

Export Issue Pits Farmer vs Farmer

Export restrictions -- an offspring of price controls -- is a subject which cuts across the traditional close bond of farmers and could well place many in separate camps. The restrictions on the export of livestock feeds are meant to eliminate competition from overseas buyers, bringing lower prices to grain growers and lower costs to American livestock men.

Michigan Farm Bureau President Elton R. Smith, a dairyman, didn't mince words on the touchy issue when export restrictions on soybeans, cottonseed and by-products were announced in late June. Calling them "an outright attempt to reduce farm production costs at the expense of other farmers," he asked farmers not to let their vision be clouded by advantages that will only be temporary.

Farmers should be wary of jumping on a bandwagon that offers temporary reward, but shows opposition to free trade. The next commodity could be their own.

It's necessary for policy-makers to view the whole picture and farmers should consider if shortlived advantages are worth the jeopardy involved in such a policy.

What are the various pieces of this whole picture of export restrictions? The action of certain market principles would eventually raise feed prices one more. Low prices would discourage the cultivation of crops and low supplies would bring higher prices. Or possibly, after low prices were achieved, exports would be re-opened, bringing renewed demand. In one export restriction, government can depress prices of a commodity, reduce competition for the product,



damage the confidence of foreign buyers in America as a source, plus increase the foreign trade deficit.

In any case, the support of export controls can be considered support of price controls since the latter impaired the price mechanism that acts to allocate resources.

The Michigan Farm Bureau president is not the only one who believes that free trade is

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a necessary atmosphere for a healthy, thriving American agriculture. Joseph Halow, vice president of Great Plains Wheat, Inc., said, "...the world must encourage production of those commodities in countries which have the comparative advantages in production to those commodities. This can be done only by removing trade restrictions, to permit the producing countries to find dependable markets for their production,"

Dr. Max E. Brunk of Cornell University in an address to livestock businessmen, said, "Certainly, any significant limitation on exports not only will be a domestic economic tragedy, but also will constitute a most serious political mistake in our international relations."

What Elton Smith and Michigan Farm Bureau are asking for is a return to normal food production patterns where economics, not politics,

guide production. This is a policy that will benefit all farmers in the long run.

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Freeze and Thaw Leaves Us Cold

We must applaud the loosening of government controls that come with the Phase IV announcements. In viewing the overall picture, however, we must accept the continual freezing and thawing of government controls with the same enthusiasm with which we greet the annual freezing and thawing that wrecks our highways.

Under Phase IV, the farmer is still left in a precarious position in which the invisible hand of economic principles is replaced by a heavy hand of government. This hand has been guilty of economic conditions with complete lack of patience. The continual changing direction by the government shows that it is reacting to its own mistakes with its patchwork policies.

Economists have repeatedly blamed present inflation upon politicians of the past who spent billions in federal funds, yet refused to make politically unpopular decisions, such as raising taxes, to counteract the economic burden placed on the country.

Another politically unpopular action should have been taken by both Congress and the Federal Reserve system to establish sound monetary and fiscal policies. Congress must discipline itself to curb its irresponsible spending which include "give-away programs and something-for-nothing philosophy." The Federal Reserve system has let too much new money be created. This allows more dollars to compete for the same amount of goods which fuels inflation, too.

But, Government policy is still based on political expediency. It is effective policy to stem the flow of government funds, but not popular. It is effective to raise taxes but unpopular. It is popular, however, to clamp a lid on prices or keep food supplies trapped in the country. We, therefore, end up with policies that are good for politicians, not for the country.

While we spend billions in defense, we forget to defend our place in the world market. Under Phase IV we hold back exports that could improve the worth of the dollar and buy important fuel sources. It is ironic that buyers in the wealthiest nation in the world must be protected from buyers in foreign countries through governmental export controls.

Agricultural producers have proven that they react to economic conditions more emphatically than most other segments of industry. Yet, producers are not allowed to react freely. Instead, their minds are clouded by new unpredictable government policies that leave them uncertain of the economic consequences of production.

Political leaders have admitted that controls are not good for agriculture or the economy. It is time that Congress and the Administration act the way they know they should. We suggest that the next phases be to phase out government control. Then they should cut government spending and/or raise taxes and take the political consequences. We must allow economic principles to put us back in balance, rather than be guided by political expediency.

Farm News Survey to be Released

"What do Farm Bureau members want in their Michigan Farm News? That's what we'd like to know for sure." That statement was made by Larry R. Ewing, director of the Michigan Farm

Bureau Information and Public Relations Division. At the same time he announced that a sample survey would be taken next month among members to gather information.

Survey forms will be sent to 4,000 members selected at random by computer. This survey form will be short, simple and will be sent with a pre-addressed return envelope for the convenience of the member.

If you get a survey sheet, please help by giving your opinion and returning the form.

Farm News Editor on Duty

The appointment of Terry W. Canup, 23, as editor and business manager of the Michigan Farm News, effective July 1, was announced by Larry R. Ewing, director of the Information and Public Relations Division.

A recent graduate of Michigan State University, with a bachelor's degree in journalism, Canup also attended the University of Western Australia and Macquarie University in Australia. After transferring to Michigan State University in 1971, Canup worked for the Horticulture Department and later gained editing, layout and writing experience through employment with the Agriculture Experiment Station Information Services and the Clinton County News, a weekly newspaper in St. Johns.

MICHIGAN FARM NEWS

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OF THE
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by TERRY CANUP



Whammied by the System

I can only surmise that the present food situation is impossible. I could barely manage to buy lunch the other day. All I wanted was a big hamburger or a ham and cheese on a bun. But it's not that simple.

Just try it. Go into one of these fast food establishments and ask for a ham and cheese on a bun. Most likely, the attendant will point her thumb to the sign behind her and say, "We only serve what's listed."

Now you look up there, and you know, because you've seen people eating them, that they have ham and cheese sandwiches. But they don't call them ham and cheese sandwiches. They've got a name like "Patty Melt Piggy" or "Whammy Hammy."

It's one of these names that some advertising man in New York thought up for kids to remember so they could tip their plate of roast beef and peas on the floor and screech, "I want a Whammy Hammy!"

That's bad enough, to be sure. But what's worse is that adult human beings have to use the same Peter Pan, Walt Disney playground names to get something to eat. And you know that advertising man is sitting in his office laughing his ribs loose because he's got half the population of the United

States lined up at these service windows saying "Patty Melt Piggy please."

So you stand with a queue of people behind you and the attendant is looking at you. . . waiting for you to say "Patty Melt Piggy" and you wish that advertising man was standing there, hungry, in front of 20 people, with an irritated hamburger helper staring at him waiting for him to order that. . . that thing.

Then it starts to happen. You experience a "deja vu." That's one of those funny feelings like you've been in exactly the same place, doing exactly the same thing before. You think maybe you've been standing there in that hamburger joint with everybody waiting for you to deliver the punch line.

"Give me a Patty Melt Piggy please," with that advertising man already laughing in his office.

The situation probably reminds you of the time you went to the gas station and asked for a tank of SU-PER REGU-LAR. Or when you asked the wife to get some Wing Dings, Ding Dongs and Hohms to put in your lunch.

Yeah, you've been there before, you think to yourself. Practically every day since leaving the sixth grade you've tried to ho-hum your way

through all these wing ding brand names and ended up feeling like ding dong.

But you were really scared when you didn't wince at ordering a Yumbo or Whopper. When you didn't stop to think that Madison Avenue had pulled you into the baby talk game with everything but a drooly sucker stick hanging out of your mouth.

That's why you're so determined not to give in now with the line growing behind you and the attendant looking daggers into your eyes.

"Uhhh," you stammer and the girl's eyes widen, "That pig thing."

"Sir?!" she practically screams at you.

"Ya know, that pig. . . uh. . . piggy pat. . . err. . . ."

You give up, "PATTY MELT PIGGY!" you catch yourself yelling and everybody looks stunned as if you slapped the girl across the face.

"Any thing else?" she asks automatically.

"No, no, no, that's all."

After she pushes the paper bag over the counter, you clutch it like a Teddy bear hoping nobody spits at you, and wish you had stayed home and had yourself a bowl of Boo Berry cereal.

Farmers to Fight Re-entry Standards

With farmers living under the grace of a court order blocking the imposition of emergency pesticide re-entry standards, the Michigan Farm Bureau is working in conjunction with the American Farm Bureau Federation (AFBF) to present the farmers point of view at hearings concerning the establishment of a permanent standard.

Hearings are scheduled for July 31 in Boise, Idaho; Aug. 2 in Phoenix, Ariz.; Aug. 15 in Atlanta, Ga.; and Aug. 22 in Washington D.C.

Representing Michigan growers in Washington will be M. J. Buschlen, Operations Manager of the Michigan

Agricultural Service Association; Arthur Dowd, a fruit grower from Hartford in Van Buren County; and Ken Bull a fruit grower from Bailey in Muskegon County.

The AFBF will have speakers at all four hearings.

The U.S. Department of Labor originally planned to impose a strict standard covering 21 organophosphate chemicals on June 18 under the authority of the Occupational Safety and Health Act. Legal action filed by the AFBF won a stay and a less stringent temporary standard covering 12 organophosphates was issued to be effective July 13. Again AFBF legal action

blocked standard enforcement through a court decision on July 10.

The Michigan Farm Bureau has consistently insisted that no emergency existed and has decided to oppose the enforcement of any emergency standard.

M. J. Bushlen said reliable sources have informed him that The Department of Labor's own research substantiated Farm Bureau's contentions that there was no basis for an emergency standard and that the department had access to this information before issuing the first standard in June.



MIKE WALLACE TREATMENT

MFB News and Press Relations manager Bob Driscoll interviewed and taped with state FFA officers when they visited MFB headquarters in Lansing on July 12. The

officers later met with several Farm Bureau executives and officials before being addressed by Harold Lein, Manager, Michigan Livestock Exchange.

Annual Meeting: It's Got Class

The year of 1973 will see many changes in the Michigan Farm Bureau Annual Meeting. To fit the schedule of farmers, the meeting will be held in December.

A new feature will be the "Farm Bureau Act." This is an evening of recognition and entertainment. A nationally known television personality will be present. This event, Tuesday evening, December 11, follows the opening ceremonies which start at 3 p.m. with the annual address of Farm Bureau President Elton R Smith.

Wednesday features the Annual Meetings of Farm Bureau Services, Inc. and Farmers Petroleum. The Farm

Bureau Women hold their annual meeting and Young Farmers have many activities. First, there is the Discussion Meet and an evening banquet featuring Dr. John Furbey. A dance that evening has been added, too.

Commodity Conferences and the policy development process fill the schedule for Thursday. That evening a "Delegate's Banquet" will feature a well-known speaker, the queen's contest and an award to a leader in Michigan agriculture.

The annual meeting will be completed on Friday as the delegates put the finishing touches to the Farm Bureau policies for 1974.

Tax Hearings Scheduled

Senator Harry DeMaso, Chairman of the Senate Taxation Committee, has announced that he and his committee will hold a series of public hearings especially for city and township assessors and county equalization directors to explain to the committee the present procedures for assessment and equalization. Officials will also have an opportunity to point out the effect that the State Tax Commission's equalization methods have on their local units.

One of the most vexing problems for assessors and equalization directors is farmland taxation. Many realize the assessment procedure now required works a tremendous hardship on producing farmers. They must pay taxes based on land values other than their value for agricultural purposes. This issue, which a few years ago only affected a few farmers in metropolitan areas, is now affecting farmers throughout the state. It is reported that several counties not yet affected by this can expect whopping equalization increases in the near future.

Hearings will begin on July 30 in Detroit, 10:00 a.m. in the City-County Building, Auditorium on the 13th floor, for people in the ten surrounding counties; Aug. 7 in Saginaw, 10:00 a.m. in the County Courthouse, for the 15 surrounding counties; Aug. 9 in Grand Rapids, 10:00 a.m., third floor of the City-County Building, to hear testimony from the 17-county area; Aug. 16, Gaylord, 10:00 a.m., the meeting place will be announced; Aug. 20, Marquette, 10:00 a.m., Ontario Room, University Center, Northern Michigan University. Township assessors and county equalization directors may attend any one of these meetings.

FB Women Organize Re-entry Battle

The Michigan Farm Bureau is attempting to mobilize its members so they may be heard on the pesticide re-entry standard issue. Statements from apple, peach and grape growers can be entered into the records of public hearing concerning the establishment of a permanent re-entry standard, if they meet technical requirements. Special contingents of Farm Bureau Women have been organized to assure growers that their statements meet these requirements and are received by the August 31 deadline.

