

USDA To Start Farmer Owned Grain Reserve Program

USDA Secretary Bob Bergland has announced plans he said would strengthen the marketing position of grain farmers and increase the effectiveness of the commodity loan program. Commenting on the USDA announcement, AFBF President Allan Grant said, "We are pleased that the Secretary is taking actions designed to improve the market positions of farmers without interfering with the operations of the market system."

The Secretary announced: Establishment of farmer-owned food grain reserve for 1976 wheat and rice crops. Three-year extended loans will be available on these commodities, and the Commodity Credit Corporation (CCC) will pay annual storage in advance to farmers participating in this resale program. Storage rates will be 20 cents per

bushel per year for wheat and 65 cents per hundredweight per year for rice.

Farmers will be permitted to repay the loan, sell the commodity, and retain earned storage under the extended loan program when the national average market price reaches 140 percent of the current loan rate.

If the contract is broken by a farmer selling the commodity before the market prices reach the 140 percent level, the loan repayment will also include all storage payments made, plus interest.

USDA will call in all loans when the market price reaches 175 percent of the current national loan rate. However, no farmer would be forced to market his commodity, since he would have the option of repaying his CCC loan and holding out for a possible higher price.

(See National Notes)



"Load Limit 4 Tons" reads the warning sign before this 1897 bridge on one of Michigan's secondary county roads. 3,721 road bridges in the state have been declared inadequate by county road commissions. 50,475 miles of roads have also been placed in this category. With limited revenue in the Motor Vehicle Fund for road improvement, attempts are being made to divert these funds for other transportation uses.

Mich. Roads Inadequate, County Roads Hit Worst

Virtually all of Michigan's roads are deteriorating rapidly, but county roads are

by far in the worst shape.

According to the Michigan Department of Highways and Transportation's 25th annual report, 50,475 of the 116,298 miles of state roads have been declared inadequate. Approximately 7,670 of the state's 9,389 miles of trunk lines, or 81 per cent, fall into the inadequate category. Nearly 35 per cent, or 8,958 of the state's 25,708 miles of primary county roads are also considered inadequate, as well as 29,153 of the 62,462 miles of the local county road system, or 46.7 per cent.

The report also shows that 3,721 of the state's 10,365 bridges, or 35.9 per cent, also have been declared inadequate. Approximately 2,700 of these bridges are on county primary or local roads.

Under Public Act 51, county road commissions are required to provide the state highway department with annual evaluations on the conditions of roads within their jurisdiction. Each year, the percentage of inadequately maintained and constructed roads has been increasing.

These conditions exist with today's traffic alone. Traffic experts are predicting that these same roads will have to handle a 30 to 50 per cent increase in traffic in the next 15 to 20 years.

"We feel that the county road commission evaluations are on the conservative side also," say Gary McCarthy, local government engineer for the State Department of Highways and Transportation.

(Continued on Page 7)

MFB Makes Membership Goal, 45 Counties Pass It

For the tenth consecutive year, Michigan Farm Bureau has surpassed membership goal. With goal of 61,589 member - families, MFB joins 18 other state Farm Bureaus over 1977 membership quota, reporting goal on March 24th. A total of 45 counties and four regions have surpassed their quota.

In addition, Districts VI and V, respectively, have all counties over goal. The Thumb and Central Regions join Saginaw Valley in having all counties in the region over goal, also.

Speaking of the accomplishment, President Elton R. Smith stated, "Membership is the lifeblood of our organization, giving us the united strength needed to meet the many challenges that lie ahead for farmers. 'Farm Bureau - United To Serve Agriculture' is more than just a slogan, it's a time-tested fact."

Those counties and their campaign chairmen reporting goal since March 17 are: In the 1-350 member category: Hiawathaland-

Waino Rajala, chairman; and Otsego County - Gene Fleming and Tom Thieson, co-chairmen.

(Continued on page 2)



AFBF President Allan Grant aids Michigan Farm Bureau President Elton R. Smith remove his jacket in preparation for switching to the "Pigskin jacket" held by MFB Administrative Director Robert Braden. The switching ceremony marked the Michigan Farm Bureau reaching its quota of 61,589 member families.

**MFB Center has
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is (517) 321-5661.

From the Desk of



The President

A time to Reflect

This is an exciting time of the year for everyone, but particularly for farmers. As the snow melts and temperatures rise, activities in the fields increase rapidly. This noticeable increase in farm-related work seems to trigger a fresh newness to every facet of our lives.

While it is important to plan for the upcoming months, it is also vital for us to reflect on the past winter and evaluate some of the activities we participated in as individuals and as an organization. It is through retrospect, I think, that we can reaffirm some of the concepts which make our organization so effective. I feel we can look back on the past six months and realistically say that we learned a great deal about ourselves, our organization, and about others.

The most basic concept of our Farm Bureau is its structure. That is, our organization is built from the "bottom up." Its policies are formulated and implemented at the grass-roots level. Its course is not directed from an office in Lansing or Park Ridge or Washington, D.C. -- but from the farms of members -- members who have the power to make their organization anything they want it to be. The few and far-between experiments in "top-down" programs in our organization's history resulted in member-apathy or downright failure, but they served as reinforcement for Farm Bureau's basic grassroots philosophy. The effectiveness of this philosophy in action was illustrated often this past winter.

For example, a recent series of Cabinet meetings involving county Farm Bureau leaders were used to get feedback on the current consumer-confidence situation. Farmers expressed concern, asked questions -- but most importantly, they provided direction for constructive action.

As we become a smaller minority of the population, influencing public opinion becomes increasingly important. Members -- farm leaders at the local level -- did an outstanding job in this area this past winter. At meetings with the news media, they erased the "big conglomerate" label with which some press had tagged Farm Bureau and replaced it with PEOPLE, people in their own local area working together to solve their problems through an organization of farmers. Members also worked effectively to gain public appreciation of the agricultural industry through appearances before urban groups, mall promotions and in classrooms.

Our legislative seminars in Lansing and Washington, D.C. had the grass-roots involvement of members that makes our P.D.-P.X. process so effective. When members work to execute the policies they developed, the result is positive action for agriculture.

These are just a few of our important recent accomplishments, but we need to always recognize that they would not have been possible without a strong membership. I salute those members who invested their time and effort to put Michigan Farm Bureau over membership goal for the 10th consecutive year. It is this united strength that makes it possible to reach the legislative, economic and educational goals of our organization. It is membership that keeps Farm Bureau a dynamic and aggressive farm organization to serve agriculture.

So much for reflection. It's now time to accomplish the work that needs to be done this spring and the remainder of the year. With the new season upon us, we must assume our important role in the world. As Daniel Webster put it, "When tillage begins, other arts follow. The farmers, therefore, are the founders of human civilization."

