

June 28 meeting

Illinois' Steele to address delegates

1975 goal reached



President Smith checks figures which show that on May 9 MFB reached 1975 membership goal of 61,098. With Smith are MFB Field Services Director Chuck Burkett [left] and Administrative Director Robert Braden [right]. 1975 is Michigan's eighth straight year of membership growth.

Michigan Farm Bureau voting delegates attending the Special Delegate Meeting June 28 will be treated, before the start of the important delegate session, to a special bicentennial program with a keynote address by Illinois Farm Bureau President Harold B. Steele.

Elected President of the 221,000 member Illinois Farm Bureau in 1970 and reelected each year since, Steele serves as the full-time executive officer of the association. He has been serving on the board of the American Farm Bureau Federation since December 1971.

Steele served as a leader of the 1972 Illinois agricultural trade mission to the Soviet Union, the first such agricultural mission to that country, and represented the Illinois Farm Bureau as an official observer at the 1974 World Food Conference in Rome.

Steele and his son, Greg, have a 665 acre corn-hog farming operation near Princeton, Illinois. They have a commercial herd of market hogs, producing about 2,500 hogs annually, from farrow to finish.

At the delegate session the delegates will consider expanded

program activities in the Michigan Farm Bureau to better serve county Farm Bureaus and members as proposed by the State Study Committee and vote on an increase in dues.

The proposed dues structure calls for \$30 for the 1976 membership year, \$35 for 1977 and \$40 for 1978 and subsequent years.



Harold B. Steele

Praised by Smith

Hutchinson boosts new estate tax bill

Congressman Edward Hutchinson (R-St. Joseph) has introduced H.R. 6196 to provide much needed changes in the federal Estate Tax Law, H.R. 6196 would increase the federal Estate Tax personal exemption to \$200,000 and the marital deduction to \$100,000 plus 50 percent of the total value of the estate.



Ed Hutchinson [R-St. Joseph]

It would also provide the heirs to an estate the option of having the property appraised at its value for farmland rather than highest potential use. The current exemptions and method of appraisal for estate purposes were set in 1942 and are no longer meaningful in view of inflation over the past 33 years.

Over 50 Congressmen have now introduced legislation identical to H.R. 6196. Included among these sponsors are Congressmen Guy VanderJagt (R-Luther) and Robert Traxler (D-Bay City). The bills are currently pending before the House Ways and Means Committee.

OSHA rules include some exemptions

Final regulations for rollover protective structures (ROPS) on agricultural tractors include a Farm Bureau sought provision that provides exemptions for certain uses.

As announced April 25 by the Occupational Safety and Health Administration (OSHA), tractors are generally exempted from the requirement of a rollover protective structure when used (1) in orchards, vineyards, or hop yards, (2) inside a farm building or greenhouse with low clearance, and (3) with mounted equipment.

The first two exemptions are limited to low profile tractors. (please turn to page 3)

Ford farm bill veto

MFB President Elton Smith commended President Ford for his veto of the Emergency Farm Bill of 1975.

Smith said that passage of the bill would be a "tragic mistake... a step backward with government once again in the business of controlling agriculture."

Calling the farm bill (H.R. 4296) an example of increased non-essential spending, President Ford vetoed the proposed act which would have paid farmers the difference when market prices fell below "target" prices.

"The emergency farm bill would have been costly to both farmers and consumers and we are glad the President has followed through on his efforts to curb new spending programs," Smith said.

"Sponsors of the bill claim that higher government guarantees are needed to persuade farmers to increase production. It would have just the opposite effect. Farmers would cut back their production for

fear of government dumping surpluses on the market to bring prices down," the farm leader said.

According to Smith, the legislation would also discourage the buying of farm products by foreign customers who anticipate the buildup of stocks will eventually result in lower prices.

"This not only affects farmers, who have worked hard for these markets, but the entire economy. Without these outside markets, the American consumer will pay more for food, either directly or indirectly, through taxes and costly farm programs."

"Prospects for farmers are not as bright this year as in recent years," Smith said, "but we do not want to be dependent on government payments. We can and will work out our problems best through the free market system -- not by putting the government back on the tractor seat!"

The Russians are coming . . . page 3

National Notes . . . page 5

Supply report . . . page 9

Current issues

Farm Bureau must face them

PRESIDENT'S COLUMN



We are proud that Michigan Farm Bureau has reached its 1975 membership goal. It marked the eighth consecutive year that our organization has increased its membership. This proves that, now more than ever, farmers need Farm Bureau.

Every business enterprise in the Nation today is feeling the pains of a troubled economy. Production is down, unemployment is up, government spending is out of line, costs are rising daily. Some industries have a naturally powerful voice in our Nation's economy, simply because their components are few and large. The size and number of these components make their industrial voices easily heard.

Organize the voices of thousands — millions — of producers. More than half a century ago, farmers knew that task was not going to take care of itself. And so they worked hard to build Farm Bureau into the single voice for agriculture that it is today.

The point is this: One farmer might join Farm Bureau because a friend down the road signed up; another might join because it's the "thing to do" in his area. But over 61,000 farmers in Michigan aren't members just because it's "the

thing to do." They joined because Farm Bureau is as important to their survival as their own two hands.

In fact, along with our great concerns of preserving agricultural land, defending our position on environmental concerns, influencing legislation, etc., we must focus our concern now on the immediate problem of preserving the farmer.

Perhaps the best way that we can do this is by improving our economic stability and our freedom of operation, so that the job of farming becomes more attractive, more economically feasible, and socially acceptable.

And, unless we do this, the disappearance of the American farmer will only precede by a short time the disappearance of the American consumer.

The real power of Farm Bureau is in the membership. We have become strong because the organization has kept close to the people. There is where it must remain. Our job is to somehow coordinate that power for added effectiveness.

There are many issues facing the country today, the outcome of which can be affected by Farm Bureau. One of the most significant

issues is the concentration of power in the hands of a few people to administer the total American economy. We are slowly being embroiled in a system of authority that deprives the individual of his rights, as guaranteed by the Constitution, to make decisions and to live as free and independent citizens in a Republic supported by free enterprise system.

Another influence inviting more government control is inflation. We will somehow eventually solve our energy problems but until and unless the Congress and the Administration face up to their responsibilities, we will continue to have this sapping of the economy for a long time to come. The answer will never be correct as long as we equate political decisions with economic problems.

Still another great concern has to do with the increase in the farm-retail spread. Things are simply out of alignment when steaks are \$2 a pound and cattlemen are losing over \$100 a head.

The principles for which we stand are right and sound, not only for farmers, but for workers, labor unions, for consumers and the economy. We must continue to build Farm Bureau and make a united effort to right the ills of this

land. When we make up our minds, no one can stop us. And we must do it ourselves. We must speak for ourselves.

In spite of our problems as farmers and as a nation, we should remember that we could have it a lot worse. Even in the best of times, we seem to delight in finding fault with ourselves, but with our current troubles, the crying towels are out in force.

We have had a lot worse troubles in the past and have faced up to them; but we seem to be softer now — probably because we are a spoiled and pampered people.

The truth is that we don't have that much to cry about. Our country has never been and will never be perfect. We had a violent birth and have lived from crisis to crisis ever since. In this process of growing up, we invented a way of life that is the envy of the rest of the world. We cannot move to a better place, because there is none.

We may not be at the peak of our form for the present; but we are not falling apart, either. We have a lot to do and no time for the crying towels.

As a farm organization we will not be cryers, but doers. It is time for all of us to help make a great organization even greater.

MICHIGAN FARM NEWS

The Michigan FARM NEWS is published monthly, on the first day, by the Michigan Farm Bureau Information Division. Editorial and general offices at 7373 West Saginaw Highway, Lansing, Michigan 48904. Post Office Box 960. Telephone, Lansing 485-8121. Extension 228. Publication office, 109 N. Lafayette St., Greenville, Michigan. Subscription price, 65 cents per year.

Established January 13, 1923. Second Class Postage paid at Greenville, Michigan.

EDITORIAL: Editor: Jim Phillips; Associate Editor: Donna Wilber; Contributing Editor: Cindy Sage; Staff Photographer: Marcia Ditchie.

OFFICERS: Michigan Farm Bureau: President, Elton R. Smith, Caledonia, R-1; Vice President, Dean Pridgeon, Montgomery, R-1; Administrative Director, Robert Branden, Lansing; Treasurer and Chief Financial Officer, Max D. Dean; Secretary, William S. Wilkinson.

DIRECTORS: District 1, Arthur Bailey, Schoolcraft; District 2, Dean Pridgeon, Montgomery, R-1; District 3, Andrew Jackson, Howell, R-1; District 4, Elton R. Smith, Caledonia, R-1; District 5, William Spike, Owosso, R-3; District 6, Jack Laurie, Cass City, R-3; District 7, Kenneth Bull, Bailey, R-1; District 8, Larry DeVuyt, Ithaca, R-4; District 9, Donald Nugent, Frankfort, R-1; District 10, Richard Wieland, Ellsworth, R-1; District 11, Franklin Schwiderson, Dafer.

DIRECTORS AT LARGE: Walter Frahm, Frankenmuth; James L. Sayre, Belleville; Gerald Elenbaum, Owendale.

WOMEN OF FARM BUREAU: Mrs. Richard Wieland, Ellsworth, R-1. FARM BUREAU YOUNG FARMERS: Gary Nye, Hillsdale.

POSTMASTER: In using form 3579, mail to: Michigan Farm News, 7373 West Saginaw Highway, Lansing, Michigan 48904.

Second class postage paid at Greenville, Michigan



DONNA The 'good old days'

Were the "good old days" really all that good? Or do we tend to glorify the past, with sweet nostalgia clouding our objectivity?

As we get ourselves in gear for the nation's bicentennial, part of the process is looking back to gain an appreciation of our precious heritage. But it's also important to establish a positive attitude about the NOW. There's an abundance of tongue-clucking going on about the current condition of our nation—the economy, pollution, drug abuse, crime—that diminishes the pride we should feel about our many great accomplishments. Perhaps looking at the past, for what it really was, will help get us properly "psyched up" for the big birthday party.

