

MICHIGAN FARM NEWS

THE ACTION PUBLICATION OF THE MICHIGAN FARM BUREAU



BLUEBERRIES—up to two tons per hour—are picked by this giant machine, a startling sight when seen for the first time on farms of the Grand Haven, Michigan area. The unique harvester is a forerunner of things to come in Michigan's fruit and vegetable industry. It picks ripe berries, ignores the green. One man operates it, but two are required to change the full boxes.

HARVEY MACHINE, INC.—of Grand Haven, designed and built the self-propelled machine, mounted on aircraft struts and powered by a 95 horsepower International engine. Farm Bureau member, Kenneth Smith of West Olive, expects it to replace up to 300 hand pickers formerly used. Scarcity of hand labor is forcing automation, making such costly machines feasible.

CENTER SECTION: 1968 "PROBABLE ISSUES"

Editorial

A TAX CREDIT

Taxes are a highly personal affair, about which most people feel strongly. Yet throughout the years, we have somehow allowed much of the power to tax—and to spend what is gained, to move out of our backyards—out of our communities and counties—into Washington and out of our sight.

That's why Farm Bureau's proposal for a Federal Tax Credit to be allowed for all state taxes paid, is so refreshing. Some call it "instant local tax reform" and almost everyone who examines the idea becomes an enthusiastic supporter.

The tax-credit idea is so simple that those acquainted with complicated federal formulas find it hard to believe. Under the proposal, much of the money now sent to Washington, about \$600 million dollars of it at least, would stay here at home in Michigan.

Right now, Michigan is desperately searching for new sources of income for state and local government. After much struggle we have attempted to remain solvent by adopting our first state-wide income tax. Even this will be less help than at first hoped, in that the October 1 deadline for the tax beginning is about four months too late to assure income to match estimated expense.

Property tax relief was a prime stumbling block to many attempts in the legislature to gain tax reform. More money is needed for state and local governments each year and everyone has joined in the search to find more money in a hurry.

Even as farmers continue their plea for property tax relief, those measures which now give them some protection are under examination and attack. The agricultural sales tax exemption, the exemption of farm personal property, both are looked upon as potential quick sources of more state income.

It's high time farmers began pushing the tax-credit idea. Farm Bureau policy is brief and plain about it: "In order to increase local control of tax resources, we recommend that taxpayers be given a federal credit for state taxes paid."

Under the program, each individual taxpayer could be given full credit, dollar-for-dollar, for all state taxes paid, at the time when he makes out his federal income tax form. If he owed the federal government \$350 and had paid \$300 during the year in state taxes, he would deduct the state taxes paid from the total amount and mail the government a check for only \$50.

The tax-credit approach does not send money to Washington for costly redistribution as the all-wise government sees fit. It does not increase dependence on federal handouts. Rather, such handouts would be reduced, changed, or eliminated.

In fact, the greatest opposition to the tax-credit idea will probably come from professional government employees—many of whom would have to find new, non-government jobs.

This is not a pie-in-the-sky approach. Bills have been introduced in Congress to advance the tax-credit plan. Nor would it mean a personal windfall, for without doubt, new ways would be found to remove the money left in local taxpayers' pockets—that's why some call it "instant LOCAL tax reform".

What's so bad about that? The money at least stays where we can see it, and that's half the battle of local control.

It's fairly easy for a farmer to be a professional pessimist at this time of year. Money has been going out for months and there are few immediate prospects of much coming in.

Harvest time is nervous time—especially when wheat prices open low and many beet and bean fields are too wet.

Ahead are those taxes to pay—among them now, the new income tax.

A federal tax credit, dollar-for-dollar sure sounds like a good idea, doesn't it?

M.W.



"WHY? BECAUSE IT'S ALWAYS KNOCKING!"

"Agri-Politics"

The rebuke which the House Agriculture Committee handed Congressman J. Resnick (D-New York) for his recent unfounded attack against Farm Bureau (see President's Column, "Resnick Affair")—was done to protect farmers from further harassment.

It was a wise action on the part of the House Committee and underscored that the Congressman was acting alone and was not above abusing his congressional position to push a personal vendetta against Farm Bureau.

Congressman Resnick called for an investigation of Farm Bureau which he said was a giant interlocking insurance combine and which had more non-farmer members than actual farmers.

On many past occasions there have been wide areas of disagreement between Farm Bureau and individuals on the House Agriculture Committee. Farm Bureau members do not approve of all federal farm policy and Farm Bureau leaders have made these areas of disagreement quite clear to the House Agriculture Committee as a whole.

But never before has a member of that Committee used his committee status as a public forum to harass, threaten and attempt to intimidate those with whom he disagrees, as Resnick has done.

This abuse has been widely recognized for what it is. In his column "Agri-politics" Prairie Farmer Magazine editor Jim Thomson writes: "Some of Resnick's charges are too nutty to be responsible . . ."

"The 'gigantic, interlocking, nation-wide combine of insurance companies' is ridiculous. State Farm Bureaus run their own shows separately and their only connection is through AFBF's re-insurance company which helps spread the risk. No net income is derived from this operation."

Michigan Farm Bureau Secretary-Manager Dan Reed in a state-wide television statement explained how Farm Bureau members serve themselves with a number of economic services, including insurance protection. "They own and control these affiliates and benefit from them. For example, the Michigan Farm Bureau Mutual company has just declared a policy premium refund of up to 15 per cent for Farm Bureau member policyholders."

MICHIGAN FARM NEWS

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President's Column

RESNICK AFFAIR

New York Congressman Joseph Resnick should have known better than publicly insult nearly two million Farm Bureau members who voluntarily join our organization and who elect county, state and American officers, and set our policies through democratic processes.

But Resnick, who at age 43 is serving his second term in Congress as a Democrat from New York's 28th District, already has a long history of being at odds with farmers.

In the first and second sessions of the 89th Congress, Resnick voted in opposition to almost every key issue which farmers supported, and voted for nearly everything they opposed, including passage of the Omnibus Farm Bill containing nearly the same wheat certificate plan which farmers had voted down.

In speaking for the record in support of the Omnibus bill, Resnick made this startling statement: "We are all understandably proud of the American free enterprise economy. Our tradition of depending on the law of supply and demand is a long one. Let us face it—it no longer works as far as the agricultural economy is concerned . . ."

It is against the background of such a statement that other equally startling statements made by Mr. Resnick should be judged. Minutes before Roger Fleming, Executive Secretary of the American Farm Bureau, was scheduled to appear as a witness before the House Agriculture's subcommittee on Rural Development (which Resnick heads), he stated that Farm Bureau "is actually nothing more than a giant insurance complex" and that he intended to launch a full-scale investigation.

Resnick said that American Farm Bureau President, Charles Shuman, lives in Chicago (he does not—he lives on a farm in mid-state Illinois), and that Farm Bureau membership in Cook county is located was "clear evidence" that Farm Bureau is nothing more than a giant insurance complex.

The Congressman could hardly have been more wrong on every score. "Amazingly bad research" is the way one Washington observer saw it, implying that Resnick and his staff were carried away by emotional thinking.

Sixteen million dollars worth of farm products are sold each year from 100,000 acres of Cook county land, and Farm Bureau members there—as everywhere—make their own decisions. This is more than could be said of Mr. Resnick, who refused to permit members of his own Congressional subcommittee to question Fleming when he attempted to appear before them.

Such treatment of Farm Bureau was greatly resented by Resnick's five fellow committeemen who wrote a statement disassociating themselves from his actions, and scoring the Congressman's "personal attack launched upon the American Farm Bureau Federation . . ."

They wrote: "The Chairman has already stated in the hearing record that this attack is his and his alone. We concur that such is the case . . ." "We further recommend that the full committee on Agriculture likewise disassociate itself from these strictly personal activities of the subcommittee Chairman by adopting the following Committee Resolution:

"Resolved, that the Committee on Agriculture of the United States House of Representatives does in no manner endorse, condone, or support the personal attack launched by the Chairman of the Subcommittee on Rural Development upon the American Farm Bureau."

The Full Committee later adopted the resolution by a vote of 27 to 1, a virtually unprecedented action which Resnick said "is a form of a censure of me." Of course he is right.

The most charitable thing that could be said about all this is that Congressman Resnick has a lot to learn about farmers and Farm Bureau. Since the five counties in New York state which he represents are quite rural, containing about 1,000 good Farm Bureau families, he owes it to them and to himself to learn what Farm Bureau is all about, and why it is the largest FARM MEMBER organization in the nation today.

Elton Smith

AGRICULTURE IN ACTION — — PICTORIAL REPORT

READY FOR THE SHOW RING



PRIZE WINNERS — Belgian Draft Horses — on the dairy farm of J. C. Creyts and Son, near Lansing, are readied for the show circuit. Dan Creyts and friend Dick Noble display herd sire "Sam" and his team-mate. Horses are a paying hobby on the modern Creyts farm.

POPULAR YOUNG FARMER PROGRAMS



QUESTIONS — asked speakers were an important part of this year's Citizenship Seminar, held at Camp Kett. Here, Dr. John Furbay, who appeared through the courtesy of General Motors, is questioned by youthful participants.



COUNCILORS — at the Citizenship Seminar held recently visit with guest lecturer Dr. Clifton Ganus. (L. to R.) Mrs. Joan Glover; Curtis Howell; Ganus; Helen Bendall; Mrs. Eva Wiswell and Mrs. Nita Call.

MMPA LEADER



STATE OFFICERS — of Michigan's Future Farmer association were guests at Farm Bureau Center where they heard from Cooperative leaders. Picture talking to the group is Jack Barnes, general manager of Michigan Milk Producers.

DATA CENTER



ON TOUR — the FFA group visited the Date Processing Center of the Farm Bureau Insurance Group. The youthful officers were much interested in automated record-keeping, explained by Walter Landers of the F.B. Companies.

FUTURE FARMERS



MFB PRESIDENT — Elton Smith, visits with Michigan Future Farmer state officers Robert Gregory of Sebewaing and Russell Coffey of Hamilton. The young leaders were Lansing guests of the Michigan Association of Farmer Cooperatives.

SUGAR INDUSTRY SCHOLARSHIP WINNERS



AGRICULTURAL WINNER of the \$1,000 scholarship awarded by the Beet Sugar Industry of Michigan is Gerhard E. Pickelmann, Frankenmuth, who plans to be an agricultural engineer.



HOME ECONOMICS winner is Diane Binns, Lake Odessa. The annual dual \$1,000 scholarships are designed to encourage higher education in the fields of agriculture and home economics.

BUZZ-SAW MONSTER



GIANT TREE TRIMMER — invented by Wm. Adkin of Fennville, is displayed at an Orchard Machinery Show, in Leisure, Mich. The costly mechanical monster is making a name for its inventor as an economical fruit tree trimmer. Efficient and economical results from the huge machine have pleased local growers.