Elton R. Smith

DONNA Time to Say Thanks

Algernon Charles Swinburne, a writer (what else could you be with a name like that?) once penned: "Sleep, and if life was bitter to thee, pardon. If sweet, give thanks; thou has no more to live; And to give thanks is good, and to forgive."

The wisdom of that advice was brought back during a conversation with Marsha Kennedy, an articulate, vivacious young farm wife and mother who served as Sanilac County's legislative leader during the recent Washington Legislative Seminar. Marsha and I found we had some things in common during our visit to the nation's capitol: we walk fast, talk fast, and are strong believers in saying "thanks."

Remember the hassle you farm women gave Marlo Thomas when she honored the meat boycott leader in her McCall's Patterns article? You really socked it to her -- and so did farm and ranch women throughout the nation. Marlo was a big enough person to recognize her error and she did a good job of rectifying it. When she made an effort to do so, I wonder how many of the women who wrote those searing protests remembered that "to give thanks is good, and to forgive?" I'll wager not many!

Marsha was one who did. And for her thoughtfulness, she received a personal letter from Marlo thanking her for her understanding and expressing relief that Marsha understood her concern for the error she made.

Which goes to prove that no matter what your station in life is, you never outgrow the need to be appreciated.

Something so clever I couldn't resist "stealing" to share with you came in with Osceola County Farm Bureau's Newsletter the

other day. It's called "Two Can Play This Game."

A farmer shopped around for a new car and finally decided on optional equipment, extras, etc. A few days later, the dealer who had sold him the car arrived at the farm to buy a cow. The farmer quickly scribbled the itemized bill:

Basic cow	\$300.00
Two-tone exterior	45.00
Extra Stomach	75.00
Product storage compartment	60.00
Dispensing Device (4 spigots at \$10 each)	40.00
Genuine Cowhide upholstery	125.00
Automatic flyswatter	35.00
Dual horns	15.00
Total (exclusive of tax and delivery)	\$695.00

In the concisely - written "Purpose of Farm Bureau," it mentions achieving education improvement, economic opportunity and social advancement. Most of us probably skim over those words without much attention to their meaning. It takes someone else, sometimes, to point out that those are more than just words -- that Farm Bureau has and is fulfilling its purpose as outlined.

County Extension Director Norm Brown did just that recently when the Saginaw County Farm Bureau board of directors hosted the Board of Commissioners at a "get-acquainted" dinner - meeting. Norm praised Farm Bureau for its Successful efforts in educating the farm population. "It was not very long ago that farmers were not capable of conducting a business meeting," he said, "and just as recently, one could tell the difference between farm and city boys by the way they looked and smelled."

The "economic opportunity" portion of the purpose probably had some influence on their look and smell (both of which are

PBB Still a Problem

"PBB is still a problem in Michigan -- not in our food supply, but in the minds of consumers who have been frightened by media coverage of the sensational and emotional rather than scientific facts -- and kept alive by politicians who have decided it's a profitable bandwagon for their own personal gains."

That's the opinion of Robert Rottier, Newaygo County farmer, an opinion shared by other Michigan farmers who were in Washington, D.C. to meet with Congressmen regarding issues of concern to agriculture.

Rottier was one of the first farmers in the state to have his herd quarantined and destroyed because of high-

level PBB contamination. One of his visits in Washington was with Rep. Brodhead who has introduced legislation at the federal level to lower PBB tolerance levels. The young dairy farmer, along with others who had been involved in the PBB problem, told Brodhead and also Senator Riegle's staff, that they -- as farmers and consumers -- were confident that the FDA's tolerance level of .3 ppm contains a more than adequate safety factor.

Spokesmen for the 123 Michigan farmer-delegation met with Washington, D.C. news people on the last morning of their 4-day visit to the nation's capitol.

pretty good from what I've observed in Saginaw County). And the "education improvement" could be interpreted as Farm Bureau's vast opportunity for leadership development (Mr. Brown and the Board of Commissioners were no doubt impressed with vice-president and chairman of local affairs Ed Hebel's manner of conducting the meeting). The "social advancement" achievement is due to the achievement of the first two goals, I would surmise. Saginaw County Farm Bureau is certainly socially advanced; it's looked upon as a respected force in the community.

I don't think it's listed in their by-laws, but I'm certain one of the reasons for this is that no matter what they do -- host the Board of Commissioners, hold a dairy banquet, or fight to preserve their agricultural land -- they enjoy doing it! A good policy.

Membership

(Continued from page 1)

In the 131-650 member category is Arenac County - Marvin Schwab, chairman; and 651-1200 members; Ionia County - Jerry Binder, chairman; Oceana County - Herman DeRuijter, chairman; and Hillsdale County - Eugene Baker, chairman.

Allegan County - Jack Sipple, chairman; Lapeer County - Daryl Hunt, chairman; and Shiawassee County - Allan Dutcher, chairman, have reported goal in the 1201-1500 division; and in the 1501 and over classification: Sanilac County - Ken Fierke, chairman.

MICHIGAN FARM NEWS

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

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Farm Bureau

1st Labor Conference Highlights Problems

Growers must realize that the days of the exemption of agricultural employers from labor legislation is just about over, farm labor experts warned at the First Annual Michigan Agricultural Services Association Agricultural Labor Conference held in Lansing, April 14. For this reason, producers should take action to make sure that new and revised labor legislation is written so that the special aspects of farm labor are considered in the new rules.

"It is a mistake to claim that agriculture should be exempt from such legislation," Dr. Daniel Kruger said. He is a professor of industrial relations and the associate director of Michigan State University's Manpower Program Service. "Farmers should promote legislation that is in the public interest."

Kruger said that growers really have only four choices

as to how they can face labor legislation.

"Farmers can either comply with the law, break the law and accept the penalties, arrange activities on the farm so that they do not have to employ outside workers, or they can strive to modify, change and eliminate bad parts of farm labor legislation," Kruger pointed out. "If the law is unfair to agriculture, we should make every effort to bring about these changes."

The real problems do not lie in the legislation itself, but in the legislators and regulatory officials that write the rules," Kruger emphasized. He finds it deeply disturbing that these persons do not have a good comprehension of the problems unique to agricultural employment. Another factor helping to cripple farm labor employers is that none of the "army" of regulators communicate within themselves as they

enforce dozens of rules from many different agencies, Kruger said.

"We must communicate with these people to let them know the problems they are creating and work closely with them to rectify these problems," he said.

Such communication is becoming increasingly important, Perry Ellsworth, executive vice president of the National Council of Agricultural Employers said, because there will be many new proposals written and laws changed that will affect farm employers in the near future.

