Tax Relief Plan Waiting to Go

One more vote could trigger the starting gun for land use administrators to begin offering tax relief to farmers who wish to keep their land in agriculture.

The Farmland and Open Space Taxation Bill (H. 4244) looked like a sure bet to be passed in March, but the Senate failed by one vote to adopt the House amendments.

The partisan vote in the Senate had nothing to do with an open space provision the House had eliminated.

A House-Senate conference committee appears to be reaching a solution; however, and favorable action seems near as legislators generally agree on the basic issues. There seems to be little opposition to omitting the 25 percent penalty to be levied against those who failed to live up to agreements and granting landowners permission to take advantage of both this bill and the 1973 property tax relief measure.

The bill now stands farmers who receive tax relief under H. 4244 will still be able to collect tax credits for payments over 7 percent of their household income.

Karl Hosford, head of the young Office of Land Use in the Department of Natural Resources, has been holding at the starting line plans to put the new law into effect.

Though he hasn't yet seen the final law he feels he knows what his job will be once he's allowed to move.

“We want to be sure that procedures are as uncomplicated as possible to make it easy for farmers to enter the program, but at the same time we want to make sure that land speculators don't take advantage of the tax break,” Hosford says.

Tightness of procedural rules will depend very much on the final shape of the bill, Hosford says.

“If the definition of a farmer is specifically stated in the bill then we won't have any problem. If it isn't, then we'll have to promulgate rules to keep the speculator out of it. From what I've seen of the bill so far, it's pretty tight on this.”

Upon passage of the bill Hosford's Office will have to set up rules, forms and explanatory materials, but, he says, farmers should be able to start making applications into the program within two months after the signing of the bill. Processing of applications is expected to take about three months. So the first agreements between farmers and the State should go into effect by late Summer or early Fall, barring any long hold-ups in the legislature.

Fanners will be able to apply for tax relief through their county or township. The local government will then advise local and regional planners as well as the farmers' soil conservation district heads before forwarding the farmers request to the State Land Use Office.

The Land Use Office will advise the state tax commission to make the initial assessment of the land under the Act's provisions. Subsequent assessment will be handled locally. If the farmer is agreeable to the terms he can then sign a contract with Land Use Office.

If the applicant feels he is being treated unfairly he may appeal first to the local government, then to the State Land Use Agency and, as a last resort, to court.

“This act will have three advantages,” Hosford says. “One, it gives the owner agricultural assessment of his property. Two, if property taxes exceed 7 percent of the household income, the difference is returned. Three, the property can't be assessed for utilities like sewers while under the contract. I'm from a farm and I know how important that item is,” the Land Use Chief says.

Hosford won't be depending on his own expertise when setting up rules for the procedures. His first action after the bill is passed will be setting up an agricultural advisory board.

“If I think I'll go to Farm Bureau, the Michigan Department of Agriculture, Extension, and to farmers themselves to find out who to put on this committee,” Hosford says.

“Though Hosford says he has an excellent relationship with the agricultural community, he admits that he is aware that many would like to see his job turned over to the Department of Agriculture.

“But Agriculture, says Hosford, has never dealt with land transactions. We (DNR) have the field staff living in the areas we will be administering.”
underlines

Committees

If you ever want to insult somebody, tell them they look like they’ve been put together by a committee. That means they look like they’ve got all the wrong parts in the right places or all the right parts in all the wrong places or maybe just more parts than places.

It means they can’t function well enough to turn on a TV and if they could they’d watch the antenna. It means they usually do things backwards. Eat dessert and then undress; brush their gums and put their teeth in after:

But while we hold the line on the national front, we look back and see too little being done in the counties and communities. Figures from 1972 show only 30 percent of the local governments in Michigan with planning commissions and only 5 percent with zoning commissions.

The only way we can win this battle for local control is to start local planning now. Our legislative efforts in Washington can only give us a little time.

Committee - eeze

Time Running Out for Local Land Planning

Some farmers in Michigan are acting as though we have a choice between having land use policy or not. But those who are honest with themselves know that such planning is a must. Statutes show that Michigan is putting thousands of acres of good farmland out of production every year and trends point to the fact that by year 2000 we will have the necessary farmland to meet the needs of Michigan.

Legislators on the state and national level have looked at the statistics for Michigan. Then they looked at how precise little is being done on the local to halt these and have decided that they will have to take over the responsibility for local land use planning.

Frankly speaking, land use planning will be the key to life.

The choice we are left with is whether or not land use planning for our communities will take place at home or in Washington. If we choose to have local planning control, then we exercise that control or give it up to the Federal Government.

Farm Bureau is trying to save local in ope in land use planning and zoning. On the national level, we favor opposition legislation that contains provisions that would allow the federal government to control local land use policy through monetary policy. This is because policy of the American Farm Bureau Federation clearly states that land use planning can best be accomplished at the county or community level.

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Do not hallucinate.
"US Cattle Fed Grain as World Starves," read a headline above an article reflecting the thoughts of a young, self-taught nutritionist in a recent issue of a Michigan newspaper. Frances Lappe, author of the best seller "Diet for a Small Planet," berated the practice of using 78 percent of the humanly usable grain we produce to feed livestock which convert this protein into smaller amounts of meat protein.

The author's indictment on American agriculture is based on the concept of protein efficiency. She follows this maxim religiously:

"Our concept throughout is never to use two parts of protein to make one by feeding it to an animal.

"These are proper statements, but she uses them completely out of context," said Dr. Hugh E. Henderson, a scientist studying animal feeds at Michigan State University.