FARM BUREAU WOMEN

EUROPEAN FARM STUDY TOUR

THREE WEEKS INVOLVED

Through special arrangements with the Hoosier Travel Service, the Michigan Farm Bureau has arranged a guided tour of major European farming areas.

Set for the dates of September 11 through October 2, the tour includes visits to France, The Netherlands, West Germany, Denmark and Belgium.

Based on the experiences of midwest farm people on many previous tours, special arrangements have been made to visit the rural areas of these countries, to see first-hand the farms and family life.

Experienced travelers report that such contact is the "only way to travel" — if one really wishes to understand the land and the people.

Although the tour cost of \$734 per person is based on a New York boarding, a modest \$47.50 additional allows boarding at nearby Detroit for Michigan folks.

Included in the tour cost is economy jet air transportation using Air-France ships, all sightseeing as listed in a day-by-day itinerary (special buses will be used, and a boat trip is scheduled around the harbor of Rotterdam) — and ALL MEALS except the luncheons on three dates.

Tour costs are also based on two people sharing twin bedded rooms, although single rooms are available at a slightly higher rate.

The busy three weeks still allow considerable free time, for example after a leisurely drive through West Germany, dinner in Hamburg is provided, and the next morning is free for individual sight-seeing.

A stop is provided in France for a visit to the historical invasion beaches of World-War II, Omaha and Utah.

For complete itinerary, write: Information Division, Michigan Farm Bureau, 4000 North Grand River, Lansing, Michigan.



One of the "Polders" (reclaimed areas) to be visited in Holland.

KARKER SCHOLARSHIP

At the state convention of the Michigan Farm Bureau in 1944, when the women asked for an official part of the program, they also asked that an employee be assigned for their activities. Given a preference, they asked for Marge Karker, who had been with the organization for 17 year. She was a country girl whom they felt understood them and their needs.

When she took over directorship of the women's program, there was no pattern to follow, since the Michigan women were pioneers in participating in the Farm Bureau program. Marge led them in activities involving citizenship, health, education, legislation, public relations, safety and community betterment projects to become one of the most highly respected groups in the state and nation.

In 1964, when the Farm Bureau Women celebrated their 20th "birthday," a special candle was lit on the huge cake for Marge with a tribute for her "untiring and dedicated efforts over the years which were largely responsible for the success of the Michigan Farm Bureau Women's program."

To honor the former coordinator who directed the Women's activities from 1944-1964, Michigan Farm Bureau has set up a "Marge Karker Farm Bureau Scholarship." The scholarship will be available to students, from a Farm Bureau family, enrolled at Michigan State University in the field of agriculture or related fields, veterinary medicine or nursing. A "goal" for county Farm Bureaus of 25¢ per member has been suggested by the Scholarship Committee.

The scholarship which is designated as a gift — not a loan — is available to students, beginning their sophomore year at Michigan State University, who show financial need. The amount of the scholarship is to be applied toward the tuition for one year; this can be renewed, but must be reviewed each year by the committee.

The committee explains that "related fields" of agriculture may include food science, food marketing, leadership training, agricultural journalism, food packaging or horticulture.

Young people meeting these qualifications may request application by writing to Michigan



MARGE KARKER

Farm Bureau Women, 4000 N. Grand River Avenue, Lansing, Michigan 48904.

So that the scholarship will be available in adequate amount for worthy young people, the committee urges contributions by county Farm Bureaus, Community Groups, or any organizations and individuals who knew and admired Marge Karker, and are interested in helping young people attain higher education.

Anyone wishing to contribute to the fund may do so by sending checks (payable to the Michigan Farm Bureau) to: Marge Karker Farm Bureau Scholarship, 4000 N. Grand River Avenue, Lansing, Michigan 48904.

Members of the committee include: Mrs. Dorothy Baccus, chairman, Lake Linden; Mrs. Mary Edith Anderson, Fowlerville; Mrs. Margaret Kartes, West Branch; Mrs. Maxine Topliff, Eaton Rapids; Mrs. Ardeth Wieland, Charlevoix; Mrs. Maurine Scramlin, state women's chairman, ex-officio, and Elton R. Smith, President, Michigan Farm Bureau, representing the board of directors.

Watch for the scholarship goal "thermometer" and listing of county Farm Bureau contributors in the next issue of Michigan Farm News.

Picnics and Public Relations!



FARM BUREAU WOMEN are busy these summer days at annual county-wide picnics. Throughout the state, scenes such as this one in Huron County are taking place — with women most times responsible for the good food enjoyed by county Farm Bureau members. Here Huron Women's chairman, Mrs. Robert Thummel, Sr., is shown with county board members.



SCHOLARSHIP COMMITTEE members met recently at Farm Bureau Center to discuss plans for the Marge Karker Farm Bureau Scholarship. Shown are Mrs. Maxine Topliff, Mrs. Ardith Wieland, Mrs. Margaret Kartes, and Mrs. Mary Edith Anderson.

U.P. WOMEN TREAT CITY GUESTS

The Chippewa County Farm Bureau Women were hostesses recently to Sault Ste. Marie and Cedarville women representing several civic organizations.

The visitors were invited to observe haying operations, production work at a cheese factory, a poultry operation, and dairy farm work in the Pickford area, followed by a picnic at the Grange Park.

Mrs. Raymond Postma, Chippewa Women's chairman, and Mrs. Ed DeWitt were in charge of the activities.

The urban guests assembled at the Postma farm in North Rudyard to begin their farm tour. A visit to the cheese factory was the first stop with a view of processing, storing and shipping arrangements.

From there, the group observed haying at the DeWitt and Postma farms, including an explanation of mowing, raking, unloading and storage procedures. A ride on the haywagon was an added feature.

Following a late afternoon coffee hour at the Postma farm, the group went to Pickford to watch the gathering, cleaning, packing and shipping of eggs at the Huyck poultry farm. Visits to Pickford dairy farms during milking time concluded the tour.

Husbands of the urban tour guests joined their wives, the women's committee and the Farm Bureau board for an evening picnic.

"Magna Carta" of Farm Finance!

FEDERAL LAND BANK

It was July, 1916—a humid midsummer day in the nation's capital. A group of people assembled expectantly in the White House around a desk piled high with papers that fairly bristled with importance.

President Woodrow Wilson looked thoughtfully at the document before him, then wrote part of his signature in his characteristically bold script. He handed the gold pen as a gift to Herbert Myrick, of Springfield, Massachusetts, editor and publisher of the "New England Homestead" and a tireless leader in behalf of a program to make adequate credit available to farmers. The President completed his signature, and presented the second pen to Senator Duncan Fletcher, of Florida, also a staunch advocate of such legislation.

The document he signed was designated H. R. 15004 (S. 2986), better known as the Rural Credits or "Hollis Bill" (because of its sponsorship by Senator Henry Hollis of New Hampshire) and later as the Federal Farm Loan Act.

By the swift, yet carefully considered, gesture of signing this document, the nation's World War I President lifted a millstone from the neck of American agriculture, and simultaneously created a signpost for its remarkable progress over the following half century. Said Herbert Myrick in his "Homestead": "It is the Magna Carta of American farm finance."

That act, long and laborious in the making, was to lead to the availability of urgently-needed credit for the nation's farmers, and on terms corresponding to their requirements. It was, in fact, to open the gates to the agricultural revolution of the twentieth century which has seen the American farmer become truly the provider of plenty in a world largely afflicted with want. And the legislation was to lead to the elimination of the need for farmers to support what Myrick had termed, "a vast and expensive system of middlemen and intermediaries between an actual borrower and an ultimate investor."

Those who had worked so long and tirelessly for the Federal Farm Loan Act were thinking of a farmer in Massachusetts who had bought a farm for \$3,500, paying \$1,000 down and giving a \$2,500 mortgage for the balance, looking ahead to the fruition of his dream of living upon the land which he loved. This farmer's mortgage required no payments on principal, and so he had made none—but during the next 24 years he had paid out \$3,500 in interest alone and at the end of that time still owed the \$2,500 he had borrowed.

They were thinking, too, of a farmer in Iowa and thousands of his counterparts in Ohio, Alabama, Maryland, Michigan and other states—tenants on farms with some hard-earned, hard-saved money of their own but not enough with which to buy the land they hoped for, because credit was not available to them on any terms.

Enactment into law of the Federal Farm Loan Act heralded the beginning of the Federal Land Banks and of the Farm Credit System. Agricultural progress had been made in this country between the turn of the century and 1916, but that progress had been



GOLDEN ANNIVERSARY—of the Federal Land Banks is celebrated in 1967. Michigan joined the festivities when Lt. Governor Milliken (left) presented a "Land Bank Month" proclamation to Glenn C. Livermore and Robert Hall of the Federal Land Bank of St. Paul.

impeded—in many cases severely—by lack of adequate capital.

As far as the average commercial lending institution of those days was concerned, the farmer was a man apart. There were adequate funds available for the butcher, the baker, the candlestick maker—but what about the tillers of the land? Our credit system had been developed primarily to meet the needs of industry and commerce. Agriculture was a "horse of a different color."

There had been earlier efforts to make some type of credit available for agriculture, but prior to 1916 credit in America was simply not adapted to the needs of farmers, including those who had, by the 19th century's end, pioneered the final frontiers of this country and had bought the last of the government lands for a small handful of silver coins.

It was this disappearance of almost giveaway and the subsequent rise in land value which stimulated the need for agricultural credit and led in its becoming a significant economic issue. America's vigorous industrial growth during the opening decades of the present century helped shape a credit system fitted to industry's own peculiar needs—credit over short periods of time, ranging generally from two to three months. There was no system adapted to the longer-term needs of agriculture which so often required years to achieve a return on its investment.

When they could obtain credit at all in the early years of this century, farmers were charged interest rates which ranged from as high as five per cent a month, sometimes plus commissions on loans as well.

The failure to meet agriculture's need was not a planned punitive design on the part of the lending institutions. Commercial banks had to limit their farm mortgage lending because of the primary obligations to keep depositors' funds invested in assets readily convertible to cash.

Insurance companies tended to make loans in areas primarily where loans were large and risks low. Moreover, most investors were situated in cities, far removed then from the farming areas—not by distance alone but also by habits and customs.

Because of the difficulties in obtaining loans from savings banks, many farmers turned to private individuals, sometimes with catastrophic results, through no fault except that of capricious chance.

Scores of farmers found themselves faced with unexpected demands for mortgage payments in the years before the Federal Land Bank System began its operations, and for many of them foreclosure meant only disaster and heartbreak.

President Wilson, soon after signing the new farm loan law, named members to the first Federal Farm Board. The Farm Board members made plans for establishing Federal Land Banks in 12 major geographical regions of the country. By making each bank autonomous in its own district, as provided by law, the new credit system would be able to deal with special local problems of farmers, whether they produced milk in New England, cattle in Texas or fruit in California.

