Pioneer organizers recognized

U.P. Farm Bureau is 20 years old

October has been proclaimed Cooperative Month in Michigan by Gov. William G. Milliken. The Governor recognized the contribution farmer cooperatives have made to the state’s economy and consumers with economical high quality food products. Cooperative leaders attending the signing are (from left) Byron Carpenter-General Manager, Michigan Celery Promotion Cooperative; Eugene FaRmr1, Michigan Farm Bureau member in the Upper Peninsula; Wesley Hawley, former Farm Bureau member in Chatham on September 6. They had heard the sentence 20 years before used by Wesley Hawley as he went from county to county helping organize Farm Bureau in the Upper Peninsula. Some had driven 150 miles to be there for the celebration.

Clayton Ford, the first Farm Bureau member in the U.P., reminisced with the group about organizing efforts. He introduced the key couple from each county whom he and Mrs. Hawley had worked to get county organizations formed. Mr. Ford has also served on the Michigan Farm Bureau Board of Directors representing District 11.

Elton E. Smith, Michigan Farm Bureau President, complimented the group for participation in the organization. He said, “I congratulate you on your foresight of twenty years ago when you decided to organize within the Michigan Farm Bureau.”

“Twenty years have seen many changes. Your challenge is to keep Farm Bureau flexible to meet the changes that will occur in the next twenty.”

Also addressing the group were Joe Kivi and members planned the event.

Letter to President Ford
See President’s Column . . . page 2

Farm - labor policy development . . . page 8

New egg center opens in Kent . . . page 13
Dear Mr. President:

(I lift the grain embargo)

(On Sept. 11 the latest government crop report was released projecting record harvests in most major commodities. Despite such evidence of more than adequate supplies, the administration extended the grain embargo on shipments to the Soviet Union through at least mid-December. In light of these events of serious concern to farmers, the following letter was sent to the President of the United States.)

September 16, 1975

Honorable Gerald R. Ford
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President,

The recent handling of the Soviet grain sales situation by your administration seems to be building up to a sellout of the American farmer. I appeal to you, as President, to be consistent with the principles of the market system which you defended for a generation as a Michigan Congressman.

It is hard to believe that an administration with a public commitment to integrity could call for the sale of American farmers last winter and then, despite record crop prospects, deny needed export markets to those same farmers at harvest time. Farmers invest in their labor and their efforts in producing these crops. They, not foreign leaders, should make the decisions about the crops. This situation is severe. In fact, there has never been an issue on which all farm organizations have agreed so completely.

It has been our impression that your administration was only concerned with the Soviet grain sales situation. We are frankly disappointed that you have not yet indicated your views on the situation.

Sincerely,

[Signature]

President
New office opened

Carl Fuehring, Oceana County Farm Bureau President, cuts the ribbon to their new office as the following watch: (from left) Robert Wiseman, Executive Vice-President, Farm Bureau Insurance; Dan Weed, retired Secretary, Manager, Michigan Farm Bureau; Elmer Smith, President, Michigan Farm Bureau; Ken Bull, District Seven Director, Michigan Farm Bureau. Nearly one hundred people attended the open house held September 22, as Oceana County became the 31st county to establish a county office program.

F.B. Women's scholarship goes to Atlanta youth

A 20-year-old Montmorency County student has won the Marge Karker-Farm Bureau Scholarship for the second straight year. The Farm Bureau Women's Committee sponsored scholarship goes to Walter R. Schlicher, son of Royce E. and Mary C. Schlicher. The Schlicthers have a beef operation near Atlanta.

"I am very grateful and deeply honored to be selected to receive the scholarship for the second year," said the MSU animal husbandry major.

Steven and the Dean's Academic Honor List this past year. He plans a career in the beef cattle business. The Marge Karker-Farm Bureau Scholarship is presented each year to a student from a Farm Bureau family who is attending an undergraduate degree and enrolled in agriculture or an agricultural related field.

Ammonia plant in Canada

Canadian Fertilizers Limited had recently received a development permit from the government of Alberta for construction of a new anhydrous ammonia manufacturing facility. The Medicine Hat, Alberta nitrogen complex, according to an announcement by R.R. Baxter, President of CF Industries, Inc. and Mr. B. Armstrong, Executive Vice President of Farm Bureau Services.

Already under construction at the Medicine Hat complex are two nitrogen manufacturing plants—a 1,200 ton-per-day ammonia plant and a 1,500 ton-per-day solid granular area fertilizer facility. Both units are expected to be completed during the latter half of 1976, with the second 1,200 ton-per-day ammonia unit to be completed early in 1977.

"I am very grateful and deeply honored to be selected to receive the scholarship for the second year," said the MSU animal husbandry major.

Dale Sherwin, former MFB field man and legislative counsel, who has served as assistant director of the U.S. Congress for the U.S. Department of Agriculture (USDA), was recently named assistant secretary for international affairs and commodity programs. Secretary of Agriculture Earl L. Butz said Sherwin assumed his new duties Sept. 14. He most recently has been responsible for legislative liaison on behalf of USDA's Foreign Agriculture Service (FAS) regarding international trade and other foreign agricultural matters.

Born Oct. 18, 1937, in Flint, Mich., Sherwin attended Michigan State University on a 4-H scholarship and majoring in animal husbandry and graduated with a B.S. degree in agriculture. He started farming on a corn and livestock farm near Davison, Mich., in 1963. He joined the Farm Bureau Service as a field representative in 1962 and subsequently became Farm Bureau's legislative counsel at the state capital in Lansing.

