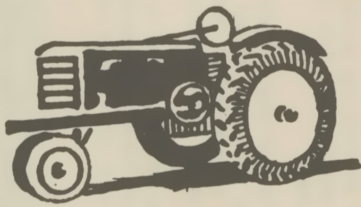


Here's the Reason **YOUR FARM MACHINERY COSTS SO MUCH!**

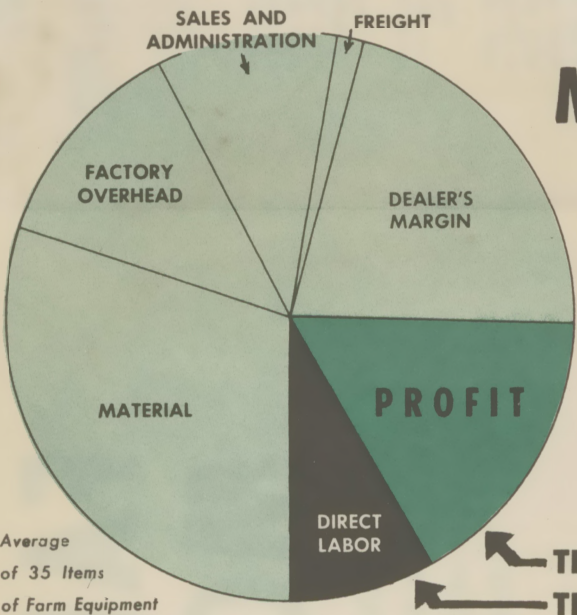
Analysis showing who gets how much of each \$100 the farmer spends on farm machinery. Note the unreasonably small amount of direct labor cost.

This table was prepared from official reports of the Federal Trade Commission to Congress.



		Row Crop Tractor Rubber-tired	4-Wheel Tractor Rubber-tired	Track Type Tractor	Cultivator 2-Row (Tractor Drawn)	Corn Planter	Combine 5 & 6 Foot	Cream Separator 750-Lb. Capacity	Manure Spreader	All-Purpose Farm Truck	Thresher 28 by 46
MATERIAL COST	\$	39.60	37.10	42.10	30.80	28.60	28.00	13.50	33.60	38.10	29.40
FACTORY OVERHEAD	\$	6.10	8.20	10.70	8.70	10.40	14.90	16.90	12.70	12.40	15.80
GENERAL, SELLING AND ADMINISTRATIVE EXPENSE	\$	9.60	9.70	9.80	9.90	9.50	9.30	8.10	9.70	10.70	9.40
FREIGHT COSTS	\$	1.10	1.20	.80	1.50	1.20	2.90	.60	2.40	3.40	2.50
MANUFACTURER'S PROFIT	\$	14.30	14.30	4.30	21.20	18.90	13.20	15.80	8.90	8.20	10.60
DEALER'S MARGIN	\$	19.80	19.80	23.80	17.60	20.60	19.40	29.10	18.70	13.50	19.50
DISCOUNT FOR CASH <small>(ADD TO DEALER'S MARGIN IF CASH TRANS- ACTION; TO MANUFACTURER'S, IF A TIME SALE)</small>	\$	5.00	4.90	2.00	4.10	3.90	4.80	3.50	3.90	4.20	4.90
DIRECT LABOR	\$	4.50	4.80	6.50	6.20	6.90	7.50	12.50	10.10	9.50	7.90

Figures shown are from Government reports issued in 1938. The relationship of labor to other costs has not changed since.