"Someplace along the line, Congress will have to pay off its debts to labor," Ellsworth pointed out. "The most likely legislation to be passed rather soon will be concerned with unemployment compensation, workmen's compensation, the minimum

(Continued on page 11)



Detroit TV station, Channel 4, interviewed AFBF President Allan Grant during his appearance in Lansing for the MASA-sponsored Agricultural Labor Conference on April 14. Grant spoke to participants in this first annual conference on the topic of "American Agriculture and Labor Relations."



Mr. and Mrs. Walter Frahm, Frankenmuth, received one of three MSU Distinguished Service to Agriculture Awards from Dr. J. A. Hoeffler, Acting Dean of MSU's College of Agriculture and Natural Resources, during Farmers' Week, March 21-25. Frahm is an "At-Large" representative on MFB's Board of Directors.

UFW To Be Active in Michigan Soon, AFBF's Grant Warns

Because many groups in Michigan are sympathetic towards the United Farm Worker movement, organizers from that group will soon be active in the state, Allan Grant, president of the American Farm Bureau Federation warned participants of the 1st Annual MASA Labor Conference. The meeting was held in Lansing April 14.

"Certainly a strong thrust for unionization is on its way to Michigan Farms," Grant emphasized. "This movement's success depends heavily on how Michigan farmers deal with it."

Grant made a strong point about the labor movement because he feels that labor issues are the most important ones to agriculture and the nation.

"Yet, some farm leaders and organizations, including some Farm Bureaus, largely

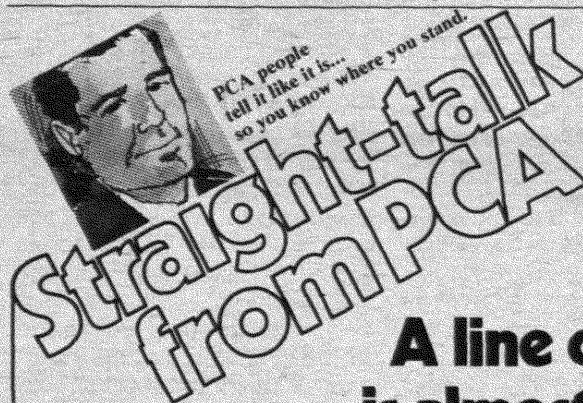
ignore the growing monopoly power of organized labor and the crushing of individual freedom that it causes."

Grant congratulated the Michigan Farm Bureau and MASA leaders with having the foresight of holding the labor conference and for efforts that have showed the awareness of the importance of labor issues.

"I hope that other Farm Bureaus will follow Michigan's lead in this area," he stressed.

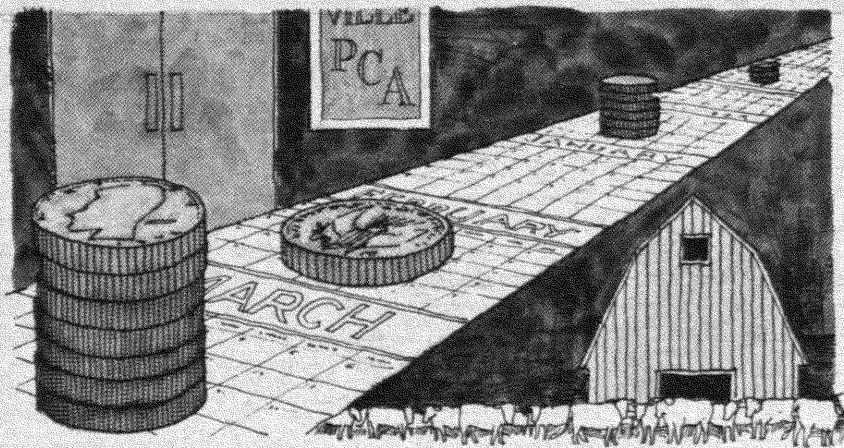
He also reminded the meeting participants that Elton Smith, MFB president, leads the AFBF Labor Study Committee, and praised the organization for its work in helping to defeat the latest effort to pass "common situs" legislation. The passage of this bill would have allowed a single union to

(Continued on page 7)



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Robert Braden, Michigan Farm Bureau Administrative Director, Don Armstrong, executive vice president of Farm Bureau Services and Gerald LaFave, MFB assistant general counsel, await questioning by Senators Riegle and Griffen after Braden and Armstrong had testified before a Senate subcommittee hearing on PBB in Lansing, March 31.

CAPITOL REPORT

PBB Legislation

Robert E. Smith

Transportation Issue

After 10 days of Easter recess, the Legislature returned on Tuesday, April 19. First and foremost issue to be considered by the Senate Agriculture Committee will be the substitute H.B. 4109, Spaniola Bill which has passed the House. The bill lowers the PBB tolerance in Michigan to two-one hundreds ppm (.02) from the officially established FDA level of three-tenths ppm (.03). This is in spite of the fact that expert witnesses from universities, USDA, MDA, FDA, etc. have all testified in public hearings that there is no scientific reason for lowering the tolerance, and that present testing methods are not reliable at .02 ppm. The chances of error are 50 percent or more. The experts testified that Michigan's food supply is completely safe. The real problem is emotionalism created by a highly inaccurate news media reporting.

The Senate Agriculture Committee will hold a public hearing on the issue on Thursday, April 21 at 10:00 a.m. in the Law Building Auditorium just west of the Capitol in Lansing. The Committee has indicated that it again intends to request expert witnesses to discuss the issue from a factual point of view.

The Michigan Farm Bureau Board of Directors' meeting on April 13, studied H.B. 4109 as passed by the House and recognized that in its present form this legislation would create a great hardship for many farmers who have lost their herds to PBB, but have since

replaced them and are back in business. It is possible that farmers faced with such a low level as encompassed in H.B. 4109, could again be faced with the same nightmare. The Board also recognized that no animal containing any PBB should be sold through the market system, and therefore passed a resolution which reads in part--

"Michigan Farm Bureau continues to unalterably oppose Substitute H.B. 4109 as passed by the House of Representatives. However, Michigan Farm Bureau will support Substitute H.B. 4109 or any other legislation if it does not lower the PBB tolerance below the appropriate level established by FDA and contains the following points:

1. Authority to test all animals in all herds suspected of PBB contamination. Such authority does not now exist.

2. Destroy all animals testing above the FDA PBB tolerance level.

3. Permits owners of animals testing below the FDA PBB tolerance level to have their animals removed if they believe such levels of contamination are causing herd problems, pose a health hazard or any other reason. This provision would be discretionary with each herdowner.

4. Provides indemnification at the appraised value of the animal before contamination whether they test above or below the FDA PBB tolerance. No animal with low level contamination would need to be sold at the lower salvage prices because the owner would be paid the full appraised value of the animal

before contamination. This incentive would prevent such animals from entering the food chain.

5. Allow owners to the contaminated animals to resume normal operations while reserving their right to pursue further legal action against the responsible parties.

These provisions would eliminate all contaminated animals from the market with the least disruption to farmers."