FARM BUREAU BICENTENNIAL COMMEMORATIVE PLATES

These 9½" white china plates in red and blue printing are now available for purchase at $2 each. Orders may be placed through County Farm Bureau offices. Remittance must be included with orders.

Essay Contest

Michigan Farm Bureau is pleased to sponsor a "Bicentennial" essay contest in cooperation with Future Farmers of America in Michigan.

To enter the contest FFA members should submit a 250 to 500 word essay on the subject "Building Horizons on Our Heritage" to: Farm News, c/o Mr. C. A. Morrill, P.O. Box 960, Lansing, Mich. 48904 no later than November 15, 1975.

The winner will be announced during the Michigan Farm Bureau annual meeting in Grand Rapids, December 3-5, the winning essay being published in the January 1976 Farm News.

First prize will be an all expense paid trip for two to the American Farm Bureau Federation annual meeting in St. Louis, January 34-36, 1976. The trip will be by Amtrak Turbo-train and will include a half day sightseeing tour of Chicago and a full day tour of St. Louis plus the convention activities.

Second prize will be $100 and third prize will be $50.

INTEREST ON DEBENTURES

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Debt $1,000.00</th>
<th>Debt $5,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>105.00</td>
<td>525.00</td>
</tr>
<tr>
<td>9%</td>
<td>109.00</td>
<td>545.00</td>
</tr>
</tbody>
</table>

Interest paid annually on September 1st. The purchaser is offered the option to receive interest in quarterly payments on September 1st, December 1st, March 1st, and June 1st. Interest would start the date of purchase.

This is neither an offer to sell nor a solicitation to buy these securities. The offering is made only by the prospectus.
The Political Reform Bill

One of the major and most controversial bills that was passed this year was H.B. 5250 known as the Political Reform Bill. The Common Cause Organization was instrumental in making this an emergency bill and was quite active in attracting a bit of public support for this cause. However, now that it is passed, many people are beginning to realize that this piece of legislation may be especially useful to certain political groups.

The legislation affects every running for any type of office, whether at the state level, township level, school boards, etc. It also affects the control lobbying activities. The problem is that with present laws, there are those who refuse to abide by any rules who have operated illegally in the past, may continue to operate in an unlawful manner. While Governor Milliken has signed the legislation, he has made a point that it will take effect until April, 1976, and that hopefully some necessary amendments will be made during the fall session starting October 13.

For example, a last minute amendment would allow certain other organizations to transmit information to their sub-units, which in effect, allows a circumvention of the campaign reporting requirements. The following is a short summary of some of the provisions in the 71-page bill.

From the local point of view, such as city, townships, school districts, etc., the Personal Financial Disclosure section is the most controverted issue. The proposal would have required complete disclosure by all state and local officials, required to file financial statements would be exempted if they were not in their city, village or township did employ any full-time employees and did not employ any full-time employees and did not make any contributions to any political organization by providing the legislative body of any of these government units would present it to the Attorney General of the State the legislation as an amendment resolution to the state budget. The following information would be filed:

(1) The name, name, and address, and nature of businesses with which the official or a member of the official's immediate family was associated, and any entity that paid any of his or her official's or an official's member of his or her immediate family was a partner, director, officer, or employee of the business; if the official is a partner, director, officer, or employee of the business; if the official is a director, officer, or employee of the business;

(2) The date, nature, location and size) of all real estate property held by the business or corporation or stock worth $1,000 or more at fair market value or worth.

(3) The name of each stockholder of close corporation stock worth $1,000 or more at fair market value or worth.

(4) The name and address of any person from whom a gift of $100 in value or more was received, and the circumstances of each gift.

Financial statements would be filed before May 1 and would cover the period during the previous calendar year that the individual was a public official or employee. Candidates for elective or appointive office must comply with the law.

VIOLATION OF THESE INSTRUCTIONS WILL BE A MISDEMEANOR WITH A FINE OF UP TO $1,000 AND OR 90 DAYS.

The law will be administered by the Attorney General.

Governor Milliken signs the fertilizer bill [H.B. 4431] into law [PA 461] and serves as a reminder to the proper authorities that this is a most important piece of legislation.

The law will be administered by the Attorney General.

New fertilizer law signed

Robert E. Smith
After recess issues

Much publicity has been focused recently on the controversy over US farm exports to the Soviet Union. This issue has deep implications for consumers, labor, shippers and the economy of our agricultural sector.

For example, exports contribute $5 billion, or one-third of gross farm income. Exports are an important source of consumers’ money by avoiding the problem of the clammer’s death. They were forced to purchase commodities to maintain support prices. Exports provide millions of dollars for jobs of workers who would otherwise be unemployed.

The national economy benefits because each $1 returned to the farm sector from exports, adding $1.22 of output is created in the rest of the economy.

As this column is being written, there is no indication of the outcome of the current issue involving union refusal to voluntarily lose U.S. grain on board the USS Turkey, until the President’s moratorium on further exports to the country. However, the Michigan Farm Bureau and the American Farm Bureau Federation have joined many organizations in an important issue. MPB President Elton Smith has made several appearances to tell agriculture’s story.

The Michigan Farm Bureau has asked each Michigan Congressman concrete information on the importance of exports to all segments of the nation – agricultural and non-agricultural – and pressed opposition to any proposal that would limit or control exports of agricultural commodities.

EPA PERMIT PROGRAM

The Federal Water Pollution Control Act Amendments of 1972 established the Environmental Protection Agency to establish a permit program for all discharges of pollutants into navigable waters. On June 5, 1973, the final permit program regulations were issued. These regulations covered pollutants discharged from agricultural point sources. The term “point source” was defined to include any pipe, ditch, channel, rolling stock and concentrated animal feeding operation from which pollutants are or may be discharged.