Otto Bettman does an admirable job of that in a book called "The Good Old Days—They were Terrible." Ponder some of his facts and then analyze whether NOW is better than the so-called good old days

Pollution is not a new discovery. At the turn of the century there were three million horses in American cities. The horses used in New York City produced enough manure in one year to cover an acre of ground with a layer 275 feet deep. In dry spells, powdered by pounding traffic, the end results covered clothing, ruined furniture, and clogged nostrils. In wet spells well, use your imagination. Add to this the stench of uncollected garbage, inadequate sewers, and smoke to turn most city life into a "nasal disaster."

In the 1880's, 40 percent of America's farmers owned neither

land nor house. Farmers and their families toiled at least 16 hours a day merely to sustain themselves—and no hot shower to soothe the end of a day, to say nothing of the lack of other sanitary installations. The urban laborer worked a 12 hour day, six days a week, no paid vacation, no Medicare, and no social security checks at retirement. But then, he seldom made it to retirement. And lest we forget—this same laborer spent 50 per cent of his wages on food!

The life expectancy for most American males was age 38. A woman could hope for 40 years then. During the "Gay 90's" the sweatshop seamstress could make \$7 for an 84-hour work week. And children made up one-third of the labor force.

One or two out of every three babies died at birth, and only one or two out of the three small survivors made it to age 12. Heroin was sold as cough medicine. Yellow fever and malaria were worse than the threat of scalping by Indians. The sight of children maimed by the so-called childhood diseases was commonplace.

The good old days? How about three cheers for the NOW! Why wait until NOW becomes the good old days before we realize its value, its greatness, and its potential?

All of us, whether rural or urban, provide the "warp and woof" of the material that goes into the weaving of our nation's tapestry, portraying in various colors and designs just what America was, and is, and stands on the horizon of becoming. We should be proud of the portion of that tapestry which WE helped to weave.

Field Operations makes changes



Bob Shepard



Eugene Greenawalt

With the retirement of Marlie Drew last month, Field Operations Division Director Chuck Burkett has announced the appointment of Robert Shepard as Manager, Member Services Department.

Shepard, a Michigan State University graduate, has for the last 18 months been Coordinator of County Offices. Prior to that, he was a Regional Representative in the West Central Region.

New regional man appointed in Southwest



Russell Keeler is new southwest regional representative for MFB, replacing Eugene Greenawalt who has moved into home office as Coordinator of County Offices. Keeler comes from a farm background in Hillsdale county. Keeler and his family live at 7609 Lakewood Drive, Portage. Telephone 616-327-2283.

Taking over duties of Coordinator of County Offices is Eugene Greenawalt, currently Regional Representative in the Southwest Region. Greenawalt has been on the Michigan Farm Bureau staff since 1969 and has a broad background in business and personnel management.

Don't forget to use your

FBS/FPC

\$5

certificate

MOVING?

Planning to move? Let us know 8 weeks in advance so you won't miss a single issue of the Michigan Farm News. Attach old label and print new address in space provided. Mail to: Michigan Farm News, P.O. Box 960, Lansing, Michigan 48904.

Name _____ Address _____ City _____ State _____ Zip Code _____ County of Membership _____



"Farmowners" policy Russian ship loaded made better by FB Insurnace Group

Farm Bureau Mutual's new FARMOWNERS policy, the Nation's first farm insurance package, has been made better 23 ways. The new program will be introduced next month.

In announcing what are considered major farm insurance innovations, Donald E. Jolliff, CPCU, Farm Bureau Mutual's Vice President and General Manager, explained the reasons for FARMOWNERS revision: "Farm Bureau Mutual pioneered farm package insurance concepts back in 1961. We have the experience to understand the new pressures placed on agriculture by the economy of the last 18 months. That knowledge was combined with the ability of our experienced agency force to specifically identify the pressure points in our policyholders farm operations. Our FARMOWNERS program was expanded to eliminate those pressure points."

The strength of the new FARMOWNERS program is the significant expansion of basic policy coverages. Coverage expansions include:

1. Three rating exposures applied individually to structures . . . no more "averaging" or high risk costs for low risk structures. This is a unique approach to farm insurance rating.
2. Cargo insurance for losses over \$100 up to \$1,000. This endorsement, automatically added to FARMOWNERS policies late in 1974, is now a standard part of the FARMOWNERS protection package. Another FARMOWNERS "first."
3. A 30% rate for farm personal insurance to value has been added to existing 50% and 70% rates. FARMOWNERS is the only farm protection package to offer a 30% insurance to value choice.
4. Farm Bureau Mutual's FARMOWNERS policy has been expanded from a "basic" to a "broadened" policy. This is evidenced primarily in extended theft coverages.
5. Snowmobile, outboard

motorboat and swimming pool liability remain basic policy coverages at no extra cost . . . a unique Farm Bureau Mutual policy coverage provision.

6. Weight of ice and snow perils will be added on coverage for buildings less than 10 years old; another FARMOWNERS package innovation.

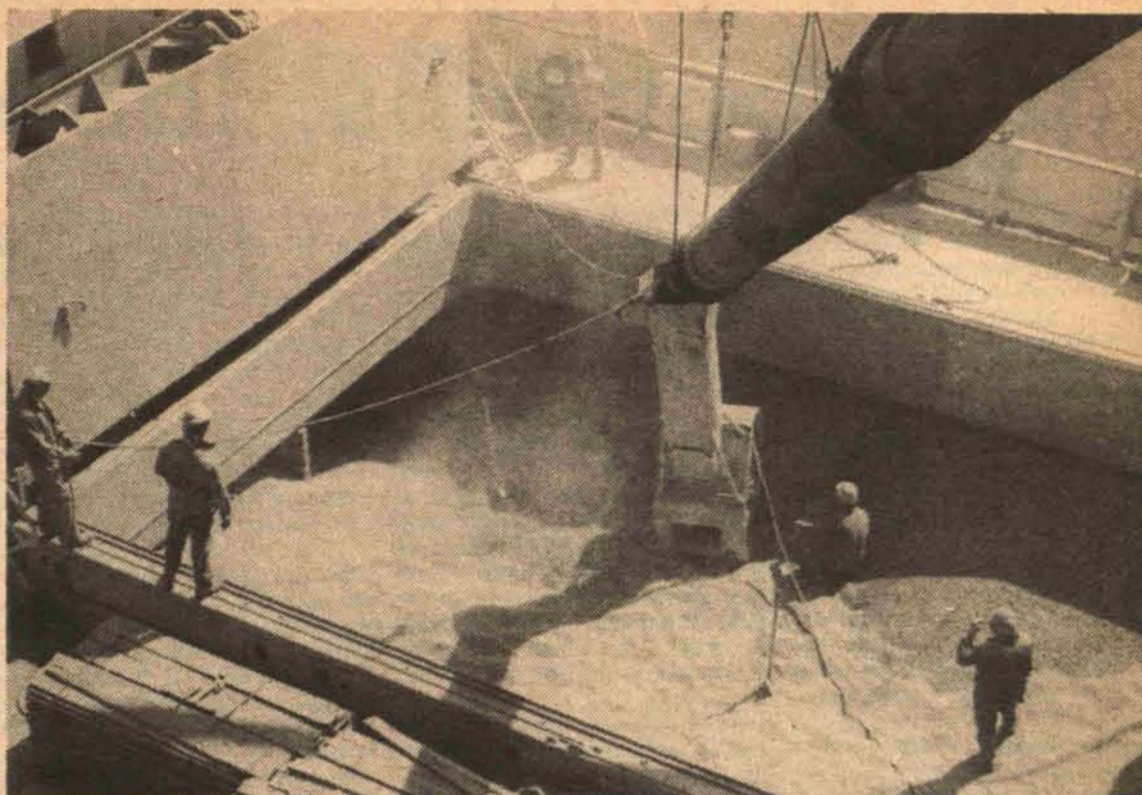
These additional basic policy coverages, and others, far offset the 5% increase in premium that accompanies the new FARMOWNERS program. This minimal rate increase is the first in Farm Bureau's FARMOWNERS program since July 1, 1969 . . . a tribute to the planning expertise of the farm underwriting specialists and field agents.

The FARMOWNERS options represent the other strong arm of Farm Bureau Mutual's revitalized program. Options allow Michigan farmers to choose particular coverages that fit their farming operations, products and size. Here are some examples of the wide scope of options:

1. Boarding, raising or training horses.
2. Cargo insurance from \$1,000 up to \$5,000.
3. Loss of income from out-buildings.
4. Personal Injury Liability.
5. Extension of coverages for 30 days on newly acquired farm machinery and vehicles.
6. An automatic 30 day extension of coverage for new out-buildings.

The prime mover behind the FARMOWNERS policy innovations are the Farm Bureau Insurance agents. By reporting changing client needs and exposures, these farm insurance experts served as the main channel for improved policyholder service. They made FARMOWNERS better in 23 ways.

Next month, we'll explain how some of the innovations directly spring from Farm Bureau Insurance agents. We'll also more closely detail what the new Farm Bureau Insurance Group FARMOWNERS insurance package means to Michigan farmers.



"Food — The International Language" might be the title of this picture taken at Michigan Elevator Exchange's Saginaw grain terminal last month. American and Russian workers loaded 24,000 metric tons of Michigan cull beans into the hold of the Soviet ship Paulik Larishkin. The beans are bound for Rotterdam, Holland.

An investment in the future

Citizenship seminar planned

Billed as an investment in the future, Michigan Farm Bureau is planning its 12th annual Young Peoples Citizenship Seminar.

This year 200 junior and senior high school students representing virtually every Michigan county will journey to Albion College June 23 for the week long seminar.

MFB President Elton Smith says the seminar's major objective is to assist students to become better informed and more aware of their citizen duties and responsibilities.