"There's one simple reason we've been using grain for feed: economies. When you can buy soybean oil for $60 or $70 per ton, animals were doing mankind a favor by taking it off the market. Any livestock feeder knows this is not the case today. Because of high feed costs, hog and cattle feeders are going in the hole. It is estimated cattle feeders are now losing $100 to $300 for each market steer they sell. "

Dr. Wastell says. "We can cut feed costs in half with liquid feed," Henderson said. "This wouldn't work this way with the cheap meat protein. But this wouldn't have been true two years ago, with the cheap feed grains we had then."

Hand-in-hand with the economic savings for cattle feeders will come a new efficiency in protein use, Henderson adds.

"With liquid feed we will actually be able to turn livestock into protein factories that produce humanly usable protein from non-humanly usable proteins."

Henderson's liquid feed, unlike soy, would not be toxic and would be a complete source of energy. Eventually, feed for any solid bulk would be eliminated for slaughter animals.

The scientist has already proved his point to his own satisfaction with the development of Bactolac, which he and Dr. C. A. Reddy unveiled last summer.

This protein supplement is made from a dairy-by-product, whey, which up to announcement of the new product was considered nothing more than an environmental nuisance. Henderson claims that 300,000 cattle could be fed every year with the whey available in Michigan.

"This is only an example of what can be done, according to Henderson, since most any carbon-bearing substance with proper treatment will be able to be converted to feed for cattle, hogs, poultry, sheep and dairy animals."

The research already envisages large, distillery-like structures being made to produce the liquid feed in mass volumes.

"There are hundreds of farmers who will not be able to find the whey product or any others of its kind at feed dealers now."

"It takes a minimum of $5 million and five to ten years of research to get a new product on the market after it is developed," Henderson says.

Such extensive procedures for consumer clearance by the government is stifling potential development, the scientist says:

"There is no way we could get clearance to put on the market any of the food we eat today, if it had to conform to consumer regulations," he adds. "They would just wipe everything out."

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Dr. Wastell checks a feed ingredient printout with his assistant in the FBS computer room.
Two of the petition drives now underway in Michigan are aimed at establishing a set limit to state spending and putting Michigan on Central Standard Time. Both initiative petitions will need over 300,000 signatures by the July 4 deadline.

Rep. Thomas Sharpe (R-Holland) announced plans to petition in order to place a proposed constitutional amendment on the November ballot after the House Committee failed to act upon a joint resolution calling for a spending limit. The proposal would freeze state spending at the 1972 level at 8.8 percent of personal income in Michigan.

The purpose of Sharpe’s proposal is to control growth of government spending, stabilize taxes, and maintain present levels of government services while taking population growth and inflation into consideration.

The resolution, introduced by 33 legislators of both parties establishes a limit on all revenues of the state, excluding federal aid. At the same time, state monies to local governments could not be cut below the levels set at the time the amendment is adopted and the state could not make local units increase services unless new programs were paid for out of state coffers.

Local units, on the other hand, would be prohibited from increasing tax rates or levying new taxes without a majority vote of voters in that area. (This limitation would not apply, however, to payment on bonds already authorized.)

State tax limitations could be exceeded under the proposal if the legislature passed a declaration of emergency by a two-thirds vote. Such declarations could only be made on a year-to-year basis.

This idea is not entirely new. A similar proposal put to a public vote in California was defeated by a 54 percent majority. It was also argued that local governments would have taxed more heavily on the local level under that proposal. Rep. Sharpe has tried to prevent occasion for such arguments in his proposal.

High government expenditures in relation to personal income are largely a phenomenon of the last 50 years. Information has been compiled which points out that for the first 150 years of US history, total spending by federal, state, and local governments never exceeded 15 percent of the national income, except during a major war.

Between 1932 and 1950, this had grown to 33 percent; and by 1975, it was estimated that total federal, state, and local government revenues exceeded 43 percent of total personal income. At this rate, it is estimated that total government revenues will be more than 50 percent of personal income by the early 1980’s.

The average wage earner today must work nearly five months of the year to pay his total taxes to local, state, and federal governments. Michigan’s state expenditures have paralleled this national trend. For example, total state revenues were 4.53 percent of personal income in 1956, and 8.8 percent in 1972. It is estimated that if total state spending continues at the present growth rate, Michigan’s total state and local government revenues will exceed 41 percent of total personal income.

One piece of time legislation has passed this year in an attempt to stop the clock. It is the Legislature’s decision to declare Michigan a Daylight Saving Time state for the winter months. The state actually two hours ahead of the time zone.

The double daylight saving time issue is a longstanding and controversial issue. Michigan is presently in the Eastern Standard Time Zone; and Daylight Saving Time literally means “Double” Daylight Time, with the state actually two hours ahead of the sun.

Several proposals to freeze state spending at the 1972 level at 8.8 percent of personal income have been introduced into the state legislature. The Legislature might prevent the passage of an amendment to the state constitution on the bill stating that Central Standard Time would be the legal time throughout the state.

The initiative petition drive would place a proposed amendment to the state constitution on the ballot stating that Central Standard Time would be the legal time throughout the state.

Delegates at the state Farm Bureau convention voted to work toward putting Michigan in the Central Standard Time Zone. Geographically speaking, 98 percent of our state is in that time zone.

The proposal would freeze Michigan off the federally mandated Daylight Saving Time for the winter months. This still leaves the problem of summer Daylight Saving Time.

HMCPA President Glenc Lake was also invited to the dinner on the anniversay of the 1972 milk boycotts which spawed the WUA organization.