The growers who wish to be heard are urged to contact their local Women's Committee or regional Farm Bureau representative immediately.

Statements should be sent to: MASA, P.O. Box 960, Lansing, Mich. 48906.

County Secretary Dies

Mrs Bert (Maxine) Cripe, of Niles, who served as secretary of the Berrien County Farm Bureau for the past seven years, died July 11 at the age of 50. She had been a patient at Niles Pawating Hospital since June 18.

Mrs Cripe is survived by her husband, a daughter, Mrs Charles Van De Larre of Galesburg; three grandchildren; five brothers, Charles Ackerman of Kingsford Heights, Indiana; Robert of Buchanan; Kenneth of Chicago; William of Three Oaks; and Richard of East Leroy; three sisters, Mrs Jean Bauer of Bloomfield Hills, Mrs Shirley Bross of Augusta and Mrs Joan Oldenburg of Sawyer.

Memorials for Mrs Cripe were made to the Berrien County Farm Bureau.

Tours to Puerto Rico, Atlantic City Set for Membership

Michigan farmers can chase away mid-winter blues by taking advantage of exciting tours to Puerto Rico and Atlantic City scheduled for January, 1974.

Atlantic City, home of the world-famous board walk, will be the site of the annual American Farm Bureau Federation national convention. For those who want a taste of big city life there will be a post-convention tour to the biggest of them all, New York City.

Leaving Sunday, January 13, from Grand Rapids, Lansing and Detroit, the tour groups will fly directly to Philadelphia where they will be transferred to the Atlantic City Convention Hotel. Members will attend the AFBF convention on Monday and Tuesday and on Wednesday they'll board buses for New York City.

Times Square, Herald Square, Greenwich Village, the Bowery, Rockefeller Center, Central Park, United Nations, the Statue of Liberty and numerous other sites are included on the two-day excursion. One evening will be spent at New York's Radio City Music Hall, and another will be free to "do your own thing." On Friday morning, January 18, the group will board planes

at La Guardia Field and return to Michigan.

Cost of the convention tour is \$183.53 from Grand Rapids, \$179.17 from Lansing, and \$149.39 from Detroit. Costs include transportation, hotel accommodations in New York, sightseeing, admissions and tips.

The second tour offered to Farm Bureau members is a visit to the land of sunshine -- Puerto Rico -- from January 27 to February 1. Flying non-stop Detroit on a luxury 707 jet, the Michigan group will tour the historic old San Juan and the modern new San Juan as well as seeing agriculture in action in Puerto Rico. There will be opportunity for optional side trips to El Yunque, Conquistador and St Thomas.

The cost of this never-to-be-forgotten tour is \$286, based on a group of 166 members. This includes transportation, U.S. departure tax, lodging and tips.

To receive a colorful brochure of complete details on these tours, write to Ken Wiles, manager, member relations, Michigan Farm Bureau, P.O. Box 960, Lansing, Michigan 48904. Indicate whether you would like information on the convention tour, the Puerto Rican tour, or both.

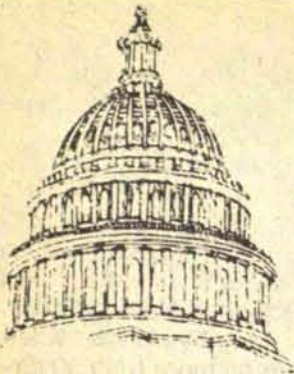
Deadline For Farmer Award

Deadline for submitting entry forms for this year's Young Farmer Award is September 1. The award, designed to recognize young Farm Bureau members for outstanding achievement in the business of farming, will be presented at the Michigan Farm Bureau annual meeting in Grand Rapids in December. Michigan's state winner will be entered in the national contest and will receive an award trip for two to the American Farm Bureau Federation convention in Atlantic City, New Jersey.

There is no limit to the number of young farmers who may enter from any one county

and former contestants, with the exception of previous first-place winners, are eligible to participate. Applicants must be Farm Bureau members and no more than 30 years old on December 31, 1973.

Official entry forms may be obtained from County Young Farmer Committees, county Farm Bureau secretaries, or from the Michigan Farm Bureau Young Farmer Department. Entries must be mailed by the September 1 deadline to: David L. Cook, Young Farmer Department, Michigan Farm Bureau, P.O. Box 960, Lansing, Michigan 48904.



CAPITOL REPORT

Robert E. Smith

New Land Use Proposal Introduced

Rep. Mastin (D-Hazel Park) has introduced H.B. 5055, creating a seven-member Land Use Commission which would have the responsibility of preparing a state land use plan for the protection of land resources and preparing rules for "areas of critical state concern." Included in the critical areas would be Classes I, II and III of farmland.

A 40-member Advisory Council has been created, consisting of representatives from industry, agriculture, labor, government agencies and other interested groups.

The bill is very comprehensive -- 39 pages in length -- and creates, in addition to the Land Use Commission and Advisory Council, a State "Clearing House," a five-member "Council on Differences" to resolve differences between various agencies; also, a five-member State Land Adjudicatory Board for the purposes of certain appeals. The bill relies on local agencies, township, county and city, including county boards of commissioners, township boards, city councils, planning commissions, etc., etc.

Rep. Mastin said that "the aim is to encourage local land use planning and local implementation of land use standards . . . what is hoped for is the rational allocation of increasingly scarce land resource sources." A unique point system is set up within the bill as guidelines to help determine whether development should be permitted in an area.

Mr. Mastin said that the Towns and Counties Committee will hold public hearings during the summer legislative recess. It will be recalled that Governor Milliken has also given the DNR the responsibility to develop a land use program. There are some federal pressures to require all states to develop land use legislation. Such legislation is presently being considered in Congress.

Sausage Legislation

While Congress is considering legislation that will permit Michigan to have higher sausage law standards, the State Legislature is considering a Farm Bureau-supported bill (H.B. 4974) to require retailers to post a placard listing the products that do not meet Michigan meat ingredient standards. This is to inform consumers and encourage greater use of Michigan meat products.

Energy Crisis

Many farmers already are being notified that their need for natural gas for crop drying will be sharply curtailed. For instance, in one area of the state 22 farmers have been notified. Farm Bureau has talked with the Michigan Public Service Commission and will present testimony at a hearing on the issue to urge that agriculture will be given a priority status to assure the necessary fuel for crop drying.

West Central Rep Picked

Robert Shepard, 28, of Fremont has been named Coordinator of County Offices for the Michigan Farm Bureau, and assumed his new responsibilities on August 1. Shepard has been an MFB Regional Representative for the West Central region since 1971.

A former dairy farmer, he was active in Farm Bureau before becoming an employee,

and was runner-up in the 1970 State Discussion Meet. He also served on the county Young Farmer Committee, membership committee and community group committee. Shepard graduated from

Michigan State University in 1967 with a degree in dairy science.

Bob, and his wife Ruth Ellen, and their two children, will move to the Lansing area in the near future.

Senator Linowich

Ag Committeeman Dies

Harry Litowich, prominent Berrien County farmer and former member of the Michigan House of Representatives and Senate, died July 2. He had been in intensive care for injuries received in an auto accident two weeks prior to his death.

Litowich lived on a farm near Benton Harbor where he raised horses. A resident of Berrien County for over 60 years, he was elected to the House of Representatives in 1952, 1954 and 1956. In 1958,

1960 and 1962, he was elected to the Senate, where he chaired the Senate Agriculture Committee.

Well-known for his service to the Berrien County Youth Fair and the Cass County Fair, he also served on the Board of Directors of the Salvation Army and as finance chairman of the Berrien County Council of Churches.

A memorial tribute was paid to the former Senator by the Michigan Senate in the form of a resolution.



No Sour Grapes

State Representatives John A. Welborn (R-Kalamazoo), right, and Donald Van Single (R-Grant), left treated their colleagues to 12 pounds of California grapes on the House floor after an effort was made to debate the union issue of California farm laborers during session. Many Democrats and Republicans signed a tribute to the misinformation about

the union situation that was disseminated by fellow Legislators.

The Representatives were told to eat hardily from the grape clusters since, contrary to popular opinion, there was a nine to one chance they were picked by union labor. The grapes were consumed in less than 15 minutes.

Agricultural Task Force Reactivated by Milliken

Governor Milliken has announced that the Task Force on the Future of Agriculture will be reactivated. Dan Reed, retired secretary-manager of Michigan Farm Bureau, will again act as chairman.

Every person interested in Michigan's future is invited to attend one of the meetings to be informed of the accomplishments since the

original report and have an opportunity to make recommendations directly to the Governor through the task force.

The first meeting will be held on Sept 26 in the Upper Peninsula, at Engadine; the second meeting will be held Sept 27 at Crystal Falls. All other meetings will be held in Oct. -- Jackson, Oct. 11; Blissfield, Oct. 17; Mt Pleasant, Oct. 18; Benton Harbor, Oct. 24; and Alpena, Oct. 25. All meetings will be held at 8:00 p.m.; the actual location of each meeting will be announced later.

The original task force, headed by Mr. Reed, was appointed by Governor Milliken in August, 1970. The committee held 17 meetings throughout the state, attended by about 600 persons actively involved in agriculture or related occupations.

More than 70 recommendations were contained in the report that was delivered to the Governor on December 1, 1970. Many made an effect in these eight major areas:

TAXATION. Property tax reform was recommended with support for greenbelt legislation basing farm taxes on actual farmland values rather than potential value. The Governor's tax relief measure, passed this year, is a broad step toward tax relief, but specific legislation is still needed to carry out the rest of the recommendations.

Marketing. Many of the recommendations of the task force were included in the marketing and bargaining bill passed during the last session of the Legislature. It permitted farmers to organize for the purpose of bargaining for the terms of sale; also, protecting farmers from unfair trade practices.

Labor issues and the crisis that can be created by food boycotts, land use, the increasing amounts of prime agricultural land lost to "urban sprawl" was considered.

Agricultural research and the major contribution it makes to farmers, consumers and the entire economy.

Ecology was considered. A plea was made that agriculture be permitted to continue to use the necessary fertilizers, pesticides and other practices essential to meet the growing need for food and fibre.

Housing. It was pointed out that agriculture could not carry the burden of updating seasonal farm labor housing alone. The Legislature has continued to fund a law that has been passed matching expenditures for this purpose.

Natural Resources Commission was considered and a representative of agriculture on the commission was suggested. Increasing the commission from five members to seven members this year will make that possible. Governor Milliken is presently considering appointees for the two additional positions.



Bob Shepard

FPC Conserves for Harvest

Maximum effort has been pledged by Farmers Petroleum Cooperative, Inc., to assure adequate supplies of gasoline and diesel fuel for Michigan farm production, according to Carl Heisler, president of the farmer-owned cooperative.

"Top priority is being given to supplying our regular farmer customers with sufficient liquid fuels to carry through the all-important harvest season," Heisler said.

Farmers Petroleum Co-op began more than a month ago to shut down all of its retail gasoline outlets and many local cooperatives that obtain supplies through the state group have adopted similar action. In addition, the cooperative is refusing new customers to save fuels for farm production use.

Although the farm cooperative owns several oil wells which partially supply patron needs, Heisler declared the current fuel shortage is "very real" and major conservation measures are essential.

Farmers Petroleum Cooperative officials have joined other oil industry leaders in citing need for greater exploration and development of domestic fuel supplies, higher imports, and use of Alaskan oil. Officials see little hope of ending the fuel crisis in the near future.

Looking to the winter months, Heisler warned that prospects for adequate home-heating fuel are causing deep concern.

NATIONAL NOTES

Farm Program

On July 19, the House passed a new farm program to replace the Agricultural Act of 1970, which expires at the end of 1973. The bill would establish a four-year program and require USDA to establish target prices for wheat, feed grains and cotton each year starting with 1974. Target prices in 1974 would be \$2.05 per bu. for wheat, and \$1.38 per bu. for corn. After 1974, the target prices would be adjusted each year to reflect any changes in the index of prices paid by farmers for production items, interest, taxes and wage rates. The Administration strongly opposed this escalator provision.

Upon completion of harvest, the target prices would be compared with the open market price during the first five months of the marketing year for the crop. If the market price exceeded the target price the government would pay no income supplement to farmers. However, if the target price exceeded the market price the government would pay farmers an income supplement to make up the difference.