Noted resource people from around the country are slated to address the gathering emphasizing

the free enterprize system, the American political scene and democracy.

Instructors include Dr. Clifton Ganus, president of Harding College at Searcy, Arkansas; Ohio native Dr. John Furbay, a noted lecturer and author; Dr. Myrtle Beinhauer, professor of economic

education at Olivet College; Dr. Nicholas Nyaradi, former under-secretary of the treasury and minister of finance of Hungary; and National Football League line judge Art Holst.

Seminar students are sponsored locally by their county Farm Bureau.

Young Farmers meet on rural crime



State Trooper Brian Brown explains to Gratiot County Young Farmer athering ways to cut down rural crime. The new MFB \$200 reward program was considered an important aid in fighting crime in the country.

OSHA rules

(continued from page 1)

Such tractors are ones on which the operator straddles the transmission when seated and the front wheel spacing is equal to that of the rear wheels.

Protective structures must be on all tractors manufactured after October 25 of next year. This extended deadline is in accord with another FB request to provide as much time as possible for manufacturers to meet the ROPS requirement.

However, an addition to the original proposal requires that beginning June, 1975, an employer is to instruct employees annually in safe tractor operating practices.

The regulations also require installation and use of a seatbelt on any new agricultural tractor with a rollover protective structure.

**Use that
FBS/FPC
\$5
certificate**

farmers of the week

QUALITY FARMING OPERATIONS • AGRICULTURAL/COMMUNITY INVOLVEMENT



DAVID C. MORRIS

1500 acre cattle feeding & cash crop operation * President, Mich. Cattle Feeders * Cooperative Extension Service Advisory Council * M.S.U. Alumni Development Council * Former MFB Board member.



LARRY CRANDALL

1000 acre Calhoun county dairy farm * Milking 105 cows * 1975 MMPA outstanding young dairy couple * Chairman of MMPA Dist. 2 * Active in community activities.



ALLEN A. ALBER

155 acre Washtenaw county livestock & cash crop farm * Sharon Township supervisor * Past member of Manchester School Board * Farm Bureau Community Group member.



LEVI VAN TUYLE JR.

250 acres Cass county dairy farm * Past President, Cass county FB * Served on Cass Soil Conservation Board * Sat on Dowagiac Co-Op Board * Appointed to Dairy Herd Improvement Assoc.

sponsored by

MICHIGAN FARM RADIO NETWORK
AND FARM BUREAU INSURANCE GROUP™

CAPITOL REPORT

Labor bills, labor bills

Robert E. Smith



Some of the labor bills affecting farmers are now becoming issues in the Legislature. Many are very serious and would be detrimental to all farmers. For example, H.B. 4921 was introduced by Rep. Bonior (D-Mt. Clemens) and 19 other democrats, all of whom are from metropolitan areas. This bill would:

... require farmers to pay overtime of 1½ times the minimum wage for over 46 hours work per week. Under the present law, this number drops to 44 hours in 1976 and 40 hours in 1977.

Overtime requirements for agriculture was also an issue last year. At that time Farm Bureau was finally successful in having farmers exempt from overtime provisions in the state law, the chief reason being that the U.S. Congress in its passage of federal minimum wage requirements recognized the special problems in agriculture and exempted agriculture from federal overtime wage provisions.

H.B. 4921 also provides that piece rates would be eliminated except they could be used in addition to the present state \$2.00 per hour minimum rate. Present Michigan law provides that piece rates may be used but that the State Wage Deviation Board must adjust the minimum piece rates to conform with the minimum wage in order that any person of average ability can earn the minimum wage. The procedure for determining this resulted from expert time and motion studies by MSU on those crops normally harvested by piece rate work. This has proved to be satisfactory for some years. The mandatory use of the minimum wage for piece rate work could result in the future elimination of job opportunities on the farm.

The legislation would also impose additional requirements on farmers for record keeping. It would also definitely discriminate against farmers in Michigan by lowering the age for which the state minimum wage applies to 16. For other employers, it would remain at the present 18 through 65.

Farm Bureau testified before the committee in opposition to this legislation. MASA was represented through testimony by M.J. Buschlen. The committee action on the bill was taken quickly. As a matter of fact, the Department of Labor itself was not aware of the fact that the committee was to consider the legislation. It was

obvious that the majority of the committee had fully intended to report the bill to the floor for action in the House of Representatives. The only opportunity to stop or modify the legislation was on the floor. Farm Bureau alerted by phone many leaders throughout the state and also through letters to Farm Bureau County Presidents and Chairmen and members of County FB State Affairs Committees and Women's Committees urging contact with their legislators explaining the detrimental affect such legislation could have on all farmers. As this is written, a decision has not yet been made.

Farm Bureau believes that Michigan farmers should continue to be exempt from mandatory overtime wage payments inasmuch as the Federal Fair Labor Standards Act provides exemption under federal law. To require it in Michigan would put Michigan farmers at a disadvantage with their competition from other states. Cost of production in Michigan is already higher than in many other states.

We further believe that it is discriminatory to lower the age required for minimum wage in agriculture from 18 to 16 when other employment continues to be at 18. The record is also clear that as more and more restrictions have been imposed on farmers, the jobs in agriculture have declined dramatically. Official data prove this. Farm Bureau and MASA testimony further indicated the present agricultural situation that is now developing. For example, farm costs have risen 20 percent in each of the previous two years and will continue to rise at a similar rate. While farm prices were good in 1973 and 1974, they are now skidding downward. This means a continuing depressing "cost price squeeze." One thing that metropolitan legislators cannot understand is that agriculture is very different from any other kind of employment as it is dependent entirely on a biological process which is controlled by the weather and that work in agriculture must be done when it is possible regardless of the hours per day that may be required. On the other hand, there are periods of time when it is not possible to work.

H.B. 5180—On the same day that the House Labor Committee considered H.B. 4921, they also acted on H.B. 5180. It is interesting to note that the printed copies of

the bill were not available up until just a day or two before the committee meeting. It was, therefore, not possible to give proper study to the legislation.

The bill amends the legislation passed last year for state administration of the OSHA program. That legislation provides for an advisory committee which must be consulted before the State Safety Commission decides on any safety standards that apply to agricultural operations. The law required that "at least half of the members of the Advisory Committee shall be persons who devote major portions of their time to agricultural operations affected by the standard." The other half of the Advisory Committee could, therefore, be representative of other interests. H.B. 5180 would add between the words "persons" and "who" in the above quotation the words REPRESENTATIVES OF PERSONS.

It further provides that the committee "shall be equally constituted of employer and employee interests." The affect of this would be that those who claim to represent agricultural workers could end up on that advisory committee. Such interest might include unions, UMOI, church groups, etc. The amendments to the legislation are not really clear. The bill received very little consideration before being reported to the floor.

H.B. 4701 provides for maximum work hours for employees in the state prohibiting required overtime work and would have applied to agricultural workers. Here again, this would have damaged agricultural production inasmuch as the work must be accomplished at the right time regardless of the hours required to do it. The bill was finally amended on the floor of the House of Representatives by an amendment to exempt agriculture offered by Reps. Albosta (D-St. Charles), Porter (D-Quincy), VanSingel (R-Grant), Hoffman (R-Applegate), and Powell (R-Ionia). The amendment passed by a vote of 60 to 40. The bill must now go to the Senate.

A series of three new bills have been introduced by Senators Otterbacher (Grand Rapids), Plawecki (Dearborn Heights), Corbin (Clio), Faxon (Detroit), Brown (Detroit), Kildee (Flint) and Nelson (Lansing), all are democrats and represent, for the most part, metropolitan areas.

S.B. 836 is a 17-page bill creating an "agricultural workers commission" for the purpose of "regulating collective bargaining between agricultural employers and employees." The bill defines a bargaining unit as an agricultural employee or an employer. An employer is anyone involved in employment of agricultural workers. Farm labor contractors are defined as are labor organizations. The commission would consist of three members, one representing agricultural employers and one representing labor. The third as a representative of the public. Employees would be permitted to petition for recognition of a union. Provisions are made for secret ballots. A labor organization receiving a maximum of the votes cast in an election is certified as a bargaining agent for a period of 12 months. The labor organization is qualified to be put on the ballot by presenting authorization cards signed by at least 10 percent of those seasonal employees in the bargaining unit. This can be done up to at least 48 hours before the election. Labor organizations would have the right to visit employees during non-working hours including meal and rest periods and other breaks. Recognition strikes are recognized. Numerous unfair practices are listed in the Act together with limitations on the employers. This is a very comprehensive bill and needs considerable study.

S.B. 837 would change the present Agricultural Labor Commission and enlarge it from 7 to 11 members . . . 4 members of growers and producers, 4 from agricultural workers and their organization, and 3 from the general public.

S.B. 838 would regulate the recruitment of farm workers by creating the Farm Labor Contractor Commission. It would consist of 5 members, 3 of whom would be representing farm workers, 1 representing employers and 1 representing labor. This is a 10-page bill. It, too, is very comprehensive and will require much study. Michigan already has legislation that licenses and regulates farm labor contractors. There have been no problems.

Workmen's Compensation -- As reported previously, one bill already has been introduced . . . H.B. 4399 with an

identical bill in the Senate, S.B. 355. Each consists of 82 pages and would rewrite the entire Act and it is estimated could well double the cost of workmen's compensation in Michigan.

Agriculture was brought under workmen's compensation by a Supreme Court decision in 1972. Another bill is expected to be introduced that is more realistic and hopefully will solve some of the costly loopholes in the legislation. Michigan already has about the highest premium rates in the country.

Unemployment Insurance has become a major issue with legislation passing both houses to substantially increase benefits. Governor Milliken threatened to veto the act as irresponsible, extremely costly and further harming the business climate in Michigan. The Governor and legislative leaders have negotiated the issue.

