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Florence Dwyer Letters

The Papers of Florence Dwyer

7-6-1965

Letter from a national corporation

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REPLY TO:

My dear Congressman:

I am gravely concerned about the impact on the Baking Industry, if Congress should enact the penalizing program for the 1966 wheat crop which is called for in H.R. S.O. 7097 and S. 1702.

These measures call for an increase in the cost of wheat certificates from 75 cents to \$1.25. The justification for this action is the familiar call for a subsidy to aid the wheat farmer. The certificate program was first put into effect in early 1954. It was developed in an attempt to find a system to replace the direct government subsidy which had proved ineffective. Last year's certificate plan apparently has not achieved its result; and the Administration's answer is to increase the certificate tax starting the next crop year.

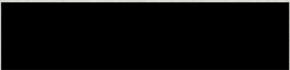
If this special tax increase on wheat foods goes into effect, this special tax increase will finally be paid by the consumer in the increased cost of bread.

In my opinion, the basic fallacy here is that, in attempting to provide financial assistance to one branch of the economy, the wheat farmer, the cost of that relief is arbitrarily passed on to the baker or other final processor, who is left to collect from the consumer. We submit that, if government is called upon to provide relief to any branch of the economy, the bill should be paid out of government funds and the cost shared by all tax payers.

It is the consensus of all of us, that our industry is operating today under critically narrow profit margins, and that any such arbitrary increase can create widespread hardships. What I have said here applies in varying degree to other wheat using groups, including cereal, macaroni and household flour.

We hope you will exert every effort to defeat H.R. S.O. 7097 and S. 1702.

Respectfully,



Weston

NOT A BRAND NAME
Merit Bond

FLUORESCENT

25% COTTON FIBER

JUL 6 1965