

MINNESOTA RADIO TAPE OF MAY 7

FOR BROADCAST WEEK BEGINNING MAY 12

Ladies and gentlemen---

This is Senator Hubert Humphrey, reporting to you  
from my office on Capitol Hill in Washington, D.C....

Today I want to report briefly to you on two developments and problems  
of strong interest to Minnesota.

The first involves our small business community. The second involves  
our great system of **rural** electric cooperatives. Both involve what I con-  
sider to be unreasonable and unjustified efforts by Federal agencies to  
regulate independent concerns.

On the first, I have introduced a resolution in the Senate calling for  
a special study by the White House Committee on Small Business on ~~of~~ the  
effects of our anti-trust laws on small businesses.

The reason I took this step was a recent advisory opinion issued by

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the Federal Trade Commission. The Commission stated that small businesses which join together on cooperative advertising are subject to anti-trust laws if they mention prices for their merchandise in the ads.

This seems ~~to be~~ to be an unfair restriction on a reasonable effort by small business firms to seek customers for their stores. If small businesses cannot join together to advertise products they sell, they will lose one method to increase their business in highly competitive markets.

Now, the anti-trust laws were ~~not~~ not intended to cover small businesses. These laws were developed to keep big business from monopolizing commercial opportunities. The basic purpose of the anti-trust laws ~~was intended~~ was and is to give smaller firms a chance to compete.

I support the anti-trust laws, but in this case I question whether or not the anti-trust laws have not been stretched too far to cover small businesses. I am hopeful that a White House conference on this issue will help to clarify the position of small businesses and to remove them from subjugation to anti-trust laws.

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The second matter which concerns me was the opinion expressed by the Federal Power Commission this year that 22 of the nation's rural electric cooperatives are subject to provisions of the Federal Power Act. Two of those cooperatives, Minnkota and Dairyland, serve portions of Minnesota.

I do not have to call for a study on this issue; the facts are already clear. There is ~~is~~ no justification in existing laws for the Federal Power Commission to regulate our rural electric cooperatives.

The reason is simple. The Federal Power Act was written with the clear purpose of protecting consumers and investors in commercial power firms. No mention was made anywhere in the legislation of consumer-owned and consumer-operated electric cooperatives. Obviously, there is no need to protect the owners and operators of these coops from themselves.

But the Federal Power Commission apparently is moving in the direction of regulation of electric coops. I have warned the F.P.C. that there is no legal or statutory basis for such steps, and have served notice that the F.P.C. should halt its efforts to regulate electric coops.

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All of you know that I believe strongly in proper authority for government agencies to do their jobs. But in cases such as these, I believe that some government agencies can go too far. I will report to you <sup>in</sup> coming weeks the results of my efforts to keep our small businesses and our rural electric coops outside the regulation of these commissions.

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