Loans to individual farmers were to be administered—as they are today—through local associations of member-borrowers. Even as the 12 land banks were being organized, farmers began holding meetings to form local associations. Schools, town halls, farm homes and similar gathering places were scenes of organization meetings of local "farm loan associations," as they were known at that time.

As 1917 came to a close, 2,100 associations had been chartered, confirming the widespread and urgent demand for agricultural credit on a long-term basis. By November 17 of that year, farmers had obtained 14,000 loans for an aggregate amount of \$29.8 million at five per cent interest.

Just a year later, there were 3,365 operating farm loan associations and they had made loans to applicants in the amount of \$147.4 million. To date, 50 years later, well over two million loans have been issued to farmers, totaling in excess of \$12.5 billion.

The first Land Bank loan in Michigan was made in June of 1917 in Cass County. The loan was for \$10,000; the security offered was 235 acres of land. Since that time, the Land Bank has made over 75,000 loans in Michigan for a total amount of \$469,937,900! As of the end of 1966, the Land Bank had 15,777 loans with a total volume outstanding of \$162,226,200.

The Golden Anniversary of the Federal Land Banks is celebrated during 1967—an observance dedicated to America's farmers—providers of plenty. Successful agriculture as a modern business enterprise depends in large measure on the imaginative, sound, and continuing use of credit as a production tool.

SECOND IN A SERIES:

KLINE—ON FREEDOM

Recognized as "One of the ten Great Americans of his day"—Allan Kline served as President of the American Farm Bureau Federation for seven years. He believes that no society can be greater than the intellectual and moral levels of its people . . .

BY: ALLAN B. KLINE

In the last article we were indicating that man did not achieve great intellectual discoveries and great art until he became free from the hampering interference of authority. This first occurred in Greece, four to five hundred years before Christ.

The city of Athens of that time was in sharp contrast with Sparta. Both cities were in the same climate. The people had the same physical features. Both peoples had been preceded by periods of extreme ignorance and superstition. Yet, Sparta made no contribution to the history of freedom—while Athens did. The Spartans were a highly-disciplined people. They were not allowed to think. They were trained to win wars.

The Romans? Well, they made some contributions. We learned administration in government from Rome. We got the basis of law. There was a fellow named Ulpian, a lawyer of 222 B.C., who said that slavery was unnatural and that men were born more or less equal under the law. We get some ideas of justice under the law from the Romans.

But the Roman republic disappeared before Christ. The Caesars came. They were Emperors. They did not eliminate the Roman Senate—they needed it. Like Hitler, the Emperors could tell the Senate what to say and they said it. Hitler did it with the Reichstag.

This was the kind of situation existing when Christ was born. Christ gave much to the idea of freedom. He was against special privilege of the rich or the powerful. He was for humanity, not collectively, but as individuals—as persons. Each man had his own worth in the sight of God. Man did not render his soul unto Caesar. It was the gift of God and was committed to God. It has proved a religion perfectly adapted to a republic of free men.

About 313 A.D., the Roman Emperor, Constantine, was converted to Christianity. He declared that everybody should be allowed to worship as he saw fit. This didn't mean very much then, and didn't last very long. Authority soon took over and people were being punished for heresy for a thousand years. Torture and murder were even done in the name of Christianity. In the Inquisition, a man was guilty until he proved himself innocent. The Church was the dominant power of the Middle Ages.

The priesthood made one contribution to human freedom—they kept alive an interest in ancient learning—in reading and writing. The Tenth Century was the real bottom of the Dark Ages. Soon after that there arose a ferment among men. Men began thinking and working. Some began to challenge authority. There was a revolt among many men against the centralized authority of the Roman Church.

Calvin and Luther were not any more liberal than the Pope. Luther published his edicts. He dictated what men must believe. He was in favor of freedom for Luther. Calvin burned Servetus, a Spanish scholar, at the stake for "wrong" belief. Protestant leaders had a lot of hate, but they did split up the authority of the Church.

Then, in the 15th and 16th centuries a money power arose—the Bourgeoisie. Bankers and financiers began taking some of the power that had been the King's, partly by lending money to the King. Industries grew and furnished employment to a lot of former serfs. The serf had new freedom of movement. He could leave the land—desert his former Lord and still not starve to death. It was more freedom than men had known in the past.

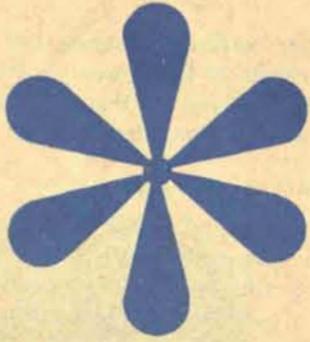
In the feudal system, the King's power was split up all over the place among small Barons. Each Baron with his little army subtracted some power from the King. In 1215 came a document that was an early foundation of British liberties, and so, of American liberties.

British barons thought that King John was intruding on their rights as barons, and compelled him to sign the Magna Carta at Runnymede. It limited what the king could do. The Magna Carta decentralized some of the king's power. Liberty did not come suddenly and entirely to men—it came by inches.

The 17th Century has been called the Century of Genius and the 18th Century of Enlightenment. In 1698, John Locke declared in a treatise that common men have certain rights to life, liberty and freedom in possessions.

All this ferment caused people to become skeptical of the "divine rights" of kings and to wonder whether they didn't have some rights, too.

Revolutions of the common man sprang up all over Europe—and in America. The concept of freedom that was to burst into bloom in our American Revolution had a long history. It took time for the nucleus to solidify from elements that were gathered here and there over the centuries.



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capitol report



The New Tax Package How it Affects YOU!

Tax reform debates began in February of this session of the Legislature and ended with a marathon session that lasted until 5:30 a.m., July 1, 1967.

The events during the six-month period were, in many ways, too fantastic to believe and impossible to fully record. Tax reform has been a major subject in Michigan for many years but, until now, neither party, nor any bipartisan effort, has been able to accomplish a basic change in the tax structure.

This legislative session's tax effort began in early February, when Governor Romney offered his tax reform recommendations. His tax reform program included a three-cent per package increase on cigarettes; income taxes of 5% on corporation, 8% on financial institutions and 2½% on individuals, with a \$600 per person exemption. He proposed that the Business Activities Tax be repealed, a \$10 sales tax credit per person, cutting the Intangibles Tax by increasing the tax credit from \$20 to \$100 per person, and a 10% cut in all property taxes.

NEW REVENUE

It was originally estimated that this program would raise \$235 million of new revenue each year, however, the estimate was raised to \$307 million, based on new information.

The Governor's program was defeated in the Senate on March 30, by a coalition of Democrats and rebellious Republicans. At that time, some said that tax reform was dead for this year. However, the House then changed the program somewhat by eliminating the sales tax rebate and providing for a return of some of the income tax revenue on a per capita basis to local governments.

This would have amounted to \$11 per capita and would have been split one-half to counties and one-half to cities, villages and townships. This amounted to \$86 million, which is the equivalent of an average of three mills or more on property tax. This particular program also increased the property tax relief to 14%. The property tax relief was based on county and school taxes. The estimate of new revenue to the state from this program was \$300 million.

A MATTER OF VOTES

There were enough votes to pass this package had it not been for six outstate Legislators who refused to vote for any kind of income tax program. Modifications were made in order to get enough votes, but this general plan was defeated in the House in June. In the meantime, the Senate negotiated a bipartisan tax program and passed it, thereby putting the total responsibility on the House.

Bipartisan bargaining negotiations began in earnest in the House and proved, for some time, to be in complete deadlock. Governor Romney's office was the scene of the bargaining—temper flared and tensions reigned. The meetings lasted almost continuously over a period of days. Finally, a program was reached

which was quite similar to the already-passed Senate package and enough votes were rounded up to pass the compromise package.

The final tax program includes: income taxes of 5.6% on corporations, 7% on financial institutions and 2.6% on individuals, with an exemption of \$1,200 per person. The program repeals the Business Activities Tax, increases the Intangibles Tax credit from \$20 to \$100, permits a credit to those who pay city income taxes, gives property tax relief on a sliding scale basis, and returns approximately \$38 million (about \$2.40 per capita) to local government. Half of this is to go to counties and the other half to cities, villages and townships.

The sliding scale on property taxes is 20% of the first \$100 of tax, 15% of the next \$50, 10% of the next \$50, 5% of that over \$200 but under \$10,000, and 4% of any tax over \$10,000, with a ceiling of taxes eligible for relief of \$1,000,000.

For example, the tax credit on a \$200 tax bill would be \$32.50. The income tax credit on payment of city income taxes is based on this same sliding scale. Also, those who rent a home will be given the same sliding scale credit as those who own their property. Of the total rent paid, 20% is estimated to be for property taxes and the sliding scale will apply to this amount. The income tax portion of the program takes effect October 1, but the other parts of the program do not take effect until January 1, 1968.

ONE QUESTION:

The big question is: "How would these plans have affected farmers?" For the sake of a simple example, assume that a farmer has a taxable net income of \$4,000, with four exemptions and a property tax of \$1,000. Under the Governor's plan, his income tax would have been \$40, but his sales tax credit would have also been



BILL SIGNING DAY — finds legislators and other interested people crowded outside the Governor's office, waiting to be photographed with Romney as he signs bills which they have supported. On this particular day, several bills supported by Farm Bureau were signed.

\$40 and the actual cut in his property tax would have been \$100. Therefore, he would have been ahead a total of \$100.

Under the second plan mentioned, which failed to pass in the House, the same farmer would have had a \$40 income tax, but his property tax would have been cut \$140 (this assumes that his property tax was all for county and school). He would also have had a \$600 per person exemption. Therefore, he, too, would have been ahead \$100 in cash and, in addition to this, the \$11 per person coming back to local governments would have been an added relief on the property tax burden.

Under the plan that finally passed, the exemption will be \$1,200 per person and, with four members in the family, his exemptions will be more than his income and, therefore, he will have no income tax to pay, but neither will he receive any property tax relief except indirectly, through the \$4.80 per capita coming back to local governments.

As another example, assume that a farmer with the same property tax and same exemptions as shown has a \$10,000 income. Under the Governor's plan, his income tax would have been \$190, but his tax cuts of \$140 would leave \$50 to pay. Under the House plan, his payment would end up the same \$50, however, the \$11 per capita returned to local governments would have been an added indirect relief on property. Under the plan that passed, his tax would be \$62.50, with \$4.80 per capita returned to local governments.

It is estimated that the tax package that passed will bring in about \$236 million of new revenue during a full year's operation. But because it has taken so long to reach an agreement, the budgets for 1967-68 fiscal year will be very tight. Had the tax package gone into effect on July 1, there might have been enough revenue to meet all necessary costs. It is hoped that there might be a 5% increase in school aid;

VOTERS MAY DECIDE

One of the results of the heavy bargaining and compromising that was required to get agreement on a tax program regarded the further agreement that a constitutional amendment would be placed before the voters in 1968.

Both houses have already passed SJR "G", which places the graduated income tax question on the ballot. Presently, the Michigan Constitution prohibits a graduated income tax but permits a flat rate income tax. The voters will decide which they prefer.

