

be listed as income. Increased value of farm lands increases the net worth of farmers, but does not increase their income.

The price of stocks is not a good statistic to introduce into a study attempting to determine which investor is better off. The prices of stocks in 1966 were $5\frac{1}{2}$ times what they were in 1959. Capital gains resulting from increased price of stocks should not be compared to capital gains from increased value of farmland. Stocks may be sold by merely making a telephone call. Disposal of farmland is a much more complicated matter and, as indicated, more often than not the farmer doesn't want to sell his land unless he wants to retire and get out of farming altogether.

It is ridiculous to compare the entrepreneur in the farm business with the factory worker. It is like comparing apples with oranges. Even if farm operators and farmworkers are compared with manufacturing workers there are factors such as age which would prohibit the farm worker from getting a job in any manufacturing industry. The study admits that the median age of farmers in various groups is from $46\frac{1}{2}$ years to 70 years. It seems to us the proper approach would be to compare an agricultural entrepreneur with a manufacturing entrepreneur. This is not attempted in the study.

After introducing hundreds of statistics, on page 37 of the report the authors virtually admit their study is no good. They admit a wide range of error. They discuss the impossibility of the task of coming up with parity returns as a primary measure of economic well-being. They say in order for their conclusions to be valid they must have a regular collection of data and not rely on 5-year periodic publications. They say that they have had to rely on "bits and pieces of information subject to a wider range of error than is generally considered acceptable." They further say that relying on only 5-year reports would "seriously impair public confidence in the accuracy and objectivity of the parity returns calculations." With these last two statements we agree.

ATTACHMENT "B"

*Net farm income by years according to U.S. Department of Agriculture Statistics
(Including Government payments, but not other income)*

1963	-----	\$13, 206, 000, 000
1964	-----	12, 266, 000, 000
1965	-----	14, 987, 000, 000
1966	-----	16, 086, 000, 000
1967	-----	14, 644, 000, 000
1968	-----	14, 400, 000, 000

USDA estimates that farm income for 1969 will be somewhat lower.

Net farm income by years according to economic indicators

		<i>Billion</i>
1963	-----	\$13. 2
1964	-----	12. 3
1965	-----	15. 0
1966	-----	16. 1
1967	-----	14. 6
1968	-----	15. 4