Boarding the charter jet in Lansing is part of the 96 people that participated in the Washington, D.C. Legislative Seminar and Heritage tour sponsored by the Michigan Farm Bureau Women. The group spent four days in our nation’s capitol visiting their congressmen and viewing historical sights.

**Farm Bureau Supports Extension of Farm Program with Modifications**

Farm Bureau views on farm program legislation were recently presented by William Kuhtuass, American Farm Bureau Federation president, at hearings conducted by the House and Senate Agriculture Committees. The Agricultural Act of 1970 which provides authority for the present farm program will expire December 31, 1973.

The major provisions of the Agricultural Act of 1970 relate to feed grains, wheat, cotton, and pool, P.L. 480 and the Class I base plan for milk. Farm Bureau recommends an extension of the 1970 Act with modifications. The modifications would apply particularly to feed grains, wheat and cotton.

Agriculture is now the closest it has been for several years to a market-oriented system. The opening of new markets in Russia and China, expanded trade opportunities in markets previously served, an unfavorable worldwide production year and a rapidly expanding world economy have moved the supplies and prices of major farm commodities into a wholesome position. Agricultural exports alone are expected to reach $11 billion in the current fiscal year.

As a result of this healthy market situation, government involvement in agriculture has been sharply reduced. Export subsidies have been discontinued, government owned stocks of most farm commodities have declined sharply, government loans on grains have been called at maturity dates without reusal privileges and set-aside of surplus acres has been eliminated or greatly reduced for cotton, wheat and feed grains.

However, if the factors responsible for the present situation were to undergo a substantial change, our expanding markets could become quickly over-supplied. To meet such a change in demand for U.S. commodities and to provide the present farm program, it should be modified to permit the Secretary of Agriculture to put an acreage set-aside program into operation to help adjust production to market demand.

The program should contain legislative guidelines approved by Congress that would determine when it is geared in and when it is geared out. The guidelines should be based on general agricultural conditions and not on individual commodity situations.

The set-aside program would be shifted to a cropland basis rather than the present base acreage and base allotment system used to determine set-aside requirements. Historic bases restrict a farmer’s freedom to adjust to changing conditions in a market-oriented agriculture.

Under Farm Bureau’s approach the set-aside would take out of production a percentage of the farmer’s cropland instead of a percentage of a historic base acreage. After complying with the set-aside, a farmer could produce the commodities that are best adapted to his resources without regard to past history.

Under the proposed program Farm Bureau supports, government payments would be performance payments based on agriculture’s need for adjustment and the individual farmers’ contribution to that adjustment through participation in the set-aside. Present payments are designed to supplement income as well as compensate farmers for contributing to the set-aside.

The program suggested by Farm Bureau is designed to move to a market-oriented agriculture. It would provide a mechanism to assist farmers in making adjustments when market demand falls below their capacity to produce at reasonable prices. The Department of Agriculture would have the authority to help farmers make needed adjustments through a set-aside program. Coupled with a trade policy that will continue to expand exports, the program would work and serve the best interests of farmers, consumers and taxpayers.

March 7, 1973 was a great day for the Michigan Farm Bureau. For the sixth consecutive year, the membership goal was surpassed. Celebrating the announcement (left to right) Charles Burkeitt, manager of the field operations division; MFB Administrative Director Robert Braden; and MFB President Elton Smith.

**Water Surveillance and Fee Program Explained**

Recently, many Farm Bureau members have expressed concern about reports that a fee would be collected by the Water Resources Commission (WRC) for water used in their farming operations. This concern stems from a law passed in 1970 and which has been applied to a few farm operations.

The 1970 Michigan Legislature approved legislation (PA. 200) which gives the WRC power to collect fees to cover the cost of monitoring and surveillance of industrial and commercial waste-water discharges. The discharges will be subject to the law if made to either ground water or surface waters.

By law, every person doing business in the State who discharges liquid wastes from industrial or commercial processes must file an annual report with WRC. The WRC then examines the reports and determines which discharges are to be monitored and amount of the surveillance fee.

The minimum fee charged is $50, which covers the administrative costs of the surveillance program. In addition to the $50 administrative fee, a graduated fee can also be assessed up to a maximum of $9,000. The graduated fee is based on several factors, including the volume of discharge, composition of the discharge and estimated cost of surveillance for that discharge.

Although agriculture is not specifically exempted from the law, WRC has not applied the law against farmers except in three or four cases. According to a WRC spokesman, farmers who are likely to be subject to the law are those who have been ordered by WRC to abate water pollution, those who operate slaughter plants as part of their farming operation and fruit farmers who press fruit for juice.

Some dairymen have received report forms from WRC. Instances are known where these dairymen returned the report and were billed for a surveillance fee. It is suggested that farmers who receive report forms from the WRC entitled “Wastewater Report Forms and Instructions” contact their local WRC office, or the Lansing office, to determine if their situation makes them eligible for the surveillance program. WRC District Headquarters Field Offices are located at Rockwood, Lansing, Grand Rapids, Cadillac and Escanaba.

**Discussion Topic**

Reaches $50

Capitol Report

National Notes

Labor Survey

Page 3

Page 5

Page 12

Page 14
"Now I know why it takes so many tax dollars to run our government. It must take about half the time of the people who collect it just to pay the salaries of all the people who work in government here in Washington," exclaimed a participant in the year-end luncheon held by Farm Bureau Women in Washington, D.C., it never to cease to be awed by the opportunity to stand in the Rotunda of the Capitol and sit in the House and Senate Chambers where so many decisions are made. Decisions which have profound bearing on the lives of every man, woman, and child in America. Decisions made here are so far reaching that we might say they affect people everywhere.

And that is why farmers from Congressional Districts of Michigan feel it worthwhile, even necessary, to go to Washington to consult, communicate and promote understanding between themselves and those individuals who they and other Michigan citizens have entrusted with the responsibility of deciding issues for the common good of Michigan people.

Members of the group designated as "Legislative Leaders" met with Michigan Republican Senators and Representatives at a breakfast and had lunch with Michigan Democrats. Individuals and small groups also visited congressmen from local districts in their states.

The farm leaders also visited the U.S. Department of Agriculture where Carroll Brunnthaler, assistant Secretary for Information and Marketing, and William Irwin, assistant secretary for World Development and Conservation spoke to them.