Mrs. Bukowski stressed that WUA had much in common with the UFW’s fight is with the teamsters who drive trucks and middle size farmers and all monies go to them, not the company.”

The two Sanilac women are one of the most active of the 28 MFB Speakers’ teams in the state. County Women’s Committees and county FB Women’s committees called upon the state to contact church officials and village in a move in response to the United Farm Workers (UFW) efforts to get clergy support.

The two Sanilac women are one of the most active of the 28 MFB Speakers’ teams in the state. County Women’s Committees and county FB Women’s committees called upon the state to contact church officials and large dairy farmers would be invited to question large companies.

Big costs for these small and middle-sized farmers were discussed by Faye Adams and Diane Wood of Sanilac County during the meeting.

The duo showed slides of their own dairy operations to the group, pointing out the costs of fancy equipment, feed and the risks involved in involving dairy cows. The two Sanilac women are one of the most active of the 28 MFB Speakers’ teams in the state.
Do I qualify for tax break?

Q. In the December issue of the FARM NEWS, your column indicated that the Farm Bureau and several legislators objected to the Treasury Department's interpretation of the tax relief bill of 1973. How did you respond to this objection?

A. The objection is frequently asked by members but especially so in recent weeks. Members are currently concerned because federal agencies have proposed regulations during the last year that affect nearly all farmers in one way or another. These regulations prevent all run-off from feedlots entering navigable waters, machinery guards on all equipment, and new limitations on the use of pesticides.

Government agencies are for the most part administrative arms of the legislative branches. Agencies are created to develop regulations that will enable it to administer a law within its jurisdiction as passed by the appropriate legislative body.

An example of the Federal Water Pollution Control Act which Congress passed over the President's veto in 1972. The act establishes 1972 water quality standards to eliminate chronic inputs of pollutants into navigable waters of this nation. Congress established the goal and other intermediate deadlines, but left the responsibility of implementation to the Environmental Protection Agency.

Then EPA developed no-discharge feedlot regulations under this mandate by Congress. EPA is carrying out its responsibility as required by the Act. Without such authority delegated by Congress, an individual affected by the regulation would have good reason to challenge EPA on legal grounds.

Regulations of emergency standards is an action government agencies may take that comes closest, in the view of many, to making a law. Emergency regulations can be imposed when extreme danger or other similar conditions exist to health and safety of the general public.

These regulations do not require advance notice or solicitation of public comment. They may take effect immediately and may remain in effect until permanent regulations can be developed for public comment.

The OSHA Emergency Pesticide Re-entry Standards issued by the Department of Labor last year are an example. Farm Bureau and others successfully appealed the OSHA Emergency Standards on the basis that sufficient evidence did not exist to warrant such action.

Regulations can be out of line if the agency does not correctly interpret the intent of Congress or the law. Incorrect interpretations of legislative intent lead to an agency imposing regulations in areas not covered by the law. While this does happen on occasion, it is the job of Farm Bureau and others participating in the public review of proposed regulations to catch these errors.

New Film Release Shows Professional Farmers

In the midst of consumer irritation over inflation and rising food prices the Michigan, Ohio and Indiana Farm Bureaus have released a half-hour feature film called "Man and the Land" depicting farmers' special problems in today's world.

"It shows the farmer as a professional," says Bob Driscoll of the MFB information staff. "With footage shot in all three states and music specially scored for the film, the facts concerning needed capital investment as well as risks involved with weather, market conditions and environmental controls are conveyed in a pleasing manner."

"I think the farmer is seen as a businessman, planner and conservationist in this film," says MFB information head Larry Ewing.

"The film has been scheduled to be aired on several TV stations throughout Michigan but Ewing said it was used more in its value in use in public meetings. MFB members and leaders are already using the film as part of presentations to school children and youth groups."

"The film is ideal for rural-urban meetings," Ewing says. "Since it does such a good job of informing non-farmers about agriculture."

Perhaps the biggest use of the film will come in schools. Several school systems have already seen the film and have asked to have it added to their film libraries. Farm Bureau groups wishing to obtain a copy of the film can contact their county office or the state office at 2723 W. Saginaw, Lansing, 48904.
Packaging Shortage Threatens Markets

Despite a healthy demand for cherries, Michigan producers may find that they won't have an outlet for much of their crop this year. The problem doesn't lie with consumers or with processors, but rather with a shortage of wholesaling storage containers.

It is projected that Michigan producers will only have three million of the five million 30-lb. tin cans needed for storing this year's crop. Tight supplies of tin and steel lead to the base of the shortage, even though the two million cans needed were not consumed very large amounts of metal.

“Canada Cuts off US Meat"

The Canadian government imposed a ban on imports of cattle and beef products on April 9, after USDA efforts to come to an agreement concerning DES, a growth stimulant fed to cattle. The ban came into effect after the US ban on DES was lifted in March and the Canadian Cattle Feeders Association adopted a policy barring the use of DES.

Canada retained its ban on US beef, border states like California milk producers were faced with a shortage and large amounts of metal.

While the 30-lb. can shortage is an immediate problem, it is only the symptom of a much larger shortage that could affect all fruit and vegetable producers, reports James Goff, Director of the Michigan State University School of Packaging.

Goff says packaging shortages will continue to increase and therefore affect marketing procedures. The director doesn’t see April 30 decontrols as the end to the problem either.

Looking for long-range alterations for Michigan producers may not be that easy.

Goff says one possible solution is to use paint cans that are already in production. There are alternative materials, Goff says, but everybody is looking for them.

Low profit margins for tin-plated steel and plastic producers who put investments into environmental pollution controls are at the base of material shortages the Director says.

