INDICES OF FARM COSTS 1957-59=100

Year	Feed	Livestock	Motor supplies	Motor vehicles	Farm machinery	Farm supplies	Building materials	Seed	Wage rates
1950	105	113	86	78	78	94	81	109	73
1955	106	83	95	87	87	98	92	114	89
1960	97	100	101	102	107	100	102	101	109
1965	104	96	102	113	119	103	101	113	125
1966	109	107	102	117	124	104	103	110	135

Source: "Farm Cost Situation," USDA.

Estimated man-months of seasonal hired farm labor, 1966

Vegetables	1,787,000
Fruits	1,542,500
Cotton	821,400
Tobacco	674,900
Grain	395,200
Hay	229,600
Nursery stock	200,400
All other	1,565,200
Total	7,466,200
Annual average	622,200

Source: "Farm Labor Developments," USDL, January 1967. (Does not include permanent farm employees of about an equal number.)

APPENDIX B

[From the Wall Street Journal, May 1, 1967]

EXPORTS OF U.S. FRUITS, VEGETABLES SHRINK AS FOOD PROCESSORS SET UP PLANTS ABROAD

U.S. food processors, eyeing market potentials in economically growing foreign countries, are setting up fruit- and vegetable-canning plants around the globe. As a result, U.S. exports of these items already are shrinking, and experts say foreign-processed fruits and vegetables eventually could flood into the U.S. and compete with those grown and canned here.

Americans have operated food plants outside U.S. borders since the turn of the century. In recent years, however, the pace of overseas development in fruit and vegetable canning has quickened considerably. Rising labor costs, increasing transportation rates and technological advances overseas are convincing more and more U.S. food companies that profit margins can be widened by processing foods for foreign markets in foreign plants.

The rapid growth of foreign fruit and vegetable processing has made serious dents in export levels of the products. Exports of canned vegetables steadily dropped to 138 million pounds in the fiscal year ended June 30, 1966, from a peak of 245 million pounds nine years ago, according to the Agriculture Department. Exports of canned fruits, though buoyed through the early 1960s by swelling European demand, are now starting to slip, declining to 503 million pounds in fiscal 1966 from 550 million pounds in 1964–65.

IMPORTS MAY REPLACE EXPORTS

Apparently the trend will continue. "We're looking at all corners of the globe at the moment," says Charles Angin, procurement director for S&W Fine Foods Inc., a division of San Francisco-based Di Giorgio Corp., which recently farmed out custom-packing of 20 fruit and vegetable items to European processors. "Eventually most (U.S. canned fruit and vegetable exports) will be eliminated."

While cutting exports, the new foreign plants are assuming more of the production once turned out by U.S. facilities. That means, food companies admit, that some operations on U.S. soil must be closed or slowed down, throwing some em-