Michigan Farm Bureau spokesmen held a press conference in the National Press Club for representatives of Michigan news media.

Ninety-six people—Legislative Leaders and those making an "American Heritage" tour—spent a day on a guided tour of historical sites and government buildings.

One is touched by reverence and wonder at the Tomb of the Unknown Soldier, Washington Cathedral, Lincoln Memorial and Mt. Vernon, some of the historical sites visited by the group.

Members of the group expressed amazement at the bigness and complexity of our government upon visits to such outstanding points of interest as the Bureau of Printing and Engraving where they watched presses turn out our dollar notes.

Once again, farmers have taken time to visit Washington and to exchange information and ideas with their elected representatives, the Department of Agriculture and news people who serve the Michigan media from the national governmental scene. They also took time to reflect on some of the things that have gone before at memorials commemorating historical events.

So long as Farm Bureau members continue this type of activity as an extension of our democratic system of government, and so long as officials are willing to listen—we can feel comfortable that our system seems, at times, we are a little closer to the ideal our forefathers had in mind when they wrote and signed our great Constitution.
Robert E. Smith

Education And Taxation. The "equal yield" formula for school aid (S. 110) is under consideration and expected to pass in some form. The Senate has amended the bill to modify it in favor of those districts losing less than 20 mills. The legislation would continue to guarantee 38 cents for each mill of property tax up to 22 mills for 1973-74. This would increase to $39 for up to 26 mills in 1974-75 and up to 40 per mill thereafter. This program is expected to meet the Supreme Court requirements.

This proposal should be considered with another tax relief package that is moving through the Legislature. The House approved the state income tax exemption from $1,200 to $1,700 per dependent by a vote of 97-4. Other tax measures moving toward adoption would give some relief to business and considerable relief to property owners. This would be accomplished by the already-reported "circuit-breaker" technique of limiting total property taxes on homesteads not to exceed a percentage of income of the household. For the elderly, eligible veterans and blind, the limit would be 3 1/2/2% of household income, with all property tax in excess of this amount to be returned in an amount not to exceed $500. For other limits the bill would be 4% of household income, a maximum of 20% of all property tax above that figure would be reimbursed in full.

The legislation would apply to a farmer's household as well as any non-farm household. It would also apply, under certain circumstances, to farms owned by non-residents providing the non-resident does not yet own land in Michigan and a 5/20th part of the farm will exceed the household income of the owner.

Two legislators, Reps. Michael Dively (R-Traverse City) and Earl Nelson (D-Lansing), along with others, are introducing legislation to establish a state-wide career education program by setting up a 20-member advisory commission and also career education districts with boundary lines the same as intermediate districts. Such a program would begin in the elementary schools and continue into secondary schools and community colleges. The sponsors point out that 80% of all high school students do not go to college. The program should interest students taking vocational courses as early as high school in occupations which might interest them. The sponsors think this will increase the population available for full consideration.

Township Government. One bill, H. 4025, has been referred to committee. In its original form the bill would have permitted any township to become a charter township by merely a vote of the township board. Provision was made so that the people, after the action, could petition and force a vote on the board's action. One result of such action would be to make it possible for a township to raise property taxes in excess of the state limit and would also take them out from under the constitutional limitations. The sponsors think that township boards may adopt a charter, provided the population is more than 5,000 and that it is done through a vote of the people.

Farm Bureau called attention to many of the problems which would be created through passage of this bill. Referendum to committee very often means the bill is dead, or at least will be revised considerably.

Migrant Housing Funds. A Farm Bureau-supported program which was started three years ago provides matching state funds for up-grading housing in migrant worker communities. For the first two years the amount of the program was $500,000; last year the amount was $250,000. To date these funds have been adequate to encourage rapid modernization of housing.

The amount has been cut this year. Farm Bureau hopes to reinstate the fund at least to last year's level of $250,000. The Society has as much responsibility to assist with proper housing for migrant families as it has in assisting with housing programs in urban areas. Farm Bureau feels it is a logical step in proving to be a profitable and progressive step in solving some of these problems.

ENVIRONMENT REGULATIONS

THREATEN FARMERS

There seems to be no end to the continued threats to agriculture through unrealistic pollution control regulations. Farmers were not impressed with Farm Bureau's successful efforts in heading off some of the federal controls on agriculture that would have required each farmer to make application to the federal authorities for a permit if the farm discharged any water or other substance into waterways by either ditch, tile, pipe, run-off or other means. Farmers would have had to file an application listing livestock, amount of water being discharged through pipe, tile, ditch, run-off, etc. by pollions per day, etc., amount of fertilizer used, irrigation water used on the farm, pesticides used, yield of crops and livestock, and on and on. Farm Bureau fought these regulations at the national level. It is expected that modifications will exempt most farmers.

A similar effort is now being made on the state level. Farm Bureau testified on Wednesday, March 21, before the Michigan Water Resources Commission regarding similar unrealistic state regulations on "point source discharge." In some ways the state proposed regulations would go further than the federal proposals. In addition to applying to pipes, tiles, ditches, run-off, etc., they would also apply to any water "discharged on the ground." This could affect irrigation, the spreading of liquid manure, numerous other farm operations.

In addition to legislation, Farm Bureau spends much time on regulations promulgated by the various departments, agencies, commissions, etc. which, when approved, carry the force of law.

REORGANIZATION ISSUE RESOLVED

As reported in the last issue, Farm Bureau took strong action to voice concern on the reorganization of government by transferring numerous additional powers to the State Resources, including inter-county drainage; several agencies from the Department of Public Health, including the Food and Agriculture, the Air Pollution Commission, sewage and solid waste management, the State Boundary Commission, limiting the power of the Water Resources Commission and authority for development of land use programs.

Representative Quincy Hofman (R-Applegate) led the effort in the House to secure a compromise arrangement with Governor Milliken. The compromise, supported by Farm Bureau, included leaving the inter-county drainage in the Department of Agriculture, recreation and development, maintaining within the Water Resources and Air Pollution Commissions much of their original authority and leaving the State Boundary Commission in the Department of Treasury.