The term “concentrated animal feeding operation was considered by EPA to mean those operations with 1,000 or more animal units. Concentrated animal feeding operations of this size or greater are required to apply for a permit if pollutants are discharged into navigable waters. Smaller animal feeding operations are not required to apply for a permit unless identified as a significant contributor of pollution.

Shortly after the regulation was issued a national environmental group filed suit in Federal District Court alleging that EPA should have required all animal feeding operations to obtain a permit regardless of size. On March 24, 1975, the court issued a memorandum opinion against EPA and on June 16, 1975 issued a final judgment.

The final judgment is far reaching and affects agriculture well beyond animal feeding operations. It requires EPA to publish proposed regulations by November 10, 1975, and final regulations by June 19, 1976 to include within the permit program all point sources in agriculture. This requirement goes far beyond animal feeding operations and will probably include tile outlets, waterways established under conservation programs, etc.

Public hearings have recently been held by EPA to gather input on how the permit program should be expanded to include animal feeding operations. Farm Bureau has participated in the hearings and will continue to have input during this development.

Currently, the Michigan Water Resources Commission administrator the EPA permit program within the state. However, it is feared that if permits are to be required of most farmers and municipal storm sewers the WRC will not be able to administer the permit program because of personnel and budget limits. This could result in the federal EPA or some other agency administering the permit program.

FEDERAL LAND USE

Earlier this year, the House Interior and Insular Affairs Committee and the Senate land use planning bill. Farm Bureau members in participating the Committee voted it was felt by most Washington observers that federal land use planning legislation was dead for the remainder of the 94th Congress.

It is now expected, however, that the Senate Interior Committee will consider a Senate version of federal land use planning legislation this fall. The bill, S. 384, would provide $880 million in land use planning assistance grants to states for a three-year period. To receive the funds, states would be required to include specific criteria and requirements for land use planning programs. Farm Bureau is opposed to federal involvement in land use planning except on a grant-in-aid basis without requirement for federal criteria to be a part of state plans.

Bicentennial Farm Features

A Special Series from Sperry New Holland

Incentive Was Always Needed To Farm Land

"Give us a market and reenactment in the farming operations of this country," he wrote.

He cited how the most prominent agricultural imple- menents have been replaced by equipment, such as the Drag- harrow. Manning was the first to look upon us as an ‘old time of today.’

"But now, how things have changed. Every farmer is on the job and the average farmer is again called upon to produce in the largest yield of any day. He has been called to perform in his time and money, he said."

His comments were echoed by the 1975 report by the Com- missioner of the Department of Mining, Agriculture and Water Resources Commission administration of the permit program within the state.
Discussion Meet

Throughout the state Young Farmer District discussion meets are being held to determine who will compete at the December Annual Meeting for state honors and a chance to go on to national competition at AFBF Annual in January. The District 1 meet, held in Kalamazoo Sept. 9, was won by (from left) David Elsey and Art Kreutzman with Larry Leach and Vern Lewis runners-up.

Leadership Training

An all-day leadership training meeting for district 2 Farm Bureau Women was held in September at the Hillsdale County home of Mr. and Mrs. Le Jean Marshall, under the direction of District Women's Chairman Mrs. Barbara Kimerer. F.B.'s training officer, Jesse Taggart, explains principles of leadership.

Saginaw County Fair

Saginaw County Farm Bureau Women sponsored and staffed a display at the Saginaw County Fair in September. The display featured food samples of different farm products each day and was considered the most popular "people pleasing" exhibit at the fair.

Policy Development

Membership Campaign Managers

Thumb regional representative Ken Wimmer explained details of the 1976 membership campaign to county campaign managers from the Thumb and Saginaw Valley regions Sept. 14 in Frankenmuth. Campaign Managers present on a perfect bean harvesting day were, Mrs. Erna Varner, Midland; Mrs. Margaret Boyne, Tuscola; John Whitmer, Gladwin, Gerhard Kernstock, Bay. Five regional campaign manager's meetings are being held through the end of October.

Over 40 district 10 members gathered in Gaylord for a policy development meeting, heard MFB Legislative Counsel Bob Smith state that, "all of Farm Bureau's accomplishments over the years started with policy."
Meet me in Surprising ST. LOUIS
The city with everything!

Site of the AFBF National Convention
January 4-8, 1976

It bills itself as Surprising St. Louis, and if you haven’t been to the Gateway of the West, you’ll be surprised to discover a wealth of national treasures in St. Louis; the Old Courthouse, scene of the Dred Scott trial prior to the Civil War; the Old Cathedral, officially designated the Basilica of St. Louis, King of France, and the oldest cathedral west of the Mississippi; the Goldenrod Showboat, lone surviving showboat from the turn of the century and designated a national historic landmark; Eads Bridge, the world’s first steel bridge; and the Jefferson Memorial, with exhibits of the Lewis and Clark Expedition memorabilia and Colonel Charles A. Lindbergh’s trophies.

The 630-foot Gateway Arch, a recent addition to St. Louis’ attractions, is the tallest national monument in the U.S., and the fourth most visited in the world.

Who hasn’t heard strains of “Meet Me In St. Lo-oey, Lo-oey”, reminiscent of the 1904 St. Louis World’s Fair - the greatest gathering of all where Americans first tasted an ice cream cone, ate a hot dog and drank iced tea.

Special arrangements are being made for Michigan Farm Bureau members to journey to St. Louis for the 1976 American Farm Bureau Federation annual convention by Amtrak. Enroute the group will visit the sights of Chicago and enjoy a leisure train trip. In addition to the many activities of the convention (which will be AFBF’s salute to our nation’s bicentennial celebration) Michiganders will partake at the usual Michigan breakfast and tour the sights of St. Louis.