Michigan's present unemployment compensation rate is approximately twice the national average. For example, it is 173 percent higher than Ohio, 106 percent higher than Illinois and 187 percent higher than Indiana. It is estimated that at present levels, Michigan will borrow \$1,300,000,000 from the federal government by the end of 1976. This must be repaid.

One major costly loophole in Michigan's present law is that people are permitted to voluntarily leave their job and draw benefits after six weeks. It is estimated that 147,166 people in Michigan quit working on their own volition. Thirty-four states prohibit this practice. Other states make it much more difficult to qualify. There are other abuses needing correction. This issue is important to agriculture because there are two or three bills in the legislature that would bring agricultural employers under the Employment Compensation Act. Agricultural workers are already qualified for benefits due to action by the U.S. Congress. Under that program, the entire cost is born by the Federal Government. However, because administrative procedures have now been set up to provide benefits to agricultural employees, it is very likely that either through federal or state action strong efforts will be made to bring agriculture under the unemployment compensation act.

Future of Michigan studied by Detroit group



At a Greater Detroit Chamber of Commerce sponsored meeting held to discuss "Will the Next Business Boom Bypass Michigan," M.S.U. Agricultural Economist Dr. Leonard Kyle [fourth from left] noted that Michigan Farmers must compete with farmers from other states and countries for markets and that Michigan lawmakers should be aware of this fact before enacting legislation which would make Michigan agricultural products uncompetitive.

Serving on the panel were [from left] Richard L. Terrell, Vice Chairman of the Board of General Motors; Donald E. Young, Chairman of the Board of the Greater Detroit Chamber of Commerce; Dr. Patricia Shontz, Professor of Business Administration at University of Michigan; Kyle; Jack Wood, Secretary-Manager of the Greater Detroit Building Trades Council; and James A. Brooks, Vice President of Employee Relations at the Budd Company.

Dairymen may deduct Blue Cross from milk check

A program to pay your Blue Cross - Blue Shield billings through deductions from your milk check continues to be available. There are currently over 400 Michigan Milk Producers Association and Independent Cooperative Milk Producers Association members participating in this program.

Your milk cooperative will deduct from your monthly milk check monies for the payment of your Blue Cross billing. The deduction and payment is then processed through Michigan Farm Bureau.

The three requirements to

participate in the program are that you must be a MMPA or ICMFA shipper, and a Farm Bureau member, and deposit for escrow an amount equal to one month's Blue Cross billing.

If you wish to participate in the program, contact your County Farm Bureau secretary. If you currently are a Farm Bureau member enrolled in Blue Cross, your deductions could begin in September with your first quarterly billing paid by Farm Bureau in November, 1975.

If you are not a Farm Bureau member, you may join now and enroll in Blue Cross effective

November 20, 1975; your deductions would begin in December with the first payment being made in February, 1976. It would be necessary for you to pay the November 20, 1975 billing.

Farm Bureau has recently expanded their health care coverages with the addition of Master Medical. This program is designed to eliminate catastrophic and out-of-pocket payments for health care services including prescription drugs, Doctors office calls, physical therapy, ambulance service, prosthetic devices and more.

NATIONAL NOTES

Albert A. Almy

A permit to plow?

Congress and various regulatory agencies have been very active during the past month on issues of importance to agriculture. Space will not allow a review of all the issues; however, following are four of the more important ones:

COUNTERVAILING DUTIES

Earlier this year, the American Farm Bureau Federation requested the United States Treasury Department to investigate whether Austria was subsidizing its exports of certain cheeses to United States markets. The investigation was requested by Farm Bureau as a result of strong policy favoring countervailing duties on subsidized imports to allow American farmers to compete with foreign producers on equal terms.

On May 20, the Treasury Department announced its investigation resulted in a preliminary finding that Austria is subsidizing its exports of certain cheeses to U.S. markets. The amount of subsidies range from 20-33 cents per pound. Total imports of the subsidized cheeses during 1974 have been estimated at \$15.8 million.

It is expected that consultations between U.S. and Austrian representatives will now be held to determine whether the subsidies will be voluntarily suspended. Failure to reach such an agreement is expected to result in the Treasury Department ordering

countervailing duties on the cheese imports in an amount equal to the Austrian subsidy.

Recently, the American Farm Bureau Federation filed a similar request with the Treasury Department for an investigation of whether cheese imports from Switzerland are being subsidized. The investigation has been initiated and a report on the findings is due on or before July 4. Swiss imports totaled about \$11 million in 1974. The investigation resulted in a request from Swiss farm leaders to meet with AFBF officials for a discussion of subsidized imports.

On April 24, following an investigation and consultations with European Economic Community leaders, the Treasury Department announced it was not ordering countervailing duties on certain subsidized cheese imports from the EEC. In return, the EEC announced it would suspend subsidies on exports of other cheeses.

FARM PROGRAM

On May 13, the House attempted to override President Ford's veto of H.R. 4296 - the Emergency Farm Act. Provisions of the bill and Farm Bureau's reasons for opposing it were carried in this column in the April and May issues of Michigan Farm News.

Following considerable debate on the possible veto override, a vote was taken. The vote was 245 in favor of overriding the veto and 182

to uphold the veto. This was 40 votes short of the two-thirds majority necessary to override a presidential veto. Ten Michigan Congressmen voted to uphold the veto, while eight voted to override. One Congressman paired his vote without indicating a position. The complete voting record was published in the May 19 AFBF News. This action will likely prevent serious consideration of similar farm program legislation during the remainder of this session of the 94th Congress.

LAND USE

The full House Interior and Insular Affairs Committee began consideration of federal land use legislation - H.R. 3510 - on May 14. The bill would provide \$500 million to states for land use planning. However, to qualify for the funds, the states that accepted the grants would be required to consider or include numerous federal criteria in their land use plan.

At the beginning of the Committee meeting, a motion was offered to table the bill. Following debate from both sides on the issue, a vote on the motion was taken. The motion lost by a 20-22 vote. If the motion had carried, it would have effectively set aside federal land use legislation for the remainder of this session of the 94th Congress.

Michigan Congressman Robert Carr (D-East Lansing) and

Congressman Philip Ruppe (R-Houghton) are members of the Interior and Insular Affairs Committee. On the motion to table the federal land use bill, Congressman Carr voted against the motion, while Congressman Ruppe voted in favor of the motion.

H.R. 3510 is now being discussed and marked up by the Interior and Insular Affairs Committee. It is expected the vote to report the bill for consideration by the whole House will also be close. Farm Bureau is opposed to federal land use legislation unless it provides only financial assistance to the states for land use planning without the federal criteria being required.

CORPS OF ENGINEERS PERMITS

In early 1974, the Corps of Engineers published final regulations for structures or work in navigable waters of the United States. However, the Natural Resources Defense Council and the National Wildlife Federation challenged the definition of "navigable waters of the United States" in the Corps regulation. The groups maintained that the regulation should apply to "all waters of the United States" and not just those that are navigable. The Court ruled against the Corps regulation on March 27, 1975.

In its ruling, the Court directed

the Corps to propose and publish a revised final regulation by June 16, 1975. On May 6, a proposed regulation consisting of four alternatives was published in the Federal Register. The alternatives are severe, although some are more severe than others.

For example, in its press release announcing the proposed alternatives, the Corps said, "Under some of the proposed regulations, federal permits may be required by the rancher who wants to enlarge his stock pond, or the farmer who wants to deepen an irrigation ditch or plow a field, or the mountaineer who wants to protect his land against stream erosion." This statement indicates the far-reaching nature of the proposals.

Another serious problem with the proposal and its potential impact upon agriculture is the time required for the Corps to process a permit application. The proposal in the Federal Register states that minor and noncontroversial permits now require about four months to process, but can require well over a year if a public hearing or an environmental impact statement is required.

Farm Bureau is now analyzing each proposed alternative to determine which would have the least impact upon agriculture. Appropriate input to the Corps will be made when the analysis is complete.

USDA says credit useful for expansion

Farms with product sales of \$20,000 or more owned over 70 percent of total farm assets and owed 77 percent of the debt in 1973, according to a report issued by the U.S. Department of Agriculture's Economic Research Service, in 1960, such farms had only 36 percent of total assets and 43 percent of debt.

Farms in the \$20,000 or more category have become more important in American agriculture, both in numbers and in sales. Between 1960 and 1973, they grew in number from one-tenth to one-third of all farms and in sales from half to nearly 90 percent of the U.S. total. Although part of this growth was only statistical because of dollar inflation, much was real. Acreage per farm grew from 283 acres in 1960 to 369 acres in 1973, according to the report.

Total assets per farm for all sales classes rose steadily from about \$50,000 in 1960 to \$136,000 in 1973 (valued in current dollars). Farm debt followed a similar pattern, rising from about \$6,000 to over \$26,000. In 1973, assets per farm averaged \$272,500 on the large farms and \$49,900 on small farms--those with sales of less than \$10,000.

Small farms had lower debt-to-asset ratios during the period. This supports the belief that credit or borrowed capital is useful, and probably necessary, for expanding farm operations.

On state's beet farms

Bad soil structure widespread

"The problem of bad soil structure appears to be more widespread on sugar beet farms than in the past," says L.S. Robertson, Michigan State University professor of crop and soil sciences.

Robertson bases his statement on more than 30 years of research and observation. He says that bad soil structure is usually the product of poor soil management; although problems can be due to natural conditions.

Soil structure refers to how soil particles are arranged. "How loosely or how firm these mineral particles are arranged influences how sugar beets grow, because this arrangement influences the rates of water and air movement into and through the soil," says Robertson.

There are five major visible sugar beet plant symptoms of bad soil structure: 1) slow plant emergence, 2) dwarfed plants, 3) off-colored leaves, 4) shallow roots, and 5) malformed roots.

Visual signals of poor soil structure in the soil itself include: 1) soil crusts, 2) subsurface zones of compact soil materials (seen only after digging into the soil), 3) ponded water, 4) excessively accelerated soil erosion, and 5) increased power requirements for tillage.

