

The CHAIRMAN. Let me ask you this question: What amount of applications do you have on hand now for loans?

Mr. CHRISTENSEN. You have in mind the applications received by the board but upon which action is pending? The total amount of applications now before the board pending action, is slightly over \$150,000,000. This includes the amounts applied for by both the cotton and grain stabilization corporations.

The CHAIRMAN. There are some gentlemen who are about to appear before the committee and who wish to say something about this Farm Board plan. I wish you would remain to hear what they have to say.

Mr. Legge, you have heard the statements of the gentlemen representing the Cotton Shippers Association. From the statement of Mr. Parker, it struck me that there might be something in the suggestion he makes. If you gentlemen have not made a survey with a view to trying to remedy the troubles he is complaining about, and in order to bring about better conditions, it might be worth while to give some attention to it.

Mr. LEGGE. The matter you refer to has been gone into very carefully and conscientiously.

Their objection is similar to what we find in a good many of these other commodities, where there is a middle class group who make a living out of it, always with this effect. It does not make any difference to them whether the price of cotton is 10 cents or 17 cents a pound; their earnings are just the same. It is done on a tonnage basis, and not on an ad valorem basis of earnings.

The rules and regulations have all been created by the traders in the commodity for their own protection rather than that of anybody else.

As to the statement that they had no assurance, the statement has been made public by the Cotton Stabilization Corporation that cotton amounting to 1,300,000 bales has definitely been withdrawn from the market and none of it will be sold during the current calendar year. That statement has been made publicly and officially, and in every other way, and there is not a member of the cotton industry who does not understand it.

Mr. BUCHANAN. It has been published in the papers?

Mr. LEGGE. It has been published in the papers, and the idea that they do not know it is so absurd that it is not worthy of consideration.

I do not know what more can be said about it. Do they insist that the United States Government shall put up a bond to make their word good in an operation of this kind?

Mr. STONE. I might also say we have been in touch with the leading cotton growers before any of the steps that were taken have been taken and have fully consulted with the cotton trade, both the spinners and the cotton merchants.

The CHAIRMAN. I think you have a couple of practical cotton men on the board, have you not?

Mr. LEGGE. Yes, we have Mr. Williams a member of the board, Mr. E. F. Creekmore, general manager of the American Cotton Cooperative Association and president of the Cotton Stabilization Corporation and Mr. H. G. Safford of Houston is sales manager of