Soooo, plan now to board the Amtrak train at the station of your choice and join your fellow Farm Bureau members in surprising St. Louis. Space is limited. Deadline for firm reservations is November 30, 1975. For more detailed information submit the coupon below.

DRIVING? TAKING A BUS?

If you plan to provide your own transportation to the AFBF convention, and desire hotel reservations with the Michigan group, these reservations are due by November 30, 1975.

BONUS --

Combine business with pleasure or pleasure with pleasure! Take a post-convention cruise of the Caribbean with stop enroute at Disney World. OR, should you desire try your luck on a post-convention tour to Las Vegas. See ad on page 10. Use the handy coupon for further details.

Mail To: Kenneth Wiles, Manager
Member Relations
Michigan Farm Bureau
P.O. Box 980
Lansing, Michigan 48904

(CHECK ONE)

I am interested in the St. Louis Tour
I am interested in a post-convention tour to Las Vegas
I am providing my own transportation, but desire hotel reservations

Please send further details to:
Name:
Address:

County of Membership Phone No.
Policy in farm labor crucial

Recent changes in farm labor laws are making Farm Bureau policy development decisions in that increasingly important area more crucial than in the past, says M.J. Buschlen, Michigan Agricultural Services Manager. MASA is a Farm Bureau affiliate.

"A few years ago exemptions in the labor laws limited the application of most laws to farms where large numbers of workers were employed," Buschlen notes. "However, recent changes in the laws have removed most of the numerical exemptions and exclusions to the point where most farmers who employ any labor, even casual employees, are subject to some labor laws.

Buschlen has suggested that County Farm Bureau consider resolutions on the following issues:

1. Workmen Compensation laws at both the state and national level are being overhauled. The changes being proposed greatly increase the benefits and the cost. It is estimated that premium costs may double.


Many farmers allow children under 12 years of age to work and ALLOW CHILDREN 12 AND 13 YEARS OF AGE to work without written parental consent. There are severe monetary penalties for these violations under the Fair Labor Standards Act.

4. TEMPORARY UNEMPLOYMENT INSURANCE is now available to many farm workers. Legislation is being considered to make Unemployment Insurance, for farm workers permanent.

Legislation is being considered that would allow the UNIONIZATION of hired farm workers.

5. O.S.H.A. - Five Federal Safety Standards are now in effect. Several more safety standards are being considered. (e.g. control of noise, dust, etc.) The state of Michigan is preparing to take over O.S.H.A. with more safety standards and more inspectors.

6. If you own a labor camp and ALLOW IT TO BE OCCUPIED, you, in effect make public property, the occupants are not your property, they pay rent or not. The occupants may invite ANYONE into the house they occupy.

7. The need for a LABOR EDUCATION program especially designed for farm employees. Be obvious if farmers are to understand the many labor laws.

farmers of the week

CHARLES H. DANIELS
Executive Board Member
Eaton County

COUNTY FARM BUREAU
FARM BUREAU INSURANCE
GROUP

Michigan Farm Bureau members can get $5,000 in interest and dividends

MICHIGAN FARM NEWS
OCTOBER 1, 1975

Over 15,700 investors and stockholders recently received the rewards of $934,000, which represents Farm Bureau Services, Inc. annual payment of interest on debentures and dividends on dividend bearing stock.

Of this total amount, $178,500 was paid to Farmers' Petroleum to its 5,460 stock and debenture holders and $759,000 was mailed by Farm Bureau Services, Inc. to its 16,240 stock and debenture holders.

"We are pleased to make these changes, explains John W. Allen, MSU agronomist and chairman of one of the institute's research stations.

"In order to foresee broad forces that could affect management decisions, farmers must include outside viewpoints such as Adamy's when they assess their future," Allen says.

"During the first 12 months, consumers have marked changes in their purchase patterns," Adamy says. "Shoppers are buying boxed frozen mixes and other highly-processed foods. Instead, sales are up for the raw products to make baked goods at home."

Highly-processed and specialized foods are now available to many farmers at fraction of the cost. Adamy concludes.

Since changes in what shoppers buy naturally change the mix that farmers produce, it's critical for both facets of the food industry to closely observe and analyze the degree and permanence of these changing purchase patterns, Adamy concludes.

Counties can get U.S. Flag

Michigan Farm Bureau is announcing a recognition program for County Farm Bureau who do outstanding work. The $200 Reward Sign Program, which will be presented to all County Farm Bureau's who have 80% of their members enrolled in the Reward Sign Program by January 1, 1976. A bounty flag may be awarded to the top five counties with the highest percent of regular members enrolled in the Reward Sign Program in each region. January 1, 1976 (County must be ahead of state). The bounty may be kept by a county presented to a school, church, 4-H, FFA chapter or other service organization.
Eight graders from area schools will join thousands of other Michigan students as they express their views of America in the seventh annual Freedom Foundaion essay contest, sponsored by Farm Bureau Insurance Group (FBIG).

The contest, open to all sixth grade students in Michigan, begins October 1 and ends November 14. In the last competition, more than 4,000 students from 260 Michigan schools participated, including several local students.

Started in 1968, the annual contest gives Michigan's young people a chance to seriously consider their role in America's future through "America and Me" essays.

The top three essays from each school will be awarded honor certificates, and each participating school will receive a plaque engraved with the name of the first place essay winner. Each school's first place essay will be entered into statewide competition from which the best essays in the state will be selected.

A panel of high level officials, headed by Governor William G. Milliken, will then determine the top three winners in the state.