According to Robertson, poor drainage, too much tillage, intensive cash cropping systems, field operations done at the wrong time, and the design of farm implements are the most common causes of bad soil structure in sugar beet fields.

Robertson offers these tips on avoiding or improving bad soil structure in sugar beet fields.

Improved drainage: Maintain ditches that can rapidly move water from snow melts and heavy rains. These ditches, as well as tile drains, should be inspected and repaired each year. Smoothing the surface of the field can help reduce the chance for ponding of surface water. Use tillage practices that avoid creating low areas. In some cases it may be desirable to provide protected outlets for dead furrows and to use sod waterways in low, natural drainage areas.

Minimum tillage: First, use the general rule of thumb that no more tillage should be done than needed for fast germination, a good stand and satisfactory yields.

Test soil moisture before any tillage. Take some soil from the maximum depth that tillage will occur and roll it between the palms. If the soil forms a "snake" it is too wet and excessive soil compaction will occur.

Broadcast fertilizer and lime applications before plowing.

Vary the plowing depth from season to season and plow at a depth consistent with soil texture and structure. Keep plows repaired and adjusted. Plow with tractor wheels on the land; not in the furrow. Under compact soil conditions, plow only deep enough to loosen the compacted zone. Use chisel plows primarily in the fall when low subsoil moisture levels are most likely to occur.

Plan field operations to reduce

the number of trips across the field.

Soil organic matter: Use green manure and cover crops whenever possible to maintain and improve organic matter levels. Crop residues and livestock manure can help too. In the rotation include at least one crop, like corn, that

produces large amounts of crop residue. Good insect, disease and weed control help by boosting yields AND residues. Prevent accelerated soil erosion. Finally, have the soil tested regularly and follow the recommendations -- for higher yields of both crops and residues.

Q&A

QUESTION: What is the Legislature doing to solve the doctor shortage which has been created in part by higher insurance premiums?

ANSWER: One of the major overall issues before the Legislature this season has been the problem of malpractice. As a result of large awards given by courts in malpractice suits, the cost of insurance has spiraled to the point that many communities, especially in rural areas, have not been able to attract doctors. Some county Farm Bureaus have been active on this issue. For example, in one case new doctors were planning to move into the community and refused once they found out the cost for insurance protection.

This is also a problem in some other states. For example in California, doctors have literally been on strike demanding that something be done about the high cost of insurance. Here in Michigan, the Legislature has already passed legislation which in affect sets up a state insurance pool to make it possible for doctors, including podiatrists, osteopaths, dentists and nurses, to obtain insurance coverage. The fund would be supported by premiums from those receiving insurance from the pool and assessment of the insurers if malpractice awards exceed the premiums. This is due to the fact that insurance companies specializing in this type of coverage intend to quit doing business in Michigan.

Several other bills are under consideration, some of which have already passed one house. These include legislation to aid the professional license boards and societies to police its members in order to find the problem practitioners. Three bills require that disciplinary action against physicians, osteopaths and podiatrists be reported to the respective licensing boards. Other bills permit the fingerprinting of licensees on licensing in order to insure proper identification, and another bill would require 50 hours of continuing education per year as a qualification for relicensing. Hospitals would also be required to notify the various licensing boards and societies of any resignations of physicians and osteopaths and the reasons surrounding the resignation, dismissal, or suspension. In addition, the State Bar has recommended a new schedule of limited fees that can be charged by lawyers in malpractice suits. Whether these and other legislative actions result in a solution of the malpractice problem remains to be seen.

That \$5 FBS/FPC certificate is still valid

Kids shown farms by Sanilac County



Students from a Port Huron elementary school learn the basics of a beef operation at Bob O'Connor's Beef farm near Jeddo. The tour was sponsored by the Sanilac County Farm Bureau Women last month.

Through consolidation

The "Blues" are one

The consolidation of Blue Cross and Blue Shield of Michigan, first announced in August, 1974 became effective February 1, 1975.

The legal path to consolidation was cleared in mid-December, 1974 when Governor Milliken signed Senate Bills #346 and #360 which amended both corporations enabling acts to permit consolidation. The legislation authorized Blue Cross and Blue Shield of Michigan to file a plan for consolidation with the State Insurance Commissioner.

In preparation for consolidation the Blue Cross and Blue Shield boards elected Bennet J. McCarthy chief executive official and chairman of both Blue Cross and Blue Shield of Michigan and John C. McCabe president and chief administrative officer of both corporations.

The new board and corporate membership provide for majority consumer representation. Physicians and hospitals are represented in equal numbers in both structures.

Objectives of the consolidation are to:

Provide, through a single board, the development of timely and effective policy reflecting meaningful communications from all interests.

Maintain the concept of a consumer and public majority, while recognizing the essential role of health care providers in the success of corporate policies and programs.

Allow for full and equal hospital and physician representation in the decision-making process, and provide a forum for reconciling and/or compromising divergent views.

Ensure, through a single chief executive and one board, that a common fact base is used for decisions, at the same time encouraging a sharing of various points of view. Encourage the development of products and programs for health care delivery in total, rather than dividing it.

Lay the groundwork for more effective servicing of customers and timely communications with health care providers, groups and consumers.

Provide the basis for improved operating efficiency and effectiveness.

Additional information regarding the structure and goals of the new company and the rationale for consolidation will be provided in a brochure to be distributed with Blue Cross and Blue Shields 1974 annual reports.

Can we wave the flag too much

It's hard to decide what's right and what's wrong these days. Even home, mother and the flag are under attack. In song and story, there used to be no place like home. In fact, the English language is one of the few native tongues that has a specific word for home, as distinguished from the word for house.

But the concept of home today is split by the generation gap. A floating population of long-haired young people calls no place home. Likewise with motherhood. For centuries it was considered a sacred institution. Then came Zero Population Growth.

The American flag used to bring a lump to the throat and a hand to the heart. But until the Supreme Court settled the matter, you could visit many a college campus and salute the flag on the seat of somebody's pants. Anyone who displays the flag properly seems somehow to be suspect.

But what real reason does anybody have for being timid or apologetic about waving the Stars and Stripes? How could anybody in America wave the flag too much? It would be like studying Shakespeare too much or reading the Bible too much.

The flag is the symbol of our nation's unity. It was born of the many flags flown by the regiments of the American Revolution, and since that time, it has been the one emblem that stands for America. In the far-off corners of the world it is today's light of freedom for millions.

Thus it has been for two centuries, from the time patriots of 13 colonies first united under its folds through waves of immigrants from Ireland and Italy, from Eastern Europe and Scandinavia, from Asia and from Central and South America. They saw in the flag the hope of freedom from stratified societies, from dawn to dusk labor, freedom from want and oppression, freedom to use their talents to their own advantage.

They knew what the absence of freedom meant, and they shaped for us a national characteristic, an absolute obsession with freedom, from Patrick Henry's "Give me liberty or give me death" to today's "Do your own thing".

And the flag stands for both. Our freedom includes the right to blame as well as to praise, to be a cynic or an apostle, to hold that the American Dream is the envy of the world or that it has turned into a nightmare.

But the important thing is that freedom itself has survived. Our passion for freedom as we define it still burns hot. We may argue over our rate of progress but our goal is still the perfection of the promises implied in the Declaration of Independence and the Constitution, the promises implied for so many by our national emblem.

That is what the flag is all about. That is why we ought to fly it at every opportunity. That is why you can't wave the flag too much.



An Authorized Bicentennial Program of MICHIGAN FARM NEWS



YOU HAVE ONLY ONE CHANCE TO CELEBRATE THE BICENTENNIAL. DO IT RIGHT.

Just how do you celebrate a Bicentennial? You've had lots of practice celebrating Christmas, New Year and Thanksgiving. But there has never been a Bicentennial...and there will never be another. Just as regular holidays depend on people to celebrate them, so does the Bicentennial. And all the Bicentennial commissions and administrations combined can't celebrate it for you or without you. Trying to celebrate the Bicentennial without a flag is like Christmas without a tree. Our flag is the one emblem that has stood for our country for the past 200 years. So start now. Fly a



flag on your house, on your lapel, and on your car window and bumper. If you have a flag, fly it proudly. If you don't, use this convenient order form. Our publication has been authorized by the U. S. Bicentennial Society to make these hard to find, high-quality flag materials available at prices lower than you would expect to pay (made possible by the large quantity involved with this national program). Order now. Start celebrating our one and only Bicentennial today!

A1. Home Flag Set - The only flag set approved for use with the golden Double Eagle top ornament (included), symbol of the Bicentennial. Heavy-duty 3 x 5 ft. flag with double-stitched stripes, canvas heading, and brass grommets. Extra-strength, gold steel pole (6 ft., two piece). Wall bracket, screws, halyard, instructions, and storage box. Choice of 50 Star, Betsy Ross, or '76 Bicentennial Flag. \$9.95 each.

A2. Flag, Without Accessories - Same high-quality 3 x 5 ft. flag described above, ready to fly on your pole. \$7.76 each. Choice of 50-Star, Betsy Ross, or '76 Bicentennial.

A3. Auto Window Sticker - Applies to inside glass. 3x4 1/4 inches, full color. Choice of 50 Star, Betsy Ross, or '76 Bicentennial Flag. \$.35 each. Any 3 for \$1.00.

B. Bicentennial Bumper Strip - Blue and White stars. Red and White stripes. \$.50 each.

C. Bicentennial Lapel Pin - Enameled in full color. Individually gift boxed. \$1.00 each.



Send order to: Michigan Farm News c/o U. S. Bicentennial Society First and Main Streets Richmond, Virginia 23219

| | Quantity | | | Cost |
|---|----------------------|------------|------------------|--------|
| | 50 Star | Betsy Ross | '76 Bicentennial | |
| A1. Home Flag Set(s) @ \$9.95 | | | | |
| A2. Flag without Accessories @ \$7.76 | | | | |
| A3. Flag Window Sticker(s) @ \$.35 (any 3 for \$1) | | | | |
| B. Bicentennial Bumper Strip(s) @ \$.50 | | | | |
| C. Bicentennial Lapel Pin(s) @ \$1.00 | | | | |
| | Postage and Handling | | | \$.50 |

Enclosed is my check or money order for \$ _____

Name _____

Address _____

City _____ State _____ Zip _____

Residents of Virginia add 4% sales tax. Please make checks payable to U.S. Bicentennial Society.



