

unemployed and a given level of income came under that act and, therefore, were entitled to certain loans and assistance.

I think that—

Mr. SCHERLE. You were Secretary of Agriculture at that time?

Secretary FREEMAN. Yes.

Mr. SCHERLE. Did you develop this term or did it just come out of the present predicament you are in or why was it used?

Secretary FREEMAN. I have forgotten whether the term was actually used in the law passed by the Congress. The chairman might remember.

Did ARA come before this committee, Mr. Chairman?

Chairman PERKINS. No, it came before the Banking and Currency Committee.

Secretary FREEMAN. Whether that phrase was used in the law or not, I don't remember, but it got to be used in common parlance. Those areas around the Nation, which because of their limited economic base could qualify for loans under ARA, were generally described as distressed counties.

That is what Mr. Wilson the local banker there referred to in that case.

Mr. SCHERLE. I have one other example here I would like to refer to at this time.

We were talking about helping those in depressed or distressed areas, poverty areas, with \$3,000 income or less.

It is my understanding this program was innovated under OEO to help raise these people up from their level of poverty. Do you think training chicken pickers in southwestern Iowa, in an area where there is no demand for them, a waste of money?

Secretary FREEMAN. No, I don't think so.

Mr. SCHERLE. What would you do with them after you trained them?

Secretary FREEMAN. You would help them find a job.

Mr. SCHERLE. Doing what?

Secretary FREEMAN. Working in the local poultry processing plant.

Mr. SCHERLE. Mr. Secretary, you appear to be a little backward since these plants are at the present time completely automated. There is very little hand chicken-picking going on anywhere to my knowledge beyond, perhaps, individual farms.

Secretary FREEMAN. I must say I am not very expert on chicken picking.

Mr. SCHERLE. Apparently none of the OEO people are.

The other thing that I have here is that the OEO hires people in the poverty group to come in and work at the rate of \$1.25 an hour and pay them in script similar to Monopoly-type money.

Would you say this was degrading?

Secretary FREEMAN. I have never heard of any such instance and know nothing whatsoever about it.

Mr. SCHERLE. We have one of these projects operating in my district. This is the type of thing I have been making reference to today. Why do you have a project like the illustration I have outlined?

Secretary FREEMAN. What do you have reference to?

I can't understand your question. It does not make any sense.

Mr. SCHERLE. I don't think that the hiring of chicken pluckers and paying the poor with "play" money makes any sense either. It is a shameful waste of taxpayers' money.

Secretary FREEMAN. Your question does not make sense.

Mr. SCHERLE. I have been citing a particular example—a statement