TO THE SENATE AND HOUSE OF REPRESENTATIVES:

As an integral part of the broad plan to end the forced liquidation of property, to increase purchasing power and to broaden the credit structure for the benefit of both the producing and consuming elements in our population, I ask the Congress at this time for specific legislation relating to mortgage and other forms of indebtedness of the farmers of the nation. The inability of many thousands of farmers in all parts of the country to meet indebtedness incurred at a time when the purchasing power of the dollar was on a basis wholly different from the present, is well known to all of you. The legislation now pending, which seeks to raise agricultural commodity prices, is a definite step to enable farm debtors to pay their indebtedness in commodity terms more closely approximating those in which the indebtedness was incurred. But this is not enough.
In addition the Federal government should provide for the refinancing of mortgage and other indebtedness so as to accomplish a more equitable readjustment of interest rates, which in many instances are so unconscionably high as to be contrary to a sound public policy, and by a temporary readjustment of amortization give sufficient time to farmers to restore to them the hope of ultimate free ownership of their own land. I seek an end of the serious danger of losing their homes and productive capacity, which hundreds of thousands of American farm families now face.

The legislation I suggest will not impose a heavy burden upon the national Treasury. It will instead provide a means by which, through existing agencies of the government, the farm owners of the nation will be enabled to refinance themselves on reasonable terms, lighten their harassing burdens and give them fair opportunity to return to sound conditions.

I shall presently ask for additional legislation as a part of the broad program, extending
this wholesome principle to the small home owners of the nation, and likewise faced with this threat.

Also, I shall ask the Congress for legislation enabling us to initiate practical reciprocal tariff agreements to break trade barriers and establish foreign markets for farm and industrial products.