“I don’t want to sound like an anti-conservationist, but changes in environmental policies are really at the root of all these problems,” Goff argues.

Government indecision or such policy keeps orders off balance, Goff argues.

“You’ll be able to get copper but not the normal tin-plated manner,” he says, since shortages prevent contract buying.

Egg Prices

EGG MARKET QUOTATIONS - APPROXIMATE, F.O.B., FARM

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Quotations are subject to market changes and based on average New York Market quoted by U.S. Dairy of the preceding five market days, Friday thru Thursday.

The first contract negotiated by state accredited bargainers for farmers has been signed. Michigan Asparagus Growers, Inc., of MACMA, signed the pact with Stockley Van Camp Co. on April 15. It is establishing a 30-lb. base price for asparagus of 90 to 106 grade.

Growth recognition as a crucial factor for the future of the asparagus market. The Michigan Asparagus Growers Division became the first and only bargaining group to gain accreditation under the Michigan Agricultural Marketing and Bargaining Act in February, entitled the group to represent all Michigan asparagus growers.

“It’s expected that other processors will be paying 24 base price or more depending on quality,” said Harry Foster, Manager of MACMA’s Fruit and Vegetable Division.

Growers recognized quality as a crucial factor for the future of the asparagus market. The Michigan Asparagus Growers Committee agreed to support what they termed reasonable efforts on the part of processors to minimize tough asparagus in future packs.

The quality image of asparagus is reaching a level which is cause for real concern,” he added.

The Red Tart Cherry Division of Processing Apple Growers is scheduled to become the second accredited bargain group in May 1974. The group is establishing the first decontrol period for objections to an application.

The next marketing period for the group will begin Feb. 26 and end Nov. 27, as determined by the Marketing and Bargaining Board.

MACMA’s Processing Potatoes Growers should become the third accredited group on May 19. The group is still awaiting the Michigan application period for objections to an application.

“Don’t think there is a chance they can move on that side of the court,” Harry Foster said. “But whatever happens our divisions will continue to bargain for their members.”

Apple Committee Secretary Chosen

Thomas C. Butler has been selected by the Michigan Processing Apple Growers Marketing Committee to be the Committee Secretary according to a joint announcement by Larry Stroman, Committee Chairman from Ludington, Michigan, and Harry A. Foster, Manager of the Fruit and Vegetable Divisions of MACMA in Lansing.

Butler will assume the duties of the Committee Secretary at the 1974 meeting of the Michigan Processing Apple Growers Division of MACMA which was organized in 1963 as one of the first divisions of MACMA. Foster said.

These new staff assignments will provide a more complete market information and membership program for association members, Foster said.

Canada Down"
Market & Feeder Cattle

The large supply of long-fed cattle and live feeders continue to depress prices on the market. There is no apparent let up to this trend in the near future.

If the feedlots don’t get back to consistent marketing patterns and lighter selling weights, continued feeding losses are imminent.

Prices for live feeders bottomed out and May prices will be in the low 80’s with a higher trend.

Reduced corn prices may create a more favorable feeding margin in the near future. However, much activity as the recent embargo of US feed grain has resulted in a situation were both could adversely affect competition and pricing.

Feeder cattle supplies continue to be abundant in most parts of the country. Unfavorable feeding margins and lack of aggressive demand, particularly in the West have caused feeder cattle prices to plummet from January levels.

Five hundred pound choice steer calves are currently being priced from the mid $30’s and probably remain in this range during the next 30 days.

Butcher Hogs & Feeder Pig - hog prices are expected to remain in the low 80’s. Prices have been under duress since the trough of the truck strike activity. Many overweight Butcher hogs are a drain on the market when totaled with the excess of other meats during this period. According to recent reports, numbers will not show any appreciable increase in the near few months, which should eventually cause an upward trend in the Hog market. Prices will probably hit the mid 90’s by late summer.

Feeder hog prices are at a most break-even situation for swine producers.

Feeder pig supplies remain in the mid 30’s and will remain near that mark for at least 30 days.

Dairy

Uncertainty is probably the best explanation and projection for the current period. There are several factors in cattle finishing and some of the reasons will be removed in May.

Recent production and consumption trends appear to be stabilizing or turning around. Production appears to be leveling off. This is due to a number of factors including lowering feed prices and lower beef prices.

Consumers also appear to have beveled off and possibly peaked. March consumption is still slightly lower. The consumption trend is most likely due to competition to price increases, which may have been initiated by widespread layoffs in the auto industry.

Some of the uncertainty will be removed in May when it will be known if the laws are going to be better for dairymen. At the present time, a safe and easy answer is: uncertain. There are too many variables doctors to even speculate on profits at the present time.

The real question is what kind of year it will be for dairymen. At the present time, a safe and easy answer is: uncertain. There are too many variables doctors to even speculate on profits at the present time. At the present time, a safe and easy answer is: uncertain. There are too many variables doctors to even speculate on profits at the present time. At the present time, a safe and easy answer is: uncertain. There are too many variables doctors to even speculate on profits at the present time.
Equipment Shortage a Long-Term Problem

Looking for answers about the heavy equipment shortage, Farm News talked to Otto Jury, Jury, President of the Michigan Agri-dealers Association, and his unit, Allis-Chalmers dealership and is manager of the Buchanan Farm Co-op.

Farm News: What has caused the farm equipment shortage?
Jury: The demand. There's a lot more equipment being sold nationwide. There are some things in short supply. They buy from outside sources like rubber products, hydraulic pumps, electrical equipment that they aren't able to get, and I assume it's because the demand is so great on those industries, too.