From a practical regulatory procedure, such animals left on the farm would be identified, probably by branding, to assure that they would not become part of the food chain. While testimony from eminent scientists from all over the country has consistently maintained that FDA levels are safe, the Health Education and Welfare Department in Washington is once again reevaluating the present federal level.

The members of the Senate Agriculture Committee are; John C. Hertel (D-Harper Woods), Chairman; John R. Otterbacher (D-Grand Rapids); James DeSana (D-Wyandotte); Richard J. Allen (R-Alma); Robert D. Young (R-Saginaw).

It is interesting to note that a telephone survey in Grand Rapids interviewing 100 women with children at home. All were aware of the PBB problem. When asked if they had cut down on the use of milk, 95 said no and 5 said yes. On dairy products 97 said no, and 3 said yes. 100 percent of them, however, said they had not cut out milk entirely

(Continued on Page 15)

Scientists, Legislator Tell Riegle Michigan Meat Safe

Once again, federal and state officials testified that the present Food and Drug Administration tolerance levels for PBB are more than adequate to protect public health and that there is no appreciable amount of PBB in the Michigan food supply.

This time the evidence supporting these conclusions was presented at the fourth public hearing of the U.S. Subcommittee on Science, Technology and Space investigating the PBB incident. The hearing was held in Lansing, March 31. Senators Donald Riegle and Robert Griffen conducted the Michigan hearings. Additional hearings will be continued in Washington D.C.

"While consumer safety is our main concern, we believe that further reduction of the

tolerance guidelines for PBB is not now necessary for the protection of public health," Albert Kolbye, associate director for sciences of the FDA's Bureau of Foods.

"FDA also opposes lowering the tolerance level to the proposed .02 parts per million because of the 50 percent margin of error that exists when testing for the residue at that level," Alan Hoeting, director of the FDA's Detroit office testified.

Dr. George Whitehead, deputy director of the Michigan Department of Agriculture in charge of the Bureau of Consumer Protection, also expressed concern about the consequences of lowering the present FDA guideline level for PBB.

Representative Paul Porter, chairman of the

Michigan House Agriculture Committee, and the sponsor of H.B. 4109, testified that he proposed his bill to offer an alternative to lowering the FDA PBB guideline. Porter said that he was concerned because lowering of the guideline could result in a large number of healthy productive animals whose products are safe for human consumption being destroyed with an unnecessary cost to the state.

Robert Braden, Administrative Director for the Michigan Farm Bureau, testified that it is extremely important for the ultimate decision regarding the tolerance level for PBB or any other chemical to be made on the basis of scientific evidence rather than political involvement.

Several bills have now been introduced including a constitutional amendment to carry out Governor Milliken's program to change the Department of Highways Commission to a Transportation Commission with control over all forms of transportation in the state. The present Motor Vehicle Fund would become part of a Single Transportation Fund with the revenues which presently come from gasoline tax and registration fees allocated among such transportation modes as airways, highways, non-motorized transportation (bicycles, etc.), public transportation (buses, mass transit, etc.), railroads and waterways. This means a massive diversion of monies raised by highway users to other forms of transportation. Farm Bureau policy is strongly opposed to diversion of earmarked highway funds to non-highway uses in-

cluding the diverting some \$31 million from highways to the State Police for highway patrols. The present Motor Vehicle Fund does not have sufficient revenues to presently maintain state and local roads.

Two bills that passed last year, P.A. 295 and P.A. 297 are now before the Supreme Court for an advisory opinion as to their constitutionality. One of the bills permits the use of the Motor Vehicle Fund for bonding purposes to help finance public transportation, the other defines transportation and continues the present diversion of 1/2 cent of the gas tax which is presently used to subsidize bus transportation. Presently the constitution earmarks user taxes for highway purposes, but it also provides that highway purposes can be "as defined by law". P.A. 297 defines highway purposes as meaning "the movement of

(Continued on Page 15)

Single Business Tax

It is expected that the Senate Finance Committee will begin consideration of various approaches to revision of the S.B.T. The chairman of that committee has declared that the S.B.T. has been "a disaster" and that he presently favors repeal of the tax and reinstatement of the seven or eight taxes that were repealed when the S.B.T. was passed. A set of bills to do this was introduced by Senate Minority Leader Robert Davis earlier this year. Most observers agree that repeal is unlikely.

The S.B.T. Task Force has completed its work and made certain recommendations to the Governor. Farm Bureau was represented on that Task Force. During the deliberations a motion was made to repeal the S.B.T., but failed by a vote of 11 to 13. Some members of the Task Force did not vote. Recommendations that may affect farmers that were made would; 1.) allow small businesses with low profits to use an alternate method based on ability to pay. This would be based on a gross profit which is defined as net profit plus income that the owner may pay himself. The owner could deduct \$20,000 and also an equal amount for each partner with the remainder subject to a tax rate of 5 percent. There would be a phase-out of this alternate. This method eliminates any tax on labor cost, interest or depreciation, etc. also eliminates the present exemption for new investments. An effort was made to make the exemption \$25,000 rather than the recommended \$20,000. Since

that time however, Governor Milliken has recommended that such an exemption only be \$15,000. 2.) The Task Force recommended that payroll taxes, such as Worker's Compensation and unemployment premiums, be removed from the tax base. 3.) Another recommendation was that the profit portion of the tax base could be weighed more heavily than other components. 4.) It was further recommended that the reporting process be simplified by some type of short form.

The S.B.T. is a major political issue. It is not likely that any real change will happen before the fall portion of this year's legislative session. However there will be considerable work on the issue. Farm Bureau policy supports repeal of the program and if that is not possible, major revisions in the act, especially those affecting labor cost, depreciation and interest cost.

Lottery Revenue

H.B. 4139 has passed the House and is now in the Senate. The bill puts all of the state lottery earnings into the school aid fund (approximately \$130 million). The sponsors admit that the legislation will not provide one penny more for schools because school aid from the general fund has been many times higher than the amount of the lottery revenue.

The bill was passed because the public does not understand where the state's 45 percent share of the lottery goes, and has assumed it was in the school aid fund.

NATIONAL NOTES

New Farm Legislation

Senate hearings on new farm program legislation - S. 275 - have ended. Witnesses representing over 130 different groups testified during the hearings. Many of these groups were not related to agriculture. The Senate Agriculture Committee is now marking-up S. 275 and hopes to have the final bill through the Senate by May 15. However, many observers feel this time frame is unrealistic in view of the comprehensive nature of farm program legislation.

House hearings on new farm program legislation have also been completed. The hearings were held on provisions of the current farm program rather than a new farm bill. House Agriculture Subcommittees are now meeting to report specific provisions within their jurisdiction.

Recommendations from the subcommittees must be approved by the full Agriculture Committee and a final bill reported before consideration of an omnibus farm bill takes place on the House floor.