Presently further action in the Senate centers on S. 108, which would increase the D.N.R. Commission from the present five members to seven members. Farm Bureau supported an amendment offered by Senator Ballenger in the committee to require that the Commission be representative of the various economic groups in the state, agriculture, industry, labor, local government, recreation, health and one at large. The committee did not accept that amendment; however, it did report the bill to the Senate floor in a form which would increase the D.N.R. Commission be increased by two and requires that the two additional members represent agriculture and public health. Support for this action came from Senator Bowses (R-Muskegon) and Senator Lodge (R-Waterford).
The passage of S.1225 was a major accomplishment in 1972. We are pleased with the dedication and the large amount of support shown by our members in working for the enactment of this legislation. We believe that the new law is both realistic and fair to both associations and handlers. The orderly method of establishing price and other terms of trade should be of benefit to all," said Noel W. Stickman, general manager, in his report at the twelfth annual meeting of the Michigan Agricultural Cooperative Marketing Association held in Grand Rapids on February 23, 1973. Stickman also reported that 1972 was a year of higher prices and improved income for MACMA members, despite generally adverse weather conditions.

He also announced that the Securities Bureau of the Michigan Department of Commerce had approved the issuance of a new class of stock for MACMA. The stock will be offered for sale as soon as possible. MACMA members can be licensed by the state to sell the stock and all other preparations are completed. In making the announcement, Stickman said, "it is imperative that we build a stronger financial base for this association to better serve the marketing needs of members."

Dr. James Shaffer of Michigan State University spoke on the possible use of Michigan's new Agricultural Marketing and Bargaining Act. Also on the morning's program was Ralph Bunje, president of the California Canning Peach Association, who discussed new frontiers in marketing and bargaining legislation.

Following a special luncheon featuring food items grown and handled by MACMA members, special recognition was given Senator Charles Zollar, Representative James Bradley, Representative Dennis Cawthorne and five WSAM chapters for their efforts in the enactment of state farm marketing rights legislation.

The main luncheon speaker was Troy Barton of the American Agriculture Marketing Association, speaking on "The Future is Yours." Barton challenged the group to conduct a good old fashioned membership drive and get organized to meet the changing future of agriculture.

Senator Charles Zollar (right) admires a plaque presented to him by Elton R. Smith, president of MACMA, for his efforts in the enactment of the Michigan Marketing and Bargaining Act. Senator Zollar introduced the legislation in the Senate.

Senator William Bellenger, chairman of the Senate Agriculture Committee was unable to attend the annual meeting of MACMA. Noel Stickman, general manager of MACMA, presented a plaque to him in his office for his efforts in providing marketing rights to farmers.

Representative James Brady, shown making comments at the MACMA annual meeting luncheon, was also honored for his assistance in providing marketing and bargaining rights to farmers of this state.

With a friendly handshake, Elton Smith (left) presents Representative Dennis Cawthorne with a token of appreciation for introducing a bill in the Michigan House similar to S.1225 and providing party floor leadership.
The tempo of activity in Congress is sharply during the past month. Committees are fully organized and functioning. Hearings have been held or are about to begin on several agricultural bills. Following is a brief summary of these bills.

**Key Men Appointed by MSU**

Two men have been appointed to key posts in Michigan State University's Cooperative Extension Service to direct programs aimed at Spanish-speaking Americans and the Chicago community. Juan Martinez has been named program leader for the special educational efforts of the Extension Service, and John F. Lopez has been named extension 4-H youth assistant.

Juan Martinez will help extension staff across the state to tailor educational programs to the special needs of Chicano and other minority communities.

Lopez will assist the state 4-H program in developing programs for Michigan's 20,000 volunteer leaders and 118,000 4-H members.

**Disaster Loans**

The House has passed H.R. 1975, which would allow disaster loans at an interest of one percent. The bill was amended by the Senate to set the interest at one percent, plus one percent. The bill is expected to add $300 million to the cost of the program during the remainder of this fiscal year. A Farm Bureau spokesman said the disaster loan program without the forgiveness and one percent interest provisions would be opposed by the Farm Bureau and the House Agriculture Committee.

**Water Pollution Permit Program**

Agriculture was given the go-ahead to control potential water pollution from agricultural sources is expected soon. The permit program is being developed by the Environmental Protection Agency (EPA), which is the bill was introduced in the House. The EPA has been authorized to issue permits to apply for disaster loans with the $5,000 forgiveness and one percent interest provisions for a period of 18 days following enactment. It is expected this amendment would add $300 million to the cost of the program during the remainder of this fiscal year.

A Farm Bureau spokesman said the disaster loan program without the forgiveness and one percent interest provisions would be opposed by the Farm Bureau and the House Agriculture Committee.

**National Marketing and Bargaining**

Legislation has been introduced in the House which would provide a legal foundation for the development of an efficient marketing and bargaining program. Generally known as the Sisk Bill, it would establish a mutual obligation of handlers and marketing associations to negotiate in good faith regarding agricultural labor relations. Congressmen Gerald Ford, House Minority Leader, has introduced a similar bill and Marvin Esch have sponsored a similar bill (H.R. 3723). Other Michigan Congressmen testified to introduce this legislation soon. Both H.R. 2834 and H.R. 3723 were referred to the House Agriculture Committee.

**Blue Cross-Blue Shield Available**

Effective March 1, 1973, persons who join Farm Bureau are eligible for membership classification, will be permitted to apply for Blue Cross-Blue Shield coverage. The application must be made within 10 days of the approval date of the membership application. The effective date of coverage will depend on the farm status of the new member. New eligible Farm Bureau members who do not apply for Blue Cross-Blue Shield within the prescribed 10 (10) days period will not have another opportunity to apply until the next fiscal year reopening period.

For additional information, write to your county Farm Bureau secretary.
Market Report

By Greg Sheffield, Manager FBS Marketing Services

Wheat. Seedings for 1973. Michigan farmers seeded 58,000 acres of wheat this fall, according to Michigan Crop Reporting Service. This was 22 percent less than the 60,000 acres seeded in the fall of 1971. The prospective winter wheat crop for 1973 was projected at 204,760,000 bushels, which, if realized, would be 5 percent below the 1972 crop but 15 percent larger than in 1971.

Cattle and Calves Inventory. Cattle and calves on Michigan farms in January were 1,576 million head, the same as in January, 1972. The leveling off occurred after a gradual increase of inventory over the previous three years.

Milk cows showed a two percent decline from the previous year, continuing the downward trend of the past several years. Beef cows that have calved were up one percent, continuing the upward trend of the past five years. Heifers for dairy replacements were one percent above the previous year. Heifers for beef cow replacement were down four percent from 1972. The number of cattle farms has decreased from 1972. The total number of cattle farms is now 38,000, a decrease of three percent. Farms raising milk cows decreased nine percent, to a total of 16,000.