Another possible constitutional amendment has already passed the Senate. This is SJR "C", which would place a 5% constitutional ceiling on the state income tax. Such resolutions require two-thirds vote of each house. This proposal to put a ceiling on the income tax was before the House earlier this year, but was defeated at that time.

Newspapers have also reported that some citizen groups in the Detroit area have started circulation of petitions to place a constitutional amendment on the ballot prohibiting any income tax in Michigan.

So, it is possible that the voters, in 1968, may become somewhat bewildered by the decisions they may have to make regarding the income tax.

however, a ceiling has been placed on school transportation and special education. Each month of delay has meant a cost of at least \$25 million in revenue.

NOT ALL HAPPY

The tax package does not completely satisfy anyone; however, everyone within both parties agrees that it was the best it was possible to get under the circumstances.

Farm Bureau aggressively promoted the tax policies approved by the delegates at the annual meeting last November. In reality, this is only a part of a total tax reform program. It must not be forgotten that much of Farm Bureau's tax reform program has already been accomplished in previous legislative sessions, such as the total elimination of farm personal property taxes and elimination of assessments on fruit trees, bushes, vines and other crops. While some counties had not yet

taxed these crops, it was only a matter of time before they would have been taxed at the full property levies.

During this session, some Legislators who opposed tax reform advocated the repeal of the industrial and agricultural sales tax exemptions as a means of raising more revenue. S.B. 792, which would accomplish this, is still alive. Had not a tax package passed, it is very possible that these exemptions would have been lost. Such an action would mean that farmers would have to pay 4% sales tax on every item they buy for production purposes, such as machinery, feed, seed, fertilizer and other supplies.

Hardly a year goes by without some challenge to this important tax exemption. Last year, the battle was in Washington, when Congress considered requiring every state to have a uniform sales tax law which limited any exemption to feed, seed and fertilizer.

1968 FARM POLICIES—

MANY ISSUES ARE TAX CENTERED

Tax Reform—While major tax legislation was passed during this session of the Legislature which sets a pattern of a more balanced tax structure, it is essential to remember that there are many other areas in the Michigan tax structure that need attention, especially from farmers' point of view.

Farm Bureau policies for the past several years have supported major tax changes and, for the past four years, have supported a complete reform program, including the adoption of an income tax.

The tax issue will continue, but to know where we are going, it is important to take stock of Farm Bureau's accomplishments toward total tax reform.

Many Farm Bureau recommendations were included in the new Constitution, such as maintaining the 15-mill property tax limitation; prohibiting assessed valuations from rising above 50% of true cash value and further restrictions to prevent non-property-owners from voting on millage increases.

Much progress has also been made in the Legislature toward carrying out Farm Bureau tax policies. These include complete elimination of the farm personal property tax; exemption from assessment of fruit and Christmas trees, shrubs, plants, crops, etc. (this becomes effective in 1968); Homestead Tax exemption for those over 65, and increased payments to local governments from the Swamp Tax.

Also included is a new source of county revenue permitting use of the Transfer Tax when the Federal tax expires in 1968; the "Truth in Tax" Law, requiring printing the equalized valuation on the tax statement; repeal of the Business Activities Tax; new equalization procedures, adjustment of the Intangibles Tax; property tax relief, both direct and indirect; and adoption of an income tax.

Many other important legislative tax changes have been adopted. While many are of an administrative nature, they nevertheless affect all taxpayers.

Under present Farm Bureau policies, further tax reform is needed, including:

1. Assessment of farm land as long as it is used for that pur-

pose. This is a complex issue with constitutional involvement; however, ten or more other states have taken positive action on this issue, even to the extent of changing their Constitutions. Farsighted people recognize that good farm land is rapidly disappearing and that future food needs may be such that the United States will face a serious shortage.

2. Special tax assessments on farm property, resulting from sewage, water and drainage, etc. lines crossing the property are becoming a serious problem in many areas. Very often, such installations are of no use or value to the property. The Ohio Farm Bureau was successful in passing legislation in that state to set up a revolving fund to pay such costs. When the property is further developed and the installations are used, the fund is repaid by the developers. The Michigan Farm Bureau has developed similar legislation for introduction in 1968.

3. Taxation of mobile homes continues to be an issue even though many bills have been introduced to try to adjust the present fees to more realistic levels.

4. Taxation of Forest Reserves—While progress has been made on this issue and legislation to increase the "in-lieu-of" tax income to local governments passed one house in 1965 and has been reintroduced since then, it has yet to pass both houses.

5. Assessment and taxation of new property the first year it is built—Such legislation could be useful in areas where whole subdivisions may be built after the December 31 tax assessment date and fully occupied by mid-summer, resulting in an unplanned-for increase in children attending the

local school, thereby creating serious financial problems. It would be possible to specifically tax such properties the first year for school purposes only.

6. County Income Tax—Presently, cities are permitted the use of the income tax and it has been adopted in at least eight Michigan cities. It would be more logical to permit counties to adopt such a tax rather than permit the cities to pre-empt this source of revenue. A county income tax could "piggy-back" the state income tax and be collected at little or no extra cost. Such revenue from this source could be used for county purposes, thereby lessening the property tax pressure by either lowering it or releasing millage to the school districts.

7. Every session there are tax issues that Farm Bureau opposes. For instance, S. 792 is still alive and would eliminate the sales tax exemption on farm machinery, equipment and many other supplies. This would mean millions of dollars of added taxes to farmers. S. 453 is another example. It is still alive and would repeal a gain won by Farm Bureau some years ago. Stored grain would again be subject to the full property tax instead of the present low specific tax.

8. Tax Amendments to the Constitution—The voters will decide at least one tax issue, and possibly three, at the 1968 election. One would amend the Constitution to permit a "graduated" income tax. Only a "flat rate" income tax is presently permitted. Another possible amendment is whether a 5% ceiling should be put on the income tax. A third possibility might be an amendment to outlaw the income tax in Michigan.

9. Farm Labor Housing—Presently, Farm Bureau policy supports legislation to exempt such housing from the property tax due to the cost of meeting housing requirements and the limited time they are in use.

Farm Labor—Workmen's Compensation, state and federal minimum wages, housing and trans-



CAPITOL ROTUNDA is the scene of a conversation between Senator James Gray (D- representing Macomb and St. Clair counties) and Michigan Farm Bureau Legislative Counsel Robert Smith.

portation regulations, etc. are now facts of life to the farm employer. In every session there will continue to be a multitude of bills to broaden and expand such coverage. For instance, any amendment to any portion of the Workmen's Compensation law will also invariably affect farmers.

Continued legislative efforts will be made to increase the minimum wage and tighten its requirements. Various departments will undoubtedly seek to broaden the multitude of regulations.

In addition, new problems will arise. For instance, there is already considerable pressure, on both state and federal levels, to require farmer-employers to cover

employees with unemployment insurance. Other legislation is being promoted to make it easier for farm workers to join labor unions and at the same time restrict the farmer-employer. These and other proposals are extensions of so-called "social progress" and are often pushed with little regard to the economic impact on either the farmer or the worker.

Farm Bureau policy in this broad area of legislation must be realistic and yet aggressive. While working for perhaps further modification of present laws, it will be necessary to prevent, insofar as possible, further economic burdens resulting from unrealistic broadening of such legislation.



GRAPE PRICE INCREASE— from \$85 to \$100 per ton— resulted from the signing of H. B. 2914, initiated and guided through the legislature by the Public Affairs Division of Michigan Farm Bureau. Present at the signing were: Max Hood, MACMA Processing Grape Marketing Committee vice chairman; Dale Sherwin, MFB Legislative Counsel; Thomas Adent, Grape Committee chairman; Rep. Lionel Stacey, Rep. Edson Root, Edgar Austin, Van Buren County Farm Bureau president, and Robert Smith, MFB Legislative Counsel.



SPEAKER OF THE HOUSE— Robert Waldron (R), Grasse Pointe, on left, and former legislator Walter Nakkula (presently assistant to Congressman Cederberg), admire a bean cake shown by Mrs. Herman Roslund, Gratiot County Women's Committee member, at the annual "Bean Day at the Capitol."

HOW WILL YOU DECIDE?

MEMBERS URGED TO "SPEAK OUT"

By: Robert Smith
Legislative Counsel

YOU — as a Farm Bureau member, are a key person in making many of the policy decisions which will guide your organization in the near future. The 1968 legislative sessions in Lansing and in Washington will demand close attention by farmers if the successes we have had are to be continued.

Farm Bureau policy development procedures are now underway. Farm Bureau is unique in that these procedures center on individual members and provide that member (you) with many opportunities to make major policy decisions.

YOUR ideas can be offered through your Community Farm Bureau Group, or to any member of any County Farm Bureau committee. They may be made before the County Farm Bureau Board of Directors, or to the County Resolutions committee. They may be presented before the membership at the county annual meeting where final policy decisions are made.

Following that important meeting, *YOU can again be heard effectively* by working through your county Voting Delegates who take part in the annual meeting of the Michigan Farm Bureau — to be held in East Lansing, November 7-8-9, on the campus of Michigan State University.

Listed are only a few of many issues facing farmers in Michigan. They are intended mostly to stimulate thinking so that you can be better informed and more active in discussing problems of importance to you.

SPEAK OUT — you have a right and an obligation to be heard. Help shape your farming future through Farm Bureau.

Marketing — The increasing complexity of modern agricultural marketing makes it necessary for farmers to use more group action through cooperatives and marketing associations.

Farm Bureau is in the forefront with new and realistic marketing programs; however, major legislative issues must be solved to help increase farmers' bargaining strength. Such legislation is most difficult to win. There are many reasons for this. While it is complex and confusing to many people, the most probable reasons are the "all-out" opposition of processors and allied groups, and the possible concern on the part of some that the price of food might rise. Such opposition is good proof that farmers need these tools to give them marketing power.

A few specific marketing issues include:

"Anti-Discrimination Law" — This is needed to prevent processors from discriminating against grower members of a marketing association. Such discrimination takes many forms, direct and indirect. National legislation (S. 109), promoted by Farm Bureau, is pending in Congress.

Farm Bureau promoted H. 2703 in the Michigan Legislature, and it is still alive and will receive attention next year.

"Price Announcement" — Responsible fruit and vegetable processors presently announce and post their prices at the beginning of the season, with adjustments as marketing progresses, also in advance of the delivery of the product. Regrettably some do not announce prices, and produce is

delivered without knowing what price to expect. Such a situation can demoralize the entire market — not only to the producer but to the entire industry.

H. 2702 is under study by the House Committee on Agriculture.

"Time-of-Product Payment" — Fruit and vegetable producers are probably the only segment of our economy that is not protected by a law to require payment for their products within a reasonable period of time.

Labor and business are protected by many laws requiring payment for goods and services. Farmers producing potatoes, livestock, grain and milk also are protected by various laws, including requirements to pay the producer within a specified period of time.