While the Senate and House Agriculture Committees were considering new farm program legislation, Secretary Bergland announced a five part program under existing authority. The program includes:

1. Establishment of a farmer-owned grain reserve for the 1976 wheat and rice crops;

2. A two-month extension, expiring May 31, 1977, for farmers to participate in the loan program for 1976 wheat and rice crops;

3. Increased price support loan rates for the 1977 feed grains and soybean crops;

4. Reduction of interest rates, effective April 1, 1977, on commodity loans from 7½ percent to 6 percent, and on storage facility and drying equipment loans from 7½ to 7 percent; and

5. Increased amounts and broadened coverage for farm storage and drying equipment loans, and reduced down payment provisions.

OSHA

Last year Congressman Skubitz (R-Kansas) successfully amended the OSHA appropriations bill for the FY beginning October 1, 1976 - September 30, 1977 to exempt employers with 10 or fewer employees from all OSHA requirements. The amendment also prohibits issuance of citations and fines if 10 or fewer non-serious violations are discovered. Congressman Skubitz and 103 others have now introduced legislation to make permanent the current one year limitations of OSHA authority. Hearings on this legislation have not been scheduled. Farm Bureau supports this legislation.

Minimum Wage

A House Labor and Education Subcommittee has completed hearings on

amendments to the minimum wage law. The bill - H.R. 3744 - provides for a new Process of using an index to determine the minimum wage every January 1 in the future. The index to be used is one published by the Department of Labor, and is essentially an index of the wages paid to non-supervisory workers in manufacturing, not including overtime. On January 1, 1978 the minimum wage for both non-agricultural and agricultural workers would be 60 percent of the index figure, now estimated to be between \$3.05 and \$3.25 per hour. The bill does not propose to change the agricultural exemption in the act. Farm Bureau opposes any increase in the minimum wage at this time and the use of an index in determining future minimum wage increases.

Dredge and Fill

On April 6 the House passed H.R. 3199 which would limit the U.S. Army Corps of Engineers permit program over activities affecting navigable waters. Under existing law the Corps permit program includes all navigable waters and adjacent wetlands. As passed by the House on a strong 361-43 vote the permit program will be limited to waters used to transport interstate and foreign commerce and adjacent wetlands. This would eliminate Corps jurisdiction from most agricultural activities. The bill now goes to a

Albert A. Almy

House-Senate Conference Committee. Farm Bureau support played a key role in the passage of this legislation.

PBB

Four hearings on PBB were held in Michigan March 28-31 by a Senate Commerce Subcommittee. Senator Donald Riegler (D-Flint) served as Chairman and Senator Robert Griffin (R-Traverse City) attended the hearings as a member of the Subcommittee. Persons representing a wide range of interests testified at the hearings.

Michigan Farm Bureau was invited to testify at the Lansing hearing and a statement was presented by Administrative Director Robert Braden. The statement included the following points:

1. The federal government utilize results of food survey samples to reassure the public that their food is safe from PBB contamination;

2. The federal government utilize scientific evidence compiled by the appropriate agencies (FDA) as the basis for chemical tolerances;

3. Given the strong likelihood that state legislation will be enacted to

provide PBB indemnities, there does not appear to be a need for similar federal legislation to deal solely with the PBB incident.

The Subcommittee was urged, however, to seriously consider broad legislation which would assist producers in dealing with future chemical and drug contamination incidents caused through no fault of their own. The legislation should cover livestock, poultry, crops and orchards. It should provide indemnities when products are impounded, farms are quarantined, or movement or sales are restricted in the public interest as a result of contamination by drugs or chemicals through no fault of the affected producers. Producers should not be indemnified for losses resulting from condemnations due to negligence on their part. It was also suggested that the legislation include authority for the government to take legal action against the responsible parties to recover funds paid out in indemnities.

Following the final hearing in Lansing, Senator Riegler announced additional sessions might be held in Washington at a later date. Meanwhile, the Department of Health, Education and Welfare is reviewing with the FDA the current medical and scientific information relative to the guidelines for PBB established by the FDA.

System for Chemical Checks Told At PBB Hearing

Testimony presented at the U.S. Subcommittee on Science, Technology and Space public hearing on PBB in Lansing, March 31 was unanimously in favor of setting up a comprehensive, federally funded system for taking immediate action should chemical contaminants be suspected of entering the human food chain.

The hearing, fourth of a series held in Michigan by U.S. Senators Donald Riegler and Robert Griffin, brought federal, state Michigan Farm Bureau and Farm Bureau Services officials as witnesses to determine ways to prevent disasters such as the Michigan PBB incident from occurring again.

"At the time when we desperately needed assistance for veterinary and laboratory research work, on PBB samples, it was not available," said Dr. George Whitehead, deputy director of the Michigan Department of Agriculture in charge of the Bureau of Consumer Protection. "Although my division made many requests for federal manpower assistance during 1974, the most critical year of the PBB

contamination investigation, none was provided. We continued to do the best we could with MDA facilities and manpower, but we feel that the conclusions we arrived at could have been made much sooner with outside help."

Such help was provided by the U.S. Department of Agriculture in January 1975, when that agency agreed to have their laboratories assist the MDA in running monthly "survey" samples on tissues collected at slaughterhouses by MDA meat inspectors, Whitehead added. The Federal Food and Drug Administration also provided expert technical laboratory and investigative assistance throughout the entire PBB episode. Still, the MDA had to strain its resources to the limit during the worst of the disaster, Whitehead pointed out.

To help reduce the possibility of assistance shortages and minimize food contamination disasters in the future, Whitehead suggested that a cooperative State-Federal agreement should be set up to investigate suspected contamination of livestock, much as such

(Continued on Page 6)

AFBF Calls for Modification of Delaney Amendment

The president of the American Farm Bureau Federation is urging congress to take prompt action to modify the Delaney amendment to the Federal Food, Drug and Cosmetic Act.

The Delaney Amendment, adopted in 1958, forbids the use of any additive found to induce cancer when ingested by man or animal. It is currently under attack following a notice in which the food and drug administration announced plans to ban saccharin on the basis of Canadian tests which showed that rats, when fed massive doses of the artificial sweetener, developed bladder cancer.

In a letter to representative Paul G. Rogers, Chairman of the Subcommittee on Health and Environment of the House Committee on Interstate and Foreign Commerce, AFBF president, Allan Grant, said "Modern agriculture cannot continue to provide sufficient quantities of high quality food and fiber to meet the nation's needs without the use of agricultural chemicals and

drugs. Any undue curtailment of the safe and appropriate usage of these products will result in lower quality and-or quantities of food and fiber at higher costs to consumers.

"We recommend that the Delaney amendment be modified to permit establishment of safe tolerances for additives and chemical residues in foods. Such tolerances must be based upon thorough and competent scientific research."

