

being added each day to the growing list of giant corporate structures, it's time that action must be taken to give adequate protection to the family type farmers.

Senator NELSON. Mr. Staley, do you have any observations to make about the policy or the implications of having vast corporate holdings managing the resource itself; that is, the source of water and soil? We had testimony yesterday concerning the problem of irrigation, for example, the threat to the water table by uncontrolled extraction of the water from the underground aquifers, the nature and management of the soil itself. Do you have any observations to make on that subject?

Mr. STALEY. Well, certainly this is something that should be closely watched and should be studied. This is happening in some areas. The water table is being reduced and it's hard to determine when you get to a level that is a level of danger, but certainly with the draining off in several areas of the water resources, it certainly is becoming alarming.

Senator NELSON. Has your organization made any studies at all of corporate land holdings in any of the communities in the country?

Mr. STALEY. We are, of course, now organized in 41 States, and we have a communication structure from our members, and almost every day we have a report of another corporate-type structure being formed. Now, it takes several avenues in forming. Sometimes it means that some farmer in a community will be chosen to start buying land, and then it comes under a corporate structure in a very short time. This is the reason that we suggested that it takes the power of Government to use a subpoena in order to determine just where this money is coming from and to determine who the real owners are.

The point that I'm making on this is when you have a vertical, integrated setup, we have seen it grow in the broiler industry, and now in the turkey industry, where some of the feed companies have ended up not only furnishing feed, but they have ended up furnishing the broilers. They have set up the processing plants, and so they become a tightly knit, monopolistic type of operation. Now, whether this corporate structure that is beginning to take at this time a real hold in the family-type farm areas—it means that maybe they're all tied together in the same financial interest, and I think this is where the real heart of the study should be made.

Senator NELSON. You referred to the broiler industry. Do you visualize that the same kind of a process of total vertical integration from production to marketing could occur in any farm product?

Mr. STALEY. I not only visualize it happening, I think that it's going to happen unless farm prices are raised to the family-type farm. Of course, this is the reason that we believe collective bargaining is an absolute necessity. Because what is happening in all the rural communities is simply the fact that the age of farmers is continuing to go upward, 57 years of age or approximately there. This means that practically none of the youth is staying in agriculture. So then as the present family-type farms have merged their units in order to become more efficient, in order to try to meet the cost-price squeeze, what is happening is these units are getting so large that the investment is going to become so large that an individual cannot even buy it. Then, of course,