Farm Bureau, through the years, has promoted and supported such legislation as the need has arisen. H. 2581 was introduced this year to give similar protection to fruit and vegetable producers.

There are many examples in Michigan of the need for legislation to help solve the issues listed. For instance, it is serious when a fruit or vegetable farmer delivers a perishable product without an announced price and, in addition, waits for as long as a year for payment.

"Marketing Dues and Deductions" — Farm Bureau, through the Michigan Agricultural Cooperative Marketing Association (MACMA) and other affiliates, is now active in special marketing programs for ten or more farm products. New programs are also under study for other farm commodities. These are based on sound economics and have gained the respect and support of the grower-members.

Practical problems arise as farmers market more and more of their produce through bargaining associations. For instance, most processors are willing to deduct bargaining association dues and service fees from grower-member payments when voluntarily authorized by the member. A small minority, however, refuses to make the deduction as a means of retarding the development of progressive marketing programs.

Some states have legislation requiring processors to make such deductions when authorized voluntarily by the grower-member. Michigan processors are presently required by law to make various other deductions, both for growers and their employees. It does not entail an extensive bookkeeping operation.

Agricultural marketing and bargaining is probably more complex than for any other segment of the economy because there are many other factors to consider.

Perishability of many products is such that a few days, or even hours, can mean the difference between success and financial failure.

Farmers differ from others because they are a combination of management, labor and capital . . . each is equally important. Farmers doing their own marketing and bargaining is not new. It's been done for years with outstanding success in many cases.

Farm Bureau members have financed and built many cooperative marketing facilities and have developed new markets overseas through Farm Bureau's Foreign Trade Program. MACMA is an additional marketing program using new techniques and, as such, needs new tools to work with, many of which will require legislation.

"CROP CONTROLS"

Under this heading, Farm Bureau voting delegates said:

"It is our desire to move in the direction of eliminating government regulation of the right to produce agricultural commodities."

This 1967 national policy, as determined by the policy development process, reflected the thinking of farmers throughout the nation. Independent surveys by national magazines, congressmen, newspapers and others, show that farmers overwhelmingly believe that controls have not worked. *It has been proved and admitted that dumping of surplus grain stocks has been used to keep prices low.*

In carrying out this 1967 policy, Farm Bureau is supporting the Wheat and Feed Grains Act of 1967 now before Congress. Action on this issue will probably come during the 1968 session. It was introduced by 20 Democrats and Republicans. The proposal would:

Provide government-insured recourse loans through commercial lending institutions to producers of wheat and feed grains.

Stop the movement of wheat and feed grains into CCC and prevent the disposal of current CCC stocks (including stocks acquired from 1967 crops) in a manner which weakens market prices.

Repeal authority for wheat allotments, marketing quotas, marketing certificates, diversion payments and price support payments on wheat, and for feed grain bases, diversion payments, and price support payments.

Allow each farmer to produce the grain or grains for which his land is best suited and for which market demand outlook is strongest.

The difference between "non-recourse" loans and "recourse" must be understood. "Non-recourse" loans are used under present programs. If the farmer does not repay the loan, the government takes possession of the grain. The "non-recourse" loan system has been the principal cause of the buildup of burdensome stocks of grains owned and controlled by the government.

FARMERS DECIDE FARM BUREAU POLICY

Seldom are Farm Bureau policies decided in a hurry. This very slowness sometimes causes others to become impatient with Farm Bureau, but long experience has shown the importance to farmers of a sound, well thought-out position on complex issues.

"Is it sound? Is it fair? Is it right? Will it stand the tests of time?" Such questions — asked in a variety of fashions, are posed by those engaged in Farm Bureau's exhaustive procedures of policy development.

Often great pains are taken to provide a proper working background for local Farm Bureau policy decision making. Visits to local officials, attendance at public hearings, invitations for members and others to make statements before county resolutions committees, county boards, or at annual meetings, all are part of the policy development process.

Local committee members and county Farm Bureau officers have special opportunities to become "issue oriented" and better informed. A good example is the special information meeting set for Thursday, August 24 in Lansing. At that time, Roger Fleming, Secretary-Treasurer of the American Farm Bureau Federation will speak and give answers to state and national questions based on his broad Washington experience.

The meeting will be held at the Lansing YWCA — beginning at 10:00 a.m. and is open to chairmen of county Farm Bureau Policy Development committees, County Farm Bureau Presidents, and Chairmen of county Woman's Committees.

Earlier — August 10, the first meeting of the state Farm Bureau Resolutions Committee, under the direction of Mrs. Andrew Jackson as Chairman and Edwin Estelle as Vice Chairman, will be held in Lansing. At this first session of the 20 members group, sub-committee assignments will be made, and the first of a number of "hearings" will be held.

Many county Farm Bureaus make it easy for their members to help decide county Farm Bureau policy by following much the same procedure of hearings and visits and special sessions of their county resolutions committee prior to their formal annual meeting in October.

"Farm Bureau gains its strength by accurately reflecting the thinking and wishes of its members" according to Elton Smith, president of the Michigan Farm Bureau. "Members must make all major policy decisions, and they must contain the best thinking of our total membership. This decision-making responsibility is theirs alone, it cannot properly be passed on to others . . ."

CAPITOL COMMENTS



LEGISLATORS VISIT — as they await outside the Governor's office for the signing of their particular bills. Shown are: (left to right) Representatives Wm. Weber (R), Kalamazoo; Robert W. Davis (R), St. Ignace; and Dominic Jacobetti (D), Negaunee.

-MORE ISSUES

WORK-COMP FURTHER AMENDED

Few people understand the full workings of a lawmaking body such as our Michigan Legislature. Party politics, strategic maneuvering, time deadlines, special interest pressures and the personalities of those involved, all combine to assure that each session will be filled with its dramatic highlights, and plain hard work.

For nearly three years, Workmen's Compensation as it affects farmers, has been a major issue in the Michigan Legislature. Again this year, Farm Bureau has had some success in amending the law to modify and clarify it. A report of this action as the bills carrying the amendments moved through House and Senate, is in itself, a study in legislative workings.

To begin: early in the session it became clear to farmers that it was not possible to repeal that portion of the law which brings farmers under Workmen's Compensation coverage. There were a variety of reasons, but prime among them, this is "social" legislation, coming at a time when all manner of social "rights" are in the public eye and strongly supported by such social-action groups as churches and unions.

Still, shortly after the Farm Bureau annual meeting last Fall, where delegates adopted a series of recommendations on Workmen's Compensation, Farm Bureau legislative staff began to develop legislation to carry out that policy.

A bill, S. 17, was introduced by a partisan group of Senators and would have delayed the effect of full W/C coverage, but would have required coverage of farm workers with medical and liability policies. This bill received a great deal of attention and was even the object of picketing around the Capitol. It was amended to such an extent that it was necessary to have it referred to committee.

Another bill, S. 432, finally passed the Senate with amendments designed to phase in the full W/C part of the law by cutting the worker benefits, thereby possibly cutting the premium cost.

Farm Bureau did not support

the idea of cutting worker benefits for obvious reasons, plus the fact that it was only for a two-year period and any premium reduction would have been negligible; also, there would not have been any relief on medical and hospital premiums.

Over in the House, it was necessary to use S. 432 as a vehicle to extend the May 1 deadline on the W/C Law to July 1, 1967. In order to do this, all Senate amendments were removed from S. 432. A strong effort was made to extend the deadline until November 1, but it failed.

H.B. 2623 then became the vehicle to attempt amendment of the W/C Law and was sent to the House Appropriations Committee in order to keep it alive. During this entire period of time, from January to July, negotiations were constantly carried on in an effort to amend the law as much as possible and still have a possibility of passing both houses.

Farm Bureau supported several amendments to modify the law and also amendments to phase in the program by a premium-sharing, or reimbursement, to the farmer from either the Silicosis Fund or the General Fund.

At one point, there was a bipartisan program to reimburse the farmer-employer; however, the serious state financial situation made it impossible to expect reimbursement from the General Fund and the use of the Silicosis Fund ran into strong opposition. Farm Bureau maintained that any premium-sharing should be on all premiums equally, and not restricted to only the premium on full W/C coverage.

H.B. 2623 was finally passed and amends the W/C Law as it affects farmers as follows:

1. The common law defenses

are returned to the farmer. This is extremely important because these were eliminated in the original bill in 1965 and experts predicted that without the return of these defenses, the rates on medical and hospital coverage would rise very rapidly. With them, it is possible, after some experience, that the medical premium can be controlled or possibly lowered.

2. Full W/C coverage will apply only to those working 13 "consecutive" rather than 13 weeks "during the previous 52 weeks." Only such employees (three or more) will be covered by the full W/C. The addition of the word "consecutive" removes full W/C coverage from some seasonal workers, however, they will continue to be covered by full medical and hospital insurance. Included in this amendment is a provision making it a misdemeanor for an employer to consistently discharge employees in an attempt to avoid covering an employee with coverage when he becomes qualified.

3. A change was made in determining the average weekly wage of an employee, which in the event of an injury becomes the basis for determining the benefits.

4. Provision was made for defining members of the farmer-employer's family.

5. Important, but technical amendments were made to the "assumption of risk" section of the law.

Many of these amendments ran into heavy opposition. The bill originally passed the House by 61-40. The Senate reworded some portions of the bill and then passed it by a vote of 21-13, one more than is required. With the bill returned to the House, it was defeated on the first try, but on a second vote narrowly passed by a vote of 57-32, one more than needed.

The Senate gave the measure "immediate effect." The House refused to vote "immediate effect," even though at least three



WORKMEN'S COMP — is the topic between Farm Bureau Legislative Counsel Bob Smith and Senator Oscar Bouwsma (R), Muskegon, chairman of the Senate Labor Committee, and a former House member. Bouwsma's experience as a workmen's comp referee makes him an expert on this major issue.

Life Interest Increase!

An increase in dividend interest for life policyholders has been announced by the Farm Bureau Insurance Group Board of Directors. The one-quarter percent increase was prompted by the Companies' favorable underwriting and investment experience.

According to Nile L. Vermillion, Executive Vice President, the Companies began paying higher interest rates on all participating life dividend deposits, July 1.

Now 4 1/4 percent, the increased interest rate boosts the amount of funds available to policyholders for retirement income or other purposes.

"Previously, a \$10,000 participating life policy issued at age 25 would have earned estimated dividends of \$5,423 at age 65," Vermillion stated. "Now, with the higher interest rate, these dividends based on present scales would increase to an estimated \$5,665. This figure, when added to cash values, determines the dollar worth of the policy."

A multiple line firm, Farm Bureau Insurance Group operates through 46 sales and claims offices around the state. Policyholders number approximately 150,000.

attempts were made. Because of this, the amendments will not take effect until early November.

Those opposing the bill offered a substitute bill that would have provided for some premium-sharing during the first two years, to be paid out of the Silicosis Fund.