Homefront

Old time ways of making money was discussed by the Old Timers. (They're a Community Farm Bureau Group in Livingston County.) They report that when they were younger, pigeon catching was very popular and sparrows were caught and sold for two cents apiece. One fellow reported he sold enough to celebrate New Year's Eve way back when. Another enterprising soul who caught rats sold the tails in one town and the heads at another for the same price. Wonder if you'd call that a rip off or just a young man using his old noggin?

To the surprise of all those present, the secretary of the Star Community Farm Bureau Group, Alpena County, read the minutes of the group's organizational meeting 21 years ago. Two of the original couples remain in the group.

The West Side Community Farm Bureau Group celebrated with an anniversary cake and ice cream at its April meeting. The occasion was the 36th birthday of the Huron County group. The group enjoyed movies of barn raising and pole barn building which took place at a member's farm. The group, which meets each month, looks forward to many more successful meetings.

Many Community Farm Bureau Groups have activities which make them better informed citizens and the Western Allegan group is no exception. Sgt. Joe Armstrong from the South Haven State Police post was a guest at one of their recent meetings. He spoke at some length on "Crime Prevention." The presentation was well received and the members are better informed as to what they as private citizens can do to discourage crime.

Farm Bureau on the air

The following radio stations carry Accent Agriculture, a 13½ minute public affairs program focusing on the issues and events affecting Michigan farmers and consumers.

- WATC Gaylord
- WFYC Alma
- WMPC Lapeer
- WION Ionia
- WALM Albion
- WKLA Ludington
- WTVB Coldwater
- WOAP Owosso
- WBRN Big Rapids
- WABJ Adrian
- WCER Charlotte
- WCBY Cheboygan
- WKPR Kalamazoo
- WHGR Houghton Lake
- WHFB Benton Harbor
- WAGN Menominee
- WSTR Sturgis
- WSMA Marine City
- WKYO Caro
- WDOW Dowagiac
- WIDG St. Ignace
- WCSR Hillsdale
- WJPW Rockford
- WSOO Sault Ste. Marie
- WNIL Niles
- WMIC Sandusky
- WSMM-FM Sault Ste. Marie
- WJML Petoskey
- WLDR Traverse City
- WRBJ St. Johns
- WLRC White Hall
- WPLB Greenville
- WTRX Flint
- WKNR Battle Creek
- WJEB Gladwin
- WSHN Fremont
- WLEW Bad Axe

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
- WBCM Bay City
- WKYO Caro
- WCER Charlotte
- WCRM Clare
- WTVB Coldwater
- WDDB Escanaba
- WHTC Holland

- WION Ionia
- WJCO Jackson
- WPHM Port Huron
- WSGW Saginaw
- WIDG St. Ignace
- WRBJ St. Johns
- WSTR Sturgis
- WJOR South Haven
- WIOS Tawas City
- WBMB West Branch
- WMIC Sandusky
- WCSR Hillsdale
- WJML Petoskey
- WHMI Howell

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

- WKAR East Lansing
- WFYC Alma
- WMAM Marinette
- WPAG Ann Arbor
- WCER Charlotte
- WHAK Rogers City
- WKPR Kalamazoo
- WLKM Three Rivers
- WFUR Grand Rapids
- WNIL Niles
- WXOX Bay City
- WGN Chicago
- WWJ Detroit
- WLDR-FM Traverse City
- WMTE Manistee
- WWAM Cadillac
- WBCH Hastings
- WAOP Otsego
- WCEN Mount Pleasant
- WDDB Escanaba
- WDMJ Marquette
- WLRC White Hall
- WGHN Grand Haven
- WPHM Port Huron
- WCMR Elkhart, Ind.
- WJBL Holland
- WABJ Adrian
- WTHM Lapeer
- WKZO Kalamazoo
- WSGW Saginaw
- WHFB Benton Harbor
- WPLB Greenville
- WHGR Houghton Lake
- WKYO Caro
- WBMB West Branch
- WOAP Owosso
- WBCM Bay City
- WSTR Sturgis
- WJCB Gladwin

Tornado time is here

by Cindy Sage

A dreaded destructive force produced when contrasting climatic conditions exist... is the tornado.

Shaped similar to a funnel... the swirling cloud mass thunders across the ground twisting and ripping apart structures while hurling objects every which way. Tornadoes occur in many parts of the world and in all 50 states. No area is more favorable to their formation than the continental plains of North America... and no season is free of them. The lowest frequency in the U.S. is the months of December and January... with the greatest frequency in April... May and June.

Last year... during an 18 hour period on April 3... 148 tornadoes slashed across 13 states killing 307 Americans, 8 Canadians... injuring 5000 persons and mounting damage in excess of half a billion dollars.

Tornadoes may occur at any hour of the day or night... but more quickly form during the warmest hours of the day... the greatest number being between noon and midnight. The greatest single concentration of tornado activity falls between 4 and 6 p.m. Tornadoes form several thousand feet above the earth's surface... and usually in conjunction with a severe thunderstorm. Funnel formations are the result of forces set up by the imbalance created when cool dry air over-rides warm moist air.

Layers of lower warm air rises to compensate the imbalance which then becomes a rotary flow and eventually the eye of the tornado. Swirling in a southwest to northeasterly direction... the destruction filled funnel cloud moves at an average speed of 25 to 40 miles per hour and normally cuts a path between 3 and 4 hundred yards wide.

Tornado detection is the result of

Slocum is new securities agent



Harvey Slocum

Harvey Slocum of Ionia has been appointed as a Securities Sales Agent for the sale of both Farm Bureau Services, Inc. and Farmers Petroleum Cooperative, Inc. debentures according to Clifton Morrill, Manager of Securities Sales. He will be assigned to the Ionia County area.

Slocum was with the Chrysler Corporation and was employed as Shipping and Receiving Foreman in the trim plant for seven and one half years. Prior to this he was with the Mitchell Bentley Corporation of Ionia where he did work in the Shipping and Receiving Department for 14 years. Presently he is Quarter Master of the Mitchell Bentley Veterans of Foreign War Post in Ionia, a station he's held for ten years since he joined the VFW 12 years ago.

Harvey Slocum and his wife, Beulah, reside at 921 Branch Street in Ionia. They have two sons, Duane of Fremont, Terry of Greenville, and six grandchildren.

constant analysis of atmospheric conditions by the national weather service. Storms are tracked and watches and warnings are issued as conditions warrant.

Authorities stress the importance of taking action when a tornado has been cited. Seek inside shelter immediately. In an office building go to an interior hallway on the lowest floor or to a designated shelter area. At home... the basement offers the greatest measure of protection. Be sure to open some windows to equalize the pressure from whirling winds.

If you are in a shopping center... go to a designated shelter area... but not your parked auto. Schools offer protection along an interior hallway on the lowest floor. Stay out of auditoriums... gymnasiums or structures with wide... free span roofs.

If you are in open country... move to right angles from the tornado's path and if there is

not time to escape lie flat in the nearest ditch or ravine. Mobile homes are particularly vulnerable to over-turning during strong winds... however damage can be minimized by securing trailers with cables anchored in concrete footing. Once again... if there is no shelter... take cover on low protected ground.

Weather service officials say livestock should be moved outside vs the interior of a barn as the result of possible falling objects.

Throughout the tornado season the weather service is augmented with a vast number of volunteer observers who are familiar with tornado conditions and who alert official warning centers when they sight funnel clouds. Better known as skywarn... the volunteer observers work hand-in-hand with law enforcement officials and the weather service to assist in protecting people and property from the destructive winds of a tornado.



OFFICE CALLS



Q. How do I receive payment under the new Master Medical Program for such things as doctors office calls or prescription drugs?

A. You will have to save receipts or statements for health care expenses, such as doctors office calls or prescription drugs, which are eligible for coverage under Master Medical Additional Benefits. When accumulated health care expenses exceed the deductible (\$100 per person or \$200 per family) file the Claims Application for reimbursement of co-payment of expenses exceeding the deductible. Appropriate forms are in the Master Medical Claim Kit which you received.

Incidentally, office calls are not a benefit for those subscribers on Medicare, as Medicare covers them after a deductible is paid.

FARM BUREAU SERVICES, INC. & FARMERS PETROLEUM CO-OPERATIVE, INC.

DEBENTURES



INTEREST ON DEBENTURES 5-10-15 year maturity

| | | |
|-----|------------------|-----------------------------|
| 8% | 5 Year Maturity | \$100.00 Minimum Purchase |
| | | (F.B.S. only) |
| 8½% | 10 Year Maturity | \$100.00 Minimum Purchase |
| 9% | 15 Year Maturity | \$100.00 Minimum Purchase |
| 8¾% | 10 Year Maturity | \$1,000.00 Minimum Purchase |
| 9½% | 15 Year Maturity | \$5,000.00 Minimum Purchase |

Interest paid annually on September 1st. The purchaser to be offered the option to receive their 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.

Clip and mail this coupon to:
Mr. C. A. Morrill
Farm Bureau Services, Inc.
Farmers Petroleum Cooperative, Inc.
P. O. Box 960
Lansing, Michigan 48904



I would like a copy of the prospectus and a call by a registered sales agent.

