

The regulated motor carriers are, speaking generally, subject to these same or similar regulatory restraints.

Agricultural cooperatives are subject to none of these restraints and are privileged to make whatever rates they choose to make, at any time, without notice to anyone and without publication, on whatever basis they regard as necessary to obtain the traffic.

Furthermore, agricultural cooperatives are wholly free of the legal obligation that common carriers have to serve the general public over authorized routes, between named origin and destination points, without selectivity. The railroads, for example, must (within recognized limitations) transport anything for anybody, anywhere.

The farm cooperatives are under no obligation at all to serve the general public. They are free to "pick and choose" traffic as they please, soliciting the most desirable and most lucrative traffic and rejecting that which they do not care to transport.

You can see the intolerable competitive situation in which the railroads and the regulated motor carriers find themselves. You can see that exemption results in no measurable benefit to the general public; that it does nothing to improve or strengthen our national transportation system.

For all these reasons, we are willing at this time to endorse and support S. 752 in the form in which it was passed by the Senate. It is not as strong a bill as we had hoped the Congress would enact but it is, on the whole, constructive legislation; and, on balance and everything considered, appears to reflect a reasonable compromise of conflicting interests.

Mr. FRIEDEL. Thank you.

Mr. Pickle.

Mr. PICKLE. No questions.

Mr. FRIEDEL. Mr. Devine.

Mr. DEVINE. No questions.

Mr. FRIEDEL. Mr. Watson.

Mr. WATSON. Mr. Chairman, I might comment we have had such a happy marriage going along I move that we report this bill out before somebody starts rocking the boat here.

I appreciate the gentleman's statement.

Mr. FRIEDEL. Mr. Springer.

Mr. SPRINGER. No questions.

Mr. FRIEDEL. Thank you, Mr. Breithaupt.

Mr. BREITHAUPT. Thank you, sir.

Mr. WATSON. Our next witness is Mr. Harold Hammond.

STATEMENT OF HAROLD HAMMOND, PRESIDENT, TRANSPORTATION ASSOCIATION OF AMERICA; ACCOMPANIED BY FRANK A. SMITH, VICE PRESIDENT OF RESEARCH

Mr. HAMMOND. Mr. Chairman, my name is Harold Hammond, I am president of the Transportation Association of America. I have with me Frank A. Smith, our vice president of research.

In summary, the Transportation Association of America strongly supports passage of S. 752 as passed by the Senate.

I think the primary group in TAA that you would be interested in that was back of this legislation was one composed of the users of transportation. We have a special group of over 100 representatives of all types of users that buy transportation from the regulated carriers. This group was much in favor of S. 752 as passed by the Senate. They supported it.

You will find in my statement before you, on pages 4 to 6, some examples of what we do not like to see happen and as Mr. Pinkney