MONOPOLY RAISES PRICES — LOWERS WAGES

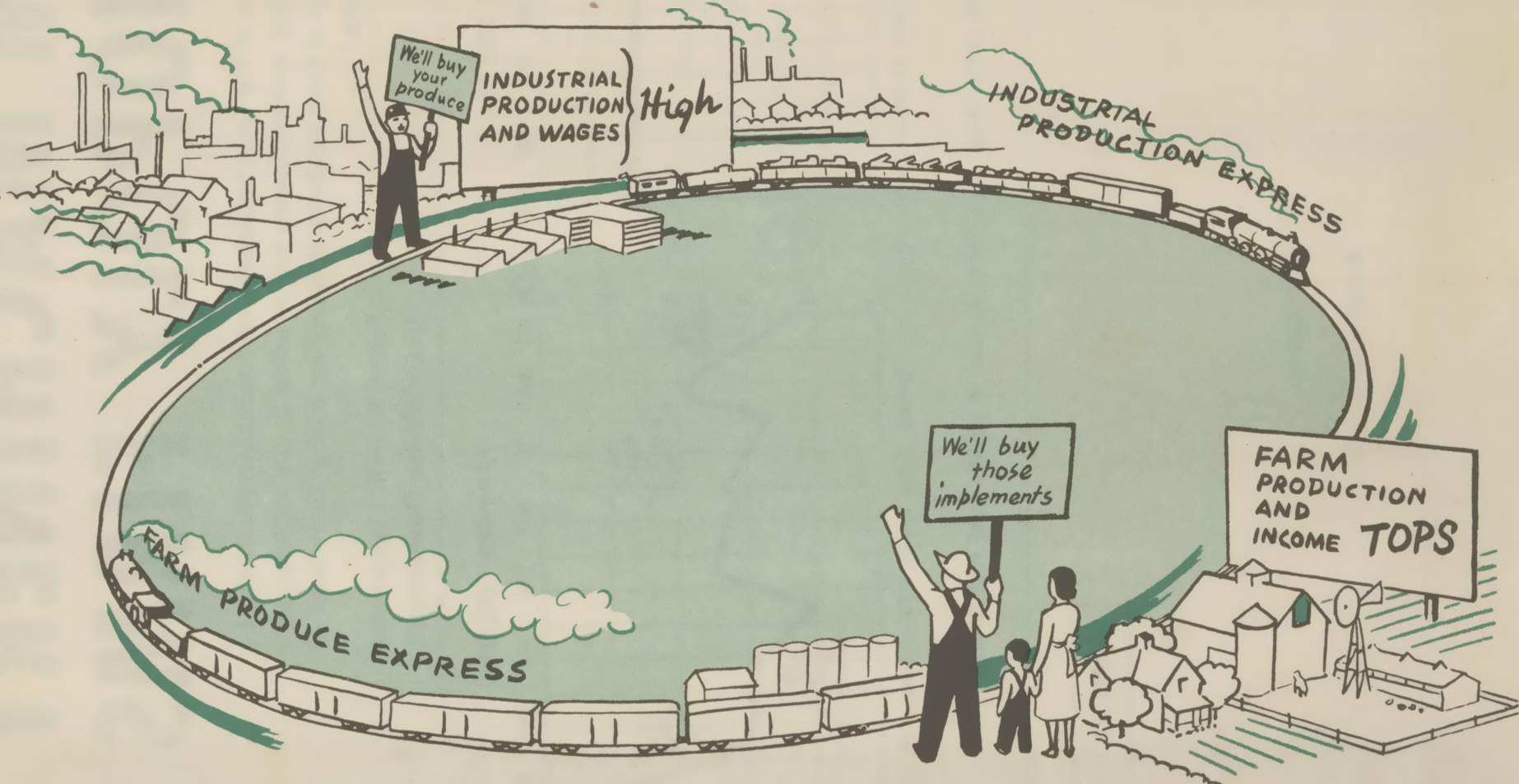
Low wages in the past have deprived the farmer of the business of keeping some 30,000,000 stomachs more comfortably full. During the war, military and foreign stomachs took the place of these — but what of the future? Wage earners will be of supreme importance to the farmer until the day when stomachs grow in proportion to

growth of personal income. Until millionaires learn to eat 500 plates of ham and eggs apiece for breakfast every day, a millionaire will be just another stomach to the farmer. There is no farm future in millionaires—the American farmer's future depends entirely upon the future of wage earners.

THIS IS TOO BIG
THIS IS TOO SMALL

• NO PRICE RISE needed for higher wages

• YOU BUY THE FARM MACHINERY WE MAKE • WE BUY THE PRODUCE YOU RAISE •



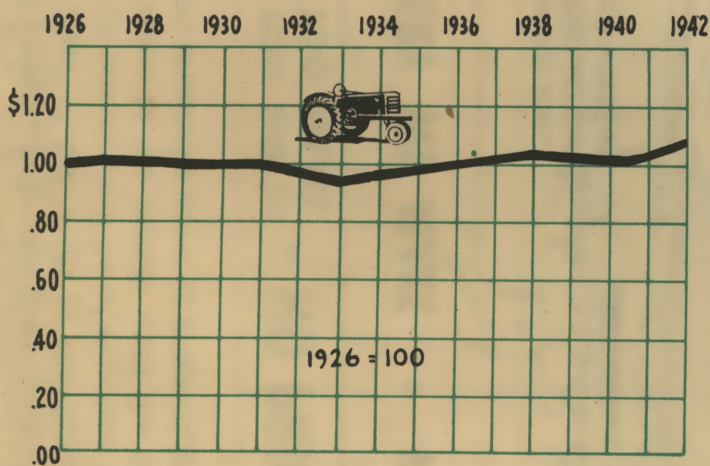
• HIGH INDUSTRIAL WAGES HELP YOU • HIGH FARM INCOME HELPS US •

The Truth About FARM MACHINERY MONOPOLY FIRMS

"Domination of the farm implement and machinery industry by a few leading manufacturers has resulted in the maintenance of the prices of their products at levels far higher than those of farm products."