The House bill also provides for a permanent increase in the minimum milk price support level at 80% of parity, extends Class I Base plan authority, extends dairy and beekeeper indemnities, repeals the wheat certificate program and limits payments to \$20,000 per farm. The bill also bans the issuance of food stamps to strikers and requires the President to permit a pass-through of certain costs on agricultural products when prices are frozen and the Secretary of Agriculture certifies a shortage of such products exists.

The House bill differs in several respects from an earlier bill approved by the Senate. A House-Senate Conference Committee will now be appointed to resolve the differences. However, because of the escalator clause and potential high cost of the program authorized by the bills, a Presidential veto may occur.

Minimum Wage

The Senate has passed a minimum wage bill which would raise the present \$1.30 per hour agricultural minimum wage to \$2.20 per hour in four years after enactment. It would also eliminate the exemption of harvest piece rate workers who worked less than 13 weeks in the prior year and would repeal the overtime pay exemption for agricultural processors and handlers. The bill is now before a House-Senate Conference Committee to resolve differences between it and a separate House-passed bill.

by
Albert A. Almy

EPA Permit Program

On July 5, the Environmental Protection Agency published its permit program rules for agriculture. The rules require that livestock operations with 1,000 animal units or more (1,000 beef animals, 700 dairy cows, 2,500 hogs weighing more than 55 pounds each, 55,000 turkeys, 30,000 layers if a liquid manure system is used, 10,000 sheep and 5,000 ducks) must submit a permit application with EPA or the State agency responsible for water pollution control. Operators of fish farms where discharges from a pond or raceway occur on more than 30 days per year and annual production exceeds 20,000 pounds must also apply for a permit. Return flow irrigation systems covering more than 3,000 acres must file a permit application.

Run-off from fields, orchards, crop and forest lands are not covered by the permit program. Livestock operations of less than 1,000 animal units are not required to file a permit application, but are subject to other requirements, of the Federal Water Pollution Control Program. These requirements include effluent guidelines and standards of performance. The EPA rules were made effective immediately.

The Michigan Water Resources Commission has submitted a plan for EPA approval that will allow it to administer the permit program in Michigan. Farm Bureau supports administration by State Personnel. WRC permit program rules have been developed and are awaiting approval. The WRC rules would apply the permit program to Michigan agriculture in the same manner as the EPA program.

Phase IV

The nature of the Phase IV controls is favorable to most of the food industry from producer to retail levels. While Farm Bureau remains opposed to price controls, it emphasized the need for development and release at the earliest possible date of Phase IV rules for the food industry. This has been accomplished except for the beef industry, which remains under price controls until September 12. Phase IV exempts all other raw agricultural products from price controls and allows for a pass-through of increased raw product costs on a dollar for dollar basis at processing and retail levels.

Michigan Farm Bureau provided information to Congressmen on the result that closing of meat plants would have upon the production of livestock. This information was forwarded to the Cost of Living Council by several Congressmen for its consideration in developing rules for Phase IV controls.

No-Fault: What do we Do With It?

Editor's note: October 1, 1973 is the effective date for No-Fault auto insurance. . . a law which will significantly influence the future of every Michigan driver, including Farm Bureau members. This is the first of three articles explaining No-Fault and what it means to you.

No-Fault auto insurance is law. This auto insurance concept became law through debate and resolution of the Michigan Legislature and, ultimately, by the signature of Governor Milliken. Now that we, Michigan drivers, have a law, what do we do with it and what does it do to us?

Let's first take a basic look at our current "tort" auto insurance concept versus the concept of No-Fault.

Tort auto insurance, in its essence, springs from British Common Law. Stated simply: Victims of accidents involving two or more people must prove that someone else is guilty before collecting payment from the "at fault" person's insurance company. This burden of proof often resulted in court procedures lasting months or years.

Generally, Michigan's No-Fault plan eliminates that burden of proof. An accident victim can speedily collect benefits from his own insurance company regardless of who is "at fault." This is the origination of the term No-Fault. . . a system which aims at protecting most drivers from lawsuits resulting from accidents.

To accomplish this, the law makes auto insurance compulsory for all owners of cars, buses, trucks and trailers. Two-wheel motorcycles are not included. Not insuring a vehicle can result in a \$500 fine, jail for a year (or both), and loss of driver's license and car plates.

Before listing the types of coverage Michigan car owners must have under No-Fault, let's look at the voluntary coverages under the current tort system.

Bodily Injury Liability Coverage protects you, or anyone using your car with your permission, for legal liability caused by an accident.

Property Damage Liability Coverage, like bodily injury, protects you or anyone driving your car, with your permission, for legal liability caused by an accident.

No-Delay Medical Payments Coverage is a unique program developed by Farm Bureau Insurance Group which provides No-Fault-like benefits. Your "fault" or not, No-Delay pays you up to \$3,000 for hospital-medical expenses. Up to \$4,380 in disability benefits are available to non-wage earners and up to \$6,000 for wage earners.

Collision Coverage pays for the cost of repairing or replacing your vehicle when damaged due to upset or collision.

Comprehensive Coverage pays for all losses to your car except those caused by collision with another car, object or by upset. Theft, falling objects, windstorm, explosion are some of the risks covered. And you have deductible options.

Emergency Road Service Coverage is generally provided as an option.

Innocent Victim Coverage pays bodily injury costs caused by a financially irresponsible driver or un-insured motorist. . . for you and your family.

What happens to these coverages under No-Fault? Innocent Victim, Emergency Road Service and Comprehensive coverages remain essentially the same. Here similarities end.

Tort Bodily Injury will become No-Fault **Residual Liability** Current Property Damage will, in large part, change to **Property Protection Insurance**. Medical Payments (No-Delay) will become **Personal Injury Protection**. These three new coverages are mandatory under No-Fault.

Collision remains optional but, **has undergone vital change under No-Fault**. Drivers cannot expect to recover No-Fault Collision damage costs from the other driver's insurance company. Payment **must** come from your own insurance company. If you currently have a collision deductible, or are not carrying collision coverage, you'll have to pay all or a portion of your own loss **regardless of "fault."**

However, new collision options have been created to pay all of your collision costs if the other driver is "at fault."

Obviously, No-Fault **does** mean change. With change comes a "need to know" for all Michiganders. And Farm Bureau Insurance Group is trying to help.

Early in September, persons insuring their cars, trucks, buses and trailers with Farm Bureau Insurance Group will receive No-Fault policy endorsements, cost-itemized declaration pages and explanatory No-Fault brochures.

Farm Bureau Insurance people, including your local insurance agent, will be using a 20-minute consumer slide/tape presentation which tells the No-Fault story. It can be shown to your church, community or school group by calling your local Farm Bureau agent or writing Communications Division, Farm Bureau Insurance Group, 7373 West Saginaw Highway, Lansing, Michigan 48904

Next Month: No-Fault Coverage Analysis

Generation

Stormy weather. Power goes off. That standby generator could just "stand by" while the power loss takes its toll if there's no one at home who knows how to start it.

"Teach other family members how to start the standby generator in case of an emergency," advises Truman Surbrook, Michigan State University agricultural engineer.

"If a power loss is very critical to your farm operation, get an automatic unit. It's expensive and requires weekly checking, but it is automatic."

If you have a conventional standby generator, Surbrook lists these guidelines for starting it:

First, remember the generator is connected to the farm wiring through a transfer switch. You'll have to flip on the switch when you get the generator going.

Before you start the generator, make sure that everything is shut off. Flip off switches and pull all plugs. If you have a circuit breaker, flip the main one.

Start the generator. When it's up to full capacity, throw the transfer switch.

Then turn on just essential equipment--those things critical to you, your family and your farm operation. Don't turn on everything. Most generators can't handle the full load.



First Delivery

The first shipment of cherries for Michigan Certified Farm Markets was handed over to Don Hill of Montrose Orchards in Genessee County by John Simpson of the Leelanau Peninsula on July 18. Jim Lincoln, manager of MCFM, waits for a crate.

New Pig Lot to Open in August

The Feeder Pig Division of the Michigan Agricultural Cooperative Marketing Association has added its third marketing point with the completion of leasing arrangements for a lot in Mt. Pleasant. Division officials said many who took feeder pigs to the Lake City facility will be more conveniently served in Mt. Pleasant.

The addition of the lot is part of a southward expansion of facilities and the division is reportedly considering further acquisitions.

The division offers buyers a source of uniform quality pigs and offers producers services in all phases of production.

FBS, FPC Mesh Forces

Donald R. Armstrong, Executive vice-president of Farm Bureau Services, Inc. and Farmers Petroleum Cooperative, Inc., has announced a new management structure for the two companies. Although the companies will retain their separate identities, each with its own boards of directors, work functions will be combined for improved operating efficiency, Armstrong explains.

Included in the changes is creation of a new division—Sales Promotion, Public Relations and Marketing services—which will be headed by Arlo Wasson, who formerly served as vice president of Farmers Petroleum Cooperative's Marketing Division.

The Farm Supply Division has been expanded and will now handle all procurement, manufacturing and distribution for both companies. William Callum, Jr., is vice president of this division.

The Retail Division, with Hein Meyering as vice president, will be responsible for the management supervision of both Farm Bureau Services and Farmers Petroleum Cooperative branch store operations and management contract accounts.

CHERRY PRICES UP

The cherry price increase of 4¢ per lb. to the 19¢ level represents an additional \$6 million to the growers this year. This brings the total value of the tart cherry crop to approximately \$28 million in the United States.

The Red Tart Cherry Industry group met with the

Special Freeze group of the Cost of Living Council to get price freeze relief.

In addition to meeting with the Special Freeze group, they met with Congressmen, Senators and the USDA. The timeliness of this meeting had a very positive impact on the overall arrangement of Phase IV.

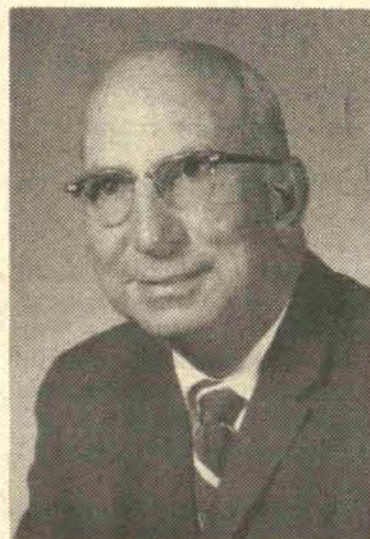
MICHIGAN HOSTS NATIONAL, INT' GRAPE MEETINGS

For the first time Michigan will host an International grape marketing meeting

when representatives from across the U. S. meet with members of the Ontario Marketing Board on August 10 in Benton Harbor.

The Canadian visitors who are part of a government sanctioned marketing group will discuss with Americans crop prospects and market outlooks including speculations concerning grape products passing between their countries. The meeting will be held under the auspices of the American Farm Bureau Federation.

Earlier in the week the Grape Advisory Committee of the American Agricultural Marketing Association will be meeting in Benton Harbor to arrive at a recommended asking price for grapes.



Arlo Wasson

In addition to his responsibilities as vice president of Farmers Petroleum Crude Oil Division, Duane Cohoon has assumed additional duties as assistant treasurer for both companies. Ed Powell and Clyde Springer will continue their responsibilities as vice presidents of Michigan Elevator Exchange and the Egg Marketing Division, respectively.

William Rockey, who has headed the FPC sales promotion department for the past 12 years, has been promoted to the position of sales manager for Farmers Petroleum Cooperative.

Phase IV Effects on Commodities

EGGS — Increases in raw farm prices paid to producers can now be reflected in processed product prices.

NAVY BEANS — Increases in raw farm prices paid producers can be reflected dollar for dollar in processed product prices.

MILK — Raw milk prices received by producers can apparently be adjusted upward. Imports of 80 million lbs. of dried skimmed milk will be allowed.

BEEF — Price controls are left in effect with promise to lift price ceilings September 13, 1973.

PORK — Price ceilings removed July 18, '73. Increases in raw farm prices can be reflected in processed product prices.

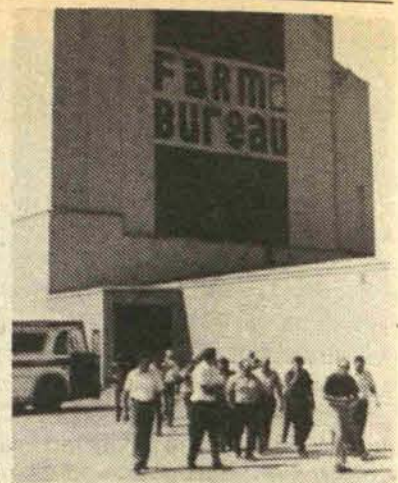
WHEAT — promise of no export limitations at this time. Wheat product price freeze partially lifted. Increases in raw producer prices can be reflected in processed product price.

