Sen. Humphrey June 22, 1949]

FIFTEEN MINUTE RADIO SCRIPT - Senator Joseph R. McCarthy of Wisconsin Senator Hubert H. Humphrey of Minnesota

ANNCR:

Blake, speaking from Washington, D. G. Because of the controversial nature of the oleo-butter legislation now pending action by the United States Senate, many angles of this significant issue have never been discussed. We have, therefere, invited to this Washington studio two distinguished Senators who are sponsoring the Gillette-Wiley bill which would give the individual states the right to decide whether or not to permit the sale of yellow oleo within their own state boundaries. Seated at the microphone in this studio are Senator Joseph R. McCarthy of Wisconsin, Senator Hubert H. Humphrey of Minnesota, and Miss Evelyn Fryman, Washington radio commentator. And now, here is Miss Fryman.

MISS FRYMAN:

Thank you. (Pause) Senator McCarthy and Senator Humphrey, I'm not so sure I understand this oleomargarine-butter case. What, exactly, do the dairy people want, Senator McCarthy?

SEN. MCCARTHY:

Before we get into that, Miss Fryman, let me assure you this issue isn't confined merely to oleomargarine and butter. This issue involves our entire vital agricultural economy. I think you'll agree, Senator Humphrey?

SEN. HUMPHREY:

That's correct, Senator McCarthy. Miss Fryman, legalizing yellow oleomargarine might very well family wrock our great dairy industry full an amportant factor in promiting and presipitate a national depression.

MISS FRYMAN:

Gentlemen, I don't profess to be an economist, still I don't see the connection between legalizing yellow oleo and an agricultural depression.

SEN. MCCARTHY:

You've of course heard it said, Miss Fryman, that the <u>butter</u> market is "the balance wheel of the dairy industry?"

MISS FRYMAN: Yes, I have, Senator McCarthy.

SEN. MCCARTHY: All right, now if yellow oleo were legalized nationally, prominent economists believe oleo would soon capture the butter market and bankrupt 2-1/2 million American dairy farmers in the process.

SEN. HUMPHREY: What Senator McCarthy said isn't hard to understand, Miss Fryman, once you realize the relative importance of the dairy industry to a sound agricultural economy in every state in the Union.

SEN. MCCARTHY: I think Senator Humphrey and I can give you some statistics from our home states which will convince you on that point. Take my own state of Wisconsin. If unregulated sale of yellow oleo were permitted, it would adversely affect 85 per cent of the farmers—and that involves 159,463 Wisconsin farms.

MISS FRYMAN: I assume, Senator McCarthy, that you mean those farmers rely for part of their income on the sale of <u>cream</u> to the <u>butter</u> plants.

SEN. MCCARTHY: Miss Fryman, cows are milked on <u>nine</u> out of <u>ten</u> Wisconsin farms and the sale of <u>dairy</u> products accounts for <u>49 per cent</u> of Wisconsin's total farm income. In fact, 9,000 Wisconsin farmers sell farmseparated cream to creameries. But there's more to it than that.

SEN. HUMPHREY: There certainly is, Senator McCarthy. Miss Fryman is apparently a city lady and doesn't know that the butter market is the only outlet dairy farmers have for the sale of their surplus milk and cream during four months out of every year.

MISS FRYMAN: I don't quite follow that point, Senator Humphrey.

SEN. HUMPHREY: It's a simple rule of nature, Miss Fryman. Cows give 20 per cent more milk every day during April, May, June, and July than they give during the other eight months. Yet Americans consume approximately the same amount of milk every day the year 'round.

SEN. MCCARTHY: You can understand, Miss Fryman, how that places dairy farmers in the unfortunate position of having to maintain--at great expense--extra-large herds of cows 12 months in the year.

MISS FRYMAN: Now let me see if I understand. To meet the standard year 'round demand for milk, dairy farmers must maintain extra-large herds. As a result, they find themselves with a big surplus of milk during the four months when their cows naturally produce more milk than they can sell. The farmers must then have an outlet for this surplus milk, and butter is that outlet. Is that correct?

SEN. HUMPHREY: That's absolutely right. In my state of Minnesota, 108 thousand dairy farmers sell farm-separated cream, and every one of them would be seriously affected if their only outlet for this cream-the butter plants--were forced out of business by an oleo monopoly. Besides,

18 per cent of the state's total farm income comes from dairy products, while sales of farm products used in oleomargarine account for only seven one-hundredths of one per cent of the state's total farm income.