Had this proposal been offered as an amendment to H. 2623, rather than as a substitute, it would have received considerably more support. However, passage of this substitute would have eliminated the amendments in H. 2623. In the long run, the amendments that passed are of greater importance and will be more meaningful toward holding the cost of W/C down.

Rep. Swallow (R-Alpena), Chairman of the House Labor Committee, has stated that it is his committee's intention to study the economic effects of W/C on both the farmer and the employee. He points out that any reimbursement or premium-sharing could not be made until the end of the insurance year, July 1, 1968. This would give ample time to determine the economic burden on the farmer-employer and also the amount that would be required to assist in such a phasing-in program. There will be ample time to attempt to pass some type of phase-in program during the 1968 session of the Legislature.

The amendments made to the law this year result from months of activity, including conferences and writing and rewriting of suggested versions in an effort to modify the law as much as possible and still find enough support to pass the bill. As indicated, these changes were by a very narrow margin.



ANHYDROUS AMMONIA Nurse Tank bill was of vital importance dollar-wise to farmers. Introducer of the bill, Rep. Stanley Powell (right), (R), Ionia, watches as Gov. Romney signs the bill, along with co-sponsor Rep. Harry Rohlf (R), Akron; D. L. LeCureux, plant food industry representative; co-sponsor Rep. Rosetta Ferguson (D), Detroit; Paul Cowan, Farm Bureau Services, and Robert Smith, MFB Legislative Counsel.

SALES REPRESENTATIVE

Progressive seed corn company requires sales representative for state of Michigan. Must be at least 23 years of age and possess an agricultural degree or farm background with sales experience. Salary depending on qualifications.

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MAILED WITH NOTICES — Auto dividend checks will be mailed to F.B. Mutual policyholders along with membership renewal notices this Fall. The refunds are expected to total \$315,000.

Farm Bureau members will be receiving a dividend refund on their auto insurance this Fall. The Board of Directors of Farm Bureau Mutual has announced the Company will make payments to more than 55,000 auto policyholders throughout Michigan, effective this month. Farm Bureau Mutual, the state's largest farm firm insurer, is affiliated with the Farm Bureau Life and Community Service Companies. The insurance refunds will be as high as 15 percent of a semi-

annual premium for each family. Payments expected to total \$315,000 will be made to all members who insure their autos with Farm Bureau Mutual. Refunds will range up to \$400 for some large commercial farm operations. The auto dividend is the most recent in a series of new membership benefits which have been provided by the Farm Bureau Insurance Group. In past months, for example, the Companies have:

1. Increased compensation to

2. Provided Accidental Death and Dismemberment protection for all members — at minimum cost.
3. Increased special dividends on Charter Life Insurance policies to 25 percent.
4. Advanced the interest rate on all participating life insurance dividend deposits.

Dividend checks are now being readied for distribution to County

INSURANCE TO COST LESS — If your cars and farm trucks are insured with Farm Bureau Mutual, you'll be receiving a refund. Individual dividend payments will be as high as 15 percent of premium per family. One horsepower units (see above left) will not be affected.

Farm Bureau organizations. The refunds will be mailed to auto policyholders along with membership renewal notices. Member cooperation was cited at the prime reason for the dividend declaration, according to N. L. Vermillion, Executive Vice President. "This refund has been made possible by an underwriting program placing emphasis on safe driving and proper classification — and the individual member's

help in holding down the rate of traffic accidents," he stated. "With members' continuing support, we can provide the best possible protection at the lowest possible cost." Vermillion continued by observing that few companies within the auto insurance industry have been able to justify a dividend or premium reduction in recent years. Rising costs and accident rates have caused a general upward trend in insurance premiums.

FARM BUREAU MARKET PLACE

SPECIAL RATE TO FARM BUREAU MEMBERS: 25 words for \$2.00 each edition. Additional words, 10 cents each. Figures such as 12 or \$12.50 count as one word. NON-MEMBER advertisers: 15 cents per word one edition, two or more editions, 10 cents per word. Copy deadline: 20th of the month.

8 FARM EQUIPMENT

Complete line of parts and service for Co-op, Cockshutt and Black Hawk farm equipment. Also some used parts and attachments for Co-op E-3 and E-4 tractors. Heindl Implement Sales. Phone VO 8-9808. 1140 M-15, Reese, Michigan 48757. Across from Blumfield Town Hall. (Saginaw County) (2-4t-38b) 8

FOR SALE

120 ACRE FRUIT FARM: 6600 sweets, sour, prunes, apricots — age 3-12 years. 40 acres of strawberry rotation, irrigation. Completely equipped, labor housing. New ranch style home (optional). Manistee County, Michigan. Phone: Elwon Hoffman — Onekama 889-5732. (Manistee County) (7-3t-35b) 10

MONEY MAKER — GRAIN ELEVATOR: Mikado, Michigan. Modern building and machinery. Owner's death reason for selling. Terms to responsible people. Call Mrs. Fred Snider, Route #1, Lachine, Michigan 49753. Phone 379-2653. (Alcona County) (8-1t-27p) 14

20 LIVESTOCK

FOR SALE: Fully Registered Angus Bull 3 years old. Mark 'L' Downs Farms, 8261 South Jackson Road, Clark Lake, Michigan 49234. (8-1t-21p) 20

FOR SALE: 25 LARGE HOLSTEIN HEIFERS, due base months; vaccinated, from good herd. Will trade for open heifers. Telephone MO 9-9226. Ed Tanis, R#1, Jenison, Michigan 49428. (Ottawa County) (5-2t-25b) -20

REGISTERED HEREFORDS — 40 head yearling heifers. Will sell all or part. Skyline Ranch, Allen & Marvin Rush, 65040 Dequindre Road, Lake Orion, Michigan 48053. Phone 752-2300. (Macomb County) (7-2t-25b) 20

HEREFORD BULLS — pure bred herd sires. Ready for service. Also, registered heifers and calfs. Egypt Valley Hereford Farm, 8611 Knapp St., Ada, Michigan. Phone OR 6-1090. (Kent County) (11-tf-25b) 20

S.P.F. BOARS-GILTS OPEN AND BRED. Hamp, Duroc and York boars. Purebred and crossbred gilts; free of Rhinitis and Virus Pneumonia, feed conversion and certification records. Priced to sell. J. R. Rinehart, Flora, Indiana. Phone: Office, Flora — 967-3911. Res., Burlington — 566-3318. (3-tf-41b) 20

What's your best time from the basement to the phone?

Whatever it is, cut it down to near-nothing with the breath-saving convenience of an extension phone.

For as little as 95-cents a month you can have an extension phone where you need it. Different type phones and decorator colors are available.

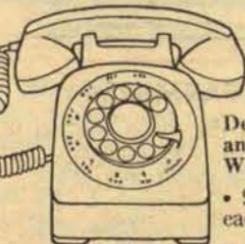
Isn't this a good day to stop your running around? Or up and down?

Make your choice . . . then call Michigan Bell and place your order.



Michigan Bell
Part of the Nationwide Bell System



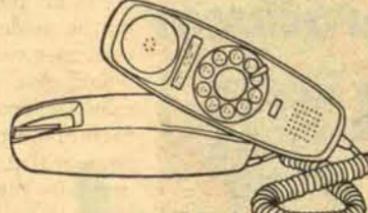


Desk and Wall phones

- 95¢—monthly charge for each extension
- \$4.00—one-time charge. Covers any number of phones in color installed on the same order. No charge for black.

A nominal service-connection or change charge may be applicable.

Charges quoted for residence extensions do not include tax. Your choice of decorator colors.

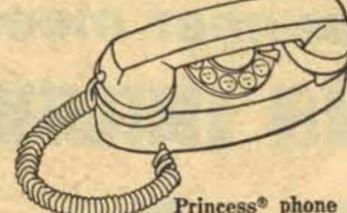


Trimline® Desk and Wall phones

- \$1.95—monthly charge for each Trimline extension
- \$5.00—one-time charge for each phone.

A nominal service-connection or change charge may be applicable.

Charges quoted for residence extensions do not include tax. Your choice of decorator colors.



Princess® phone

- \$1.70—monthly charge for each Princess extension
- \$4.00—one-time charge. Covers any number of phones installed on the same order.

A nominal service-connection or change charge may be applicable.

Charges quoted for residence extensions do not include tax. Your choice of decorator colors.

22 NURSERY STOCK

STARK BRO'S ALL NEW 1968 CATALOG FREE! Spectacular full-color display of Giant-size Apples, Peaches, Nectarines (Fuzzless Peaches), Pears, Cherries, Apricots, Plums and DWARF, Semi-Dwarf, Standard Size Trees. Ornamentals, Roses, etc. GUARANTEED. Stark, Department 30588, Louisiana, Missouri 63353. (7-3t-39b) 22

26 POULTRY

DAY OLD OR STARTED PULLETS — The DeKalb profit pullet. Accepted by the smart poultryman for high egg production, superior egg quality, greater feed efficiency. If you keep records, you'll keep DeKalbs. Write for prices and catalog. KLAGER HATCHERIES, Bridgewater, Michigan. Telephones: Saline HAZEL 9-7087, Manchester Garden 8-3034 (Washtenaw County) (tf-46b) 26

KLAGER'S DEKALB PROFIT PULLETS — Order your started pullets that have been raised on a proven growing program. The growing birds are inspected weekly by trained staff, vaccinated, debeaked and delivered by us in clean crates. If you keep records, you will keep KLAGER DEKALBS. KLAGER HATCHERIES, Bridgewater, Michigan. Telephones: 313 429-7087 and 313 428-3034. (Washtenaw County) (9-tf-50b) 26

FAMOUS SHAVER STARCROSS STARTED PULLETS. Top rated layer by U.S.D.A. — 1964 through 1966. Delivered to your farm in clean equipment. We have pullets available every month. May be seen by appointment. MacPherson Hatchery, Route #3, Ionia, Michigan 48846. Phone 527-0860. (6-1t-36b) 26

34 WANTED

WANTED: Allis Chalmers Round Bal. Price & Description. Alfred Roeder, Seneca, Kansas 66538. (7-4t-11p) 34

WANTED: OLD U. S. DEPARTMENT OF AGRICULTURE YEARBOOK titled "WEEDS" — of about twenty years ago. State price in your reply to: Charles T. Prindle, Route #2, Three Oaks, Michigan 49128. (Berrien County) (8-1t-25p) 34

36 MISCELLANEOUS

ILLUSTRATED WHOLESALE CATALOG. Imported Items 25¢. Merchandise Sample Included! Imports, 2506 West Lloyd, Pensacola, Florida 32505. (3-3t-16p) 36

"ZIPCODE DIRECTORY" — (All 35,000 Postoffices): \$1.00 MAILMART, Carrollton 72, Kentucky 41008. (3-tf-11b) 14

FOR RENT ON LAKE: Cabin in Munising area. Electric cooking, pump inside. With boat. \$30 per week. Write Ted Lehnen, Route #1, Munising, Michigan 49862. (Alger County) (8-1t-25p) 13

MICHIGAN IS "NO. 1"

Bean-Pickle Days Set

Beans and pickling cucumbers, both number-one crops in Michigan, are the subject of two special field-day events. Michigan Pickle Day will be held Monday, August 7 at the Dale Fisher farm, Shepherd. The first state bean field day will be conducted August 16 on the Joe Eigner farm near Bay City.

