

do not pose a threat to our economy nor our communities merely because they are large. It is a change we feel at the bank we must accept with the revolution of both industry and technology. These trends are to be expected and we feel they should be viewed as desirable and a healthy situation, as it is felt their growth and development are in proportion to the growth and development of other industries and businesses.

Now, in view of our question at hand, the effects of corporate farming, I see corporate farming present in our area in two forms. First, an operation owned by local corporations within the same community and, secondly, an operation owned by a corporation far removed from our area. Though there are a few corporation arrangements prevailing in our area, I would like to inject I do not expect that it will pose the same serious problems or threats in a specialized dairy area such as ours as compared to some of our wheat and cotton plantations. However, we are not immune to corporate arrangements and I think we have to look at them as such and I will continue as if the threat were just as equal or great.

I think we have to ask ourselves, as many did already this morning, why are corporations going into farming? I think this has been explained by a number of witnesses. I will skip over this one. I mentioned we feel one of them probably is the small labor force that is required as compared to their own parent company. To operate a large dairy operation seems significantly small to the corporation as compared to their regular operation at home.

Second, competitive factors are not as great, they don't appear to be any. Third, they have a readily marketable product, and, fourth, there is no question that corporations recognize the increasing world food needs.

I feel most of us are familiar with the problems a corporation farm brings with it when it acquires an operation in our area.

First, it disrupts the community social environment for it removes a number of rural families. When it removes these people from their regular environment it throws them into another social environment which is not familiar to them and presents problems.

Second, it hurts our communities because they have a tendency to purchase supplies, feed, fertilizer outside the service area of the community. They hurt us in our business of banking particularly in that financing automatically comes from the bank at their head office and, in turn, any excess deposits eventually will drift back into the home office and circulate in that monetary system rather than in the system in which its original origin was. It is difficult to evaluate the amount of money generated by the farm community and it is even more difficult in most cases to determine how it is distributed, but I have seen figures where of about one hundred thousand dollars of farm income but sixty thousand of this original one hundred remained in the area. However, it becomes quite different in a corporate farm.

Third, it has a tendency to create unrealistic land prices as local farmers find it quite difficult to compete.

Fourth, corporation farms with headquarters far removed have little to offer its community in civic affairs. As these farms come in they remove families that have been involved on the school board, in-