The letter continued, "Modern scientific technology has made it possible to detect residues of additives and chemicals which are literally infinitesimal. At the time of passage of the Delaney

amendment it was possible to measure in terms of parts per million. Now science can measure in terms of parts per trillion - a million fold increase in less than 20 years.

"We urge members of your subcommittee to recommend that the appropriate committees of the Congress undertake legislative hearings to consider bills which would modify the Delaney amendment and permit the Food and Drug Administration to follow the rule of reason in carrying out its responsibilities.

"When such hearings are held, Farm Bureau will be prepared to present constructive proposals for needed legislation," concluded the letter.

Fruit Handbook Available

The 1977 Fruit Pesticide Handbook is now available from the Michigan State University Cooperative Extension Service.

As for the format of the 84-page handbook, index sections have been added for each commodity. This should

make it easier for the grower to single out the specific information sought for a particular fruit.

Cost of the handbook is \$1.00 with copies available from offices of the MSU Cooperative Extension Service.

Barry County Kicks off Rural Crime Prevention Project

Barry County has been selected as a site for a pilot program in Rural Crime Prevention. The county was selected because of the extent of crime in the county, and the willingness on the part of law enforcement agencies and the County Farm Bureau to become involved in solving the problem. The program consists of identifying property with the owner's drivers license number proceeded by MI for Michigan. The program has been developed by Michigan Farm Bureau in cooperation with law enforcement agencies in Michigan. The scope of the program involves marking all equipment including personal items. A method of marking grain has also been developed that consists of confetti or small strips of paper with the owner's drivers license

number mixed throughout the grain.

Barry County Farm Bureau has coordinated the effort in the county. Representatives from each of the townships were selected and are responsible for the program in their specific township. Their duties include locating and marking equipment on farms in their area. They are working in cooperation with the local FFA Chapter and the County Extension Office. Support is also available from the Michigan State Police, Hastings Team, and the Barry County Sheriff's Department. Supplies are available through the Barry County Farm Bureau Office. Training information and materials have been provided through the Michigan Farm Bureau. Stickers have been

developed to be placed on farm equipment. These are paid for in part by the Farm Bureau Insurance Group.

The purpose of the program is to reduce the opportunity for expansion of crime in the rural areas. The important part of the program is to raise a level of awareness of Farm Bureau members. Thus, if they are more aware of their potential for loss, they will be more conscious of what they can do to minimize the opportunities for the loss.

Upon successful completion of the pilot program in Barry County, a decision will be made on a statewide program to be considered late summer or late fall. More information on the program can be obtained through the Barry County Farm Bureau, or the Public Affairs Division, Michigan Farm Bureau.



Members of the Barry County Farm Bureau try out a new marking device as a part of the pilot program in Rural Crime Prevention. The program was developed by the Michigan Farm Bureau in cooperation with law enforcement agencies in the state.

AFBF calls for Better Corn Grades

Additional research and coordination of effort on proposed revisions of corn grade standards have been requested by the board of directors of the American Farm Bureau Federation. Acting on this and other recommendations of its Feed Grain Advisory Committee, the board has called for evaluation of the economic impact on producers of these proposals relating to heat damage, screen sizes, broken corn and small kernels. Other areas for study include user

demands, competition from other sellers and price comparisons.

When additional information about specific proposals for corn standard charges are available, a conference of Farm Bureau leaders will be convened to discuss the issue in depth.

The board adopted also a committee recommendation that foreign material should be classified as dockage and not be a factor for determining grades.

MSU Scientists Testify that Michigan's Beef is Safe

Michigan State University scientists, testifying March 30 before U.S. Senate subcommittee hearings on PBB held by Senators Don Riegle and Robert Griffin, maintained that there is nothing wrong with Michigan's present food supply, and that the present federal guideline of 0.3 parts per million (ppm) in animals is safe.

They also discounted any serious threat of PBBs causing cancer in humans and proposed a new state facility to rapidly cope with any similar pollution problems that might occur in the future.

Dr. J. A. Hofer, acting dean of the College of

Agriculture and Natural Resources, and Dr. Ted Brody, MSU pharmacologist, proposed the development of a new facility to cope with future problems like that caused by the PBB pollution.

The proposed Center for Environmental Toxicology would concentrate the expertise of scientists from many MSU units including the Colleges of Human Medicine, Veterinary Medicine, Agriculture and Natural Resources and the Pesticide Research Center.

On the subject of FDA tolerance levels, Dr. Robert Cook, MSU dairy physiologist said, "The people of Michigan, and the U.S. as

well, cannot adopt as a general policy a zero tolerance for chemicals in human food stuffs without having to pay a high cost. If this happens, the impact on agriculture would be unacceptable."

On the basis of his studies with dairy cows, he termed any lowering of the guidelines "tragic," saying that to do so would establish a precedent that would extend to every chemical. "If this happened, regulatory agencies would be faced with a situation they could not manage," he added.

A report on similar exhaustive studies by MSU poultry scientists was also submitted to the subcommittee.

MFB Testimony on

agreements were established to eradicate livestock brucellosis and TB. He also suggested that Michigan State University establish a Center for Environmental Toxicology, staffed with qualified personnel that could conduct research and provide rapid diagnoses should another contamination problem occur.

"I also feel that the communication between state and federal agriculture departments, as well as with other public and animal health agencies should be improved. "Such communication has deteriorated since the 1960's," Whitehead emphasized. Also, funding for animal health and associated areas has been reduced to a dangerous level. Michigan agriculture has been placed in jeopardy because there was no such mechanism to cope effectively with a significant livestock con-

tamination problem." (Continued from Page 5)

The gathering of such suggestions are really the major intent of the public hearings, Senator Riegle pointed out.

"We need to find out how we can investigate all avenues of the human food supply immediately should another food contamination problem be suspected," Riegle said. "No one should have been willing to settle with insufficient resources during the Michigan PBB investigation. The federal government should have the emergency capacity to respond at once to any such threat to human health."

Robert Braden, Administrative Director for the Michigan Farm Bureau, testified that the federal government should provide assistance to farmers affected by such chemical contamination incidents.

"There is no readily

available program to provide indemnities to livestock and crop producers in incidents involving chemical contamination," Braden pointed out. "Such indemnities should be provided when products are impounded, farms are quarantined, or movement or sale are restricted in the public interest as a result of contamination by drugs or chemicals through no fault of the affected producers."

The legislation providing the indemnity program should also include authority for the government to take legal action against the responsible parties to recover funds paid out in indemnities."

Don Armstrong, Executive vice president of Farm Bureau Services, Inc., feels that a low-interest loan program for producers affected by chemical contamination should be a primary consideration.

(Continued on page 10)

MSU Profs Now Assistant Secs of Agriculture

Two former Michigan State University faculty members have been approved for top positions in the United States Department of Agriculture.