Savings bonds, ranging in value from $500 for first place to $20, will be awarded to the top ten winners in the state. In addition, large display flags will be presented to the schools of the top three state winners.

As sponsor of the annual essay contest, Farm Bureau Insurance Group has received the George Washington medal from the Freedoms Foundation at Valley Forge five years in a row. Information on the contest will be available shortly from any FBIG agent.

---

**WATER PROBLEMS?**

**HOW MANY OF THESE WATER PROBLEMS DO YOU RECOGNIZE IN YOUR HOME?**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RUST</td>
<td>CLOUDINESS</td>
</tr>
<tr>
<td>ODOR</td>
<td>BAD TASTE</td>
</tr>
<tr>
<td>SCALE CLOGGED PIPES</td>
<td>POOR LAUNDERING RESULTS</td>
</tr>
<tr>
<td>LIME DEPOSITS ON FAUCETS</td>
<td>SPOTTED AND STREAKED DISHES</td>
</tr>
</tbody>
</table>

**WE'LL TEST YOUR WATER FREE!**

Let us check your water supply and recommend the proper solutions to your problems at no obligation.

Just bring a small sample of your tap water.

**REMEDY YOUR WATER PROBLEMS AND SAVE MONEY, TOO, WITH A . . .**

**CO-OP® Automatic Water Conditioner**

Model UC-XXX, 210,000 Weekly Grain Capacity

$299.00

Regular $329.00 Value

Regular $24.50 Value

Bottle Water Quality for Beverages Prepared with Water

Ban rust with an Aqua-Aid®

**YOUR RELIABLE LOCAL CO-OPERATIVE -- THE PLACE TO GO NOW FOR THE BEST WATER CONDITIONING EQUIPMENT KNOW-HOW**

**AVAILABLE AT PARTICIPATING FARM BUREAU DEALERS**

Farm News In-Depth is an in-depth report on the issues affecting Michigan farmers. It is a two minute program carried daily.

Co-Op Automatic Water Conditioner

Farm News Today is a 2½ minute program for Michigan farmers heard daily over these stations and the Michigan Farm Radio Network.

WPAG Ann Arbor
WHCM Bay City
WKYO Caro
WCAR Charlotte
WCRM Clare
WTVB Coldwater
WDPC Escanaba
WTWT Holland

Farm Bureau on the air

The following radio stations carry Accent Agriculture, a 1½ minute public affairs program focusing on the issues and events affecting Michigan farmers and consumers.

WATC Gaylord
WFYC Alma
WMPC Lapeer
WION Ironia
WALM Albion
WKLDA Ludington
WTVB Coldwater
WOAP Owosso
WBNR Big Rapids
WABJ Adrian
WCCV Charlotte
WCHB Cheboygan
WCBC Clare
WKEPR Kalamazoo
WBBR Houghton Lake
WFBF Benton Harbor
WAGN Menominee
WSTR Sturgis
WESM Marine City
WKYO Caro
WDOW Dowagiac
WIDG St. Ignace
WCSR Hillidale
WJFJ Rockford
WSDO Sainte Marie
WNIL Niles
WMIC Sandusky
WSMM-FM Sainte Marie
WION Ironia
WMKL Petoskey
WLDR Traverse City
WHBJ St. Johns
WABJ Arctic Hall
WPLB Greenville
WDID Capac
WTKR Battle Creek
WFHJ Fremont
WLLA Elkhart, Ind.
WCRM Clare

Farm News Today is a 2½ minute program for Michigan farmers heard daily over these stations and the Michigan Farm Radio Network.
THIS YEAR . . .
AFTER AFBF MEETING

SAIL THE CARIBBEAN

• After the convention in St. Louis, join your Farm Bureau friends and catch a late afternoon flight to Las Vegas. Upon arrival you will transfer to the new Las Vegas Marina Hotel and Casino.

• During your stay in Las Vegas you can swim, sun, sightsee, see the shows or try your luck at the famous casinos.

• Three fun-packed days in exciting Las Vegas for only $255.29 from St. Louis.

• For more information contact Ken Wiles, Michigan Farm Bureau, Box 260, Lansing 48904.

OR

WING OFF TO LAS VEGAS

• After the St. Louis convention, join your Farm Bureau neighbors and fly direct to Florida for a day of fun and sun at Disney World. Then, leave from the Port of Miami on board the luxurious M/S Boheme for the most fantastic Caribbean cruise ever.

• Ports-of-call include Puerto Plata and Cap Haitien on the mysterious island of Hispaniola, quaint St. Thomas in the Virgin Islands and exciting San Juan, Puerto Rico.

• It's all yours for under $800 . . ..
A full week of fun and sun in the beautiful Caribbean.

• For more information, Contact Ken Wiles, Michigan Farm Bureau, Box 980, Lansing, 48904.

(COST BASED ON PRESENT AIR FARES)
The American Farm Bureau Federation and the Ontario Grape M. F. B. is represented on the board of CROP by Women's Department manager Helen Atwood. Proceeds from the auction will be used by CROP in its efforts to fight hunger in needy areas of the world.

New and used items (except clothing) in saleable condition are wanted for the auction and can be brought to the Youth Fairgrounds south of Alma, the week of Oct. 13th between 10 a.m. and 10 p.m. daily.

Capital Report (Continued from page 4)

Cooperatives--pioneers in serving America

By Greg Sheffield, Marketing Manager FBS

Save railroads group meets

Michigan Citizens to Save Railroads has urged Congress to postpone abandonment of 1,000 miles of state rail lines under the new omnibus transportation bill until more accurate data can be assembled on actual railroad condition.

