relationship between prices the farmer is receiving, and the prices he is paying.

So I hope that you will give that careful consideration and reevaluate the income per farm figure which is not a realistic figure in view of what is happening to the farm population.

Mr. Ackley. I would not agree that it is completely unrealistic to take account of the fact that the low income unsuccessful farmers have left farming. We do want to evaluate what happens to those who remain. We will have, I think before the year is over, a fairly intensive study made by the Department of Agriculture which attempts to account for the income experience of particular kinds of farmers in various size brackets.

I believe that at our hearings a year ago you and I had some colloquy about that study. We had expected it would appear last year. It was held up, but it should be appearing shortly, I think. And I believe that it will be rather revealing about the income experience of farmers of various sizes and various types; various levels of sales.

I cannot let pass the reference to parity figure. It does seem to me that as you suggest, the parity concept—based on price relationships which existed a long time ago—has very little relevance for evaluating the income position of farmers today.

The Council later supplied the following:

Rising net income per farm could, as Senator Proxmire suggested, be solely the result of marginal and low income farmers leaving agriculture. However, in 1966, *total* net farm income increased by nearly a billion dollars. Since this was distributed among a smaller number of farmers, there was a substantial real increase per farm.

After adjusting for price changes, average real net income per farm in 1966 was 34.5 percent higher than in 1961, and 7 percent higher than in 1965. Farm size increased from an average of 307 acres per farm in 1961 to 351 acres in 1966, an increase of 14.3 percent or considerably less than the rise in real net income per farm. Likewise the increase in average farm size from 342 acres in 1965 to 351 in 1966 was only 2.6 percent compared to the 7 percent increase in average real net income per farm. The increases in average farm size reflect a reduction in the number of farms of 14.7 percent between 1961 and 1966, and of 3.6 percent between 1965 and 1966.

Chairman Proxmire. Well, Mr. Ackley, I want to thank you and Mr. Duesenberry and Mr. Okun for a very competent performance this morning. It is extremely helpful.

We also want to thank you once again for the high quality of your Economic Report.

In the absence of Representative Curtis unanimous consent is granted to have inserted in the record, at his request, an article excerpted from the Wall Street Journal, February 3, 1967, entitled "It's Time for an Honest Accounting" from the column, "Review and Outlook." Also to be included are some tables and charts from the Budget of the United States Government, 1965, 1966, 1967, 1968.