Approved were Dr. M. Rupert Cutler as Assistant Secretary for Conservation, Research and Education; and Dr. Dale E. Hathaway, Assistant Secretary for International Affairs and Commodity Programs.

Dr. Cutler will leave his post as assistant professor in the Department of Resource Development at MSU. Dr. Hathaway was Chairman of the Department of

Agricultural Economics at MSU from 1969 to 1972 and directed MSU's Center for Rural Manpower and Public Affairs from 1970 to 1972.

Dr. Cutler has a Ph.D. in Resource Development from MSU. He has a wide background in government, education and environment. He has served as an adviser to the Office of Environment and Urban Systems of the U.S. Department of Transportation, was Assistant Executive Director of the Wilderness Society, and has written for and edited several conservation publications.

Halbert Named Dairyman of the Year

Frederick P. Halbert, Calhoun County Farm Bureau member, was named Dairyman of the Year during Michigan State University's Farmers' Week activities March 21-25.

Halbert was one of 11 of the state's dairy producers honored for having made outstanding contributions to the dairy industry or whose herds have set new production records. The awards were part of the MSU Dairy Breeds Luncheon at Kellogg Center, March 21.

Halbert, his wife Esther and two sons, Rick and Mark, operate on 2,000 acres and have a herd of 500 producing a rolling herd average of 15,460 pounds of milk and 577 pounds of butterfat.

He is currently a member of the Michigan Milk Producers' Association Board of Directors, has served as member and past president of the MSU Dairy Advisory Council and as a member of the Project 80 & 5 MSU Advisory Board. Halbert is also a member of the National Milk Producers' Federation Board and the Animal Health Advisory Committee.

Dr. Harold Hafs, chairman of the MSU dairy science department, in making the presentation cited Halbert's managerial ability in the farm's business growth, his being asked to lecture at MSU and his numerous articles appearing in the national farm press.

Ammonia Fertilizer Can Cause Blindness

Anhydrous ammonia is a potent fertilizer -- its ability to increase crop production is well known. Not so well known is that splashed in the eyes, it can cause total blindness in a matter of minutes.

The National Society for the Prevention of Blindness urges that appropriate chemical type safety goggles with hooded vents and a rim that fits snugly around the eye area be worn at all times when working with anhydrous ammonia to prevent eye damage from this potentially hazardous substance.

In stressing the need for proper eye protection for everyone handling or applying anhydrous ammonia as well as those working nearby, the Society cited accident data. "Reports from the National Safety Council show that only 60 percent of those accident victims had safety eyewear available to them," said Jim O'Neil, Safety Specialist for the Society. "Even more disturbing," he said, "is the small amount of these individuals, only 22 percent, who were wearing any kind of eye protection."

(Continued on page 10)

AFBF Opposes Wheat Loan Increase

Opposition to any increase in wheat loan rates above the current \$2.25 per bushel level for the 1977 crop has been voiced by the Board of Directors of the American Farm Bureau Federation.

Acting on a recommendation of its wheat advisory committee, the Board has said that the AFBF also will oppose a 1978 loan level which would either interfere with export markets or lead to government ownership of wheat stocks. The organization will review the wheat supply and demand situation following the 1977 crop before making any recommendations on specific

loan levels for the 1978 crop.

Other committee recommendations approved for action by the Board include: Wheat Allotment:

State Farm Bureaus will be urged to review wheat allotments to determine if changes are needed.

CCC Credit:

AFBF will urge the Secretary of Agriculture to adjust Commodity Credit Corporation credit to grain buying countries to assure that U.S. interest rates are competitive with other countries. He also will be asked to adjust interest and repayment periods on CCC Credit as the international money market dictates.

Motor Vehicle Fund Inadequate

(Continued from page 1) sportation. "The county engineers have learned to make their appraisals on what can be tolerated, rather than what could be had with unlimited resources."

The resources are money. State and local officials are recognizing that the revenue collected in the state Motor Vehicle Fund is not enough to maintain and construct all classes of roads to meet present demands, let alone those of the future.

The Michigan Farm Bureau is also aware of the current State Motor Vehicle Fund problems. The organization is a member of the helped organize the newly formed Forum for Balanced Transportation, a consortium of Michigan groups that opposes any attempts to divert monies from the fund for other transportation purposes.

The Michigan Farm Bureau, long a staunch advocate of goods roads, was influential in setting up the State Motor Vehicle Fund concept through its support of legislation of development of roads with highway user taxes, says Bob Smith, senior legislative counsel for the

Michigan Farm Bureau. The American Farm Bureau Federation is currently fighting efforts to divert monies from the National Highway users trust fund, he added.

MFB helped influence the shift from the taxing of property owners for the roads that were near their properties to the highway user fund concept because farmers were suffering serious financial difficulties," Smith says. "Some farmers in the 1930's actually lost their lands because they could not pay the additional property taxes," pointed out.

The first legislation passed to initiate the property owner tax for roads concept was the Covert Act of 1915, Smith explains. The shift to highway user taxes started with the initiation of the gasoline tax in 1925. Still, in 1933, approximately 98 per cent of the funds for county road improvement were raised by property taxes. This was in spite of the McNitt Act of 1931 that removed the burden of the trunk highways from the townships and allocated a portion of the gasoline tax funds to the counties.

The real breakthrough in

Grant

(Continued from Page 3)

shut down an entire construction site, he said.

"The blockage of this legislation was a surprise to organize labor, but merely because this force feels that its unprecedented economic and political power can carry through any measures without strong opposition," Grant emphasized.

AFBF opposes the strong-arm strategies of organized labor because such policies include boycotts and strikes that can destroy markets, crops and even farms.

"We simply can't leave farmers in their fields undefended against the predatory actions of labor unions," the national farm group leader said.

But mostly, the AFBF opposes the loss of individual freedoms that union tactics cause, Grant said.

"It is impossible to have individual freedom when people have to pay a union for the privilege of earning a living," Grant said. "As free citizens, most union members would not knowingly condone or support union actions that were consistently contrary to their best interests, or those that would restrict their personal freedoms. Unfortunately, in many instances, union members have no choice. The monopoly power of organized labor, through occasional use of intimidation, coercion, or downright force funnels workers into memberships, whether they wish to join a union or not. Once enrolled, members are taxed and pressured to support union candidates and political

objectives."

Then this compulsory membership begins dehumanizing process when major decisions are made by a handful of labor leaders, he added.