Name _____
Road _____ RFD No. _____
City _____ County _____
Phone _____

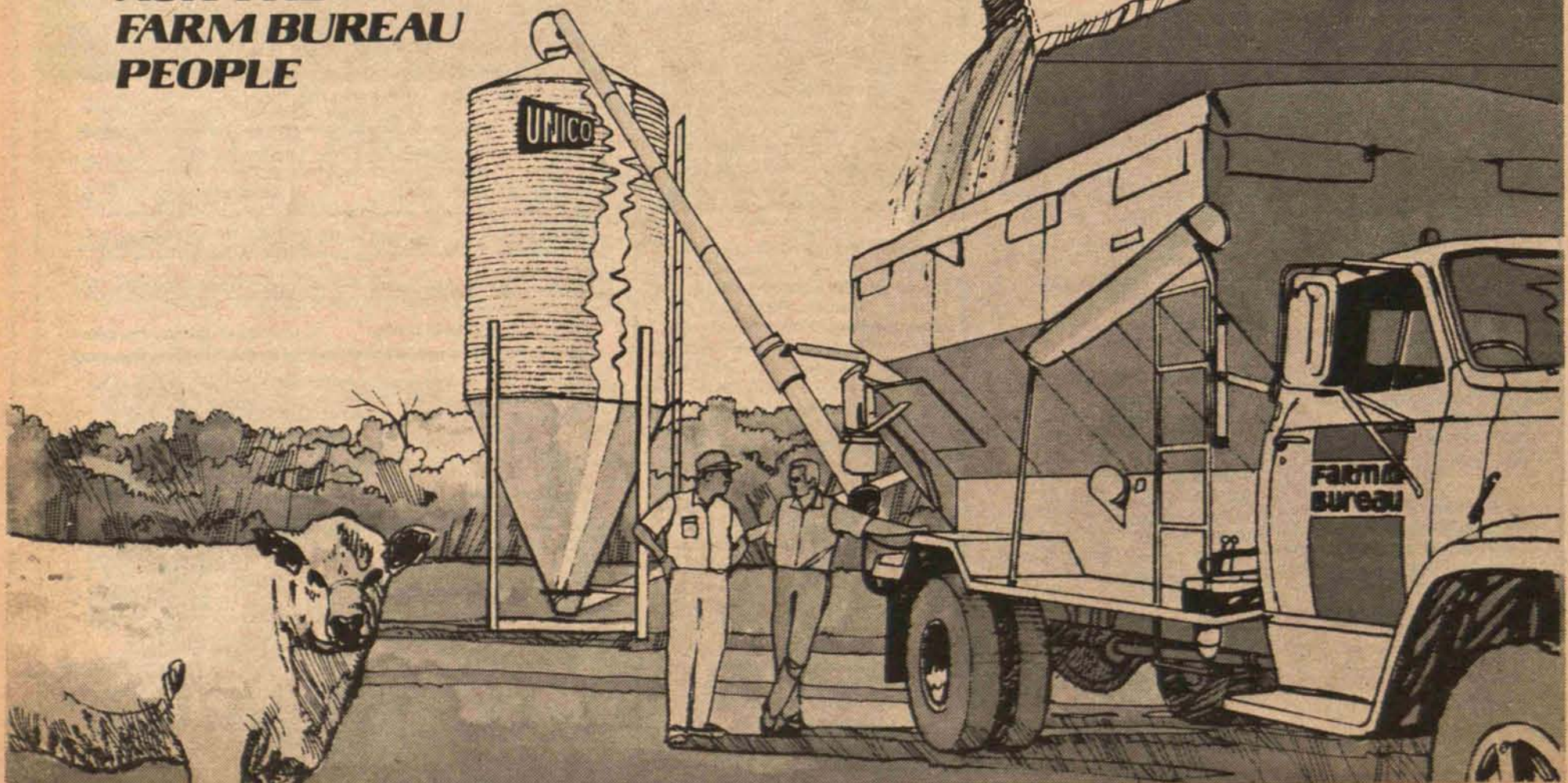
WHO'S got a SPECIAL FEED Program FOR michigan?

At Farm Bureau Services we offer a total feed service able to assist Michigan farmers in determining proper and profitable feeding programs, as well as solving individual problems.

The Farm Bureau feed team, backed by a staff veterinarian and nutritionist, provides you with the most up-to-date feed information. In cooperation with other farm co-ops, Farm Bureau Services operates 10 research farms where new feeds, feeding techniques and health practices are tested. Recently we installed a Scidata mini-computer, to assist our feed nutritionist in determining the most effective feed formulations for desired production goals. In addition to these services, Farm Bureau offers a wide variety of excellent feeds, including Liquid Protein Supplement (LPS) which has been widely accepted as a versatile liquid supplement for all types of feeding operations.

Talk to your Farm Bureau feedman now. He'll work up a feed program to fit your particular needs. It's service you can depend on . . . from the Farm Bureau people.

**ASK THE
FARM BUREAU
PEOPLE**



All about wheat

Markets, futures, standards

The definition of grain includes numerous cereal grains, many of which are raised by Michigan farmers. But, this article deals primarily with wheat and the information contained therein is based upon information compiled by the Great Plains Wheat, Inc.

COUNTRY ELEVATORS

Regardless of the decision made by a farmer as to what to do with his grain crop, the country elevator plays a key role in the movement of most wheat from farm to market. The marketing process begins when a farmer delivers his wheat to any one of them.

Some country elevators are owned by large grain exporting companies. Many are owned by farmers cooperative associations, sometimes as part of a large marketing network. Some are owned by domestic grain companies, some by flour milling companies, some by local businessmen. Regardless of ownership, all are licensed under state or federal laws.

Country elevators vary in size but, basically, all serve a similar function -- as collecting and buying points in local communities. As wheat arrives from nearby farms, the elevator man weighs each incoming truck. He takes a sample of the load to determine its grade (using US Government standards), its test weight, protein content if hard wheat, moisture content and amount of damaged kernels, foreign matter and chaff--all factors that help to determine the price paid the farmer. He elevates the wheat to storage bins for later disposition or outloads it immediately into freight cars (or possibly trucks) which carry it to its next destination.

The price that is received by the elevator man for any given out-shipment of wheat and the price that he, in turn, is able to pay the local wheat grower, closely reflects prevailing prices in the nation's wheat markets.

TERMINAL ELEVATORS

As wheat moves out from local country elevators, it moves toward large central storage and distribution facilities often called terminal elevators.

These large facilities are located to serve both domestic and overseas markets. Some of these terminal elevators can store more than 1.09 million metric tons (40 million bushels) of wheat.

At the terminal elevators, wheat is prepared for sale to its next buyer. Terminal elevators buy their grain based on the class and grade which the country elevator operator can supply. It is their task to handle the grain in such manner that it is of commercially merchantable grade, is stored to prevent as much deterioration in quality as possible, and can be shipped to buyers to conform as nearly as possible to their needs.

As part of the terminal elevator processing, incoming shipments of wheat are blended to achieve grade and test weight uniformity and provide more consistent content. Sometimes at this stage wheat is put through a cleaning process to remove foreign matter. The wheat is turned or changed from one bin to another, as needed, to keep it cool and preserve its condition.

As grain moves out of these terminal facilities, it is destined for domestic food, feed or industrial purposes, or for export.

Local elevator operators receive daily bids for cost grain (grain for immediate or deferred delivery). Such bids come from exporter, terminal elevators, processors, and commission merchants. The elevator operator chooses the best bid and makes his sale. From the bid price he deducts his "margin", which is the charge he makes for the elevator's service. In this way, the best bid minus the margin becomes the price he will customarily quote to the local wheat grower.

COMMODITY EXCHANGE

In the U.S., much of the price-setting and the actual buying and selling of leading agriculture commodities takes place at commodity exchanges. This is true of wheat; also of corn, oats, soybeans, broilers, eggs, hogs and a number of other farm products.

A commodity exchange is a place where buyer and seller meet, agree on prices and conclude transactions. The exchange does not itself engage in buying or selling. It provides the facilities where trading can take place. The trading is done under regulations established by the exchanges themselves and by the U. S. Government's Commodity Exchange Act which was enacted in 1936.

There are more than 30 grain exchanges in the U. S. The three principle ones where wheat is bought and sold are the Chicago Board of Trade, the Kansas City Board of Trade and the Minneapolis Grain Exchange. Grain may be bought and sold for cash at any of the exchanges but only Chicago, Kansas City and Minneapolis provide futures markets.

CASH GRAIN MARKETS

In the cash grain markets, grain is bought for immediate delivery (within 5 days) or prompt delivery (within 10 days) or designated deferred delivery.

In a typical cash transaction, a buyer will strike a price with a seller, based on a specified class, grade, place of delivery and time of delivery. The buyer pays for the grain and the seller conveys title upon delivery. Such cash transactions cover grain which is on hand, or grain scheduled to arrive at a specific time, or grain that is ready for shipment from rural locations.

Sellers of cash grains usually are country elevators. They

DISCUSSION TOPIC

by KEN WILES
Manager Member Relations

are sometimes represented in the exchange by commission men. Buyers of cash may represent exporters, terminal elevators or grain processors.

The cash sale is a means of immediate disposition for the seller and a source of immediate supply for the buyer, since the physical product is involved.

FUTURES MARKETS

In the grain futures markets, contracts are bought and sold which provide for delivery at a later date of an agreed quantity of a specific grain. Futures markets are a highly important part of grain trading in the United States and have been for many years.

When the U.S. grain exchanges were first organized in the last century, they dealt mainly in grain which had been brought to the market place. In time, however, the principle exchanges broadened their trading to include "to arrive" contracts. Such contracts provided for later delivery of grain which might have been in transit or might have been on the farm.

Trading in contracts for future delivery serves a real need for providing year-around market stability. This is evident in the fact that grain is harvested over a relatively short period of time but keeps moving into consumption throughout the year. The futures market, with their buying and selling of grain for delivery many months hence, help to smooth out the flow of grain and are an important market stabilizer. They allow buyers and sellers to cover future supply and demand in the present time on the basis of expected future prices. They give the farmer the benefit of foreseeable demand from one harvest to another. They help food processors to make forward sales commitments by fixing the cost of raw materials. They assure the consumer of a price based on the total grain supply rather than on fluctuating daily supplies.

