

permission as to just what you think will constitute a well-balanced impact program for the rural areas.

Would you compile that statement and submit it to the record for us, Mr. Secretary?

Secretary FREEMAN. Yes; I would be very happy to do that.

Chairman PERKINS. The statement will be inserted in the record at this point.

(Statement referred to follows:)

WELL BALANCED IMPACTED PROGRAM FOR RURAL AREAS

The USDA visualizes and is pursuing a three-pronged approach to the problem of impacted poverty in rural areas. Impacted poverty are those families often referred to as "boxed in." These are poor people who for the need of an opportunity have not been able to share in the general rise in our nation's standard of living. Examples are older persons who lack proper skills to obtain a job or minority groups that have heretofore been the victims of discrimination. Among this group are the current "unemployables" who through one or more programs may be elevated out of poverty.

The first prong of this approach is that of using every opportunity we have in our existing programs to help those on the threshold of the impacted group from falling into it. Our regular operating program of FHA is helping many of these rural people. For example, about three-fourths of FHA farm loans for fertilizer, equipment, land purchases and development go to families living on \$3,000 a year or less. Then too, these programs may be used by the impacted once they have climbed the ladder part way from the poverty pit. For example, a work experience program may make it possible for a poor person to get a job and with care this person could save enough to participate in a self-help housing program.

The second prong of this approach is in our recent effort under Executive Order 11307 to provide outreach to rural areas to see that all rural people benefit from the existing poverty programs now available from other agencies. This, of course, requires the cooperation of all agencies of the Federal Government. Innovations of existing programs and special type projects from versatile Community Action Program funds to provide training and employment and income potential in such areas as crafts, beautification, library work, child care for working mothers, sewing, and subprofessional aides to ongoing programs of this and other departments.

The third prong of this approach will be to continually work on new prototypes that are directed at these impacted poor which have still not been helped. These prototypes might include:

(1) Transitional housing for the homeless with concurrent training, work experience, family uplifting, and opportunity to become more self-sufficient.

(2) Career development through development of aide positions. These heads of households would be placed in a program that would match their increasing skills to the various levels of aide positions. This might take the form of a Rural Community Development Aide Corps which would establish a series of rural agri-business occupations that initially might support USDA programs in reaching the poor but lead to these persons' employment in private industry.

(3) Establishment of worker-type cooperatives capable of performing community service and home service jobs. In this connection Dr. Weltner, working with Atlanta University has developed a plan for a type of "Fix it" shops which could easily be perpetuated in any given community on a cooperative basis.

We feel the framework has been established. In order to provide the program, it will require substantial resources, particularly for rural community action in OEO, if the poorest of the poor are to be effectively reached.

Mr. GOODELL. No objection, I think it would be very helpful.

You listed certain programs under your jurisdiction. I will quote you exactly:

"Our Farmers Home Administration advanced more than a billion