Michigan Farm Bureau is a member of the group which has given grape growers a real appreciation for the problems of production and international trade. The Farm Bureau is an active member of the Citizens to End Welfare Abuse Committee headed by Al Almy, land use and federal services manager. The committee has charged erroneous data was used by the U.S. Railway Association for the Cost Rail plan and that Michigan communities face grave economic damage unless the Cost Rail plan is modified. The committee appointed by Congress, which met Sept. 22-29, 1974, will soon adopt the proposal but it hopes amendments will soften the effects on Michigan.

CROP will hold auction in Gratiot

Gratiot County Youth Fairgrounds will be the site of a major benefit auction for CROP (Christian Rural Overseas Program) World Hunger Appeal Oct. 19 beginning at 7 p.m.

FERTILIZERS -- Now that the facts are known, we've confirmed that farmers used less fertilizer during the past crop season. Export business for fertilizers at high prices by non-cooperative fertilizer manufacturers has fallen off, and manufacturer's inventories have been increasing.

Water conditions, in a new special program, are now available from participating Farm Bureau Services dealers. CO-OP automatic water conditioners are available at $299. The regular price was $399. These water conditioners have unusual efficiency and durability. One feature, showing their quality, is that the warranty on these CO-OP automatic water conditioners extends even to later owners.

Paints, for both indoor and outdoor use, are available at Farm Bureau dealers with excellent buy for farmers. Should there be dry weather during October, outside painting chores will encourage the usual fall run on paint supplies.

FEEDS -- At present, we have a more than adequate supply of feed grains, both for domestic use and export. In spite of rains, which have caused much difficulty, adequate supplies should remain if we are able to get the crop harvested in a timely manner. In the meantime, manufacturing of feed at the Battle Creek Feed Plant is continuing at excellent levels of production.

PETROLEUM -- Farmers, petroleum dealers and the public have come to recognize that fuel efficiency of cars means lower bills for the consumers. Less fuel means less air pollution. But the increased demand for fuel has caused many problems for the petroleum manufacturers.

The American Farm Bureau Federation and the Ontario Grape M.

CAPITAL REPORT
WHERE can you go FOR A NEW BUILDING?

Farm Bureau Services, with building centers throughout this state, can make your new building a reality. With the help of our staff agricultural engineer, we'll assist you with initial planning and design, and pledge quality workmanship. Our completely-trained crews can erect attractive, finished structures, featuring Diaphragm panel construction, on your site. And, for those who prefer, our building centers are stocked for do-it-yourself work. As a cooperative, with skilled purchasing people, Farm Bureau is able to provide the building services you need.

We build two basic types of structures: 1) timber-frame buildings with either steel or aluminum siding and roofing, and 2) all-steel buildings, including the Quonset line. All structures can be customized to fit your specific need, whether it be a horse barn, milking parlor, machinery storage, fruit storage or utility building. The versatility, durability and economy of Farm Bureau Services' buildings make them ideal for many commercial uses, too.

The Farm Bureau people, backed by over 20 years of experience, are ready to go to work for you. So see your local Farm Bureau Services building representative today. For an informative brochure on Farm Bureau Services and Farmers Petroleum, write: Farm Bureau Services/Farmers Petroleum, Marketing Services Division, Box 960, Lansing, MI 48904.

ASK THE FARM BUREAU PEOPLE
WHEAT

Record crops are virtually a certainty in the U.S. and Canada. However, the Canadian crop is estimated at 915 million bushels compared to last year's crop of 795 million bushels. U.S.A.D.A. September crop predictions for wheat were unchanged at 2.5 billion bushels. Expected-carry-over is still pegged above both 1971 and 1974 levels. The Canadian crop report, along with continued disturbances at Gulf port shipping points and the government's extension of a moratorium on U.S. grain sales to Russia, led to some softening of wheat prices. However, prices should strengthen after making sure adjustment factors are taken in.

Soybeans:

The soybean crop estimate for 1975 is expected to be 5.2 billion bushels, down one percent from last year's crop of 5.3 billion bushels. U.S.A.D.A. September crop predictions for soybeans are still reported to be in mostly uncertainty. Weather will help pods to fill. Harvest time size, all will agree that domestic stocks are expected to result from increased production and harvest.

Market Development Division

Ron Nelson, Marketing Specialist

Milk Marketing Outlook

HOGS

The market for hog slaughterings is down significantly from last year. U.S.D.A. crop estimate is too large. Market development division's prediction for hog slaughterings is 135 million head. U.S.D.A. crop estimates are presently in the Soviet Union trying to gain some lower-terminisms from the Russians-exchanging their oil for our wheat.

Market Development Division

Paul Kindinger, Director

DAIRY

Consumption of Class I products in total continues to slide. Off approximately ten million pounds per week, Class I milk suffered the largest decrease from 138 million pounds to 125 million pounds. Comparing August of 1974 to July of 1975, consumption was up five percent. Although sales are down significantly, strong and farmers are able to store corn if necessary, prices at the local market are $2.70 to $2.80 per bushel range. In this period, while they pay to avoid storage costs and sell at harvest if you can live with a market decline significantly prior to harvest, it might be worthwhile to sell off-surpluses. Forward price movements will also be highly dependent upon increased export demand at this period.

Market Development Division

Paul Kindinger, Director

CORN

Weather is again playing a dominant role in the 1975/76 corn situation. Much of Michigan's farmlands have been deluged by heavy and nearly continuous rains following the hot, dry spell in some areas of the state this summer. Moisture maturing corn is maturing well ahead of 1974's pace and ahead of normal. Moisture maturing corn is maturing well ahead of 1974's pace and ahead of normal. A definite need for rain to complete the maturation of corn for silage exists in both this year's and last year's crops.