Farm News: There doesn't seem to be a shortage of construction equipment as opposed to agricultural equipment. Why do you think that is?
Jury: I would assume there isn't as great a demand for this equipment. I think expansion of housing as well as commercial enterprises hasn't grown by leaps and bounds as the agricultural picture has.

Farm News: What kind of equipment will be in short supply?
Jury: Tillage and planting equipment—cultivators and planters. It's most likely the dealer has sold all such equipment that he's going to have this spring. It would be Fall at least before we get anything put on order now. In fact, in my operation, we've been told what our entire allotment will be 'til next spring. The raw materials have been locked in.

Farm News: Then, what do you see as the outlook in the near future?
Jury: I think if our economy stays as it is and commodity prices stay where they are, we will have another year and a half to two years of this. In fact, some of the tillage tools we have on order now are for delivery a year from now. The dealers tell us they have sold out their production for next spring.

Farm News: Have manufacturers suggested any moves they could make to meet demand?
Jury: Well, our company, Allis-Chalmers, is producing more than they ever have. They're actually producing more than they felt their plants are designed for. I think their indication is that they're reluctant to make a lot of capital investments as long this boom will last. Whether they want to gear themselves for more production or not is something they haven't decided on yet. It may be long this boom will last. Whether they want to gear themselves for more production or not is something they haven't decided on yet.

Farm News: Do you think there is any pressure that can be brought to bear to get companies to make these decisions?
Jury: I think probably it goes back to the fact that these companies have limped along for several years having this overhead and not quite getting up to peak efficiency because they haven't been able to get all production. And I think they kind of like this feeling of running at capacity and being very efficient and I think they'd kind of like to keep it that way.

Farm News: You mean they never do really want to meet the demand at risk of oversupply?
Jury: Yes. Well they've got caught and dealers have been caught with a lot of stuff on hand. The companies have had to pay interest and taxes on inventories and so on. They don't want to be overstocked or have production capacity if this bubble breaks.

Farm News: Are you saying you suspect a descent in agricultural production?
Jury: No, I don't think so. I just that there can be a saturation point in time. Nobody knows, but there could be a time when we have everybody supplied with the machinery they need.

Farm News: What would be the best way for farmers to assure that they would get everything they want and need?
Jury: Well, I think they have to do some planning six months to a year ahead of time. There's still no guarantee that what we quote them now will be the price when it gets here, because there's no price protection whatsoever on machinery.

Price increases have been coming through about 60-90 days apart where it used to be that twice a year was the most increases we would have.

Farm News: Is renting a possible solution to shortage problems?
Jury: Yes, it's possible. I think we would be renting equipment this year past had what they called preseason terms. You could buy a combination now and not have to pay interest on it. You'd pay a down payment, but you wouldn't pay interest till fall when you were ready to harvest. These types of incentives have been dropped. And I think this serves as an indication that the companies aren't going to come out with anything spectacular in rental programs.

Farm News: Is there a time when dealers had parts on hand, whereas now you have to send out for parts to be shipped. Is this going to worsen?
Jury: We have as many parts on hand as we ever had. There are slow moving items that you don't ordinarily stock that are harder to come by or take longer to get here than they used to. We do submit stock orders and don't get them filled completely the way we used to. So, the parts situation is definitely worse than it was a year ago as far as getting everything you order. Of course, we're stocking heavier than we used to. So, we're probably ordering more of each part than we used to. The parts situation is not so drastic that we can't keep equipment going, though this may be a different story when we get into spring planting and plowing.

Right now I would say the parts problem is quite critical but not so bad that there are people down and out.

Farm News: Do you think fertilizer and fuel shortages will alleviate the machinery demand?
Jury: No, it may be next spring, but I think the farmer has some more disposable income to spend on that new piece of equipment he's been wanting for the last two or three years. The machinery isn't purchased on what he anticipates to make this year but on what he made last year.

Farm News: As a coop manager, what do you think is the worst of the shortages facing farmers?
Jury: Fertilizer. I don't think there is going to be enough fertilizer to get maximum yields.

Jury: "We will have another year and a half to two years of this."

Barnyard Energy Is Free

There's a source of energy that is not depleting but is increasing. It's especially cheap and available for farmers who can use the fuel in place of natural gas.

There is, farmers may have piles of this source on their land, and are probably finding it hard to even avoid stepping in it.

Yes, it's manure. Manure is having commercial potential that we have rediscovered an old source of energy. We have rediscovered the wealth of manure into dollars and energy by several times over in the equipment industry, is that there is more than enough energy by several times over in the equipment industry.

"There is more than enough energy by several times over in the equipment industry, it's that there is more than enough energy by several times over in the equipment industry, but we aren't proposing a plan for its use. The right machine can do the job. The project can be accomplished in 1974."

The idea is to use the energy of lots of hardworking bacteria to speed up the long, natural process of decomposing that which we quote them now will be the price when it gets here, because there's no price protection whatsoever on machinery.

Price increases have been coming through about 60-90 days apart where it used to be that twice a year was the most increases we would have.

"Tillage equipment is in shortest supply, Jury says."
Moth Defoliates Michigan Counties

by ROBERT C. ANDERSON

This spring another battle will be fought in Michigan's war against the gypsy moth. If we lose, thousands of acres of Michigan farms could be defoliated through defoliation.

Now is the time to search out and destroy the pests so state and federal agriculture departments can quarantine on the areas of highest infestation - Fremont Township and Rolland township in Isabella County and Richmond Township in Montcalm county. The quarantine involves inspection of trees, shrubs, timber, timber products, mobile homes and recreational vehicles that are taken out of the area.

