

Mr. BRADY. If, in your judgment, this bill must be passed, then we strongly advocate and plead that a section be added to this bill to insert a grandfather clause so that those associations that are presently operating under the existing law will not be put out of business as this bill indicates by sound arithmetical calculations we cannot operate our vehicles under this change. This bill will, therefore, have the effect of eliminating many of the cooperatives that are performing transportation services for nonmembers.

I do not feel that Congress should legislate a lawful business out of existence.

In conclusion and in summary, the passage of this bill will work to the detriment of the farmers and the general public by raising the cost of farm products in the markets and will cost the Government these thousands of dollars. And since this was written, we have run this study, now it is in the millions, for the Department of Defense.

I think that these savings and such economy should not and must not be overlooked. I have a comment or two that I have picked up in the last couple of days. This bill, as I see it, was designed to benefit the common carrier exclusively at the expense of the farmers. Now, the provisions of this bill would destroy the only major source of dependable flexible and economically feasible shipments of farm products to the market, the agricultural cooperatives nonprofit transportation machinery.

Trucks owned and operated by the agricultural cooperatives have been exempt from the ICC regulations for more than 30 years and have been a major factor in protecting the farmer from the high freight rates and poor service that would result from the monopolistic dominance by common carriers.

I have only one other statement. In the Senate Report No. 48 of 1966, common carriers neglected or refused to recognize the needs of the farmers. In this Senate report was noted complaints against common carriers regarding small shipments, shipments to and from areas of lesser volume of traffic shipment, having multiple pickups and deliveries and refusal of shipments that the carriers believed to be marginally profitable.

We feel that by the passage of this bill, if we limit ourselves to 15 percent for backhaul, gentlemen, I don't know how we will get our equipment back to the point of origin. Obviously, we can't deadhead them back.

Mr. FRIEDEL. Are there any questions?

Mr. ADAMS. I have just one question.

I take it then what you want out of this bill is either a grandfather clause for yourself or you want on page 2 the proviso stricken which says:

*Provided*, That for the purpose hereof, notwithstanding any other provision of law, transportation performed or on behalf of the United States or any agency or instrumentality thereof shall be deemed transportation performed for a nonmember.

Mr. BRADY. The position of putting the Federal Government into the nonmember category is a rather devastating position to the taxpayers as I see it.