SOYBEANS — Export limitations to be eased to allow renewed exports of old crop soybeans. Export controls to be lifted September 15th, 1973.

CORN — Promise of no export limitations at this time.

CHERRIES — Increases in raw farm prices can be reflected in processed product prices.

OTHER FRUITS AND VEGETABLES — Increases in raw farm prices can be reflected in processed product prices.



Top Feeders

Select livestock and poultry feeders from Huron County toured the Farm Bureau Services Battle Creek feed plant on July 16. Several of the guests were directors of cooperatives and agricultural leaders.

Marketing



Picture

FBS Sets Sales Record

Farm Bureau Services, Inc., Michigan's farmer-owned cooperative has broken sales volume records during the fiscal year that ended June 30 despite adversities stemming from government controls, weather, high prices and material shortages.

The Michigan Elevator Exchange division marketed 58% more grain and beans in dollar volume over the previous year with a 45% increase in grain and 30% in dry beans. Gross sales neared \$100 million. Michigan grown dry beans were sold to Eastern European and North African customers for the first time.

The farm supply division had recorded volume gains of 24.3% over the year before. Feed sales were up 33%, seed 24%, chemicals 23%, fertilizers 21% and buildings and

hardware 8%. The retail division increased sales volumes 15%.

Meetings Scheduled to Study

Cattle Market

Three meetings have been scheduled in August to discuss the fall outlook of the feeder cattle market situation with MACMA order buyer division members and all interested cattle feeders.

In addition to MACMA staff that will be present, representatives from the American Agricultural Marketing Association will be available to answer questions. Among these will be Curtis George and John Middleton of Virginia. Joel Bonds, a South Carolina cattle feeder will also be on hand.

New Marketing Specialist at MFB

The appointment of David A. Wolfe, 41, as a marketing specialist for the Michigan Farm Bureau was announced by Dan Hall, director of the Market Development Division. Wolfe's new responsibilities, which began July 1, will include the area of fruits and vegetables, both for processing and fresh, in conjunction with the newly-reorganized Michigan Certified Farm Markets.

A graduate of Michigan State University, with a bachelor's degree in Horticulture and a master's degree in Soils, Wolfe began his agri-business career with Niagara Chemical

Division, an agricultural chemical company, in 1956. From 1966 to 1970, he served as owner-manager of Hickory Knoll Farms, a business which included farming, a wholesale-restaurant institutional operation and a roadside farm market. In 1970, he became manager of the restaurant and institutional division of a produce company, where he was employed until joining the MFB staff.

Wolfe, his wife and two children live in Fenton. He is a past Kiwanis Club president, a member of Toastmasters and a 4-H Horse and Pony Club leader.



David Wolfe

Michigan Marketing Outlook

By Greg Sheffield
Manager Marketing
Services

WHEAT. Through the first half of July, Michigan winter wheat and early planted oats developed well, although some lodging was reported. About 80% of the wheat acreage had turned yellow with 4% ripe, according to the Michigan Crop Reporting Service. The Michigan Farm Bureau Wheat Advisory Committee reported less acreage and poorer yield prospects throughout Michigan.

Soft wheat production and usage is expected to be down in Indiana, Ohio and New York, resulting in good price prospects for soft wheat. Wheat prices on commodity markets vibrated as traders tried to balance facts; farmers holding new crop winter wheat, possible licensing restrictions; lateness of harvesting in some parts of the country; and large anticipated exports of wheat according to the US Commerce Department.

Total US wheat supplies for 1973-74 are expected to be about 150 to 200 million bu. less than last season due to the sharp reduction in wheat stocks during the season just ended. China is expected to increase its wheat orders and due to the wheat crop disaster in India, additional exports are expected.

CORN. Corn was doing well by the middle of July and Michigan Crop Reporting Services reported it was an average of 22 inches in height. Corn prices have turned up since they dropped late in June when the export embargo was put on soybeans and meal. Embargos on soybeans should increase corn exports. Livestock and poultry feed-price ratios are less favorable than last year and bringing about adjustments to fewer animals. US corn exports reached 1.2 billion bu.; 200 million more than forecast by the USDA.

SOYBEANS. Michigan's 1973-planted soybean acreage is 750,000 acres, according to the USDA estimate released July 10. According to the same report, Michigan soybean acreage was 570,000 acres last year. These figures indicate Michigan farmers planted 32% more acres to soybeans than last year. The USDA expects production of 1.59 million bu. of soybeans this fall, or 24% over last year's record harvest.

Analysts hint that domestic and world demand is large enough to absorb this record soybean crop with no problem.

EGGS. Without Farm Bureau's advantageous feed booking program, egg producers would have lost money. In addition, damage has been caused by the price freeze since processors and retailers can't raise their prices to reflect high market prices. Large eggs averaged 46.8¢ per dozen on June 15, up 22.8¢ from mid-June last year.

MICHIGAN PRICES RECEIVED BY FARMERS. The

Michigan Crop Reporting Service shows its index of prices rose by 10 points to 156% of the 1967 average during the month ending June 15 this year. Sharply higher prices for corn, dry beans, soybeans, beef cattle, eggs and hogs caused most of the rise. Cash field crops made the largest advance. **SOYBEANS** reached a new record in June of \$9.60 per bu., up \$1.35 from mid-May. **BEEF CATTLE** advanced to \$40 per cwt, only 10¢ under the record high established March 15, this year. Hogs at \$38.20 were only \$1.40 below the record high established March 15, this

year. **MILK** prices, wholesale per cwt on June 15, were \$6.45, up 55¢ for Michigan dairy farmers. **WOOL** went up to 60¢ per pound on June 15 from 27¢ the previous year.

SUPPLIES. Farmers' Petroleum, like other oil companies, is on allocation and liquid fuels must be carefully distributed to conserve supplies. Everything possible is being done to assure farmer-patrons of adequate fuels. Retail fuel pumps have been closed to put needs for farming first. Farm Bureau customers had no serious shortages during the early season.

SEED prices tightened with

alfalfa and grasses in strong demand and few supplies available. Seed growers report low yields due to weather. Wheat seed, while adequate, remains a question mark. Quality supplies are being sought for the coming season.

LUMBER remains in short supply with prices at record high levels.

STEEL PRODUCTS are in great demand and the lead time for ordering is now extended to 12 weeks for such items as steel sheeting and roofing.

PHOSPHATE FERTILIZER is still on allocation, and nitrates are in short supply. The

outlook is for increased fertilizer prices. Potash is not as short and prices decreased as supplies grew after planting. **ANIMAL HEALTH** products are in good supply with a variety of products available to the livestock farmer.

STATISTICS

Michigan (million bu.)		
	Last yr	This yr
wheat	21.4	22.23*
Corn	143.0	137.0*
Soybeans	12.0	18.75*

U.S. (billion bu.)		
	Last yr	This yr
wheat	1.545	1.749*
Corn	5.729	5.880*
Soybeans	1.283	1.588

AS OF JULY 1



hurryup now for higher wheat yields

Get wheat off to a quick, strong start this fall . . . and harvest higher yields next year. Hurryup Wheat Starter gets wheat going strong and fast and improves plant quality to withstand the hard Michigan winters. The phosphates found in Hurryup Wheat Starter (8-36-10 plus 2% manganese) increase phosphorous uptake and speed plant maturity. Field tests prove Hurryup Wheat Starter is superior for use in Michigan soils.

See your Farm Bureau dealer for Hurryup Wheat Starter and other quality fertilizer blends. Farm Bureau dealers are also fully stocked with wheat seed varieties. See your dealer today!

Where Your Farm Comes First
Farm Bureau
FARM BUREAU SERVICES, INC.

Where *Your Farm Comes First*

FARMERS Bureau

FARMERS PETROLEUM



Here's some hot tips from your warm winter men...

1. **Have Your Burner Serviced Annually.** Many Farmers Petroleum dealers offer around-the-clock burner service. Just as tuning a car gives you top fuel mileage, tuning a heating unit gives you extra hours of heat.
2. **If Your Burner Is Very Old And Inefficient, Now Is The Time To Replace It.** Many Farmers Petroleum dealers offer burner installation too.
3. **Call Your Farmers Petroleum Oil Heat Man Now.** Let him arrange to fill your oil tank when he can, before the start of the heating season. Ask him about a Comfort Contract too. It goes easy on your budget, with heating costs spread over the year.
4. **Keep Heat Inside Your Home.** Insulate ceilings, exterior walls and floors. Install storm windows and seal all cracks in windows and doors. Close drapes at night for added insulation.
5. **Maintain Humidity Levels Of 45% to 50% So The Heat Level Can Be Comfortably Lowered.** Your Farmers Petroleum dealer has home humidifiers available now.
6. **Turn The Heat Down.** Turn the heating thermostat down to 68 degrees at night and when away from home for a day or more. Turn off heat in unused rooms too.

While Farmers Petroleum will make every effort to provide their regular customers with a constant supply of oil heat all winter, you can help too. Follow these hot tips from your oil heat men . . . your fuel supply will go a little farther this winter.

Hand-on-the Valve Export Policy

Keeping its hand firmly on the export value, the U.S. government is watching the fall harvest carefully, hoping that the all out production effort announced in the Phase IV follow-up will produce enough to flood the domestic market and still release exports.

The government is hoping it can leave the export policy it began in June. With climbing food prices at home and foreign demand expected to remain high or climb further through 1974, Nixon asked Congress for the power to curb exports in mid-June.

June 27 he announced an embargo on soybeans, cottonseed and their by-products. Overseas buyers searched for substitute commodities and on July 5 export licensing was imposed on 41 other

agricultural commodities in an effort to plug up the export holes. Canada, Mexico, Brazil and the European economic community followed suit and imposed embargoes on domestic protein sources.

Foreign buyers feared corn and wheat would soon be restricted and stepped up buying, causing prices to rise. Other foreign reaction to U.S. embargoes amounted to rage. Japan claimed it would be out of soybeans by the end of October. This seemed to leave Japan an established and dependent buyer, no choice but to step up its own soybean production. Other protests were forthcoming from Europe, France and Germany in particular.

Meanwhile, the U.S. balance of payments deficit was getting worse. With only 50% of the

soybean orders up to June 13 allowed out, it was feared \$500 million of soybean export business would be lost.

In an effort to keep high supply at home, the government placed the dollar in further jeopardy. On top of that, foreign rage over scarcity of commodities due to the embargo and the increased inflation that resulted could be vented on the U.S. at the General Agreement on Trade and Tariff (GATT) talks in September.

Calling America un-trustworthy in trade, foreign barriers could be retained or raised.

With these pressures facing them, the Administration received the USDA reports that U.S. crops were to be

better than expected with great enthusiasm.

On June 18 Secretary of Agriculture Earl Butz gave the administrations reaction to the overall situation by announcing an all out production effort. All planting restrictions were dropped and the hope was expressed that a large fall

crop would allow foreign markets to be satisfied.

America can hope this comes to pass and that damage to our reputation as a commodity source is reversible. The GATT talks in September may be the first indication of how good or bad future news will be.



World Food Shortage Turning Around?

Food experts labeled the period between July and September as a critical time that would determine if there would be a worldwide grain shortage. With grain harvest looking doubtful all over the world, it seemed obvious that the outcome of the critical period could depend ultimately on how American crops fared this summer.

A wide collection of unfavorable events coincided to put the world at the edge of a protein shortage. Increased emphasis on meat production on a world-wide scale required greater amounts of feed grains and protein. There were reportedly near failures of the corn crop in Thailand and South Africa. Fish meal was wiped out with Peruvian fish harvest failures. American Farm Bureau President William Kuhfuss tagged this failure as the major reason for the world livestock feed shortage.

Five years of drought left cattle starving in West Africa and high temperatures with low rainfall forewarned a Soviet wheat shortage. Crop failures in India, due to

drought and fertilizer shortages, brought some sections subject to severe hunger. Turkish wheat production is reported down this year from nine to eight million tons.

The International Wheat Council stated that world wheat exports could not meet the 1973-74 demand. But recent reports have shown that possibly disaster is not imminent. Thailand's corn crop has been reported nearly double last year's and they are exporting the grain. The USSR has released a report claiming that it expects a record crop and is bringing townspeople into the country to help secure the harvest. Heavy rainfall is said to have given the soil a

high moisture content, making '74 prospects bright for the Soviets.