Market Development Division

Ron Nelson, Marketing Specialist

Northern Michigan Cooperative

Feeder Sales 1975

10,900 Head

These are all native cattle sized by registered bulls and out of predominately Shorthorn calves open and milks calves properly castrated, all calves dehorned

Oct. 6 Paulding

1250 yearlings and calves

Oct. 7 Rapid River

1350 yearlings and calves

Oct. 8 Grayling

1400 yearlings and calves

Oct. 14 Alpena

2000 yearlings and calves

Oct. 15 West Branch

2000 yearlings and calves

Oct. 17 Baldwin

2000 yearlings and calves

All sales start at 12 Noon

Cattle are priced on A.A. Standards and will be sold in lots of uniform grade, weight, sex and breed.

Brochure available with description of cattle in each sale.

Michigan Feeder Cattle

Producers Council

Porcupine, Michigan 49776
A cooperative is a business. The principles of cooperation, which give basic direction to a cooperative enterprise, are designed to maximize the economic return of the members by coordinating their activities.

There are three distinct principles of cooperation: democratic control, limited returns on invested capital, and operation on a cost-of-doing-business basis.

Democratic control means that final authority to control the business rests in the hands of the members who use it. This principle is clear and uncompromising: the cooperative member owns the cooperative and has the right to control it. The power to elect the board of directors that will set policy and operate the cooperative is in the hands of the members.

Limited returns on invested capital mean that cooperative ventures must be profitable, but losses are shared and profits are returned to the members. Cooperation as a form of business is unique because the purpose of the enterprise is not profit, but rather the return of surplus earnings to the members. The member is not a shareholder but a patron. The cooperative is a cooperative association, as defined by law, not a stock company, and has no shareholders.

Operation on a cost-of-doing-business basis means that charges for services to members must not exceed the cost of providing the service. The cooperative does not pass on to the members any overhead charges, such as taxes, which it honestly pays and which it is entitled to claim as a cost of doing business. This principle is intended to prevent exploitation of the members.

When these principles are put into practice the result is a unique enterprise in two respects. First, the law gives the usual investor-owned for-profit corporation a license to operate. Second, the usual owner-investor-controlled corporation is caught between two strong and conflicting forces. The investment owners, who pay management's salary, are primarily interested in getting the biggest possible return on their investment. This is accomplished by providing the least service at the highest possible price. On the other hand, the customers are seeking the most service at the lowest possible price.

In a cooperative, there is no such tug-of-war because the owners AND the customers are the same people. So let's explore the duties of farmer cooperatives in the "real world." In doing so, we'll concentrate on two areas of great concern to cooperatives today: antitrust and federal income taxation.

In both of the above areas farmers have enjoyed large, although limited, exemptions from federal income tax. These exceptions are based on the assumption that cooperatives are organized for the mutual benefit of their members. The exemptions have been allowed because cooperatives are not, as a rule, motivated by profit.

The first concern centers around the methods of voting and the method of determining who shall vote and who shall not. The only method of determining who shall vote and who shall not is to apportion voting power in proportion to capital or investment, or both. These facts lead many to the conclusion that an association of farmers is only democratic to the extent that an association of farmers is entitled to use weighted voting unless their state law requires one-man one-vote.

Although a cooperative is not defined in the Internal Revenue Code, it is defined in numerous federal statutes as it is in the Capper-Volstead Act; i.e., an association of farmers with farm products. And, Section 1 of the Act places certain restrictions on the association of farmers who may qualify for these grants. These restrictions are necessary to follow the one-man one-vote principle of limited returns on investment to farmers. Any cooperative association must do a majority of its business with its members.

And, Section 2 of the Capper-Volstead Act empowers the Secretary of Agriculture to take action against any cooperative which unduly enhances prices.

Although the powers granted farmers and their cooperatives under Capper-Volstead are limited, they are nonetheless substantial. There are some things cooperatives can do and some things they had better not do.

The Cooperative Association may handle, process, market, etc., the products of non-members provided such business does not exceed the value of products handled by it for members.

The cooperative association may set prices for its products.

The cooperative association can have a complete monopoly; that is, it may have 100 percent of the market of its products.

Cooperative associations may have marketing agencies in common.

The cooperative association and its members may have marketing agreements and contracts with non-members.

The cooperative association may deal in (market, etc.) the products of non-members provided such business does not exceed the value of products handled by it for members.

The cooperative association must deal in (market, etc.) the products of non-members in the same manner as it deals in (market, etc.) the products of members.

The cooperative association must not coerce or compel other cooperative associations to merge into its association.

The cooperative association, through its monopoly power, better not unduly enhance prices.

The cooperative association better not admit non-cooperators as members.

The second area of concern to farmer cooperatives is the special tax treatment afforded cooperatives under the Internal Revenue Code.

The net earnings of most corporations are taxed twice. When these earnings are accumulated by the business they are subject to the corporate income tax. When the amount left after the corporate tax has been paid is distributed to stockholders, these dividends are taxed as personal income to the stockholders.

Since the 1962 amendments to the Internal Revenue Code, all net earnings of cooperatives have been taxed only once. Farms as cooperatives may be taxed on a single tax either at the cooperative level or in the hands of the members. This is true whether the payment is made in cash or in some form of paper allocation.

This single tax treatment permits any business operating as a cooperative to deduct all of the above plus dividends if it pays capital investments. However, a cooperative must meet a number of tests which have been so narrowly construed as to render compliance virtually impossible for all but the smallest local associations.