The Eigner farm is located a mile east and three miles north of Munger on Cass Avenue Road.

Variety plots include the new Seafarer navy bean developed by MSU crop scientists to succeed the Seaway variety. The Seafarer is similar to the Seaway in maturity, yield and other characteristics and also has anthracnose resistance, which is lacking in the Seaway.

The Pickle Day schedule begins at 10:00 a.m. with demonstrations of mechanical pickling cucumber harvesters, and later mechanical pickers will vie for prizes with human pickers using the "old-fashioned" method.

Following a noon luncheon, Michigan State University specialists will report on new developments in pickling cucumber harvesting, varieties, cultural practices, herbicides, irrigation, ferti-

zation, etc. A salute to M.S.U. is planned for outstanding research in these areas which have been of considerable value to the Michigan pickle industry.

A tour of plots and demonstrations of herbicides, methods of fertilizer and herbicide application, planting and development cucumber varieties is on the afternoon agenda.

Sponsors of the Pickle Day are the Grower-Processor Conference Committee, in cooperation with the Pickle Packers International, Co-operative Extension Service, pickle processors and growers. The conference committee is jointly sponsored by the Michigan Canners and Freezers Association and the Michigan Farm Bureau.

Growers, processors and anyone interested in the industry are invited to attend.

FARM BUREAU FOE REBUKED

From the Detroit Free Press: July 13, 1967

WASHINGTON—(UPI)—The House Agriculture Committee Wednesday voted a sharp rebuke to Rep. Joseph Y. Resnick, D-N.Y., for his recent attacks on the American Farm Bureau Federation.

The committee adopted, 27 to 1, a resolution condemning Resnick two hours after he walked out of the closed session accusing his colleagues of trying to censure him in secret.

The resolution accused Resnick of making a "personal attack" on the Farm Bureau. Resnick is chairman of an agriculture subcommittee on rural poverty.

The resolution, drawn up by the other five members of Resnick's subcommittee, said the

full committee "does in no manner endorse, condone or support the personal attack launched by Resnick upon the American Farm Bureau Federation."

Resnick claims the Farm Bureau is not really the biggest farm organization in the nation but a "gigantic, interlocking, nationwide combine of insurance companies . . ."

Resnick said the resolution "is a form of censure of me."

"By considering this resolution in executive session, this committee is joining with the American Farm Bureau Federation in a blatant attempt to silence me," he said.

But he added: "I will not be silenced . . . I will take my position to the floor of Congress and to the American people and let them be the judge."

STAFF CHANGES ANNOUNCED...

Several changes have been announced within the Market Development Division of the Michigan Farm Bureau, according to Noel Stuckman, Division Manager.

Included is the September 1 resignation of Donald Moore, and the naming of Albert Almy, former Regional Representative of the Michigan Farm Bureau, to the marketing staff.



ALBERT ALMY

A graduate of Western Michigan University with a degree in agriculture, Albert "Al" Almy has served for the past two years as Regional Representative for the Michigan Farm Bureau in the Western part of the state.

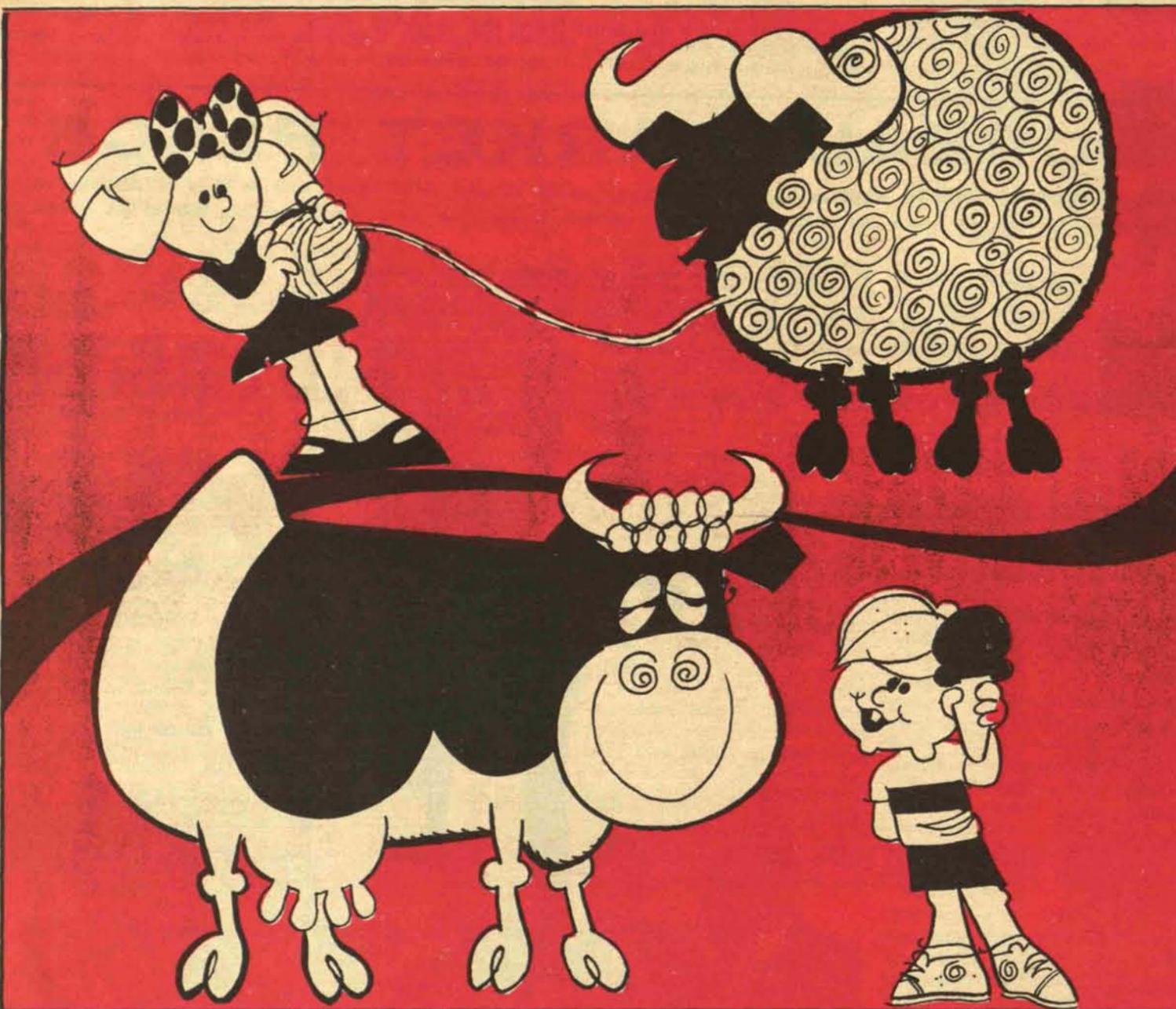
Almy, who has considerable dairy-farm experience, has strong feelings about the need for effective farm marketing programs. His addition to the Marketing Division staff will help strengthen a sector of Farm Bureau work which members have consistently underscored as being of most importance to them.



DONALD MOORE

Donald Moore, who for the past 7 years has worked within the Market Development Division has announced his resignation, effective September 1. He came to Farm Bureau from work with Capital Business Service, a Lansing-based, nation-wide electronic business accounting and management concern.

He served Farm Bureau as a Market Research specialist. Prior to announcing further employment, Moore will spend several months developing portions of his near-Lansing farm property, a section of which is currently being developed into a residential area.

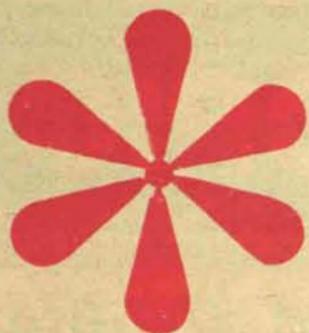


consumer meets producer

MICHIGAN

State Fair

AUG. 25-SEPT. 4



GETTING READY FOR THE FAIR?

Farm Bureau Will Help You!



HERE'S GOOD NEWS FOR ALL F. F. A. AND 4-H CLUB MEMBERS ON A FEEDING PROJECT

Farm Bureau Services wants to help you with your feeding project, so they're offering you the best feed you can buy with a generous discount from the regular price. You can apply one of these \$2.00 coupons toward any purchase of 100 pounds of Farm Bureau feed for use in a supervised project. Fill out the coupon completely, take it to your participating Farm Bureau dealer and get started on that project today!

CLIP THIS COUPON AND SAVE \$2.00

FARM BUREAU SERVICES
\$2.00

**FREE FARM BUREAU FEED CERTIFICATE FOR F. F. A.
& 4-H CLUB MEMBERS**

This certificate is worth \$2.00 to any F. F. A. or 4-H club member conducting a feeding project under supervision of ag. instructor or 4-H club leader when applied toward the purchase of 100# or more of any Farm Bureau Feed for use in the project. Good for period of August 1, 1967 through June 15, 1968.

NAME _____ ADDRESS _____

TYPE OF LIVESTOCK _____

AG. TEACHER
or
4-H LEADER'S SIGNATURE _____

PARENT'S SIGNATURE _____

\$2.00



FARM BUREAU *Services* inc.

FARM BUREAU SERVICES CAN HELP YOU WITH QUALITY PRODUCTS AT ECONOMICAL PRICES

4000 N. GRAND RIVER AVE., LANSING, MICHIGAN

DISCUSSION TOPIC

PREPARED
BY THE
DEPARTMENT
OF EDUCATION
AND RESEARCH

DISCUSSION TOPIC

PRODUCT PROMOTION—*Possibilities and Problems!*

WHAT IS A DOLLAR WORTH?

A brief lesson in economics would teach that it makes little sense to spend a dollar to get a dollar back. It makes sense to spend a dollar if that dollar will return \$1.10. It spells trouble if the dollar returns only 90¢ or less.

Just how much will be returned by the dollar that farmers spend on the advertising of raw farm products? It may be a bit disturbing to find that, really, nobody knows the answer to that question for sure — not even the experts.

Numerous researches have been carried out that show some positive results. From studies made, the "researchers" can say that: A. For this product — B. In the market or markets that were tested — and C. Within the time limits for which the tests were run — the advertising promotion campaign showed increased consumer purchases of the product, or the program returned a certain percentage of financial gain above the dollars spent.

But generally, research experts fence their conclusions in with many "ifs", "buts", and "howevers." They caution against the uncertainties which intrude into most research tests of promotional campaigns. There are so many factors at work which are hard to control or to balance out to avoid an influence on the results.