SEN. MCCARTHY: I should also have mentioned that in Wisconsin, farm products used in oleomargarine account for only nine one-thousandths of one per cent of the state's total farm income, as against dairy products which account for 49 per cent of the total farm income.

MISS FRYMAN: Undoubtedly those figures prove that the dairy industry is more important to the sound farm economy of Wisconsin and Minnesota than the oleo industry. But I still hark back to my original question. What exactly do the dairy farmers want, Senator Humphrey?

SEN. HUMPHREY: Miss Fryman, the dairy groups want oleo to be sold in its most economical form -- its natural, white form. However, we want to

regulate the movement of <u>yellow</u> oleo in <u>interstate commerce</u> in order to protect <u>consumers</u> as well as the dairy farmers of this nation against the possibility of a <u>memotrous</u> fraud.

MISS FRYMAN: Senator McCarthy, do you also believe that legalizing free movement of yellow oleo in interstate commerce would result in fraudulent traffic in the yellow product?

SEN. MCCARTHY: I most assuredly do, Miss Fryman. That's why I'm sponsoring the Gillette-Wiley dairy bill, together with Senator Humphrey and 24 other Senators from 15 states.

MISS FRYMAN: And just why do you feel, Senator Humphrey, that the Gillette-Wiley bill is the cure-all for the entire oleo-butter problem?

SEN. HUMPHREY: Simply because it tackles the problem at the source. In typical

American fashion, this legislation would allow each state to permit

or prohibit manufacture and sale of oleo colored <u>yellow</u> in exact

imitation of <u>real</u> butter.

SEN. MCCARTHY: Miss Fryman, Senator Humphrey and I and the other sponsors of the Gillette-Wiley bill, and the 2 1/2 million dairy farmers of this country have no desire to restrict the sale of oleomargarine. The dairy farmers are not concerned about fair competition between butter and oleo. We simply don't want oleo peddled under the guise of butter. We feel that oleo should stand or fall on its own feet and that the present attempts to pass oleo off as butter should be stopped once and for all.

MISS FRYMAN: That sounds reasonable enough, Senator McCarthy. But I don't believe Senator Humphrey finished explaining why he thinks the Gillette-Wiley bill will prevent fraud.

SEN. HUMPHREY: Miss Fryman, the Gillette-Wiley bill follows closely the provisions of the Federal Anti-Filled Milk Act of 1923, which banned interstate

commerce in filled milk. Filled milk is a combination of vegetable oils and skim milk, and, before '23, it was being passed off as evaporated milk. The Anti-Filled Milk Act has proved highly effective in preventing this dangerous deception.

MISS FRYMAN: I must say that both of you gentlemen are rather certain that fraud is inevitable if yellow oleo is legalized.

SEN. MCCARTHY: The facts are in the CONGRESSIONAL RECORD, Miss Fryman. Sworn testimony shows that 66 out of 100 restaurants investigated in the state of Arkansas were passing off yellow oleo as butter.

MISS FRYMAN: But, Senator Humphrey, I thought Arkansas had a law which permits serving yellow oleo in restaurants.

SEN. HUMPHREY: It does, Miss Fryman, and that's exactly the point Senator McCarthy was making. Arkansas has a law almost identical to the yellow oleo bill which is now awaiting action by the United States Senate.

Arkansas restaurants can serve yellow oleo provided customers are informed of the substitution. Nevertheless, 66 per cent of the 100 restaurants surveyed were violating the law.

SEN. MCCARTHY: That's right, Senator Humphrey. And not a single one of the 100

Arkansas restaurants investigated displayed the required notices or printed a word about the substitution on their menus.

MISS FRYMAN: Then you believe, Senator McCarthy, if yellow oleo were permitted to move freely from state to state, oleo fraud would assume tremendous proportions?

SEN. MCCARTHY: You can figure that out for yourself, Miss Fryman. We Americans eat 65 million restaurant meals every day.

SEN. HUMPHREY: Based on that figure, if 66 per cent of all the restaurants in America palmed off yellow oleo as butter, you can see how much

butter would be fraudulently displaced in just a single day. In Minnesota alone, last year, every pound of oleo sold in place of butter cost our state agriculture 47 cents.

MISS FRYMAN: I can see how that would put quite a crimp in the butter market, Senator Humphrey.

SEN. HUMPHREY: It certainly would, and at the same time it would put a fatal dent in the pocketbooks of 2 1/2 million American dairy farmers.

SEN. MCCARTHY: Senator Humphrey has given you the major point there, Miss Fryman.