"So far we have a chance to eliminate the moths because we have only light infestations," says Bruce Smith, assistant to Richard Moore head of the USDA's Animal and Plant Health Inspection Service (APHIS) in Michigan. They hope that a combination of treatments in infester areas will lead to a method of eliminating the gypsy moth from Michigan.

"After all, who will want to camp in a forest of trees with no leaves?" says William Wallner, Michigan State University Entomologist.

This woodland pest has plagued the Northeastern United States since 1869. It was carried from its native home, south of Boston, Massachusetts by a naturalist. During his experiments, some of the moths escaped and found a new home in the New England forests. They had very few enemies in their new home and plenty of their favorite food - fruit, grass, aspen, oak, maple and beech leaves.

Even though the female moths can't fly, they spread quickly. Egg masses attached to tree bark and timber products and recreational equipment were carried into many new areas.

Since 1962, the USDA has attempted to control the gypsy moth, but they are still spreading. In some areas of the US all the leaves have been stripped from trees giving an appearance of winter in July. Defoliation has killed timber, allowing other diseases to infect them, causing some to die. Many of these infected areas no longer have such trees as aspen, oak, maple and beech. Only more resistant trees are left.

The gypsy moth entered Michigan's woodlands for the first time in 1964. The moths were detected in the Lansing area and an intensive control program was initiated to eliminate them. The Michigan Department of Agriculture (MDA) in cooperation with the USDA, sprayed 100,000 acres with DDT and other insecticides in the first year.

Eventually, portions of Eaton, Clinton, Calhoun, Ingham, Shiawassee and Jackson counties were treated. By 1965, no gypsy moths could be found in Michigan.

Unfortunately, four years later, the pests returned and spotted in Calhoun County near Dock Lake. Now gypsy moths have been trapped in twenty-one counties in central Michigan.

The gypsy moth has four stages: moth, egg, larva and pupa. The larva or caterpillar is the destructive stage. One caterpillar can eat a square foot of leaf surface in twenty-four hours.

Mobile homes, plants and timber are being checked in crisis areas to prevent transporting of the moth. Smith says that any of these items could have egg masses attached to them which would spread infestations to the areas in which they are transported.

Gathering moths the come-on

APHIS is also involved in detection and attempts to eliminate present infestations. Smith said. The moths are detected by sex traps which look like paper cups and are baited with a synthetic sex attractant. The substance attracts male moths from as far away as two miles.

Intensive searches for egg masses to determine the extent of the moth populations in these counties revealed light infestations in Isabella, Mecosta, Montcalm, and Gratiot counties. As a result, Smith said 42,000 acres in these four counties will be treated this spring. A variety of treatments will be used. For example, 36,000 acres will be sprayed with a biodegradable insecticide called seven-four-oil.

Although the Environmental Protection Agency has allowed the Forest Service to use DDT to combat a similar problem with the pine saw moth which caused considerable damage in Oregon and Idaho, Smith said the situation in Michigan is not serious enough to request the use of DDT. Much of the area to be treated is farm land and DDT could contaminate some of the crops.

Smith said 10,800 acres, including portions treated with seven-four-oil, will be treated with the sex attractant. The inner portion of the trap is coated with a sticky substance called tanglefoot, which keeps the male moths from sticking to the trap.

In some areas of the US all the leaves have been stripped from trees giving an appearance of winter in July. Defoliation has killed timber, allowing other diseases to infect them, causing some to die. Many of these infected areas no longer have such trees as aspen, oak, maple and beech. Only more resistant trees are left.

Another 10,800 acres will be intensively treated with 10,000 traps to attract males to be sprayed with a biodegradable insecticide called seven-four-oil. It has been noted that the moths seem to be more prosperous near inhabited areas bordered by woodlands than in the forests. Wallner explained that this could be caused by clearing of underbrush in which rodents hide. Rodents eat many of the moth's egg masses. Some birds which feed on the egg masses as well as the other stages may also be scared away from inhabited areas.

Therefore summer cottages and urban homes located in wooded areas are good places for infestations to begin. The moths can then spread from these areas by ballooning. Wallner said. Ballooning is done by the newly hatched larvae which are thin and have long hairs all around their body. They climb to the top of the tree where the wind picks some of them up and carries them as far as a mile from their home tree.

Walner also said that current infestations in the state are bordered to the north by more highly forested areas. These areas contain many of the trees preferred by the gypsy moth. It is therefore very important to stop the spread of the moth to prevent severe infestations like those in the Northeastern states.

Predators have been imported into areas in the Northeast plagued by the gypsy moth, but without added chemical controls they have had no appreciable effect, said Wallner. A virus which attacks gypsy moths has been studied as a possible biological control. It has not been very effective except when the population is under stress from some other factor such as climate or overpopulation.

Researchers are not able to predict whether the gypsy moth will prosper in Michigan. Dr. Smith said. Gypsy moth has been studied as a possible biological control. It has not been very effective except when the population is under stress from some other factor such as climate or overpopulation.

Researchers are not able to predict whether the gypsy moth will prosper in Michigan because there is very little data on how they react to our climate. Wallner said. Research needs to be done on current infestations to establish this basis.

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* * *

A researcher pulls gypsy moth from a tanglefoot trap.

DEBENTURES

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FARMERS PETROLEUM
IMPORTS AND EXPORTS

Foreign trade means different things to different farmers. It means more markets. To others import competition.