It is difficult to take such releases at face value, since the Soviets can be elusive with statistical information, but reports from Agriculture Secretary Earl Butz are that the USSR may have already bought all the grain it intends to for this marketing year. This would mean grain imports far below last year's, indicating a possible good crop in Russia.

The underlying cause for an eventual grain shortage is not erased with these turns of events. Huge and growing world-wide demand is still an economic fact of life.

The Good Stuff

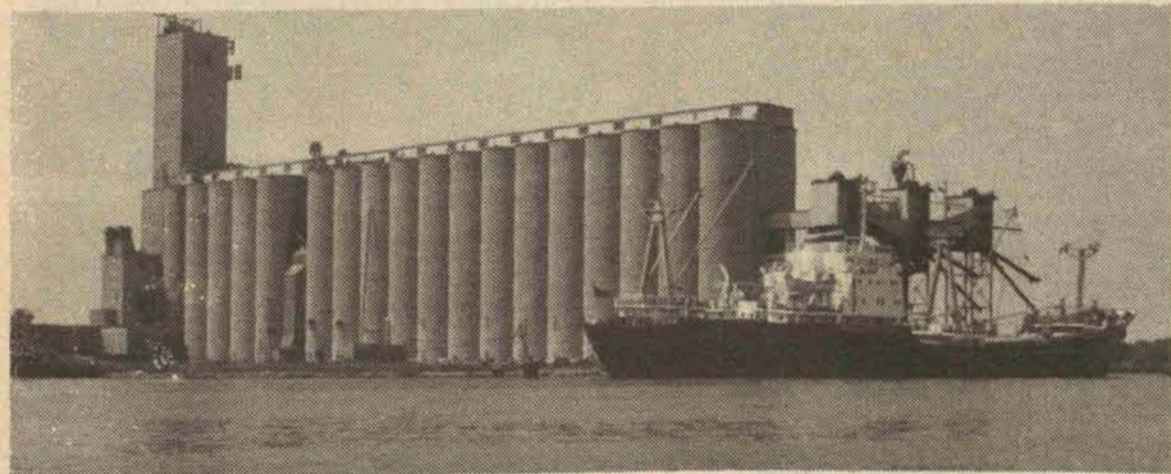


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6 and 12 ounce
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Best

Now available at Kroger stores throughout Michigan... "Florida's Best" frozen concentrated orange juice in 6 and 12 ounce sizes. You have enjoyed "Florida's Best" citrus through our farmer-to-farmer marketing program, now that same great flavor is available frozen from your friends at Florida Farm Bureau - packers of "The Good Stuff."



Get Some Today!



Russians Land in Michigan

The Olengorsk became the first Russian ship to take a load of Michigan grown produce from the Michigan Elevator Exchange Terminal in Saginaw where it took on 1600 metric tons of cull dry beans July 1. The Russians opened their ship for public inspection and reportedly obliged large crowds

with warm hospitality. The Olengorsk, which had loaded soybean meal in Chicago earlier, was taking the Michigan load to Rotterdam, Holland. The ship was necessarily small since larger ocean going ships cannot navigate the shallow Saginaw channel.

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6 1/2% — 10 Year Maturity
7% — 15 Year Maturity
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6% — 10 Year Maturity
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7 1/2% — 15 Year Maturity



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PHONE _____

Northwest FB Women Boost Dairy Products

for FB Women



Shoppers became familiar with the expenses of being a dairyman with this machinery display.

Ask the Northwest Michigan Farm Bureau Women how successful their recent dairy promotion was and their answer is likely to be: "35 pounds of cheese, 3500 cartons of milk and 20 inflatable cows worth."

Shoppers at Tom's Market in Traverse City were attracted by the miniature farm display, with price tags and an explanation of use on the farm machinery, and the free samples of cheese and half-pints of low-fat chocolate milk. Information handouts and milk product recipes were also given to those who stopped at the promotion booth, and drawings for plastic inflatable cows drew a big response from the younger crowd.

Chairman of the two-day promotion was Mrs. Larry Wagner. Her committee of dairy wives included Mrs. Julius Campau, Mrs. Don Lautner, Mrs. Frank Lipinski and Mrs. Walter Core, Jr.

Other workers were Mrs. Wayne Bancroft, Mrs. Jim Call, and Northwest Michigan Farm Bureau Queen, Nancy Core.

Donations for the booth were made by Country Fresh Milk, Dean Foods, Michigan Milk Producers, Cole Brothers, John Deere, Harvestore Products, and the American Dairy Association.

According to Mrs. Wagner, "It was a great success. We hope to do it again and make it even better."



The Northwest Farm Bureau Queen situates milk in the Traverse City display while a shopper samples Michigan cheese.

Women Adopt Challenging '73-'74 Program of Work

The Michigan Farm Bureau Women's program planning committee outlined an ambitious 1973-74 "program of work," during a two-day session in Lansing June 27 and 28. It has since been approved by the MFB Board of Directors. With the accent on action-projects, the committee listed the involvement of more women in the total Farm Bureau program as their number one challenge for the coming year.

Other objectives included developing and surfacing leadership for agriculture, promoting safety and health, as well as developing and executing Farm Bureau policies. The committee also recommended that county women's committees create a favorable and positive image of agriculture, the Farm Bureau, and Farm Bureau Women, among Farm Bureau members and the public.

The program of work will be presented to county Farm Bureau Women's Committees along with suggestions for projects to meet outlined challenges. Each county committee is urged to determine its goals, establish priorities, and develop a program to meet the members' needs. The state program was developed to stimulate interest and help unify efforts on a statewide level towards objectives and goals emphasized in the program.



Chairman of the Farm Bureau Women's program planning committee, Mrs. Andrew Jackson, guided the group in answering the challenges of 1974 with an "accent on action" program of work. The recommendations made by this committee will be presented to county Farm Bureau Women's Committees for their consideration.

The kick-off address to the program planning committee was presented by Mrs. Alice Van Wert, Midwest representative for the American Farm Bureau Federation's Women's Committee. Officials representing nearly every division of MFB addressed the group, including MFB President Elton R. Smith.

The state program planning committee is chaired by Mrs. Andrew Jackson, vice-chairman of the Michigan Farm Bureau Women. Others participating in the planning session included: Mrs. Richard Wieland, Ellsworth, state Women's chairman; Mrs. James Spark, Cassopolis; Mrs. Remus Rigg, Coldwater; Mrs. Paul Geiger, South Lyon; Mrs.

Gerald Smith, Hastings; Mrs. Henry Jennings, Swartz Creek; Mrs. Robert Thuemel, Jr., Port Austin; Mrs. Louise Wagoner, Carson City; Mrs. Edmund Wonsey, Mt. Pleasant; Mrs. Robert Benson, Cadillac; Mrs. Doris Cordes, Barton City; Mrs. James Gribbell, Engadine; and Mrs. Kenneth Corey, Stephenson.

Other participants were: Mrs. Levi Van Tuyle, Dowagiac, Mrs. Henry Hudson, Fowlerville; Mrs. John Rhoades, Clarksville; Mrs. Harold McMichael, Mason; Mrs. Joel Chapin, Remus; Mrs. Arthur Schindler, Gladwin; Mrs. John Kronemeyer, Pickford; Mrs. Karl Kimerer, Britton; Mrs. George Rodgers, Caledonia; Mrs. Elmo Heft, Conklin; Mrs. Wayne Adam, Snover, and Mrs. Clarence Kraft, Lachine.

Shiawassee Women Develop Young "Healthniks"

Students were encouraged to eat their learning tools in a popular project in the lower elementary grades of the Corunna schools prior to summer recess. The pilot program was designed by the Cooperative Extension Service to give children -- and their parents -- the basic principles of a balanced diet. Young homemakers with a keen interest in improving children's eating habits were recruited from the Shiawassee County Farm Bureau Women's Committee to serve as teachers.

Each volunteer was assigned to a first or second grade class for six weekly lessons. The lessons included the basic four food groups -- fruits and vegetables, breads and cereals, meats and dairy products -- with parents invited to a review session. Class participation was encouraged as the children had an opportunity to prepare something from each food group. They made butter, rolls,

meatballs and various kinds of dips for celery, carrots, apple slices and crackers. The Farm Bureau Women used the dips to demonstrate to the children that there are snacks other than pop and potato chips, and that they are good as well as nutritious.

Each child who participated in the program was awarded a "Good Healthnik" certificate, and the final session was concluded with a nutritious ice cream sundae.

Parents were enthusiastic about the program, too, and reported that children who wouldn't try some foods at home were willing to experiment at school. School teachers and administrators were also pleased with the health project.

Phyllis Johncock, Extension home economist, reports that the Shiawassee Farm Bureau Women will take responsibility for the program this fall and will expand it to other schools throughout the county.



A bunch of young "Healthniks" help their Farm Bureau teacher prepare a delicious concoction in which to dip their celery, carrot sticks, apple slices and crackers. Almost better than pop and potato chips!

RECORD ENROLLMENT AT STUDENT CITIZENSHIP SEMINAR

The tenth annual Young People's Citizenship Seminar, held at Ferris State College June 18-22, attracted 203 students representing 61 counties -- a new attendance record. The seminar, sponsored by the Michigan Farm Bureau, included mock political activities, classes and discussions dealing with the American system.

County Farm Bureaus contributed to the success of the seminar by selecting qualified high school juniors and seniors to attend and sponsoring their trip to Ferris. Many county bureaus plan to have students report on their experiences to Farm Bureau and other groups.

Conducting the "people and governments around the world" classes at the seminar was Dr. John Furbay, world-traveler and renowned public speaker. Dr. Clifton Ganus, president of Harding College, Searcy, Arkansas, instructed "Americanism" classes, and Professor John A. Sparks presented a mini-course in economics. Michigan Farm Bureau regional representative Kenn Wimmer guided the students in their political party activities.

Art Holst, National Football League line judge and long-time favorite of Michigan Farm Bureau members, was also on the seminar program. Elton R. Smith, Michigan Farm Bureau president, addressed the

students at an evening banquet.

Student evaluations of the seminar indicated they had gained a greater appreciation of their American heritage and a new knowledge of our economic and political systems. They reported they were inspired by the speakers, and were motivated to actively support the American way of life and its system of self-government.

The average age of this year's seminar student was 16-1/2 years. About 75 percent were from rural areas and about half were from Farm Bureau families.



Seminar students found acting to be a necessary part of orientation in politics.



Hungary for knowledge? Well ... maybe this part of the seminar satisfied just plain hunger.

DONNA WILBER

PLAINLY PLAGIARIZED

Many pessimists believe that the letter "E" is the most unfortunate letter in the alphabet. They say it is always out of "cash," forever in "debt," never out of "danger," and in "torment" all the time. Optimists, on the other hand, remind us that it is never in "war," always in "peace," and always in something to "eat." It is the beginning of "encouragement," and "endeavor" and the end of "failure." It is in the midst of "friends" and "neighbors," and without it, "home" would not be complete. It is never in "injury," "pain," "fatality," "doctor," or "hospital," but is forever present in "health," "wealth," "happiness," "wife," "children," "relatives," and safety.

* * *

It's been said that Grandma was the first to practice ecology.

She found a use for nearly everything today's wife throws away -- and called it economy.

* * *

From a poor nation where nobody thought of themselves as being poor, to a rich nation where everybody is beginning to think of themselves as being poor; is what happened to the United States of America in 200 years, from 1776 to 1976.

* * *

APPLAUSE FOR...

... Farm Bureau members like Mrs. Arlene Weaver, Eaton County, busy farm wife and mother of nine children, who puts to shame all of us who use the worn-out excuse -- "I'm too busy" -- when asked to contribute our time and efforts to a worthwhile project. Neither her usual hectic schedule, nor a bout of illness, kept her from conducting a successful Queen Contest in her county. Agriculture and Farm Bureau need people like Mrs. Weaver and her counterparts in other counties -- Bless them all!

... the hundreds of Michigan newspapers which help us tell the story of agriculture. On behalf of all Farm Bureau member-families, we recently expressed appreciation to them through the Michigan Press Association publication, "Michigan Publisher," for their part in creating better understanding between rural and urban people. They perform a valuable and often taken-for-granted service -- Bless them all!

* * *

WITH TONGUE IN CHEEK...

Cooperation is doing with a smile what you have to do anyway.

* * *

Middle age is when you know all the answers but nobody ever asks you the questions.

Want to go to School?

Wondering How You Can?