Sheep and Lambs. The 1973 inventory of all sheep and lambs on farms in Michigan totaled 221,000 head and is almost unchanged from January 1, 1972, but the inventory value increased 27 percent over the previous year and is now worth $5,636,000. Sheep and lambs fed on Michigan farms total 51,000 head, compared with 46,000 last year, for an increase of 11 percent.

Milk Production. Milk production during 1972 totaled 4,916 million pounds, three percent above 1971 production. Milk per cow averaged 11,513 pounds, 350 pounds above 1971 output and is a new Michigan record. The number of milk cows on farms averaged 427,000 head, compared with 411,000 revised 1971 average. The number of milk cow farms in 1972 decreased from 1971 by nine percent and 14 percent from 1970 to an estimated 16,000 farms.

Michigan Egg Production. Egg production in Michigan for the year ending December 1, 1972, was 58,523 million eggs, one percent more than produced during 1971. The average weight of 230 eggs per layer was unchanged from 1971.

Potatoes. Potato stocks held by Michigan growers, dealers and processors, at 2.8 million cwt. in February, were unchanged from a year earlier. February stock amounted to 36 percent of total production, compared with 34 percent a year earlier.

Market Opinion. Looking at USDA cattle figures, production of beef cattle is increasing and since much of this increase is in breeding animals, more beef should be available over a period of years. With the American demand for meat growing, however, prices of beef should remain high, along with broilers and pork, in spite of consumer reaction against farm product prices. Price breaks are to be expected, but a good economic outlook for the country's business should mean continued spendable income which will go for meat, eggs and dairy products. The law of supply and demand should remain a practical guide in farm pricing. In addition, there is little to show that foreign demand for meat will slacken since the whole world is generally becoming more affluent. What goes up must come down, and the sharp cyclical price swings we have recently experienced should even out over the next year or so.

Planting Intentions. Soybean planting intentions for 1973 for the United States are 53,881 million acres, up 1.5 percent from last year's 52,883 million acres. On January 1, 1973, farmers indicated only a 4.8 percent increase in their intentions. All corn is estimated at 71,571 million acres, up 72 percent from 66,753 last year, but down slightly from the 7.5 percent increase indicated in January.

Supplies. With Peruvian fishing taking place, more soybean meal should appear on the market. However, the results of the fishing are not known and foreign demand for meal is still good. Recent market action has shown some record declines in soybean meal and the prices in Europe have also tumbled. Farm Bureau dealers continue to hold their prices as booked.

Because of tremendous housing starts, the plywood situation is explosive. Production, according to the American Plywood Association, is running behind and as spring building develops, strong cash demand could bring unusual tightness, foreign shipments might be restricted.

Many farmers are looking for soybeans and it looks as though tightness for soybean seeds will remain. The fertilizer situation is very finely balanced and an early spring with dry fields would make for a rush on fertilizer. Then, extremely difficult problems could ensue due to rail car shortages and depleted inventories.

"When you plant 500,000 lbs. of pork a year, it pays to feed 'em right," says AI Porritt.

Al Porritt and his brother Marv operate a 700 acre farm near Alto, Michigan. While Marv concentrates mainly on the farm's field crops, dairy and sheep operations, Al handles the hog-raising part of the business. Last year the Porritts raised and marketed over half a million pounds of high quality pork at top market dollar. They relied exclusively on Farm Bureau Feeds and their Farm Bureau Feed Specialist to deliver the kind of premium product they like to pass on to the packer and the consumer.

"We market between 35 and 40 hogs, averaging 230 lbs. a piece, every week to 10 days," says Al. "In order to maintain a schedule like that we have to be sure our hogs are eating well and gaining fast. Jerry Gallup, our Farm Bureau Services Feeds Specialist, has been real helpful in accomplishing our quality and production goals.

Working with his Feed Specialist, Al Porritt set up a feeding program that starts his weaned pigs on Farm Bureau Piglets, graduates them to Vita Bites and finally onto a 16% protein formulation using 320 Porkmaker Super Gro. "We feel Farm Bureau Services Feeds are superior in efficiency and palatability," says Al, "and we've really made substantial cost savings on the Farm Bureau feed booking program."

The Porritts rely on Farm Bureau Services to provide them with the kinds of products and advice they need to profitably operate their diversified farm operation. Why not get the same thing going for you and your farm? Call your local Farm Bureau Dealer or Affiliate. If your business to make your job easier and your farm more profitable.

Where Your Farm Comes First
the rules have changed.

Michigan's Workmen's Compensation law has been broadened. Thousands of farmers who were not subject to the Act previously are now required to provide full statutory benefits for employees injured or killed in job-related accidents.

As you know, the law is complicated. To help you better understand what it means, we have compiled this brief report. Hopefully, it will provide the information you need to evaluate your potential liability.

please take a closer look at your new liability

It has been estimated the Supreme Court's ruling will double or triple the number of Michigan farmers subject to Workmen's Compensation. This special insert, prepared by Farm Bureau Insurance Group, will answer many of your questions about the new interpretation... and should be maintained for future reference.
THE RULES HAVE CHANGED

The Supreme Court ruled December 21, 1972, that Michigan's Workmen's Compensation Act is discriminatory in exempting certain agricultural employers. As such, the exemptions have been removed.

Prior to this ruling, farm employers were subject to the Workmen's Compensation Act, and required to provide full, statutory benefits if they employed three or more persons for at least 35 hours per week for 13 or more consecutive weeks.

If they employed one or more persons for 35 or more hours per week for at least five consecutive weeks, they were required to provide Unlimited Medical coverage only under Workmen's Compensation law.

Both definitions pertained only to those employees who met minimum work requirements. Other employees who worked less than minimums were not covered, even though they worked for the same employer.

Now, if one employee becomes eligible, all other employees become eligible too — no matter how long they have worked. Today, there is no distinction between agricultural and non-agricultural employers. All employers are now subject to the Act (and required to provide full statutory benefits*) if they:

1) Regularly employ three or more employees at one time, or

2) Regularly employ less than 3 employees, if at least one of them has been regularly employed by that same employer for 35 or more hours per week for 13 weeks (not necessarily consecutive), or longer during the preceding 52 weeks (not calendar year).

