

**BOB DOLE**  
1ST DISTRICT, KANSAS

243 CANNON HOUSE OFFICE BUILDING  
AREA CODE 202  
225-2715  
COMMITTEES:  
AGRICULTURE  
GOVERNMENT OPERATIONS  
DISTRICT OFFICE:  
210 FEDERAL BUILDING  
HUTCHINSON, KANSAS 67501

**Congress of the United States**  
**House of Representatives**  
Washington, D.C. 20515

COUNTIES:  
BARBER HODGEMAN R  
BARTON JEWELL R  
CHEYENNE KEARNY R  
CLARK KINGMAN R  
CLOUD KIOWA R  
COMANCHE LANE R  
DECATUR LOGAN S  
EDWARDS LOGAN S  
ELLIS MEADE S  
ELLSWORTH MITCHELL S  
FINNEY MORTON S  
FORD NESE S  
GOVE NORTON S  
GRAHAM OSBORNE S  
GRANT OTTAWA S  
GRAY PAWNEE S  
GREELEY PHILLIPS TI  
HAMILTON PRATT TI  
HARPER W  
HASKEL W

PRATT, KANSAS

FOR RELEASE TUESDAY MORNING  
MARCH 28, 1967

STRENGTHENING AGRICULTURE

At a Pratt County Farmers Union meeting last night, Congressman Bob Dole (R-Kans), a member of the House Committee on Agriculture, said, "What is especially alarming in agriculture is the increase which occurred in farm debt. According to the President's economic report, combined real estate and other debt of farmers increased \$4.2 billion during 1966 (from \$41.6 to \$45.8). This works out to an average of \$1,220 increased indebtedness per farm; whereas the real dollar increase in net income per farm amounted to only \$323.

"Naturally some farmers would be willing to endure additional indebtedness when incurred under a program of investment calculated to improve future net income from expanded or more efficient farm operations. However, the record over the past six years does not reveal improvement in net income commensurate with increased indebtedness. The accumulated net income per farm improvement over 1960 for the past six years amounted to \$5,290. At the same time, net indebtedness per farm increased \$4,540, leaving a net income excess of only \$750 for the six-year period.

"It is recognized that while farm debt has been going up, farm equity has been going up even more. But most of this increased equity represents inflated farm land values. Although these may offer a source of comfort to farm land owners, the fact remains that the farmers must still pay off indebtedness. Without adequate net income to do so, he is left with no choice except to liquidate some of his equity or go out of business.

"Looking at the farm economy as a whole, net farm income (in terms of inflated dollars rather than real dollars) increased by \$900 million. At the same time, total farm debt increased by \$4.2 billion. And almost all (\$820 million) of the \$900 million increase came from increased federal government payments to farmers -- not from improvement in the market prices of their products."

CONTINUED COST-PRICE SQUEEZE

Congressman Dole also added, "Under the Administration's inflationary policies, costs of farm production increased \$2.5 billion during 1966; farm

Land prices went up an average of 8 percent; and farmers found credit tighter and bearing the highest interest rates in over 40 years.

"The fact of depressed prices of farm commodities is revealed in the parity ratio, which averaged 78 for 1966 as a whole and was down to 75 by the end of last year. Indications are that this is falling even lower. The Administration and the Democratic Congress must bear the responsibility for these depressed prices."

Without adequate net income to go to the farmer, the fact remains that the farmer must still pay off indebtedness, and that the fact remains that the farmer must still pay off indebtedness, and that the fact remains that the farmer must still pay off indebtedness.

It is recognized that while farm debt has been going up, farm income per farm has increased by 24 percent, leaving a net income excess of only \$220 per farm for the best six years amounted to \$2,500. At the same time, net income per farm has increased by 24 percent.

The accumulated net income per farm improvement over the past six years does not reveal improvement in net income commensurate with increased indebtedness. However, the record shows that net income from expanded or more efficient farm operations, however, the record shows that net income from expanded or more efficient farm operations, however, the record shows that net income from expanded or more efficient farm operations.

Some farmers would be willing to endure additional indebtedness in order to obtain a net income per farm amounting to only \$232 per farm. The average net income per farm amounting to only \$232 per farm. The average net income per farm amounting to only \$232 per farm. The average net income per farm amounting to only \$232 per farm.

STRENGTHENING AGRICULTURE

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U.S. GOVERNMENT PRINTING OFFICE: 1967  
House of Representatives  
Congress of the United States

Mr. Tolson	Mr. DeLoach
Mr. Mohr	Mr. Bishop
Mr. Casper	Mr. Callahan
Mr. Callahan	Mr. Conrad
Mr. Felt	Mr. Gale
Mr. Gale	Mr. Rosen
Mr. Rosen	Mr. Sullivan
Mr. Sullivan	Mr. Tavel
Mr. Tavel	Mr. Trotter
Mr. Trotter	Tele. Room
Tele. Room	Mr. Holmes
Mr. Holmes	Miss Gandy

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