At first glance, these opposing views may seem irreconcilable, but this need not be the case. American agriculture has the capacity to produce far more food and fiber than our domestic economy can absorb. Foreign trade thus has been large surpluses of farm products in past years and the government has spent enormous sums of money to reduce the production of surplus crops.

The basic task of every farmer is to find a profitable use for his resources - land, labor, and capital. Most cases agricultural resources can be used to produce a number of different commodities.

If the producer of export crops could not export, surpluses of these commodities would accumulate, prices would fall, and some farmers would shift from export crops to the production of other products such as meat, milk, and crops not suited to the domestic market. So, smaller export markets would mean lower prices for all US farmers.

There's no simple answer to the question of how important foreign trade is to us, but the following facts give some indication:

- In recent years America normally exported the output of one crop-acre out of every four acres which were harvested.
- While net farm income is affected by a number of factors in addition to foreign trade, recent increases in farm income have been accompanied by increases in agricultural exports. In the fiscal year 1972 exports of the 10 leading agricultural exports accounted for 26 to 27 percent of estimated farm sales of such products.

Agricultural exports are substantially larger than agricultural imports, and a substantial part of the agricultural exports consists of products which are not produced in the United States.

General Public Benefits

The no-farming public has quite a stake in agricultural exports.

- In most recent years the United States has had an unfavorable balance of payments. This simply means that we have been spending more abroad than we have been taking in through dealings with other countries.

This forced the United States to reduce the value of the dollar. The relative price of our exports, which is a reflection of their competitiveness in the world market, increased. Such an increase in agricultural exports exceed agricultural imports, agriculture has been a plus factor in the balance of payments. In the balance of payments.

- It has been estimated that more than 5,000 jobs are created in warehousing, transportation, trade, and elimination of surpluses for each $100 million of soybean exports.

- A reduction in the level of American farm surpluses reduces, and to eliminate the need for the expenditure of government funds to control farm production and support farm prices.

- Trade further understanding and respect among nations and contributes to the objective of a more peaceful world.

Need to Trade

Different nations have different resources - different soil, climate, mineral deposits, and worker skills - which enable them to produce different things. International trade enables countries to produce goods and raw materials they do not have the resources to produce.

But countries which have to export in order to obtain the foreign currency needed to pay for imports.

This requires trade increases with the development of industry and technology.

Additional trade is justified by what economists call the law of comparative advantage. Since different nations have different combinations of resources, the amount of resources required to produce a particular product often differs from country to country. The countries which can produce a product with the smallest total expenditure of resources - land, labor, and capital - obviously have an advantage for the production of that product.

Differences in the amounts of resources required to produce a product provide a basic reason for trade. The resource cost of producing a particular product must be measured against alternative opportunities for the use of available resources.

No country can by concentrating its productive efforts on the commodities for which it has the greatest advantage relative to other countries, then trade such products for commodities which other countries have a greater advantage.

Comparative advantage can be, and often is, offset by national policies which affect the cost of producing various commodities or the prices at which they can be exported or imported.

Examples of policies which interfere with the operation of the law of comparative advantage include minimum wage laws, restrictions on governmental actions which affect wage costs, import duties, export taxes, export subsidies, and all manner of payments - such as US farm program payments - to domestic producers.

Dependence of Government Programs

Government programs are a factor in the agricultural export picture but in the past, substantial expenditures were placed under foreign aid programs. Public Law 480 authorized grants to other countries for emergency relief, barter transactions, sales for foreign currency, and sales on easy credit terms.

The United States has also sold government-owned commodities for less than market prices, paid export subsidies when US prices were above world prices due to farm price supports and provided credit or credit guarantees for private sales.

As a result of export demand, shipments under government programs have declined in total and as a percentage of total exports, and the United States has suspended all of its export subsidies.

Protection of Domestic Producers

Domestic production of farm products are protected in a number of ways against imports.

Imports of most agricultural products which compete with domestic products are subject to tariffs; however, most tariff rates on agricultural products are relatively low.

A provision of the law permits the President to restrict imports through quotas or import fees whenever an investigation by the Tariff Commission indicates such action is necessary to prevent material interference with certain domestic farm programs.

Imports of sugar are limited by quotas assigned to various countries under the provisions of the Sugar Act.

The United States has prevailed on a number of other countries to impose restrictions on the export of textile products to this country.

Domestic quality standards for tomatoes, raisins, olives (other than Spanish style green olives), prunes, avocados, mangos, limes, grapefruit, green peppers, Irish, potatoes, oranges, onions, walnuts, dates and eggplants may be exported only in a condition to pass inspection at the port of entry.

A 1964 law requires U.S. meat and poultry products to meet with the approval of US authorities.

The United States has a number of regulations which are designed to prevent the introduction of pests and diseases into this country. For example, fresh, chilled or frozen meat may not be imported from countries which have foot-and-mouth disease.

US trade laws include an "escape clause" which permits the President to impose additional import restrictions where the Tariff Commission finds such action necessary to protect domestic producers from being injured by an increase in imports as a result of a concession granted by this country in an international trade agreement.

US law provides for the imposition of conservational duties when the Secretary of the Treasury determines that imports of certain foreign articles are being subsidized by a "bounty or grant."

For example, a country wishing to export meat to the United States must maintain a meat inspection program which meets with the approval of US authorities. Importmost meat-producing countries are also subject to inspection at the port of entry.

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The discussion topic on The Missing Farm Bureau Link gave me an opportunity to review the Community Group Program. A great many recommendations for improving the program at local, county and state level were received. Due to space limitations only a few of the recommendations are given in this summary.