WHAT DOES THE CHANGE MEAN?

Very simply, many more farmers are now subject to provisions of the Workmen's Compensation Act ... and required by law to provide full benefits when an employee is killed or injured in a job-related accident.

If an employer is subject to the Act, he is required by law to purchase Workmen's Compensation insurance, which pays the cost of all benefits for which he becomes liable — or "self insure" his potential liability. This latter approach requires advance authorization from the Workmen's Compensation Bureau.

If an employer is subject to the Act and does not comply in one of these two ways, he can be fined and imprisoned. And, of course, he is personally liable for the cost of any Workmen's Compensation benefits awarded to his employees.

NEW EMPLOYEE CATEGORIES HAVE BEEN ADDED

Because the law now treats farmers like other private employers, there are some important changes in the definition of an employee:

1) Prior to the December 21 decision, farm employees paid on a piecework basis were not eligible to receive full Workmen's Compensation benefits when injured or killed. Now, that exclusion has been removed. Today, piecework employees do qualify for all statutory benefits.

2) Family members who work on the farm have been added to the list of employees eligible for Workmen's Compensation benefits. And it is important to note that if one employee becomes eligible (a son, for example), all other employees become eligible too, no matter how long they have been employed.

Farm partners and the spouse of the employer can be excluded from eligibility by an endorsement to the Workmen's Compensation insurance policy to save premium dollars — if the employer has a Workmen's Compensation policy.

The family employee represents a major pitfall for farm employers. The following is an actual case, with names omitted and dates changed to protect the individuals involved.

The farmer employed his son as a full-time worker. In October of 1972, he hired two neighbors to pick up a load of feed in town. On their way home, they were involved in an accident. One neighbor was killed ... and the other was seriously injured.

When this accident occurred, the employer was not subject to the Workmen's Compensation Act. Both neighbors were hired on the date of loss. However, since the...
AUTHORITIES CAN PRESUME THE EMPLOYER IS ATTEMPTING TO AVOID WORKMEN'S COMPENSATION

For example, if a discharged employee is replaced by a new worker without a work stoppage - regulatory authorities could presume this is an attempt to evade Workmen's Compensation law.

As such, the employer could be held personally responsible for providing Workmen's Compensation benefits and subject to a fine and imprisonment.

WHAT ABOUT CONTRACT WORK?

The farmer doesn't have to worry about Workmen's Compensation in regard to private contractors or crew leaders, right? Wrong.

If a farmer is not subject to the Act and retains a contractor who is subject but has not complied, the farm employer is held responsible for providing Workmen's Compensation benefits for the crew. To protect himself, the farmer should require a certificate of insurance from the contractor or insure the crew himself before the job is started.

WHAT ARE THE WORKMEN'S COMPENSATION BENEFITS REQUIRED BY STATE LAW?

Simply stated, the law requires that an employer (who is subject to the Act) guarantee his employees the following benefits in case of job-related accidents:

1. Unlimited hospital & medical care
2. Weekly compensation for lost wages
3. All necessary rehabilitation
4. Death benefits for dependents
5. Compensation for specific injuries, such as loss of a limb

A totally-disabled worker is entitled to receive weekly wage compensation for 15 years or more. Death benefit costs of $50,000 are not unusual.

These benefits, determined by State and Federal governmental agencies, are reviewed periodically and changed to reflect fluctuations in the Cost of Living.

And There Are More Pitfalls

The law further states that employers are required to provide Workmen's Compensation benefits if they "... employ... one employee for 35 or more hours per week for 13 weeks or longer during the preceding 52 weeks." Again, past interpretations indicate the following:

1) This definition is not limited to one employee working for 13 weeks. The rule is construed to mean a 13 week job. A farmer could become eligible by employing one man for six weeks and another for seven weeks.
2) The 13 weeks of employment need not be consecutive.
3) The 13 weeks are measured within the 52 weeks preceding the accident - not the calendar year.

And the new rules aren't as simple or harmless as they seem

A casual reading of the law, as it now pertains to agriculture, can lead the farm employer into a false sense of security.

It is stated, for example, that employers must provide benefits if they "... regularly employ three or more employees at one time..." But what does regular mean?

Unfortunately, no one knows for sure. "Regular employment" is determined by State Workmen's Compensation agencies in individual cases. We do know, however, that "Regular" means a lot less than full-time, year-round employment.

Past interpretations provide some indication of intent. It has been declared in past Workmen's Compensation hearings that an employer who hires three or more persons for special occasions (such as the Fall harvest or Christmas season) and follows the same practice year after year — is subject to the Act.

Does that mean one month? One week? One day? One hour? Unfortunately, there is no firm guideline.

Generally speaking, it would appear if the work is regular, employment would be considered "regular." If a farmer ever hires more than two workers at the same time, no matter for what duration, he could become subject to the Act.

The law further states that employers are required to provide Workmen's Compensation benefits if they "... employ... one employee for 35 or more hours per week for 13 weeks or longer during the preceding 52 weeks." Again, past interpretations indicate the following:

1) This definition is not limited to one employee working for 13 weeks. The rule is construed to mean a 13 week job. A farmer could become eligible by employing one man for six weeks and another for seven weeks.
2) The 13 weeks of employment need not be consecutive.
3) The 13 weeks are measured within the 52 weeks preceding the accident - not the calendar year.

What Are the Workmen's Compensation Benefits Required by State Law?

Simply stated, the law requires that an employer (who is subject to the Act) guarantee his employees the following benefits in case of job-related accidents:

1. Unlimited hospital & medical care
2. Weekly compensation for lost wages
3. All necessary rehabilitation
4. Death benefits for dependents
5. Compensation for specific injuries, such as loss of a limb

A totally-disabled worker is entitled to receive weekly wage compensation for 15 years or more. Death benefit costs of $50,000 are not unusual.
Even though a farmer may not have discharged the employee to evade the law, it should be remembered that Workmen's Compensation statutes are designed to protect the worker, not the employer.

WHAT ABOUT INSURANCE?

The Change In Application Of Coverages

Prior to the December 21 ruling, certain farm employers, even though they were subject to the Act — were not required to provide full Workmen's Compensation benefits. Only Unlimited Medical benefits were required.

As such, two types of programs ("full" benefits and "Unlimited Medical" benefits) were available through insurance companies.