Sometimes one research analyst gets too enthusiastic over his results to suit others—and they pull his conclusions apart. Of course, the conclusions one draws from a study CAN be affected by a personal interest in the results. If it is important to me that promotion should be profitable, I am going to be looking for results that will make it look profitable, if I can find them. I might do so quite unconsciously. So research findings must be judged very critically to erase any possible sources of error that bias the conclusions.

This critical approach is very important to the question whether the advertising of any raw farm product will pay for the dollars invested in it. Farmers are going to be paying those dollars. And telling your story to the public is a costly affair. One issue of the LIFE magazine contains more than \$2 million in advertising space. Some of the best advertising time on television may cost advertisers as much as \$1,000 a minute or more. Farmers would like reliable information, if possible, on whether they should invest in advertising.

A general farm organization, like Farm Bureau, gets into a peculiar spot on this question as to whether to advertise this or that farm product. Farm commodities compete with one another for a share of the public's capacity to consume food. To favor one farm product over another can get controversial. Advertising can never increase the total sales of all farm products. There is a definite limit to the total amount of food that the public will consume.

But a general farm organization

should be concerned that its members have as fair and accurate an answer as possible whether it will pay to advertise any farm product. This approach leads into a variety of possibilities.

On the positive side of the question, there is room for a strong program to persuade the public to adopt better eating habits. Present diets tend to be horrible! Can advertising mend the consumers' habit of breakfasting on a cigarette and a cup of coffee? Can people be persuaded to eat wholesome foods rather than dining on cola and candy or beer and pretzels?

We must remember that the processors of cigarettes, beer, liquors and colas are among the heaviest spenders in the advertising world. There are those who say that farmers MUST offset the influence of this advertising in favor of healthful farm products. The question remains, however, "Can they do it?" It isn't merely a matter of money — it's a question of getting the desired results.

Another point. The sheer economics of the matter would dictate that the advertising done must expand the market to pay back the costs TO THOSE WHO PAY FOR THE CAMPAIGN and NOT to their competitors. "Competitors" here may come to mean certain other farmers. There are many views to consider on this point.

A strong advertising campaign paid for by Michigan dairymen could bring a number of side effects. For example, a considerable amount of out-of-state fluid milk is now shipped into Michigan — the state is not a surplus producing state. If a very favorable price differential were created for milk between Michigan and surrounding states, it would constitute a stronger invitation to out-of-state producers to ship more milk into Michigan.

The price of Michigan milk cannot be boosted higher than the basic price of out-of-state milk plus the freight differential without doing harm to Michigan dairymen. They can lose their share of the market.

Naturally, Michigan dairymen seek better milk prices through promotion. But Michigan milk prices must remain competitive with out-of-state milk prices or the non-Michigan producers will take advantage of the price. They will find it more profitable to ship milk into Michigan, even to expanding output. If out-of-state

milk becomes a tide flowing toward Michigan, the supply of fluid milk will increase. This would undermine the price advantage gained by the advertising. Michigan consumers cannot tell whether they are drinking Michigan, Ohio or Wisconsin milk, and couldn't care less. They will buy under the more competitive price.

High dairy price levels can also encourage dairy substitutes, and these can make heavy inroads on a dairyman's market. "Substitute milk" is now on the market to join oleo, non-dairy coffee creams or cream substitutes and ice creams using vegetable fats.

In California, the state laws fixed high milk prices beyond the competitive level. Dairy farmers have been seriously hurt by this action. Substitutes have taken over 25% of the market. Such a con-

advantage of an improved dairy market created by promotional money paid for by Michigan farmers, the out-of-state farmers join what the contributing dairymen call the "free-riders." They often protest against these producers within the state. But the issue has its angles.

Free riders are those who are accused of taking advantage of benefits gained by promotion programs paid for by others without making any contribution to them. If the benefits are real and actual, this seems unfair.

About 80% of the Michigan dairymen contribute to the promotional program on a voluntary basis and at a rate of 2¢ per hundredweight. Over the years, a considerable majority of the cherry growers of Michigan have contributed to the Michigan cherry promotion fund. Many have felt

There is a trend to bring more and more commodities under mandatory state or federal check-off programs. Some farmers are asking, "Where does it all stop?" Each additional program adds to the financial burden carried by farmers.

By the very nature of the issue, the burden of proof lies with those who believe that promotion of raw farm products does pay and who want all producers to contribute. Up to now, the research experts have said, "We still don't know whether it pays or not!" Yes, it may pay. Nothing against trying it — except the high cost of advertising.

We, in Farm Bureau, are approaching policy development time. The heart of the Farm Bureau position for 1967 regarding this issue is contained in the policy statement of the American Farm Bureau Federation.

"We believe it is important that farmers promote the increased sale and consumption of farm products without duplication of effort. We will continue to support and improve sound, well-coordinated, voluntary promotion programs, including those on an industry-wide basis, having adequate producer representation.

"We oppose any and all check-off programs for the promotion of agricultural commodities when the power of the state or federal government is used to collect funds or when government administers the program. A voluntary check-off leaves producers free to refuse to contribute or enables them to readily obtain the refund of any assessments collected by the voluntary action of marketing agencies. When the power of government is used to force the collection of funds for promotion, the program ceases to be voluntary and becomes compulsory.

"We believe that any funds raised for the purpose of promoting the sale of farm commodities should be collected on a truly voluntary basis, without the use of the powers of government. The program should be administered by a non-governmental organization of producers, with handlers and processors included when it is mutually agreed that they should be included. The funds should be used solely for the specific purposes for which collected and not for legislative or political activities.

"Producers should recognize that funds 'checked-off' for promotion programs are deductions from their incomes. Therefore, they should periodically review these programs to determine their effectiveness. Participating producers and their organizations should be encouraged to seek an evaluation of these programs and to recommend improvements or discontinuance."

That is the policy for 1967. What should the policy on this issue be for 1968?



"FREE AND FAIR DISCUSSION WILL EVER BE FOUND THE FIRMEST FRIEND TO TRUTH."
Geo. Campbell

dition should not be encouraged in Michigan through the use of any state program that would put Michigan dairy prices at a non-competitive level.

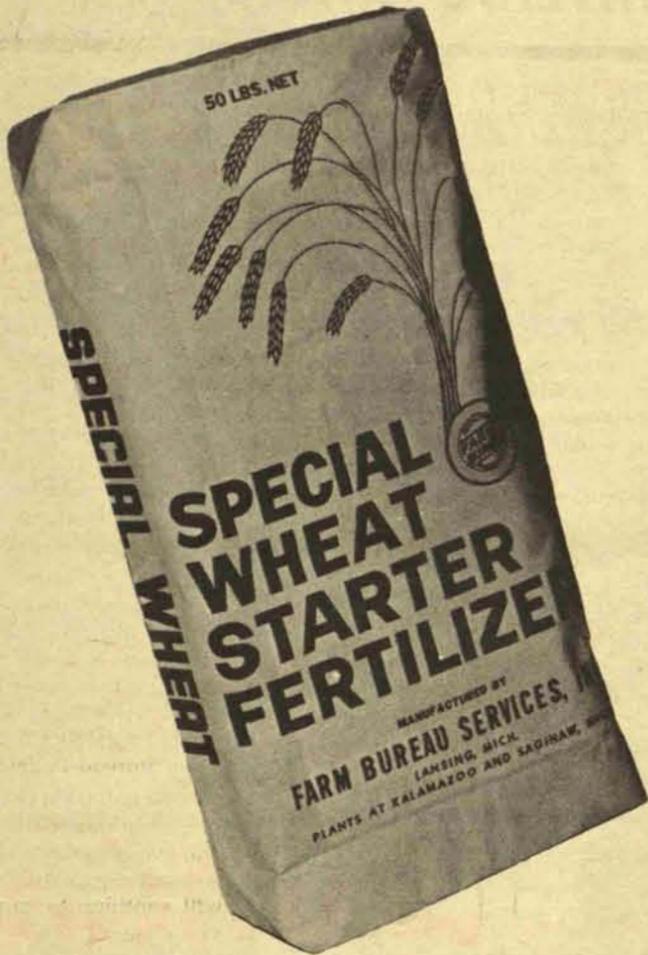
A question always exists whether a program of financing a promotional program can be done effectively on a state-limited basis. Some say that too little money can be collected to do the job needed — unless the rate of contribution by farmers is made heavy enough to become burdensome. With heavy rates of payment there is less chance that the individual farmer will realize a gain for his promotional dollar investment. Without that gain for the individual farmer, the program cannot justify itself.

If out-of-state producers take

that all producers should be forced to pay their share.

This raises a question. Does any group of producers, even though in a majority, have a moral right to compel other producers to pay for a program which, in their judgment, may not return the money invested? Is it an invasion of the right to hold a personal opinion and to spend one's earnings according to his own decisions?

The non-contributors have a right to a fair answer to these questions. There is, as yet, no positive proof that an advertising campaign for a raw farm product will return a gain for the dollar invested. The same dollar may do more for the farmer when used in other ways.



"If You Want the Best Yields in Your Area Use Special Wheat Starter Fertilizer!"

says: Melvin Robinson
R.R. #1, Sparta

"On last Sept. 20th, I planted 11 acres of Avon Certified Seed Wheat using Farm Bureau Special Wheat Starter Fertilizer according to the directions. This spring I added 114 lbs. of 33½% nitrogen. My yields are going to be better than anyone else in the area, except for my neighbors who also used Special Wheat Starter Fertilizer."

The perfect profit partner for Farm Bureau Special Wheat Starter Fertilizer is Michigan Certified Seed Wheat. Plant the best, fertilize with the best and you'll harvest the best.

YOU CAN GET THE SAME RESULTS!

 FARM BUREAU SERVICES CAN HELP YOU WITH QUALITY PRODUCTS AT ECONOMICAL PRICES



FARM BUREAU
Services
INC.

4000 N. GRAND RIVER AVE.,

LANSING, MICHIGAN

IT PAYS TO *INSURE* WITH FARM BUREAU!



Policyholders will save money on their auto insurance this year.

How much? Up to a healthy 15% of the premium payment. On July 7, the Company authorized a dividend to be paid on each car and truck insured with Farm Bureau Mutual. Policyholders who are eligible will receive a refund check early this Fall.

Approximately \$315,000 in dividends will be paid to auto policyholders throughout Michigan. This refund has been made possible by an underwriting program placing emphasis on proper driver classification – and your help in holding down the rate of traffic accidents.

So, fatten-up your piggy-bank (or sugar bowl) with our compliments. *If you don't insure all your cars and trucks with Farm Bureau Mutual – why not call your local agent? Ask him about the auto dividend. Ask him to explain why it pays to insure with Farm Bureau.*

FARM BUREAU
INSURANCE
GROUP

Farm Bureau Mutual - Farm Bureau Life - Community Service, LANSING