This may be the answer -- Michigan Rural Rehabilitation Corporation, with offices in Marshall, has funds available to help eligible students attend college or trade or vocational schools.

According to Nyle L. Katz, Executive Director of the Corporation, any student who is from a farm family and whose grades are acceptable for entry at the school of his choice, may be eligible for a student loan.

Are you interested? Call or write for details.



Picture yourself in the place of these two loan recipients. David G. Leaders (left), now a senior in engineering at Tri-State College, received this loan as a freshman. Donald E. Dickenson (right), now teaching in Flint, received his loan as a senior at Michigan State

University. These gentlemen can testify that once you're accepted to the program, you will not be dropped while in school.

The students are backed by parents and Rural Rehabilitation Corporation executives.

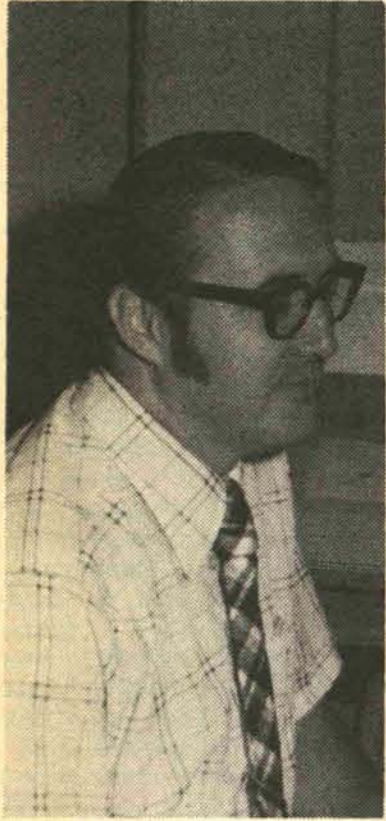
Michigan Rural Rehabilitation Corporation
Nyle Katz, Executive Director

125 Redfield Plaza
Post Office Box 188
Marshall, Michigan 49068

PRESENT ISSUES:

The following are not expressions of Farm Bureau policy

Land Use and Property Rights



M. Rupert Cutler is an assistant professor at Michigan State University and a member of the Extension Committee on Land and Water. A native of Detroit, Cutler has been a consultant to the Office of Environment and Urban Systems of the U.S. Department of Transportation. He was editor of *Virginia Wildlife*, a state conservation magazine, and has written several magazine articles on conservation as well as contributing chapters to two books on the subject. Cutler was elected to the executive committee of the Sierra Club's Mackinac chapter and was appointed to the Michigan Advisory Council on Natural Areas by Governor Milliken.

A number of people apparently view with concern the fact that many new environmental protection laws and regulations have gone on the books in recent years. For some reason such laws as those perpetuating our dwindling wilderness resource, establishing development-free zones along our trout streams and other free-flowing rivers, protecting these rivers' tributaries, clamping down on practices which result in soil erosion and sedimentation, and giving citizens standing in court to sue polluters, are seen by some as a threat to traditional property rights. As Ann Arbor attorney Clan Crawford, Jr. notes recently in the *North Woods Call*, "In vast areas in Michigan it is the prevailing opinion that a man has a right to do what he wants with his own property and that zoning and planning are a communistic plot to deprive owners of ancient privileges without compensation."

During my seven years in Washington, D.C., I worked for the passage of new conservation laws. I did not consider the costs borne by individual citizens such as condemnation of homes for new national parks or higher taxes for new community waste treatment plants as outweighing the benefits of these programs to the public at large. I still don't. We assumed that it was in the national interest to preserve some natural areas for public enjoyment and to protect the quality of our water supplies for future domestic and recreational use. In retrospect, I would support amendments to these programs to better compensate those caused financial hardship -- helping people successfully relocate themselves, for example. But let's look specifically at some new environmental protection programs and see if they truly have adverse economic and freedom-of-action consequences.

The Michigan Wilderness and Natural Areas Act of 1972 has been described as a program for affluent southern Michigan hikers and birdwatchers. Supposedly it is designed to establish locked-up nature preserves on state land in northern Michigan for their exclusive and free use by making logging, mining, intensive recreational development and other activities which result in local economic activity illegal. The Department of Natural Resources is required to make a higher payment (in place of property tax) to local government in designated wilderness that it makes to areas that are not so zoned. This is to compensate for economic activity lost as a result of the wilderness designation.

Does the argument hold water? I'll make these four points, leaving the conclusion to you:

(1) The existence of federal and state laws setting aside wilderness for recreational, fish, wildlife, natural heritage and other values indicates a substantial segment of the American public supports this type of program. So do high visitor-use figures at wilderness areas such as the Boundary Waters Canoe Area in Minnesota. Wilderness zoning has been going on since 1924, when the U.S. Forest Service established its first primitive area in New Mexico. Examples of administratively established wilderness in Michigan include the DNR's

wilderness zone in Porcupine Mountains State Park and the Forest Service's pioneer and botanical zones in the Sylvania Recreation Area in the Ottawa National Forest. Natural areas are a logical component of a comprehensive land use plan; the new Michigan law only brought this well-accepted primary-use zoning classification to more people's attention.

(2) To simply say that wilderness zoning stops commodity extraction is to ignore the fact that these public lands have been administered on a multiple-use basis for years and most of them could have been logged, mined, or otherwise developed if someone could have made a profit by exploiting them. The DNR usually accommodates harvesters of natural resource on its land. Many of the tracts being considered for wilderness designation are poor sites for anything other than extensive recreation use. If any potential wilderness area can be shown, at the required public hearings, to have a "higher" economic use potential, the Natural Resources Commission may not dedicate it as wilderness, or could declassify it later, if need be.

(3) Commodity exploitation by local industries may represent short-run economic boost to an area compared to the sustained flow of dollars spent by recreational users of wilderness areas for gasoline, food, guides, rental canoes, and other goods and services. When the supply of high-grade timber and ore runs out, so may the industry based on it, often leaving a degraded environment behind. Meanwhile, industries paying minimum wages could bring families into the community which would cost more to protect and educate than they pay in taxes. Local expenditures of wilderness visitors are all on the income side of the ledger.

(4) If the impact of wilderness designations on the local property tax base is an important issue, I would judge that the argument favoring wilderness designations probably will win.

I make this assertion after reviewing the real estate advertising carried in the "Trading Post" section of Michigan Out-of-Doors magazine. Typical ads read, "When you select your vacation homesite will your backyard be a national forest preserve to roam and hunt and play on? ... Crystal Mountain Club Estates (has) the new Sleeping Bear Dunes National Park only 20 minutes away ... 10 acres on Tahquamenon River (with) wilderness hunting and fishing."

Where would you rather purchase a second-home site, near a quiet wilderness area or adjacent to land open year-around to logging, mining, and snowmobile and motorcycle use? The designation of wilderness probably will increase the value of nearby private land and thereby increase local property tax income.

Another new program to keep Michigan's environment attractive is that authorized by the Natural Rivers Act of 1970. Based on local zoning, under DNR guidelines, to control riverbank uses and protect the rivers' scenic and recreational values, it provides for considerable public involvement during the preparation of river management plans. The Jordan, Rogue,

(continued on next page)

Unemployment Insurance for Ag Workers

The program would compensate workers for part of their loss of earnings during periods of involuntary unemployment.

The objectives of this legislation include:

- 1) dampening the economic cycles by supporting the purchasing power of farm workers;
- 2) retaining the labor force during short period of layoff;
- 3) sharing the costs of such an endeavor among all or nearly all employers;
- 4) causing employers as well as state and local governments to share the cost of relief (welfare).

Michigan farmers could react to the legislation in several ways: 1) reduce the numbers of hired labor; 2) decrease employment of seasonal labor; 3) increase employment of casual labor which is not likely to qualify for benefits; 4) or all farmers could increase the use of contract labor.

To date, agricultural workers receive UI benefits in only Hawaii, Puerto Rico and the District of Columbia. When such inclusive legislation was considered in California, it was determined that the extra cost upon employers would place California agriculture at a disadvantage to other states. The same sort of legislation has been introduced in Michigan.

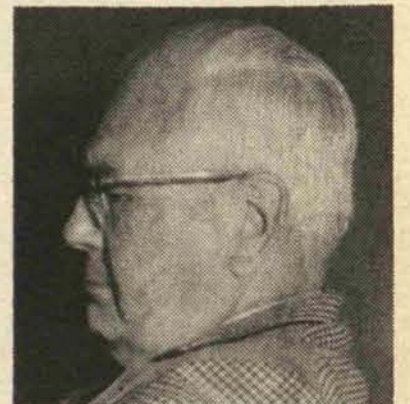
Michigan agricultural employers need to discuss and compare the impact of Federal Unemployment Insurance against the impact of state unemployment programs that would become effective at different times.

As a result of the Industrial Revolution, America's work force has been divided into self-employed, employers and employees. Latest estimates indicate 85% of all workers in the United States are wage or salaried workers. Since production and therefore employment fluctuate in response to business cycles, the need for protection from loss of income due to lay-offs grew among hired workers.

In agricultural production, hired workers would be more directly affected by unemployment insurance (UI) than operators and their families. But because of the potential stabilizing effect of UI upon agricultural employment, the long-run effect should be beneficial to the income position of both operators and hired labor.

All related national legislation since the 1935 Social Security Act has excluded farm workers from unemployment insurance coverage. One reason is the lack of comprehensive data concerning the probable effects of extending coverage on agricultural production, workers and on the UI program.

After considering the extension of coverage to agricultural workers in 1966 and 1969, Congress mandated a study on the impact of such a move in 1970. Worker and employer surveys have been completed and the administration is now proposing legislation that would include those agricultural employers employing four or more workers for 20 weeks or those having a labor payroll of \$5,000 or more during any calendar quarter.



M.J. Buschlen is operations manager for Michigan Agricultural Services Association and has been deeply involved in the agricultural labor issue. This month he will be a representative of Michigan farmers at the OSHA re-entry standard hearings in Washington, D.C.

POLICY IN PROCESS

Community Pulse

Editor's Note: The Policy in Process page will be devoted to keeping readers in touch with policy-making within the Michigan Farm Bureau. All policy has its roots with new ideas presented to individual members that gather in community groups and give recommendations to county bureaus. This page is directed to these members.

Bay Shore - Arenac County -- Set a speed limit of 50 mph on secondary roads, since we have so many suburbanites living amongst the farming community. This is our residential area just like the city folks have their's.

Chassel - Houghton County -- Concerning the Occupational Safety Hazards Act. How do we educate the public on the farmer's role?

Crawford - Isabella County -- Continue to push for a ban on throw-away bottles and cans, including soft drinks, beer and hard liquor.

Lakeland - Branch County -- Traffic laws should be more uniform between states.

Town Valley - Montmorency County -- the Probate Court time limit should be shortened for settling estates.

Original Pioneer - Livingston County -- Have more exchange of commodities within the Farm Bureau organization and better service available with buying and selling. For example, a central distribution center for fertilizer and grain.

Tip-of-the-Thumb -- Huron County -- We resolve to keep before the public the need for additional school support through income tax.

Undaunted 13 - Van Buren County -- Consider: mini-bike and bicycle regulations; our state judicial system; and hazards such as rabies in picking up stray animals.

Star - Kent County -- We resolve that new slow-moving farm machinery should have the slow moving emblems affixed to machinery at the factory.

Knox - Gladwin County -- We urge the deepening of the Saginaw River to accommodate oceangoing ships so that exports may be loaded on board ships at Saginaw instead of being required to be shipped by over-land freight to Toledo for loading.

Lincoln - Alcona County -- 1) Ban unionization of teachers, nurses and doctors. 2) Congressmen's wages should only be raised by vote of the people. 3) Have stricter welfare laws.

Land Use Not Plot

(continued from page 12)

and Betsie Rivers already have been so protected. The non-development zones do prevent the construction of new homes at the river's edge, but imagine how attractive these rivers will be in the future compared to rivers where no setback controls have been in effect. Think how much more riparian property will be worth along the "controlled" river.

There are many unanswered questions regarding comprehensive, centralized state land use planning. But a handful of state employees in Lansing will not take over all local and private land-use decision making. Members of the State Legislature will not ignore the objections to a radical power shift from county, township, and municipal governments and planning bodies and will not allow it. They may authorize a legislative package which places the state planning authority in the Executive Office of the Governor or in a new agency of state government. They may also require this planning office to minimize conflicts with the expenditures and programs of all state agencies and establish a high-level state planning commission to work with sub-state (regional) bodies to develop state and sub-state land use goals such as environmental protection. The package could create centralized or regional land use inventory and data bank units, set up guidelines for local governmental units, and provide for the identification of unique land and water areas of critical state concern which should be subject to state zoning (perhaps 5% of the state's land). This kind of package deserves our support.

