a half dozen firms will produce all of the broilers in the United States through contracts with growers; these farmer producers or growers being no more than glorified hired men, deprived of management and financial risks.

Senator NELSON. How are they deprived of financial risks? A good percentage of them have gone bankrupt now in my part of the country. In what way would they get away from having financial risks the way the present integrated broiler operation works?

Mr. EBERS. Their feed company or the integrated firm furnishes the broiler to the farmer. All the farmer furnishes is the building and equipment. The firm furnishes the broilers and they furnish the feed and it's their chicken. When they want you to bring it in, you sell it.

Senator NELSON. But they set the price of the feed and they set the price they'll pay for the broiler?

Mr. EBERS. They set the price of the broiler, but I don't know where the market price of a broiler is set. It's their chicken and they just take it away. I can't sell it to anybody else.

Senator NELSON. They set the price that you're going to get for it; isn't that correct?

Mr. EBERS. Yes.

These farmers will probably never receive the just wages and hours deserved, without becoming a labor union. With large firms and labor unions the consumer's product will rise in price just as other industrial products are doing.

The egg and turkey industries are fast following the route of broilers. I think you know that last year the turkey industry has really gone through the wringer, you might say, and the egg business the same. In the South they have a good term for that. They call it a burnout. The firms that can stand the financial strain, will end up owning or controlling the egg and turkey industries.

Now, we have contracts in beef and swine feeding. In Nebraska, beef feeders say the packing company buy the cattle and they will come out to the feeder and ask him to feed the cattle. They have a contract that retains the ownership of the cattle. You are paid 22 cents per pound of gain. Now, I understand they couldn't get too many takers for that, and now it's up to 24 cents per pound of gain. The packing company owns the cattle and when they want to sell the cattle, they come and take the cattle and sell them. If there's a profit, you divide the profit half and half. If there's a loss, you divide the loss half and half.

Now, swine—I understand the contract—as the man told me, that was offered to him, said that the feed company would furnish the swine, you furnish the buildings and equipment as usual, and that you would get $2 per head for feeding the swine to market weight. With livestock feeding integrated, and large firms buying land, where is the place of the family farm, described at the beginning?

Contracts that do not take away the operator's skill of management and risk of financing will not destroy the family-type agriculture. Share renting or cash renting have been steppingstones to owner-operator family farms.

"Bigness," whether it be a conglomerate corporation, a family corporation, or a cooperative, using an integrated-type setup, will destroy the family-type agriculture.