1.97 percent of the groups reported the members attended the meetings for socializing and for information; 7 percent reported the meetings included work out common problems; current information; and a desire to be part of the action.

2. Q: What do you think your county Farm Bureau can do to improve the community group program in your area? A: Organizing more community groups; promote a membership attendance contest; county-wide educational meetings on different interest areas; county officers visits to community groups.

3. Q: What could Michigan Farm Bureau do to improve the community group program? A: More up-to-date information on pending legislation; workshops with group officers; stress more young farmer community groups; more services available to members.

4. Q: How can the community group program be changed so as to be more meaningful to active farmers? A: More active farmers participating in groups instead of just belonging; by involving community groups more in local committee affairs; let groups know what Farm Bureau is doing; when we meet with the farm program officers tell us and the community leaders that we would be very effective influence on others; community group program is the nucleus of Farm Bureau; little can be done unless members put more importance on Farm Bureau meetings than on other activities.

Farm Bureau Policy

The nonfanning public has quite a stake in agricultural policy.

- Believes that the economic health of any nation depends on its ability to trade with its neighbors.
- Favors a high level of mutually advantageous trade agreements.
- Supports reciprocal reductions in the barriers of international trade through international negotiations.
- Supports legislation to give the Administration additional authority to participate in multilateral negotiations on trade problems which are being conducted within the framework of the General Agreement on Tariffs and Trade (GATT). (GATT is an agreement negotiated in 1947 among 23 countries, including the United States, to increase international trade by reducing tariffs and other trade barriers. Today 66 countries have full participant status.)

A: More up-to-date information on pending legislation; workshops with group officers; stress more young farmer community groups; more services available to members.

B: More active farmers participating in groups instead of just belonging; by involving community groups more in local committee affairs; let groups know what Farm Bureau is doing; when we meet with the farm program officers tell us and the community leaders that we would be very effective influence on others; community group program is the nucleus of Farm Bureau; little can be done unless members put more importance on Farm Bureau meetings than on other activities.

Ken Wiles
Manager Member Relations

MICHIGAN FARM NEWS
Ocean, Mountains Meet in Northwest

Timber country is what most people think of when they talk about the Pacific Northwest, but as the spring raises give way to summer, visitors find that this area harbors some of North America's most appealing cities.

Farm Bureau members will be able to take one of three week-long excursions into the Northwest, on member tours during June, August and September.

The tour begins west of the Rocky Mountain foothills in Spokane, who hosts international visitors for Expo '74. One hundred acres of central Spokane is devoted to the fair, with bridges linking the city to two islands in the Spokane River.

This smallest city to ever hold a world's fair will have exhibits from Russia, Australia, the Orient, Iran as well as many other states and countries. Spokane, often called the Lilac city, also offers its own home grown garden sites for visitors to enjoy.

The fourth day of the trip will find members flying into the shadow of the Olympic Mountains to Seattle. The cosmopolitan atmosphere can continue for those who wish to stroll through Chinatown, but many may be satisfied to drink in the view of the Puget Sound shielded by a back-scratched peaks.

The perfect sea voyage follows the next day as the Princess Margarette ferries through the sound, stopping between the San Juan Islands and docking in Victoria, British Columbia on Vancouver Island.

It's the perfect voyage - long enough to relax comfortably on sun decks and in restaurants, yet short enough to prevent boredom associated with ocean cruises.

Arriving in Victoria, visitors discover what the word "quaint" means. A ride through the city by car reveals modern shopping districts with hanging flower baskets adorning the streets, but those on foot can duck into narrow alleyways only a block away to find themselves nestled by small shops and sidewalk cafes on each shoulder.

The old structures of the waterfront city have failed to decay, but rather have been scrubbed and tided with boutiques and other new businesses.

The next day, an even shorter cruise will take members to the Canadian mainland, arriving at the harbor town of Vancouver. This bustling city offers restful retreats such as Stanley Park which holds remnants of giant trees and deep green vegetation of the coastal rain forest on the harbor front.

Gastown, a city within the city, with laid-brick streets finds patrons of its restaurants, open-air cafes and shops staying aloof while bumping from place to place. This variety of food hailing from India to Japan makes Vancouver an excellent spot to end the Northwest excursion.

Trips are planned for June 23, August 10 and September 15. Reservations and information are available by phone at Ken Wales, Michigan Farm Bureau, P.O. Box 960. Lansing 48904.
"NO-PHYSICAL" SIGN UP PERIOD ENDS MAY 31

FACT: You can still own participating, individually decreasing term life insurance for yourself, your spouse, your children through May 31 with absolutely no physical examination and no health questions... if you're a Farm Bureau Member.

FACT: FARM BUREAU MEMBER LIFE INSURANCE is designed for Farm Bureau Members only. All Farm Bureau Members, ages 18 through 70 are eligible.

FACT: FARM BUREAU MEMBER LIFE INSURANCE is a participating policy. FARM BUREAU MEMBER LIFE policyholders will share in any benefits which might result from favorable program experience.

FACT: Coverage is automatically updating. When a Farm Bureau Member marries, as children arrive, protection is expanded automatically. Each child is automatically covered from the age of 15 days through 21 years (as long as the child is single and not holding a FARM BUREAU MEMBER LIFE POLICY).

FACT: About 48¢ a week...$25 annually...can provide life insurance for every Michigan Farm Bureau Member, spouse and child.

For you and yours...check these facts and others with Charlie Foster, your local Farm Bureau Insurance Agent and your Farm Bureau Secretary. And do it before May 31...so you need not worry about passing a physical examination.