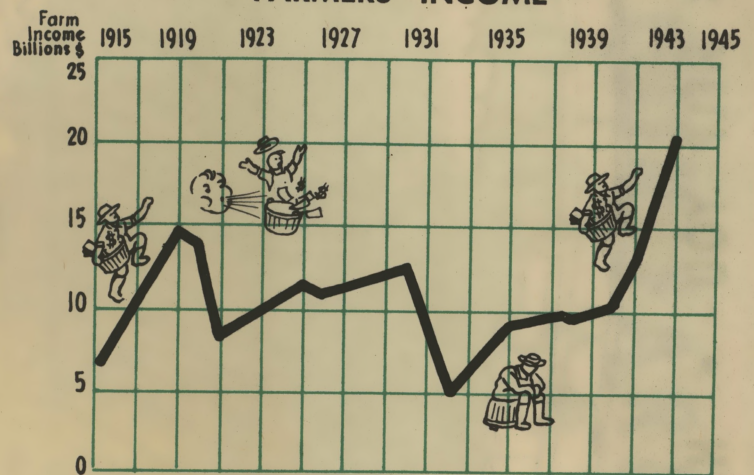
—Federal Trade Commission
(United States Government)

FARM MACHINERY PRICES



(Source: U. S. Dept. of Agriculture)

FARMERS' INCOME



(Source: Farm Credit Administration, D. of A.)

Farmers' income may drop, but farm machine prices just roll along.

SECTION 562, P. L. & R.

*An Important
Message
to farmers*

FROM THE MEN AND
WOMEN WHO MAKE
YOUR FARM IMPLEMENTS

Box Holder

Rural Route _____



SIX out of seven Americans work for a living—five of them for wages, one of them at farming. The city wage earner and the farmer have the same basic interests, the same friends and the same enemies. Workers need jobs at decent wage levels with year-round security to guarantee that they will have the purchasing power needed to buy what the farmer produces and the factories turn out.

THE FARMER needs the wage earner as a market. He cannot enjoy prosperity unless city workers make high wages. We need each other. We are each other's best market. The CIO's fight against low-wage policies and insecurity is thus a fight for high farm income as well as better living standards for workers. The farmer and the worker are natural allies — all that separates them is big business propaganda.



WE WANT FARMERS TO KNOW THE TRUTH

WE WORKERS in the farm equipment industry want America's farmers—the folks who use the machines we make—to get the real facts about us. Thousands of us workers originally came from farms. We used farm machinery long before we ever made it. That's why we feel you will understand our story.

For example, when you ask a dealer why an ordinary tractor costs as much as a luxurious automobile, he'll say, "Union labor! High wages!" We don't blame the dealers so much. They're just repeating what the companies tell them. But the chart on the inside of this folder shows who gets the gravy in the farm implement industry—and it isn't the worker.

THE FARM EQUIPMENT industry is dominated by a few big firms, and they run things pretty much to suit themselves. That's why we call them *monopolies*. Their policy has always been to wring as much profit as they can from the people they deal with—the farmers they sell to and the workers they employ.

You know that manufacturers charge too much. That's why you have cooperatives for many manufactured products. We know we don't get paid enough. That's why we have a union.

The farm equipment monopolies want to make *fewer machines* at a great profit for each machine, thus keeping the price high. We'd like to make a lot of machines, *lowering the price* through mass production. That would give us *more work* and give you *less work*—cut down a little on the back-break and grief of farming.

If you are going to be able to buy the machines we make, you must have a high and steady income. We want you to have a high income. We tell our Congressman to vote for every farm bill that the family-type farmer wants.

If we are going to be able to buy your products—to feed and clothe our wives and kids after the city landlord and middleman takes their "cut" out of our wages—then we need a high and steady income. It's only common sense for you to back your best customers!

WE RUN into a lot of trouble when we ask for wage increases. The equipment monopolies always say "No." It doesn't matter how much money they are making. The answer is always the same. We negotiate weeks and months. The answer is still "No!" Sometimes we have to withhold our labor for a while, like you might withhold the products of your farm or ranch in normal times until the price went up a little. When we do that, it's called a "strike."

We don't like to strike. A strike is hard, very hard. No pay to buy groceries. Hungry kids. But unless we did strike, the wage level would go down and down. Then we'd be hungry *permanently*. And you farmers couldn't sell much to us.

So better conditions for us both go hand in hand. That is the basis for the strong friendship that must exist between *all people who work for a living*—whether on farms or in factories.

For further information, address *Homer Ayres, Farm Relations Director*

UNITED FARM EQUIPMENT & METAL WORKERS OF AMERICA, CIO

FARM RELATIONS DEPARTMENT • 2100 3rd AVENUE, ROCK ISLAND, ILLINOIS