There is nothing unique about the fact that cooperatives and IRS don't see eye to eye on all tax questions. What is unique is that while in most instances IRS quarrels with the taxpayer over the amount of tax due, it is constantly quarreling with cooperatives over the internal structure of their business operations. An example of the current problems in this area centers around the method of voting used by some cooperatives.

The tax law requires that there be a complete separation between the latter and the former. This is accomplished by prohibiting any attempt to combine the two. The cooperative association must make an election to operate under either cooperative or non-cooperative status.

The election must be made at the time of the franchise tax return. The cooperative association is taxed in the years before the election as a for-profit corporation under state law and the years after the election at the cooperative level as a cooperative association. In the former category the members are taxed as shareholders and in the latter category as patrons. The cooperative association is taxed at the cooperative level.

The IRS is quite specific in its definition of cooperative. A cooperative association is a cooperative association for the purpose of carrying out the purposes of the organization. An example is a cattle cooperative that is organized to market cattle;

There are three distinct principles of cooperation: democratic control, limited returns on invested capital, and operation on a cost-of-doing-business basis.
According to study

Insurance loss ratios up

A recently completed study by a national insurance association has revealed that effects of inflation are combining with an upward turn in auto accident frequency to signal serious losses to underwriting companies. The report is important to far beyond the Property/Casualty insurance industry with a total underwriting loss exceeding $4.5 billion; but first half results from this year already total nearly $3 billion. In auto insurance the downward trend in accident frequency was caused by the 72-73 energy crisis has now been reversed, with recent data from the Michigan State Police showing the statewide trend in mileage driven, accidents, injuries and deaths moving steadily upward. The increasing accident frequency, coupled with an unabated increase in the cost of auto repairs and claims settlements, has had a severe effect on the financial condition of many insurance companies. Here in Michigan, for example, within the last six months, several insurance companies have appeared before the State Insurance Board requesting and being granted rate increases for comprehensive collision coverages averaging 25 per cent. Within FBIG's Home Office, claims and underwriting operations have increased in all parts of the country. Underwriting losses are mounting, although to a slightly less extent than those of some other insurance companies. At present the increasing frequency in auto accidents directly affects the economic condition of auto insurers. Rand's 1974 report foretold that inflation ravages of inflation affect all lines of insurance with equal indifference. "We're seeing a steady increase in our loss ratio in nearly all lines, especially in the area of property," a Detroit company executive is quoted as saying. The month of August was particularly severe, with a combined auto and homeowners property loss of over $800,000 for the two companies. Year-to-date underwriting losses for Farm Bureau Mutual and Community Service Insurance Companies are reported by the FBIG's Home Office, particularly concerns us that we can't see any improvement on the horizon. This could be a most important reason why the groups were evenly split in their answers. It is interesting to note that on the first question the groups were evenly split in their answers.

1. There have been many comments made that urban people do not understand the problems of the agricultural community. Do you think those engaged in agriculture understand the problems of urban people? Yes 47% No 47% Undecided 6%

2. Do you think there is a need for urban education programs, such as seminars on mass transportation, etc., to be solved without the assistance of state or federal funds? Yes 72% No 26% Undecided 12%

3. What problems do you think urban dwellers face that those living in rural areas do not? - Fire and theft losses, marketing. George Blair, Chief, Robinson, Raritan, Catskill, Evergreen, New York. Also, lack of understanding of mutual problems between neighboring communities and urban areas how will be solved? No 36% Yes 50% Undecided 14%

5. Conclusions: Lack of communications with both groups; farm tours and field trips which could help create a better understanding of mutual problems between neighboring urban communities and urban areas how will be solved? No 36% Yes 50% Undecided 14%

6. How would you feel about seeing members of the farm cooperatives serving your community? Yes 60% No 20% Undecided 20%

8. In what manner do you feel farmer cooperatives could be improved? List two suggestions.


FOR SALE — Single-wheel front end for 3010 or 4020 J D Tractor. 11x12 tire. $300. Phone 517-397-2711. (10-lt-16p)


FOR SALE — IHC Hydro with air conditioning. Also, field sprayer & wiggle hoe & cultivator. Also, field sprayer & 


STRAWBERRY PLANTS for all planting zones. First Quality. Miller Brothers Farm. R 2, Box 233, Ionia. Mich. 48846. (3-tf-16p)

MISCELLANEOUS

9. What information is requested on receipts to file for Master Medical Benefit?

10. Office Calls

A. Only official receipts from the provider of service are acceptable. Cash register tapes, canceled checks, money order stubs, etc. are not acceptable. Mail to: Dr. [Name]. Family Physicians. 3rd Floor. New Uln. Mich. 48846

B. For service rendered on or before November 1, 1975, the receipt for an office call must show the following: (1) name, address of provider, (2) patients full name, (3) date prescription written, (4) description of services rendered, (5) charge for services, and (6) diagnosis for which service was required.

C. Prescription drug receipts require the following: (1) name and address of provider, (2) patients full name, (3) date prescription was filled, (4) prescription number, (5) charge for prescription, and (6) prescribing doctor.

OFFICE CALLS
Your money works as hard as you do with the improved FarmOwners

Personalized coverage for your particular needs! Lower coverage rating! You won't find them on most insurance policies but you sure will on the improved FarmOwners.

Twenty-three new or extra benefits in FarmOwners. Many of them not even offered by other companies. Most of them with better and fuller coverage for your particular farming operation.

And options, FarmOwners offers more than any other ... specially developed for Michigan farmers. You and your Farm Bureau Agent literally build the kind of coverage that's right for your place and your operation.

Find out today how you can get improved and personalized FarmOwners coverage. Call your neighborhood Farm Bureau Agent ... in the Yellow Pages.

FARM BUREAU INSURANCE GROUP™

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