Today, all farmers subject to the Act must provide "full" benefits. The special "Unlimited Medical" program is no longer appropriate.

How Much Does Insurance Cost?

Workmen's Compensation premiums are based on annual payroll, expressed in units of $100. Agricultural premium rates per $100 range from $8.47 for dairy operations to $2.29 for florists. The annual premium for a dairy farmer with a $6,000 payroll, for instance, would be $508.20.

Employer's Liability Is Not a Substitute

In the past, many farmers have relied on Farm or Employer's Liability insurance to provide necessary protection in case of employee injury or death.

Today, only a Workmen's Compensation program can be used to pay Workmen's Compensation benefits. Under Workmen's Compensation law, an Employer's Liability insurance policy (or any other type of indemnification) becomes invalid if an employer is subject to the Workmen's Compensation Act.

A Workmen's Compensation policy is the only alternative.

A SPECIAL NOTE TO ALL FARM BUREAU WORKMEN'S COMPENSATION INSURANCE POLICYHOLDERS

If you presently carry any Workmen's compensation insurance with Farm Bureau Mutual Insurance Company of Michigan, you are fully protected. Your policy will pay the cost of all benefits you are required to provide under new interpretations of the law.

If you are currently enrolled in the special Workmen's Compensation program which provides "Unlimited Medical" only, you will receive a new "Full Benefits" policy at your next renewal. In the meantime, you are fully protected.

FARM BUREAU WORKMEN'S COMPENSATION INSURANCE CAN SAVE YOU MONEY

Farm Bureau Insurance Group is the largest writer of Agricultural Workmen's Compensation insurance in Michigan. Matter of fact, Farm Bureau writes more than all other companies combined. Why?

1) Our "Safety Group" Workmen's Compensation program allows all participants to share in Safety profits. Dividends can range from 5% to 45% of each policyholder's annual premium, as declared by the Board of Directors. It is based on actual safety experience of participating Farm Bureau members. In 1972, the dividend was 25%.

2) We offer a "Division of Payroll" formula for determining agricultural premium rates. If your farming operation involves two or more Workmen's Compensation rating classifications — all other insurance companies will apply the highest rates to your entire employee payroll. At Farm Bureau, each classification is rated individually. And that saves you money.

3) And other dividend programs, based on individual loss experience, are available for larger farming operations.

FOR MORE INFORMATION . . .

. . . contact your insurance agent or the representative of an insurance company which specializes in farm coverages and programs.

We advise all farmers as we advise our own clients . . . the potential financial liability in Workmen's Compensation is staggering. Premium costs for insurance are not inexpensive, but the cost of no insurance can be even greater.

Take the time to review your own operation. If you employ any farm labor, please take a look at your liability.

Or contact us. Just complete, clip and mail the form below. Return to:

Communications Division
FARM BUREAU INSURANCE GROUP
7373 West Saginaw
Lansing, Michigan 48904

☐ I am presently insured in the Farm Bureau Mutual Workmen's Compensation Insurance Program — Policy No.___________

☐ I am not insured in the Farm Bureau Mutual Workmen's Compensation Insurance program.

☐ Yes, I'd like some more information regarding Workmen's Compensation law and its application to my operation. Please contact me as soon as possible.

Name

Address

County

Please Print

Street

Town

Zip

Tel.
Antibiotic Residues Found

Dairy cows sold for slaughter come under the meat inspection program. Recent slaughterhouse surveys indicate that an excessive number of dairy cow carcasses contain antibiotic residues. The most likely source of such residues is treatment for mastitis.

The widely adopted practice of treating dairy cows at drying off with high levels of antibiotics to eliminate or prevent udder infections is a potential new source of high residues. Residues from dry cow treatments are likely to persist for at least as long as the antibiotic was injected intramurally. Unless the label directions on intrammary dry treatment products specifically permit earlier release, cows should be held at least 30 days following treatment. Cows given intramural injections of penicillin and dihydrostreptomycin must be held for 60 days following treatment to be safe.

Be extremely careful to use drugs and antibiotics in strict accordance with the label recommendations and observe withdrawal times before returning the milk to the market and before selling the treated cow for slaughter. Do not give a dry udder treatment to any cow that may be sold prior to calving.

If antibiotic and drug residues continue to be found in tissue samples of dairy cows in slaughterhouses, more stringent regulations on the sale of antibiotics and drugs to dairymen for the treatment of mastitis and on the sale of dairy cows for slaughter are likely to be adopted.

One-day Seminar

More than 90 Farm Bureau Services dealers and sales personnel participated recently in a one-day seminar on 1973 fertilizer developments.

The intensive meeting included talks by Michigan State University experts on soil testing, the latest recommendations for fertilizer usage to obtain maximum crop results and methods of preventing pollution in the use of fertilizers.

As a result of the seminar, Farm Bureau Services staff personnel will be able to advise farmer patrons of the latest developments in uses of fertilizers.

Ray Hoglund, Agricultural Economics, MSU, discussed the Michigan dairy industry and its future at a recent meeting of the MFB’s Dairy Advisory Committee, Richard Wieland (right), member of the MFB Board of Directors, serves as chairman of the committee. Other topics discussed were: Commodity Division Approach, OSHA, Workmen’s Compensation, and the Occupational Safety and Health Act. Shown discussing the presentation are Charles Magnus, county Farm Bureau president; M.J. Buschien, operational manager; MASA; and Jim Walters, chairman of the Young Farmers Committee.

Mrs. Leona Hutchings, Ortonville, a 4-H leader for 40 years, was among the forty-five veteran volunteer 4-H leaders recently honored at Michigan State University. Mrs. Hutchings and other leaders were presented the 4-H “award of the clover” by Elton R. Smith, president, Michigan Farm Bureau. The awards, ranging from two-point to five-point diamond pins, are presented annually by the Michigan Farm Bureau.

Thirty-seven young Michigan farmers attended the AFBF Young Farmers and Ranchers Leaders Conference in Dallas, Texas. Shown seated at the head table during one of the evening’s activities are Bill Spike, Owosso; Billy Truax, professional football player with the Dallas Cowboys; Polly and Dave Dietl, Dansville; and Mary Beth Spike who is about to draw for a door prize.

Fifty Farm Bureau Services dealers and sales personnel recently returned from an educational-inspection tour of phosphate-producing facilities in Plant City, and Bartow, Florida. The mining and processing plants are owned by CF Industries, a fertilizer-producing conglomerate of 18 state and regional farm cooperatives, including Farm Bureau Services.

