such land agents and they indicate that farm land market values are increasing over 1967 by another 6 to 7% on the average this year.

In addition, some real estate men made estimates of the land value increase in dollars per acre—4 reported prices $5 an acre higher than in 1967; 16 reported $10 an acre higher; 6 reported $15 an acre higher; 8 reported $20 an acre higher; 16 reported $25 an acre higher; 1 reported $30 an acre higher; 8 reported $50 an acre higher; 1 reported $60 an acre higher; and 8 reported $100 an acre higher.

Our questionnaire also inquired as to whether the land dealers had knowledge of standing offers in their community by outside firms or investors to buy large tracts of farm land.

Twenty-seven real estate dealers said they were aware of such standing offers.

Eleven real estate dealers reported that a premium of $25 an acre was being offered for land in large tracts.

Three reported a premium of $50 an acre.

Five reported a premium of $100 an acre or more being offered for large tracts of farm land.

These reports came from all agricultural areas of the state. Some of the reports are as follows:

North Central Minnesota dairy area—Farm land sales prices per acre about $10 an acre higher than a year ago. There are standing offers of investor buyers to purchase large tracts at a premium of $25 an acre over going market prices.

Southern Minnesota corn-hog-dairy area—Premium of $50 an acre is being offered for land in larger tracts. Average price of farm land sales about $15 an acre higher than a year ago.

Red River Valley, cash grain area—Several standing offers for farm land in large tracts with instances of premiums as high as $100 an acre over going market values.

Southwestern Minnesota, corn-hog-soybean area—Numerous rumors of corporation farm land purchases but none confirmed. Price per acre of farm land about $25 an acre higher than a year ago.

Southern Minnesota, corn-hog-soybeans—Average selling price of farm land about $25 an acre over a year ago.

Southern Minnesota, corn-hog-soybeans—Standing offers to buy farm land in larger tracts with premiums up to $50 an acre over going market prices. Sales prices themselves about $25 to $50 an acre higher than a year ago.

Southern Minnesota, corn-hog-dairy—Farm land sales averaging about $25 an acre higher than a year ago.

Southwestern Minnesota, corn-beef area—Farm land sales averaging about $30 an acre higher than a year ago.

Central Minnesota, corn-hog-dairy area—Reported farm land sale prices $25 to $50 an acre higher than a year ago and two out of three farm sales have been to investor buyers.

This, of course, is just a sampling of the reports from real estate dealers reflecting their evaluation of conditions in their own communities as of May and June of this year.

These are, of course, isolated examples, but certainly, they raise the question of whether farm land is beginning to be over-priced in relation to its earning power and whether farm land may very well be priced out of the market for family farmers through the bidding up of prices by the investor-buyers.

The apparent trend to higher prices, combined with excessive costs of borrowing due to high interest rates, can make it very difficult for operator-farmers to acquire farms and expansion acres.

In conclusion, if there is any one thing that we have learned in our deliberations so far on the Task Force, it is that the corporation farm problem has many aspects and that it will require a variety of remedies at the local, state, and federal levels. There is no single solution to the problem, although it is quite clear that the corporation farms have made their greatest advances in the commodities in which there are not effective farm programs. Therefore, it seems obvious to us that an improvement in the federal farm programs to make possible parity returns to family-type farmers would be the surest and quickest method of attempting to keep farm land in the hands of farm families.

Senator Nelson. Our next witness is Mr. Norval Ellefson, Farmers Union Central Exchange.

We appreciate your taking your time to come here, Mr. Ellefson, to represent the Farmers Union Central Exchange.