

Mr. LEGGE. Not all of it; some of them do not mature until February or March.

The CHAIRMAN. You can not take them up before their maturity?

Mr. LEGGE. Yes; some of them can be taken up before maturity. But the situation is so uncertain we do not know whether it would be a wise thing to do to pay that off entirely. We would like to reduce it and eliminate that much from the picture.

Mr. AYRES. About how much is there of that paper?

Mr. LEGGE. About \$75,000,000—\$26,000,000 on wheat and \$49,000,000 on cotton.

Mr. AYRES. This money has been borrowed from various banks?

Mr. LEGGE. Yes, a large part of it was borrowed by the cooperative organizations from the banks and turned over to us subject to the liens, and they have been continued, and the banks are perfectly willing to carry them. They are perfectly safe. They have the warehouse receipts for the commodity, so it is a sound loan for them.

Mr. BUCHANAN. You said you felt the price of wheat in this country was to some extent artificially maintained. Have you any figures to show how much more the wheat producers in this country are getting now for their wheat than the wheat producers of any other country producing surplus wheat.

Mr. LEGGE. The easiest comparison, on account of the similarity in distance of transportation, is with Canada, and the Canadian price at Winnipeg is running from 17 to 18 cents a bushel below our price. One day last week it was 21 cents below our price, but that was exceptional. It has averaged about 17 or 18 cents below our price for some time past.

Mr. AYRES. About how long?

Mr. LEGGE. That has been true for the last six weeks, I should say.

Mr. BUCHANAN. And with a similar differential in favor of our wheat producers in every other surplus wheat-producing country of the world?

Mr. LEGGE. Absolutely.

Mr. BUCHANAN. That shows that the operations of the Farm Board are resulting in benefit to the wheat producers?

Mr. LEGGE. I think that is absolutely conclusive, and the difference, as I said a moment ago, on the weekly consumption is around two and a half million dollars.

Mr. BUCHANAN. Let me ask you a few questions in regard to cotton. The world production of cotton is not excessive this year, is it, compared with the average of the last five years?

Mr. LEGGE. As to cotton, it is not so much a question of excessive production to-day as it is of low consumption.

Mr. BUCHANAN. In other words, there has been about 26,500,000 bales of cotton produced and that is about the average of the past five years?

Mr. LEGGE. Yes. We had a little accumulation, Congressman, in cotton, but nothing relatively as bad as it was in wheat. We went into this crop with a 6,200,000 bales carry-over.

Mr. BUCHANAN. That is true; but in the world there has been about 26,500,000 bales of cotton produced, and that is about the average of the past five years.

Therefore, from a statistical standpoint, the position of cotton is more favorable than the position of wheat. But the under-