Professor VOLLMAR. Senator, I think cost studies have been done on the corporate farms, but most of these are smaller family corporations. Studies have not been done on such firms as Gates Rubber operation and some of these firms that we have been talking about today.

Professor PETERSON. The information that we use in our cost of production studies in agriculture is obtained through our farm account projects and other research activities where the farmer voluntarily submits information to the university for analysis, summarization, and publication. No individual farmer's record can be detected but it does yield information on family farms. We have nothing comparable from what we call the factory farm or the nonfarm corporation engaged in agriculture. Such firms don't come to us for farm accounting work. They have their own accountants. This is why we're at a disadvantage in trying to compare their unit cost of production and the advantages in purchasing which we mentioned. We don't have the information to be able to say they do or do not have advantages over the family farm.

Senator NELSON. Do you have any cost of production studies—unit cost of production studies—that have been made on the various farm operations that you mentioned that would be useful for us for our record.

Professor PETERSON. Yes, we do.

Senator NELSON. I would like to print in the record the cost studies that you do have. If you would send any others to me at the Senate Office Building in Washington, D.C., we will incorporate them as part of the hearing record. I want to thank you both very much.

(The supplemental information follows:)

WHEAT PRODUCTION COSTS IN THE NEBRASKA PANHANDLE [1]

(By Glen J. Vollmar, Glenn A. Helmers, and Robert E. J. Retzlaff [2])

Wheat is the principal crop grown in the Nebraska Panhandle. Wheat production costs are important to farm adjustment and farm policy decision by wheat growers.

This article summarizes a study of wheat production costs in the Nebraska Panhandle. The major objectives of this study were to estimate the average production costs of wheat and to determine if cost efficiencies in wheat production are related to the size of the wheat enterprise. Examination of the wheat enterprise cost components of 67 Panhandle farms made possible some conclusions as to "why" some growers produce wheat at lower costs per bushel than others.

Where economies of wheat production are related to enterprise size, larger wheat farms may have cost advantages over smaller wheat farms. Over time, farm managers tend to adjust the size of their operations and resource use to take advantage of cost efficiencies and to increase their volume of business.

PROCEDURE

Three areas of the Nebraska Panhandle, as shown in Figure 1, were selected for study.

Area 1. Banner and Kimball Counties.
Area 2. Cheyenne, Garden, and Denel Counties.
Area 3. Box Butte, Dawes, and Morrill Counties.

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[1] This Nebraska Agricultural Experiment Station study was partially financed by a grant from the Nebraska Wheat Growers Association. This is a summary of the material which will be discussed in detail in a Nebraska Agricultural Experiment Station bulletin which is in process.

[2] Professor and Chairman, Associate Professor, and former Research Assistant, Department of Agricultural Economics, University of Nebraska, respectively.