

Mr. AYRES. You do not hold out much hope for the wheat producer of this country.

Mr. LEGGE. As an exporter; no, sir. Now, I think there is a great deal of hope. I think there is hope for western Kansas. We have literally thousands of reports from all over the United States as to the results of feeding wheat to livestock. I have yet to receive the first report in which the farmer does not believe that he is getting \$1 per bushel in meat prices for the wheat that he is feeding to livestock.

That may offer a solution of the surplus wheat problem, especially on wheat farms that are far removed from the consuming centers. They are feeding wheat quite heavily. You may take Mr. Long, for instance; he is feeding at the present time 10,000 sheep and hogs. He is very well pleased with the results. Then, if you will take the biggest corporation farm in Kansas, you will find that they are feeding 35,000 head of sheep on wheat.

Mr. AYRES. Do the reports you get indicate that wheat is just as satisfactory as any other feed, or is it as satisfactory as a cattle feed?

Mr. LEGGE. It is very satisfactory for feeding hogs and sheep especially.

The CHAIRMAN. It is mixed with some other feeds, is it not, for cattle?

Mr. LEGGE. Yes; for cattle they use only about 25 per cent of wheat in the feed.

Mr. AYRES. Is it all right for hogs and sheep?

Mr. LEGGE. Yes, sir.

Mr. AYRES. It is all right as to hogs and sheep?

Mr. LEGGE. As to hogs and sheep; that is not true as to cattle when fed in excess of the 25 per cent.

The CHAIRMAN. What interest do these operators pay?

Mr. LEGGE. You mean on loans from the board?

The CHAIRMAN. Yes.

Mr. LEGGE. That varies somewhat in the different sections. Our own rates vary, according to the provisions of section 8 (a) of the agricultural marketing act. They are based on what the return is on certain Government bonds, and on some days it is one rate and on some days it is another, because the rate fluctuates. The Treasury fixes that rate for us; we never make the rate on a loan.

The CHAIRMAN. After you have made a loan to one of these concerns, and the rate is fixed on that day, does it remain at that figure?

Mr. LEGGE. Yes. But these cooperative organizations, with our knowledge and consent, are charging their members something over what they pay us. We think it is a wise thing for them to do, because it provides a sinking fund against any kind of distress they may have to face in the future.

The CHAIRMAN. How are they keeping up in the payment of their interest?

Mr. LEGGE. Pretty well. They have paid us something over \$2,000,000 in interest up to the present time, and there is about \$900,000 of accrued interest. Some of it that has accrued is not due, in the same that the loan has not matured.