Tom Bell of Lander, Wyoming, who edits a regional newspaper called High Country News, blames the "frontier ethic" or the "buffalo hunter mentality" for opposition to land use controls. We in Michigan should have matured beyond this "buffalo hunter" stage. We may not be ready to accept European-type centralized land use controls, but we should be ready to accept a state planning statute which restates and clarifies local and regional planning and zoning powers of localities and regions. We should accept a statute providing for a new state-level role in coordinating, guiding and -- in certain unique areas of statewide importance -- controlling how Michigan's lands are to be used for the best interest of the state's present and future generations of residents and taxpayers.

PD Committee Chosen for August Meeting

The state Policy Development Committee, a group of Farm Bureau leaders representing each district, young farmers and women, plus three at-large members, has been appointed and will meet for the first time on August 15 in Lansing. This first meeting will be just one of full six days during which the committee will spend in deliberation of policy recommendations submitted by county Farm Bureaus, and in hearing 50 top-level resource persons from industry, government, universities, and Farm Bureau staff who are experts in their fields.

Chaired by Michigan Farm Bureau vice-president, Dean Pridgeon of Montgomery, the committee will be present at the state-wide policy development conference on August 30. Also in attendance will be the president, Policy Development Committee chairman, women's chairman, and young farmer chairman from each county Farm Bureau. Scheduled to appear at this meeting are several resource people to provide indepth and up-to-date information, including Roger Fleming, secretary-treasurer of the American Farm Bureau Federation. Also on the program will be William Meese, president of Detroit Edison, to discuss the energy crisis and how it will affect agriculture.

The state P.D. committee will meet again on September 27, and later for a three-day session on November 28, 29, and 30.

Representing the 11 Farm Bureau districts on the committee are: Jan Vosburg, Climax; Remus Rigg, Coldwater; Ed Erwin, South Lyon; Robert Bender, vice-chairman of the committee, Middleville; Mrs. Harold McMichael, Mason; Gerald Elenbaum, Owendale; Myron Kokx, Jr.,

Fremont; John Van Page, Breckenridge; Thomas Kalchik, Northport; Larry Foster, Ocqueoc, and Robert Burie, Wallace.

Young Farmer representatives are Wayne Wood, Marlette; Mrs. Dale Weidmayer, Ann Arbor, and William Spike, Owosso. Farm Bureau Women will be represented by Mrs. Paul Geiger, South Lyon; Mrs. Karl Kimerer, Britton, and Mrs. Fred Wegmeyer, Herron. Director-at-large serving on the committee are: James Sayre, Belleville; Jack Laurie, Cass City, and Dean Pridgeon, Montgomery.

The committee's biggest challenge is sifting and digesting the nearly 1,000 recommendations submitted by county Farm Bureaus dealing with state, national and international issues -- then molding them into package form to present to the voting delegates at the state annual meeting.

Actions at the state annual meeting in December determine what Michigan Farm Bureau's policy will be on state affairs, and results in recommendations to the American Farm Bureau Federation. When voting

Policy development originates at the grass-roots level, with individual members, community groups, commodity and other Farm Bureau committees presenting recommendations to the county Farm Bureau policy development committees. At the county annual meetings in October, these recommendations are acted upon by the members. Decisions reached here from policies for Farm Bureau on county affairs and recommendations dealing with state, national and international issues are forwarded to the state policy development committee.



Dean Pridgeon

delegates from the 50 state Farm Bureaus meet in Atlantic City in January, they will determine what Farm Bureau policy will be on national and international issues.

In announcing the appointment of the Committee, Michigan Farm Bureau president, Elton R. Smith, said, "Policies are the platform upon which Farm Bureau stands and the basis for all its activities. We have a unique organizational structure that gives each member an opportunity to make their views known on issues which affect them. It offers all members a chance to say what they want their organization to be and what services and programs they need."

Thinking of Building a New Home?

Modular Homes by Allied are built with rugged construction. Regular 4/12 roof lines - Anderson wood windows. Aluminum eaves and soffits to save you future painting problems. Well insulated to reduce your heating cost.

If you are thinking of a compact home for a cottage, for future retirement or a larger home for a family with a choice of dry wall or panel interior walls, please write for more information.

William P. Richards
Route #5
St. Johns, Michigan
48879

COMPONENT OF

Modular Homes by Allied



DISCUSSION TOPIC

TAXATION

by **KEN WILES**

Manager Member Relations

Taxation is the most important source of revenue for the support of government activities. No formal definition of the word, tax, is entirely adequate to express its meaning as it is used in government finance today. The connotation of the term has changed considerably during the long period of time in which governments have been financed primarily by payments classified by various writers as taxes.

In general, taxes are regarded as those compulsory payments made to a public treasury in accordance with existing laws. These payments, or taxes, are levied on individuals and selected types of organizations with the knowledge that the proceeds will be spent without special reference to those who made the financial contributions.

Significant events during the 20th century, and the effort by governments to alleviate human misery and stimulate economic activity, have caused public expenditures to soar to astronomical heights. Thus, governments have found it necessary to collect vast amounts of taxes. As a result, people have become acutely conscious of taxation and some of its consequences.

Like many other contemporary problems, those pertaining to revenue sources for the support of public authority have a long history.

A cursory examination of the early world history reveals many references to what, in modern terminology, would be regarded as public revenue although perhaps not taxation phenomena. In the Old Testament of the Bible, conflicts and hatreds are shown to have resulted from efforts of tribal leaders to exact payments of various types from their followers. During the period of antiquity, when the Greek and Roman states were powerful, it was a common practice for conquerors to demand "tribute" from the conquered and to support their positions financially in this way.

The early Middle Ages were characterized by the domination of the church with its support coming largely by way of somewhat arbitrary exactions from the people. When feudalism prevailed, compulsory payments were made by the serfs to finance the feudal lords. After feudalism gave way, the ruling king, as "father of his people," found it expedient to supplement his income by regular revenues from other sources.

In the 18th century writers developed a concrete theory of taxation, basing it upon their contention that agriculture was the only productive activity. This school of thought advocated a single direct tax on the "product net" resulting from the pursuit of agriculture.

The political and economic revolutions of the late decades of the 18th century altered the practice of raising revenues obtained by the state chiefly for the support of a favored few.

The growth of constitutional governments and the increasing tax burdens which have accompanied them tends to support the theory that taxation increases with liberty and that this is a universal law which knows no exception. In those countries which have adopted constitutional government, it has been a common practice for the people, through their chosen representatives, to demand more and more public services. Constitutional governments have few financing alternatives, and must meet these service demands by heavier taxation.

This brief historical synopsis of the evaluation of public revenues indicates taxation, in this modern age, is a compulsory exaction which diverts a portion of the income of individuals into channels for common purposes. A tax is not a price paid for something which is purchased. It is a one-sided transfer and the individual taxpayer is not promised a fair return in services.

The possible dangers of abusing the power of taxation are so great that understanding and caution are of paramount importance at all times.

Attempts have been made to protect the interests of taxpayers by establishing various forms of limitation on taxation and public indebtedness. Experience seems to indicate, however, that legally created limitations seldom solve problems but tend instead to breed them. History records no adequate substitute for knowledge and good judgement on the part of those vested with the responsibility of drafting tax laws in a democratic country.

Tax revenues must increase when public expenditures grow. Although, within limits, expenditures may be met temporarily by borrowing funds, tax revenues must eventually increase to repay borrowed funds and meet future enlarged outlays. Thus, a marked relationship in increased taxation and increased public expenditures is to be found.

In the area of federal, state and local finance, there has been a fairly definite and constant tendency toward greater expenditures and increased taxes, including many new types of taxes. This can be attributed to demands on the part of the people for more and better public services.

The insistence on the part of people for better buildings, equipment and instruction has led to a steadily growing total outlay for public education.

The automobile has brought revolutionary changes in the field of transportation and has increased the demand for costly highways.

Humanitarianism is growing in this country. This is revealed by increased public expenditures for health, unemployment compensation, social security benefits, and other services of a similar nature.

Another general reason for the upward trend of public expenditures and taxes can be found in the growing interdependence and complexity of life. As more people seek to live within areas limited in size, public regulation in one form or another becomes more necessary.

Aside from crises of national scope which have commanded so much attention in recent decades, the important reasons for the increase of taxes can be traced to the growth of social, cultural, and economic services rendered by the various branches of government.

MICHIGAN'S NEW TAX DEDUCTIONS

Changes in this state's tax law were enacted in May of this year. Nearly every taxpayer will benefit from the deductions in income tax liability and the property tax relief program which becomes effective January 1, 1974. The Governor has stated that this is "... the largest and most comprehensive tax reduction program in Michigan's history."

Included in the provisions of the tax relief program is a cut in the state income tax. This has been obtained by increasing the exemptions for the taxpayer and dependents from the \$1,200 per person to \$1,500.

The major provision for property tax relief is the institution of the "circuit-breaker" system of taxation. This system limits property tax based on a percentage of household income. Property tax in excess of 3-1/2% of the household income will be eligible for a rebate in the amount of 60% of the difference. The tax rebate or credit cannot exceed \$500, and the provisions of this part of the law applies to farms.

The application of this program to farms can be important to those owners of farms who do not live on them. The law provides that unoccupied land can receive the tax credit only if the gross receipts from agriculture are greater than the household income of the owner.

In the case of senior citizens, a sliding scale will be used to determine the credit on property tax. Senior citizens with income above \$6,000 will receive a credit equal to 100% of the property tax paid on their homestead in excess of 3.5% of their income. Senior citizens with incomes below \$6,000 will receive credits of 100% of their property tax less a percentage of their income as follows: \$5,000 to \$6,000, 3%; \$4,000 to \$5,000, 2%; \$3,000 to \$4,000, 1%; and below \$3,000, 0%. A \$500 maximum tax credit has been stipulated. (This means that a Senior Citizen household with less than \$3,000 annual income, whose taxes do not exceed \$500 will pay no property tax.)

Several alternatives are contained in the tax relief program which eligible veterans can use. They can use the regular deduction, the same as any other household, or, the senior citizens' provision if over 65. Also there is a special provision in the law based on the war in which a veteran fought and the amount of his disability allowance. Under the special provisions a formula has been devised using the valuation of the veteran's home and the amount of

property tax thereon to arrive at a percentage of the tax which will be reimbursable. Here again the maximum claim has been limited to \$500.

The state will reimburse a blind persons entire property tax if their valuation as equalized is \$3500 or below. If the equalized valuation is over \$3500, the state will reimburse the percentage obtained from the ratio of \$3500 to their equalized valuation. The \$500 maximum credit is in effect for this provision of the law too.

This new tax law provides tax relief to all Michigan citizens regardless of whether they pay income taxes or not. Thus some citizens who have not filed state income tax in the past because no taxes were due will have to do so now in order to obtain their rebate.

While the provisions of the new tax relief program will benefit all segments of the tax paying citizens of this state, it would appear that the reductions in tax revenue might have a price. Should the state's surplus funds be eliminated due to continued rise in expenditures, some people advocate that some state financed programs will have to be eliminated or reduced.

TAX REFORM

Many people are concerned with property tax reform because of its connection to public school finance. At the last annual meeting of Michigan Farm Bureau, the delegates went on record in expressing the belief that the balancing of Michigan's tax structure should result in every citizen paying his fair share toward the support of his schools and other local and state government services.

They also said, "We believe that the following will lead to a greater equity of taxation:

- New sources of revenue for local units of government in order to relieve property taxes.

- Improved assessment and equalization procedures.

- Permit assessment and taxation of new property for school purposes the first year it is built.

- New methods of financing school systems, with strict limitations on property taxes for education purposes.

- Use of the income tax as the major source of funds to finance schools.

- Assessment of agricultural land as farmland as long as it is so used instead of other possible potential value.

- Prevention of inequities arising from special assessments on property that receives no benefit from the project."

During the last session of the Michigan Legislature the elected lawmakers tackled the complicated issue of tax reform to no avail. Then in November the people of the state were given the opportunity to amend the Constitution to limit the heavy reliance on property taxes for the support of schools. For reasons known for sure only by those who voted, Proposal C was defeated.

