

Mr. BYRNS. As I understand you, there is no provision in the law which would enable the board to render this assistance unless they have organized along the cooperative lines you have suggested.

Mr. STONE. That is correct.

Mr. BYRNS. In other words, you could not use any bank, you could not use any other existing agency, or any agency down there for the purpose of loaning money with which they could store and hold their tobacco?

Mr. STONE. So long as they were organized under the terms of the agricultural marketing act and the Capper-Volstead Act, we could do that. As to the details of operation, we do not try to dictate about that so long as they comply with the terms of the two acts, which enable us to aid them.

Mr. BYRNS. I want to say this for the record. My questions are not by any means intended as a criticism, or rather an intimation that you, as a member of the board, and representing the board, have not been entirely responsive. I have always found you are anxious to render them some service, if you could, but I was wondering if there was any possible chance to give those tobacco growers, who, I dare say, are not being consulted about this association very much, an opportunity to get some help and some relief. There seems to be none.

Mr. STONE. In the Burley section, Mr. Byrns, the old Burley Association is still in existence. Their board of directors meet about one or twice a year.

About six weeks ago I went to Lexington and met with the board of directors of the old Burley Association and suggested that they adopt a new contract and make the necessary arrangements with the existing warehouses, which are now owned by the members of the old Burley Association, to handle this crop in the event that the growers wanted it handled cooperatively. They did adopt the contract and they have made the necessary arrangements, both financially and otherwise, and are now prepared to handle the Burley crop cooperatively, if the members want it.

I think this really has raised the price to some extent on Burley tobacco.

The general feeling in central Kentucky was that the Burley crop would start at an average of around 14 or 15 cents per pound and the opening prices so far have been around 18 to 20 cents on the average.

Mr. BYRNS. I have had some suggestions made to me, or rather I have had some conversation with parties with reference to the handling of livestock, Mr. Legge, in Chicago.

It has been stated to me, as I recall it, that about \$3,000,000,000 worth of livestock is sold on the Chicago market, and that the board is cooperating with the National Livestock Marketing Association, which only handles about \$161,000,000 worth of the \$3,000,000,000, and that that is really serving, in the last analysis, to handicap the growers in securing good prices for their product. In other words, it is tending to handicap those who are dealing on the outside in their efforts to sell, resulting in losses to the growers. I wondered if any such conditions as that has resulted.