

From the Office of
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FOR RELEASE

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America's growth and progress hinges on "an abundance of power at low rates, to stimulate economic activity and create new jobs," Senator Hubert H. Humphrey (D., Minn.) declared today in an address before the annual meeting of the Southwestern Minnesota Cooperative Electric at Pipestone, Minnesota.

But that growth and progress is threatened, Senator Humphrey declared, by the present Administration's "reversal of our historic public power policies for the development and use of public resources in the public's behalf, clearing the way for a private power monopoly to exact a toll in billions from the American people down through the years to come".

Behind a smokescreen of 'averting' a federal public power monopoly, they are threatening to crush out of existence the public power yardsticks **that are the only** obstacle to the real threat of monopoly -- the monopoly of private power," Senator Humphrey said. He claimed that charges of a "federal power monopoly" were "ridiculous" in face of the fact that some 87% of present power is provided by private firms, and only 13% is public power.

"The truth is that America's challenge ahead will require the best that both government and private enterprise can do in order to meet electric generating requirements by 1975", he declared, citing the findings of the President's Materials Policy Commission in 1950 all energy output must be doubled between 1950 and 1975 -- and electricity must do somewhat better than that: "It must increase 260%!"

"That means at least a \$75 billion industry, handling \$20 billions or more of ratepayers' money annually -- an enormously increased 'pot' from which to finance lobbying and propaganda to brainwash the American public," Senator Humphrey warned. "And it will all be private, non-competitive power, if the new power policies of this Administration are carried through", he added.

"There should be room for some democracy in the power business, involving the right of the people to undertake this business through their local agencies -- states, municipalities, public utility districts, or cooperatives -- or through any other agency they may choose. In the exercise of this right they may conditionally franchise private corporations to conduct the business for them. But this does not abrogate their right at any time to undertake the community's power business on a public or cooperative basis," he declared.

Rural electrification cooperatives offer an "outstanding example" of successful Federal-local partnership in the field of electric power, Senator Humphrey said.

"But our problem now is to assure preservation and extension of that partnership, in the face of crippling attacks aimed at drying up sources of low-cost power supply and placing cooperatives at the mercy of private power interests no longer held in reasonable check by any yardstick of public power competition".

Instead of being "creeping socialism", he declared, public power developments such as the Tennessee Valley Authority "have breathed new life into free enterprise in a vast area of our country".

"Incomes in the area, once a depressed, problem area, have risen 63% in stable dollars, or purchasing power...TVA installed 3,500,000 kilowatts of new electrical power capacity for the area, and it meant 365,000 more jobs... The same job-power ratio, 1 new job for approximately 10 kw of new energy, worked out in the Columbia basin. In both instances, about half the jobs were directly in industry and about half in new service establishments supported by new industrial income. In 1952, the Tennessee valley counties paid 6.2% of total national income tax collections compared to only 3.4% when TVA was created. Over the TVA years, the increased proportion of tax payments from the valley has totalled more than \$7 billions -- several times the nation's total investment in TVA facilities."



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