As a result the broad subject of tax reform has again been one of the issues on the front burner in this session of the Michigan Legislature. Several formulas which would make property tax yields or school revenues more equal in all districts have been considered and warmly debated. But as this article is written, neither the House nor the Senate has been able to reach agreement on the controversial issue. (For a later report on the status of this legislation, read the "Capitol Report" located elsewhere in this issue.)

It has been estimated that this year the average American will work 2 hours and 39 minutes of a regular working day to pay his or her total tax bill -- longer than he does to pay for his food, clothing and shelter. Burdensome taxes have been with us longer than any of us can remember. And while many localities are taking steps to reduce the tax burden, the continued demand for government paid services are likely to continue to push up the tax load rather than reduce it.

Thus, if we rely on the wisdom of tax authorities, the most which can be hoped for in the near future is a slowing of the rate of increase in the tax load. Therefore, it might be a good idea if all of us, rather than complain of what is wrong, would set aside a few minutes each day to think of the happy and good things which this country provides us.

Topic Summary

The Discussion Topic for June dealt with "Law Enforcement." Tabulation of the responses to the questions indicate the need of support for and expressions of confidence to law enforcement officers. Most groups expressed the thought, that they do not condone the flaunting of laws in the search for solutions to social and economic problems.

1. What do you believe to be the most important issue of law and order which concerns all of society? Tying officials' hands on enforcing existing laws; courts are too lenient; lack of respect for law and order; morality; need for a more efficient judicial system.
2. What measures do you believe should be taken for better law enforcement? Speed up court procedures; the personal commitment of private citizens and their support of law officers; judges who will enforce and back up law officers; less leniency on the part of parents.
3. What do you suggest parents do to discourage law breaking and to develop respect for authority? If a child does wrong don't uphold him; start discipline at cradle age; give the children a religious background; change the work laws so youths can have something to do.
4. What is being done in your local community to better the relationship between local law enforcement officers and the general public? Local police cadet program in schools; election of a new judge; law officers speaking to youth and adult groups; police working with teenage groups.
5. Comments: Parents should be responsible for their children; if present laws were fully enforced there would be no need for new laws; American flag should be flown every day, not just on special days.

MAFC Approves '74 Program

Michigan Association of Farmer Cooperatives approved their 1974 program July 17. MAFC 1974 Program Chairman, Otto Jury, manager, Buchanan Co-op, Inc., presented a list of activities for the new year. The program includes nine educational, ten member services and legislative programs.

New items added to the program was a Governor's Breakfast for co-op leaders during October "Co-op Month," Workshop for Vo-Ag Teachers, Development of a Director Board Book and support for the 4-H Foundation.

The Council approved a new co-op logo to be used by Michigan cooperatives and will be registered with the state.

Blue Cross Rates Frozen

Blue Cross and Blue Shield subscribers to the Farm Bureau group plan will not receive their annual rate adjustment at the scheduled time this year.

Member subscribers usually receive their advance rate notification in July, informing of the adjustment effective August 20th. However, this year, things are different because of the price freeze announced by President Nixon, June 12th.

Subscribers will continue on their existing rates until the government price control policy is either abandoned or altered. Blue Cross and Blue Shield will provide immediate notification of any change in this procedure when the new government policy is announced.

Discussion Topic Report Sheet

The Discussion Topic and Report Sheet for the discussion topic on the opposite page is furnished for use of community group members who may wish to review it prior to their group meeting. If used by a Community Group, in lieu of report sheet furnished the Discussion Leader, please forward answers with minutes to Information and Public Relations Division, Michigan Farm Bureau, P.O. Box 960, Lansing, Michigan 48904 on or before September 1, 1973.

COMMUNITY FARM BUREAU
Discussion Exercise and Report Sheet
August, 1973

Community Farm Bureau _____ County _____

Please indicate the number of people taking part in this discussion _____.

TOPIC: TAXATION

To most people, taxes are an emotional issue and it is almost impossible to ask a question such as, "Are assessments in your community done in a fair and impartial manner?" without arousing strong feelings. But try to lay them aside as you come up with a group opinion concerning assessments in your community.

Our group feels that assessments in this community are:
Fairly done: _____ Usually right: _____ Mixed up: _____
Seldom right: _____

Now, having decided what you think about assessments, let's look at the total tax picture to check how group members feel about taxing trends. This time write down the number of individuals for each opinion:

Taxes are about right considering all of our needs: _____

Taxes are too low to meet present needs: _____

Taxes are too high, we should cut back: _____

The government (local, state and federal) provides many services as the result of demands made by citizens. What government services could be reduced or eliminated entirely to reduce tax costs? List two: _____

It is that time of the year when counties' policy development committees are beginning to compile resolutions which will be presented for consideration at the county annual meeting. Therefore, let's spend a few minutes and list any recommendations to your county policy development committee. Send the list to your county Farm Bureau secretary and she will pass the recommendations on.



OFFICE CALLS



QUESTION: How can I determine if my doctor is participating with Michigan Blue Shield?

ANSWER: In most cases, the doctor will advise the patient of his participating status. However, if a doctor is reluctant to reveal this information, the patient may contact any Blue Cross or Blue Shield office for the same information. It should be noted that a doctor may participate in all benefit procedures and accept the payment in full or have participating status for only specific procedures.

FARM BUREAU MARKET PLACE

ALL CLASSIFIED ADS MUST BE PREPAID

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. Mail classified ads to: Michigan Farm News, P. O. Box 960, Lansing, MI 48904. Publisher reserves right to reject any advertising copy submitted.

FARM EQUIPMENT

NORTHLAND EQUIPMENT — Dealer for New Idea, Gehl, New Holland, Jamesway, Kewanee, Killbros, and Bush-Hog equipment. Madison Silos, On M-72 West, Traverse City, Michigan. Phone (616) 946-9437. J. J. Witkop, owner. (3-71-30p)

300' GOOD USED BARN CLEANER. Chain fits Clay, Badger, Starline and others. 15 used Patz Barn Cleaner. 10 used Patz Silo Unloaders. Also new Patz Equipment. 5% simple interest 3 years. garden Equipment. Rt. 3, Fremont, Michigan 49412. (9-11-37b)

FREE BROCHURE, TRAILERS — "GOOSENECK or FIFTH WHEEL type" Livestock, Flatbed, Dump or Utility Hauler Trailers. TRAILITE, INC., P.O. Box CA-212, College Station, Texas 77840. 713-846-3749 collect. (8-41-25p)

SLIDE IN STOCK RACKS — All steel construction \$159.50. Dealerships available. Free literature. DOLLY ENTERPRISES, 219 Main, Colchester, Ill. 62326. (8-11-19p)

FARM EQUIPMENT

WE SELL, erect and service: Smith Silos; Silo-Matic Unloaders and Feeding Equipment; Schuler Bunk Feeding Boxes; Kasten Forage Boxes, Blowers, and Gears. LAURSEN'S INC., WEST BRANCH, MICH. 517-345-1400. (8-61-27p)

HARLEY ROCK PICKERS. Picks 1 to 16" diameter, dirt free. Rock Windrowers: 10 and 20 feet. Earl Reinelt, 4465 Reinelt Rd., Deckerville, Mich. Phone: 313-376-4791. (6-101-20p)

FARROWING STALLS — Complete \$34.50. Dealerships available. Free literature. DOLLY ENTERPRISES, 219 Main, Colchester, Illinois 62326. (8-11-15p)

CALF CREEP FEEDERS — 30 Bushel Capacity \$119.50. Dealerships available. Free literature. DOLLY ENTERPRISES, 219 Main, Colchester, Ill. 62326. (8-11-18p)

FOR SALE: 3 - 1650 bu. wire corn cribs, never used. Doug McKim, Stockbridge, Michigan 49285. Phone 517-851-8106. (8-11-17p)

LIVESTOCK

HEREFORD BULLS — pure bred herd sires. Ready for service. Also, registered heifers and calves. Egypt Valley Hereford Farm, 6611 Knapp St., Ada, Michigan. Phone OR 6-1090. (Kent County) (11-11-25b)

FOR SALE: 25 Hol Vac Heifers due Base Mon., 15 Hol open Heifers breeding age, 25 Hol Vac 400 lb. Ed W. Tanis, Jenison, Michigan. Phone: MO9-9226. (7-31-25b)

PUREBRED CHESTER white and yorkshire breeding stock for sale, satisfaction guaranteed. Phone: 313-971-1894, 4100 Stone School Rd., Ann Arbor, Bill McCalla. (8-61-20p)

Advertise in the Farm Bureau Market Place

LIVESTOCK

MILKING SHORTHORNS: Young Bulls, yearlings and calves for sale. Write for tabulated pedigrees or better yet, pay us a visit. Stanley M. Powell and Family, Ingleside Farm, Route #1, Box 238, Ionia, Michigan 48846. (7-41-33b)

MISCELLANEOUS

STUFF ENVELOPES. Average \$25.00 hundred. Immediate earnings. Beginner's Kit, \$1.00 (refundable). Lewcard, M392FN, Brea, CA. 92621. (2-121-15p)

ELECTRIC POWER PLANTS Ac and DC by Pincor. Tractor PTO, Portable and Stationary Engine Plants, Camper Units, Battery Chargers. Designed for Heavy Duty Motor startings. Also Electric Motors. Heavy Duty for Home, Farms or Industry. Discount priced. Decatur Electric Motor Service, R#1, Box 261, Decatur, Michigan 49045. (5-41-48b)

"CHUCK WAGON GANG" Records. Giant package. Five new collector's longplay stereo albums. 50 great old gospel songs sung by the original group. \$9.95 postpaid. Keepsakes, 202MF, Carlsbad, Texas 76934. (2-11-28b)

MISCELLANEOUS

FOR SALE — USED RAILROAD TIES. Fruit growers, lake shoring — truck lots. Allen Waldvogel, Rt. 2, Manhattan, Illinois 60552. Phone: 815-487-3742. (4-31-19b)

ANY MAKE WRIST WATCH cleaned, repaired, parts included, total price \$6.95. Seven-day service. 21st year in mail order. Elgin trained experts. Send for free mailer. Hub's Service, 3855 Hopps Road, Elgin, Ill. 60120. (5-61-32p)

SPECIAL OFFER — Kodacolor Film Developed and Printed. 12 exp. cartridge or roll. \$1.98. Send for free mailer. Cavalier Color, 1265 S. 11th Street, Niles, Michigan 49120. (9-121-25p)

ELIMINATE moles, gophers quickly, easily, inexpensively. Guaranteed method! \$3.00. Danhaven Farms, Box M2606, Vancouver, WA. 98661. (8-121-14p)

COLDWATER DILLPICKLES! Can in minutes! No hot brine. Delicious. Crisp. Factory secrets! Recipe \$1.00. Hamiltons, Box 233-1318, New Ulm, Minn. 56073. (8-11-20p)



**NO-FAULT
AUTO INSURANCE
IS COMING**

*and here
are some basic
facts you should know*

1. No-Fault becomes effective October 1, 1973. On that date . . . according to the law approved by Michigan's legislature and signed by Governor Milliken . . . every Michigan resident who owns a car must have auto insurance. Failure to comply can result in a fine of up to \$500, jail for one year (or both), loss of driver's license and loss of license plates.

2. If you're a Farm Bureau Mutual or Community Service auto policyholder, your new policy declarations and No-Fault explanation material will be mailed to you early in September. And, beginning October 1, you will automatically have No-Fault auto insurance. Coverage limits (where appropriate) on your current policy will be *automatically applied* to your new protection.

3. *Collision coverage has changed substantially under No-Fault.* If you do not have No-Fault collision cov-

erage, you can collect damage payments *ONLY* when your car has been struck while properly parked. Otherwise you *cannot* receive damage payments from the "at fault" driver. Only *your* insurance company can pay collision damage claims.

Also, unless you choose Broadened Collision Coverage, you will have to pay your own "deductible" — regardless of whether or not you were at-fault in an accident.

4. Three new types of auto insurance coverage are created by No-Fault . . . Personal Injury Protection, Property Protection and Residual Liability.

5. A special 10% discount for single adult drivers . . . women aged 20 through 65 and men 24 through 65 . . . is available for Survivors' Benefits rates. Also, adults (same age groups) earning less than \$6,000 a year are eligible for a 10% Wage Loss and Survivors' Benefits discount. These options apply *only* to non-farm classes.

As you can see, No-Fault is making a lot of changes in auto insurance. We're doing our best to explain those changes. In fact, your local Farm Bureau Insurance man has a special No-Fault slide presentation and basic information brochures. We want you to understand the No-Fault story.

**FARM BUREAU
INSURANCE
GROUP™**



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