Addressing members at the recent annual meeting of the Michigan Agricultural Services Association (MASA) held in Grand Rapids is Elton R. Smith, president. Seated are (left to right) M.J. Buschien, operational manager; William Wilkinson, secretary; and Mrs. Pat McCormack, recording clerk.

The young farmers of Clare County recently sponsored a county-wide informational meeting at which over 150 persons were acquainted with the facts of Workmen’s Compensation and the Occupational Safety and Health Act. Shown discussing the presentation are Charles Magnus, county Farm Bureau president; M.J. Buschien, operational manager, MASA; and Jim Walters, chairman of the Young Farmers Committee.

For a free prospectus, mail the coupon to Farmers Petroleum.
Labor Survey

The Michigan Commission on Agricultural Labor is interested in the labor needs of farm employers in Michigan. The compiled data will serve as the basis for future policy decisions of the Commission. Results will appear in a future issue of this publication. The Michigan Agricultural Services Association is assisting in the survey and recommends participation. No names will be used. Please complete the following and mail by May 1, 1973, to: MASA, 7373 W. Saginaw Hwy., P.O. Box 960, Lansing, Michigan 48904. Thank you.

1. Please check the appropriate type of farm ownership:
   - family owned
   - partnership
   - corporate
   - other (specify)

2. Number of persons employed full time (year round) in 1972:

3. Number of persons employed part time (seasonal) in 1972:

4. Is farming your major source of income? Yes No

5. Number of out-of-state migrants employed in 1972:

6. Wife works in employment off farm Yes No

7. Husband works in employment off farm Yes No

8. For the full time year round employee, what was his:
   - hourly wage rate or annual wage
   - or weekly wage rate
   - or monthly wage rate

9. Fringe benefits provided to full time year round workers:
   (please check if provided)
   - life insurance
   - health insurance
   - paid holidays
   - paid vacations
   - workmen's compensation
   - housing
   - other (please specify)

10. Does the employee contribute to the cost of life insurance Yes No.

11. Do you hire individuals to do custom work for you? Yes No

12. If yes, please indicate type of work performed:

13. Please indicate who does your custom work:
   - another farmer
   - commercial firm
   - independent contractor

14. Please indicate your major crops in 1972:

15. Acreage cultivated in 1972:

16. Do you plan to employ in 1973:
   - part time workers Yes No estimated no.
   - full time workers Yes No estimated no.
   - out-of-state migrants Yes No estimated no.

17. Sources of labor recruitment (please check sources used):
   - Michigan Employment Security Commission
   - high school crewleader
   - personal contact
   - word of mouth in community

18. How do you think recruitment of labor into Michigan can be improved?

"Health Hazards in Farming and Gardening," a booklet about the dangers farmers encounter in their daily work and emergency treatment therefore. To obtain a copy, send $1.00 with name and address to MASA, P.O. Box 960, Lansing, Michigan 48904 before May 1, 1973.

Klebsiella Mastitis

Every dairyman is well aware of the economic loss resulting from mastitis. There are a number of effective medications to combat mastitis. The real problem is to find what conditions cause mastitis to occur.

Recent experience indicates a high correlation of Klebsiella mastitis when sawdust is the main material used for bedding the dairy herd. The problem seems to be somewhat localized, and at the present time, there is no definite proof. Klebsiella is characterized by a sudden onset of high fever, a swollen quarter containing a small amount of serious exudate, and loss of production in the other three quarters. Cows which survive may lose 300-400 pounds over a 30-day period. Prompt attention is extremely important.

Studies are being undertaken to determine effects of bedding with sawdust. There is also a question of "what types of sawdust" are the sources of the organism. If sawdust is currently being used with good result, there is no reason to change at the present time.

If mastitis is a chronic problem, the material you use for bedding is one factor to consider. The best advice is to contact your local veterinarian, as he is in the best position to help you.

You and Your Estate

... one of the reasons we're in business. That's why we've developed a unique program staffed by five insurance agents specializing in estate planning. And one of them lives pretty close to you.

To tightly coordinate an already advanced program, Jim Enkles, CLU, has been named Manager of Estate Planning... a newly created Farm Bureau Insurance Group position.

At a unit, these five men total 76 years in the insurance business. They know how to work with you, your family, accountant, lawyer, and your trust officer. You've spent a lifetime creating your estate. Isn't it time you decided what will happen to it?

FARM BUREAU INSURANCE GROUP

Farm Bureau Mutual • Farm Bureau Life • Community Service Insurance • Community Service Acceptance

RAY HENTZELMAN Phone: (517) 339-2164 Haslett

TONY LITTEKE Phone: (517) 983-2148 St. Joseph

ROB KEYES Phone: (517) 332-7709 Traverse City

JIM ERSKIN, CLU Phone: (616) 895-5182 Freeland

RUSTY MOORE Phone: (517) 332-7707 East Lansing

JOHN HEINTZ Phone: (517) 339-2164 Haslett
Why do Michigan Farmers depend on Farmers Petroleum for their farm fuel?

Ask any farmer why he buys Farmer Petroleum fuel. Chances are, he'll tell you... service, quality, price, information, emergency deliveries, complete product line and financial planning. That's the 7 extra additives he gets from Farmers Petroleum.

Of course Farmers Petroleum also has HPA additive which gives our gasoline extra kick and HPAD additive in our diesel fuel for extra pulling power. But, the extra additives are only possible because Farmers Petroleum is farmer owned. That means a lot, when you need that extra service during the hectic spring season.

Talk to the Power People at your Farmers Petroleum outlet, then have the products and service you can depend on this planting season and for years to come.

Where Your Farm Comes First

Farm Bureau
FARMERS' PETROLEUM
Suppose you wish to do a job with a tractor, or take a trip in a car. How do you go about getting your vehicle to move? You could stand aside, look at it and ask, “Why doesn’t it run?”

Or you could get in, start it rolling and let it roll wherever it happened to go. Then you could ask, “Why didn’t it go where I want it to?”

These silly ideas. Yes! If you are going to get the job done, or go where you want to go, you have to perform a vital act – you must become an informed, sensible and skilled operator.

We might compare Farm Bureau to a vehicle that isn’t going anywhere without proper structure, well oiled parts and members who are well informed and willing to provide leadership and guidance.