The butter market, as we told you before, is the dairy farmer's life

line. Dairy farmers must have a firm butter market in order to

continue to exist.

MISS FRYMAN: Well, exactly what percentage of dairy farmers' milk production goes into butter?

SEN. HUMPHREY: Miss Fryman, cream sales for butter account for 27 per cent of the dairy farmers' total volume of business. Actually, cream sales bring dairy farmers 16 per cent of their total annual income. Surely you couldn't expect to take away 27 per cent of any business without bankrupting it, could you?

MISS FRYMAN: No, I suppose not, Senator Humphrey.

SEN. HUMPHREY: Going back to the fraud possibilities, there is evidence that it wouldn't be confined only to restaurants.

MISS FRYMAN: I don't see how stores could get away with oleo fraud, Senator Humphrey. The stuff is plainly labelled, isn't it?

SEN. MCCARTEY: Miss Fryman, Senator Humphrey and I have read sworn testimony in the CONGRESSIONAL RECORD which proves that it takes only a little more than one minute for a totally unskilled person to re-wrap and switch a pound of oleo from an oleo carton to a one-pound butter carton.

SEN. HUMPHREY: That's right, Senator McCarthy. And, since oleo smells and tastes

almost exactly like butter, how could any housewife be sure of what she was buying if we let the cleo people make their product exactly the color of butter?

MISS FRYMAN: That would present a problem, I'll admit. Then, too, I suppose some unscrupulous tradespeople would buy yellow oleo in bulk and sell it as tub butter. How about that Senator McCarthy?

SEN. MCCARTHY: There'd be nothing to prevent it if the yellow oleo bill is ever passed. But what's worse, you'd probably pay butter prices for the fake tub butter.

MISS FRYMAN: Do you happen to know, Senator Humphrey, what the comparative profit is on a pound of butter and a pound of oleo?

SEN. HUMPHREY: Yes, the approximate retail profit on a pound of oleo is 3 cents, as against only a quarter of a cent on a pound of butter.

MISS FRYMAN: Well, in that case, it isn't difficult to believe that there would be a lot of "butterlegging."

SEN. MCCARTHY: Then you can see, Miss Fryman, why Senator Humphrey and I feel that the Gillette-Wiley dairy bill is fair to both the housewife and the farmer. The housewife is entitled to buy oleo if she wants to, but we want her to buy it at its own price with full knowledge that it is oleo -- not butter. The farmer is also entitled to receive fair treatment for his investment in time, labor, and money. With the Gillette-Wiley bill he can sell his dairy products with the full knowledge that he will not have unfair competition from a vegetable substitute attempting to imitate butter.

MISS FRYMAN: If this oleo situation is as serious to our national economy as you gentlemen point out, what can the American people do to protect their great dairy industry?

SEN. HUMPHREY: I think Senator McCarthy agrees that at this time every thinking

American will want to do everything in his power to see that the Gillette-Wiley bill and <u>not</u> the opposition oleo bill is passed by the United States Senate. Otherwise, consumers in every walk of life are going to feel the results of an oleo monopoly where it hurts most -- in their pocketbooks.

That's true. And I for one believe that persons who are interested

SEN. MCCARTHY:

in retaining a cheap table spread on the market should write their Senators and Congressmen, urging them to support the Gillette-Wiley bill and, at the same time, to work for the removal of the high protective tariff that oleo enjoys and which is not accorded to butter. There is a protective tariff of 22 cents per pound on imported oleo. However, butter can be brought into this country for only 7 cents per pound. Naturally the tariff on oleo makes its importation prohibitive. Thank you, Senator McCarthy and Senator Humphrey, for this interview and I must say that if our listeners are as impressed with these facts on the dairy farmers' side of this case as I am, they will certainly urge their Senators and Congressmen to support the Gillette-

MISS FRYMAN:

Wiley bill.

ANNCR:

For the past fifteen minutes you have been listening to an interview on the oleomargarine-butter issue. Participating were Senator Joseph R. McCarthy of Wisconsin, Senator Hubert H. Humphrey of Minnesota, and Miss Evelyn Fryman, Washington radio commentator. To protect yourself and the 2-1/2 million dairy farmers of the nation, write your Senator and Congressmen asking them to support the Gillette-Wiley bill which will leave it up to the individual states to permit or prohibit manufacture and sale of yellow oleomargarine. And remember, the Gillette-Wiley bill will keep white oleo -- "The poor man's spread" -- on the market.

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