HEDGING

The most important single element of trading in grain futures is hedging. By hedging their transactions, individuals and companies that buy and sell grain are able to minimize risks that otherwise might result from price fluctuations and thereby handle grains at very narrow profit margins.

When a trader hedges a commodity transaction, he will do one of the following:

(1) If buying a cash commodity, he will sell a like amount of futures contracts to eliminate or lessen the possible decline in value of the actual or spot commodity acquired. This is called a short hedge.

(2) If selling a cash commodity, he will buy a like amount of futures contracts to eliminate or lessen loss from the possible advance in value of the commodity. This is called a long hedge.

Hedging is possible because the basic economic factors that influence grain prices operate on both cash and future prices. Thus, their price movements tend to be similar.

Through hedging, the handler of grain is able to carry sizeable inventories without exposure to large losses--or, conversely, to large profits. The flour miller is able to sell flour for three to ten months forward delivery. The exporter is able to make sizeable sales before having bought the cash grain for export.

An important intermediary in much of commodity trading is the speculator. He is a person who owns no grain but engages in buying and selling commodity contracts in hopes of making a profit. The modern commodity trader is, for the most part, well informed and a keen student of markets. He buys when he thinks prices are too low and sells when he thinks prices are too high. He performs an important economic function in that his continuous trading interest and activity bring continuity of activity to the market place.

Broad, active markets are necessary for effective hedging. The speculator is, in effort, the risk bearer who assumes the risks which the hedger seeks to avoid. His function, is, in a general way, similar to that of an insurance underwriter.

The U.S. Government does not directly engage in the day-to-day marketing of wheat. Unlike the governments of some countries, it does not sell grain in foreign markets nor does

it ship or handle the grain that moves into export. The task of handling the large volume of grain exported is the responsibility of the private grain trading companies. The government plays a supporting role in grain exports through certain programs administered by USDA--such as grain inspection, export financing and market services.

The principle government programs that affect wheat are production adjustment, price support, official grades and standards, export credit, Public Law 480, and export marketing services.

GRADES AND STANDARDS

Few commodities that sell in the marketplace have their qualities as clearly and precisely identified as does grain.

The US has been a pioneer in setting up and maintaining a grain quality identification system to facilitate the buying and selling of its grain, both in home markets and overseas markets. Its basic system of official grades and standards for grain was put into effect in 1916. The system has been improved from time to time. The wheat standards were substantially tightened in 1964 and the U.S. Grain Standards were considerably revised in 1968 to increase their usefulness in foreign and domestic trade.

The US grading system, in effect, provides a language which identifies the various ranges of quality that are present in grain. The system has many values.

It tells the farmer the quality of his own grain crop--and since quality helps to determine price, provides incentive to improve quality.

It enables handlers to bulk grain--that is, to mix together small lots of like grain to achieve economical large-scale storage and transportation.

It provides the basis whereby organized marketing, future sales and hedging of grain become possible.

It provides buyers (including foreign importers) and sellers with a standard article, enabling them to trade with each other quickly and long distances apart, and without need for personal on-the-spot inspection of each quantity of grain being sold.

The US Grain Standards Act provides for (a) the establishment of official grain standards, (b) the federal licensing and supervision of the work of grain inspectors and (c) the entertaining of appeals from grades assigned by the licensed inspectors.

Although USDA supervises the activity, it does not actually employ the inspectors. Most of them are employed by state or trade organizations. All inspectors must meet rigid qualifications and must use uniform grading methods to assure that grain given a certain grade in one area of the nation will match the same quality grain when graded in another area.

The official standards recognize seven classes of wheat: Hard Red Spring, Durum, Red Durum, Hard Red Winter, Soft Red Winter, White and Mixed. Grades run from U.S. No. 1 (highest quality) down to U.S. No. 5 and U.S. Sample Grade.

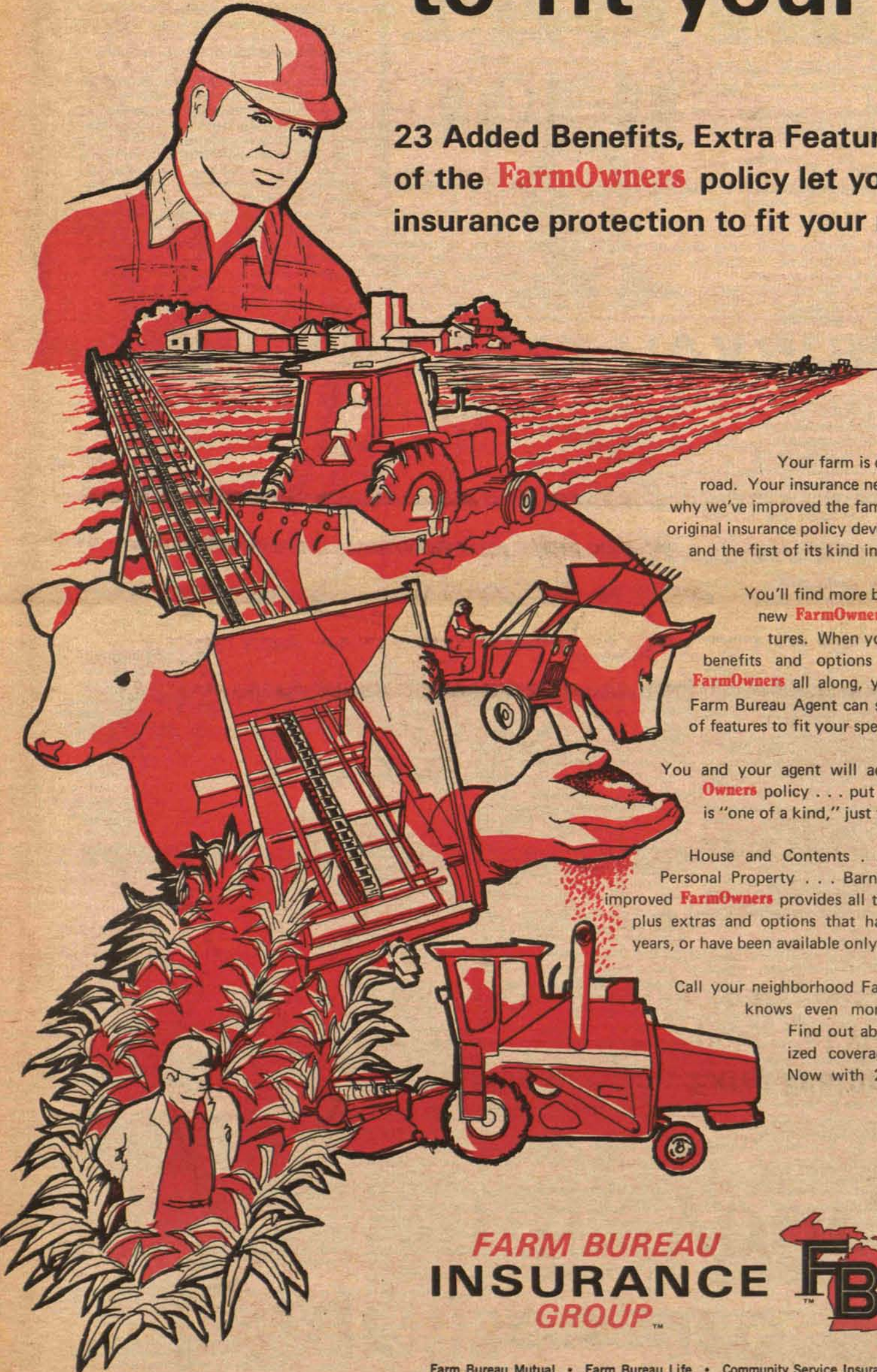
Tests for the grading of wheat include such factors as plumpness, soundness, cleanliness, dryness, purity of type and general condition. Plumpness is measured by the weight-per-bushel test, soundness is indicated by the absence or presence of musty, sour or commercially objectionable foreign odors and by the quantity of damaged kernels that are present in the wheat. Cleanliness is measured by determining the moisture test. Purity of test is measured by classification of wheats in the test sample and by limitations for admixtures of different classes wheat.

For all classes and subclasses of wheat, each grade has limits for test weight, heat damage, total damaged kernels, foreign material, shrunken and broken kernels, total defects contrasting classes and total wheat of other classes. Special grades exist to indicate unusual moisture, smut, garlic, weevils, ergot or grain that has been treated; also a heavy grade to indicate wheat of unusually high test weight. Dockage, which includes such things as weed seeds, stems, straw's chaff and grain other than wheat which can be readily removed, is not a factor in determining the grade.

The inspector is required by regulations to show specified information on official grade certificates for wheat being exported. This gives both the buyer and seller a true picture of the grade of the wheat involved in their contract.

Insurance protection to fit your farm

23 Added Benefits, Extra Features, and Options of the **FarmOwners** policy let you personalize insurance protection to fit your needs



Your farm is different from the one down the road. Your insurance needs are different as well. That's why we've improved the famous **FarmOwners** policy . . . the original insurance policy developed just for Michigan farmers and the first of its kind in America.

You'll find more benefits and more options in this new **FarmOwners** . . . 23 added or improved features. When you add these to the **FarmOwners** benefits and options that have been available in **FarmOwners** all along, you can see how you and your Farm Bureau Agent can select just the right combination of features to fit your special needs.

You and your agent will actually personalize your **FarmOwners** policy . . . put together an insurance plan that is "one of a kind," just for you.

House and Contents . . . Farm Liability . . . Farm Personal Property . . . Barns and Other Buildings . . . the improved **FarmOwners** provides all the coverages you would expect, plus extras and options that have not been available in prior years, or have been available only at higher cost.

Call your neighborhood Farm Bureau Agent today . . . he knows even more ways to save you money. Find out about the improved and personalized coverage you get with **FarmOwners** Now with 23 extra features.

FARM BUREAU
INSURANCE
GROUP™

