to 21 years. Several of his children did not have their own shoes.

In February, 1964 he received a small operating loan from the Farmers Home Administration for two cows to supply milk for his children and to pay pressing living and farming expenses. However, his farm and financial condition ruled out a larger operating loan for the basic farm improvements required to reorganize his resources and enable him to get maximum returns from his farm.

The EO loan program did make this possible. Mr. Hamlin received a loan in May 1964 in the amount of $2,200 to buy beef cattle, develop pasture through land clearing, fertilizing, and seeding and to buy materials to repair his farm buildings. This has resulted in a definite improvement in his farming operations and