Not too long ago, a Farm Bureau member informed me that Farm Bureau policies didn’t represent the thinking of farmers anymore. He was a farmer with an opinion and assumed that all farmers thought as he did.

During the course of conversation, he revealed that he seldom attended a community group meeting, his county annual meeting and had never attended the Michigan Farm Bureau annual meeting – and not even as a visitor. It was far easier to stand off and kick the organization because it didn’t go where he thought it should than to get in and become a working part of the operation.

Purpose

What is the purpose of Farm Bureau? When farmers organized more than half a century ago, they said, “We face problems which no single farmer can handle working alone. We need this organization to create a working team of farmer-members to handle those problems with our combined strength, our money, our thinking, our skills and our influence.”

Since 1919, farm problems have changed in numerous ways. Now we must appear to see Farm They are bigger, tougher, more complex and more serious to the future of agriculture. Some of the modern-day challenges, while we can never afford to stand aside and to protect inheritances from dangers in the law and the economy.

Farmers need a united voice of farmers to become more professional in understanding the importance of the agriculture industry to other interests. It is impossible to get any effective impact as a change from animal power to motor power.

It means that farmer members need to be informed, more vigorous in personal efforts, more united in support of common interests.

United Action

Look at just a few of the problems facing agriculture today:

1. Inflation is boosting production costs faster than farmers’ gross income.

2. Rights to personal farm management are being challenged.

3. Larger and larger investments are required to establish and maintain farm plants.

4. The problem of passing the farm along from father to son has become very complex. Instruments are needed to protect inheritances from dangers in the law and the economy.

5. The urban majority must be made aware of the importance of the agriculture industry to the rest of the economy. Only if we are successful in this area, can we hope to have an effective voice in legislative affairs.

6. If farmers kick each other or their organization, agriculture can fall apart like a house of cards and farmers become easy prey for any group seeking to control agriculture.

What Can I Do?

What is necessary to make Farm Bureau work for farmers? First and foremost, the member needs to take a good look at himself and ask, “What have I done to help make Farm Bureau go – to make it succeed in those things I would like it to do?”

The person who works in local, county, or state Farm Bureau through a crack in the wall – a single problem or a single issue – a single service. There is nothing wrong with using a service but it does not make a vital part of the whole Farm Bureau action system.

These members never realize what it takes to get real power – to be part of an organization. If members want to insure that Farm Bureau will do the job desired, they must become a vital part of the whole operation.

An Involved Member

1. Believes in the value and power of present and future agriculture and is willing to work for the success of Farm Bureau programs.

2. Becomes informed on problems and issues and learns how to work for their solution from within rather than outside the Farm Bureau process.

3. Thinks over problems and issues, attends meetings, community, county, state and national, speaks out and exchanges ideas with other members.

4. Looks at issues in terms of the entire agricultural country, not merely in terms of personal interests.

5. Takes an active part in suggesting policies to be decided by the majority of members or delegates. If a member thinks a policy is “off base” he has a right to work to change it through the established policy development process. But, until this occurs, it remains a policy – the organization’s stand on the issue and must be accepted as such.

6. Will support policies with letters to Congress and legislators when the need arises, and will work to elect lawmakers who will act in favor of those policies when bills come up for consideration.

7. Will faithfully attend important county and state meetings, especially annual meetings where policies are decided. If nominated and elected, will eagerly serve on any committee.

8. Works with other farmers on local problems.

9. Makes suggestions for constructive improvements in services needed by farmers.

10. Speaks out constructively in support of Farm Bureau and in the support of agriculture. Is prepared to state his case strongly and convincingly to non-farmers that can’t see it alone unless the member knows his Farm Bureau organization and knows the facts and issues first hand.

United for Strength

Employees and staff at all levels are bound by policies which the delegate members have approved at past annual meetings. Major changes in programs must be based on policy.

We can never afford to set county against county, state against state, nor commodity against commodity and hope to have united strength. It is important that we all understand the importance of this rule in a national organization like Farm Bureau.

In the interest of unity, the policies of AFBF hold precedence over state or county policies. Similarly, MFB policies hold precedence over county policies.

Member opportunities for an active voice in policy making were increased in Michigan Farm Bureau in 1936 with the founding of Community Groups. Members outside local groups can speak their mind to what they think the future is and has been in an effective manner. Group action multiplies the voice. Recommended policy and action from Community Groups is referred to the Policy Development Committees. After study and a blending of viewpoints, recommended policies are submitted by the State Member Opportunities Committee for the Michigan Farm Bureau annual meeting.

The State Policy Development Committee, appointed annually, prepares a blended list of resolutions for consideration at the state or county Farm Bureau meetings. The consideration of delegates at the Michigan Farm Bureau annual meeting. A majority of delegates must approve a resolution before it becomes policy and a majority of members vote on resolutions which are adopted become the guiding principles for the organization and its representatives in working at the state or national level to promote effective policy execution.

Summary

I would like to “borrow” this little essay to sum up the importance of member involvement.

Xven though my typewriter is a close relative of the old one, it works well except for one of its keys. I have wished many times that it worked perfectly, it is true that there are forty-six keys that fail for me well enough, but just one key not working makes the difference.

Sometimes it seems to fix that Farm Bureau is sometimes like this broken key. It is not as important in itself, but it is a key to supporting its proper use. You may say to yourself, “Well, I am only on this key. I won’t make or break this group.” But in fact, it does make a difference in how the organization, to be effective, needs the active participation of every member.

Summary: If you are only one key member and that your support is not nixed, re/member your typewriter and say to yourself, “I am a key memb/er in the organization, and I am needed very much.”
Pictured (left to right) viewing the soybean products on display at the statewide meeting of Michigan Soybean Producers were: ...
Michigan’s Workmen’s Compensation law has been broadened. Thousands of farmers who were not subject to the Act previously are now required to provide full benefits for employees killed or injured in job-related accidents.

Does the Supreme Court decision affect you?

We are trying to help you find out ... with news stories, leaflets, direct mail, and special meetings. We want to give you the information you need to evaluate your potential liability ... now that the rules have changed.

And if you still have questions, talk to a Farm Bureau Insurance agent. He’ll be glad to help.

By the way. If you already have a Workmen’s Compensation insurance policy with Farm Bureau, you are protected under the law’s new interpretation. Fully protected.