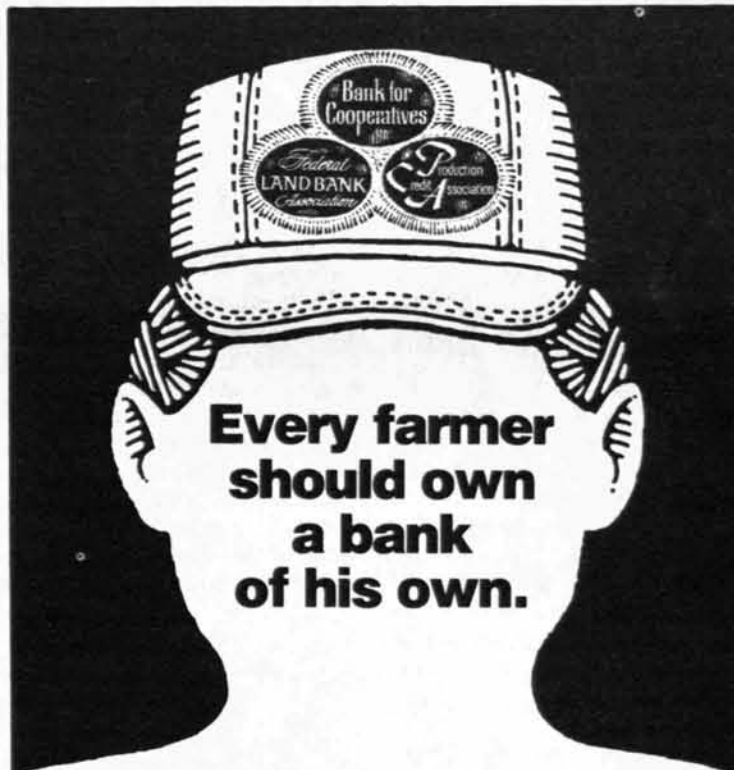
"However, there are hopeful signs of growing public awareness and resistance to union decrees and demands," Grant con-

cluded "The lack of union membership involvement will be revealed for the weakness it represents. Strong arm union leadership must then be replaced."

But organized labor is not going to give up easily, Grant warned. Farmers must be ready to oppose mandatory union membership from now on.



Genesee County Farm Bureau president Tom Atherton and MFB board member Andy Jackson try to convince Waterford Times reporter Carol Teegardin that she and other consumers have good reason to be confident in Michigan's food supply. The exchange took place during an "Agricultural Backgrounder" in Pontiac on April 14, hosted by Oakland, Lapeer, Macomb, Genesee, St. Clair and Wayne county Farm Bureaus. In the background are Lloyd Stoyer of the Lapeer County Press and Mr. and Mrs. Tony Noriega of the Imlay City Times. The Detroit Free Press, Detroit News, Michigan Catholic, and WPON, Pontiac radio, were also represented at the backgrounder.



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(Continued on page 11)

Farm Leaders "Tell it Like It is"

Visit Congressmen on Issues of Concern

Speaking out on current issues of concern to the agricultural industry, 123 Farm Bureau leaders from throughout the state participated in the 17th annual Washington Legislative Seminar held in the nation's capitol March 28-31.

Of this group, 58 were designated "Legislative Leaders" representing 50 county Farm Bureaus and the Michigan Farm Bureau. Their agenda included breakfast meetings with Democratic and Republican Congressmen and individual visits to legislators' offices.

Selected issues affecting agriculture, pending in the 95th Congress, that were given top-priority attention by the group were: the new farm program, provisions of the federal estate tax legislation, federal use tax, divestiture of oil companies, deregulation of natural gas prices, and minimum wage laws as they affect agricultural labor.

Legislative leaders added a new dimension to their responsibilities this year, visiting with urban Congressmen who have no farm constituents. Elton R. Smith, president of the Michigan Farm Bureau, who headed the delegation to Washington, saluted the legislative leaders for their efforts.

The four-day seminar provided Michigan Farm Bureau members with the opportunity to meet with their Congressional representatives on a personal basis to discuss issues which are of importance to farmers at the grass-roots level and allowed them to be actively involved in the organization's policy execution process.

The seminar is sponsored each year by the Michigan Farm Bureau Women to make possible this contact between Michigan farmers and their elected representatives.



Washington, D.C. was decked out in her beautiful spring garb to greet the 123 Michigan Farm Bureau members who participated in the 17th annual Washington Legislative Seminar, March 28-31. This legislative activity is sponsored by Farm Bureau Women to give members an opportunity to discuss issues of concern with their Congressmen and learn more about our nation's legislative process.

A County Legislative Leader Reports

(Editor's note: Deni Hooper served as the Legislative Leader representing Northwest Michigan County Farm Bureau. Here is her account of the seminar, reported in her local newspaper, The Traverse City Record-Eagle.)

By DENI HOOPER

The Capitol building in Washington, D.C. is a magnificent sight in spring, floating on a sea of flowering cherry, magnolia, forsythia and tulip blossoms in full bloom.

This beauty was appreciated by 123 Michigan people who spent four days exploring the legislative activity, judicial procedures and historical sites as part of the Washington Legislative Seminar.

We spent what time our congressmen could spare discussing farm problems with the lawmakers or his aides.

Fifty-eight farm leaders, headed by Michigan Farm Bureau President Elton Smith, attended a Democratic breakfast in the Rayburn Building.

Two of the 11 Michigan representatives joined us - Rep. Robert Traxler of the 8th District in the Thumb area, and Rep. David Bonior of the 12th. Congressman Lucien Nedzi sent a young woman to represent him.

Rep. Traxler was extremely vocal in describing house agricultural activities. He said that if Agricultural Secretary Butz had offered

the farm program presented last week by new Secretary Bob Bergland he would have been run off the hill.

Traxler fielded a vigorous flow of questions ranging from minimum wage (he predicted a compromise between labor and Presidential recommendations), capital gains amendment to the Estate Tax laws (a bill he had sponsored to rescind would probably not be acted on this year), whether or not normal farm practices will be exempted from the \$5 billion Water Pollution Control Act to many more.

Breakfasters in the upstairs dining room of the Capitol Hill club the next day fared a little better on very sticky buns and the usual scrambled eggs.

Of the eight Michigan Republican representatives, all were present or had one or two staff members in attendance. Freshman Congressman David Stockman of the St. Joseph area had two very active men who passed out copies of a deeply researched statement the congressmen had made on the development, extent and handling of the state PBB problem.

Rep. Guy Vander Jagt spoke of a public survey showing opinion so in favor of the President that the great majority approved the energy program which has not yet been offered.

In describing the defeat of the labor-sponsored common situs or secondary boycott bill, Congressman Hall

Sawyer of the 5th District (Grand Rapids) spoke of the immense power of the handwritten letter. He had received 1,000 such letters, all but 12 of which were against the bill.

Sawyer said the late night vote on the bill, heavily favored to pass, was as exciting as the last seconds of a basketball game as the house computer scoreboard flashed the rapidly changing vote which sent the bill to defeat.

After the breakfasts, the group split to cover various hearings, the Supreme Court or to speak at greater length with their Congressmen.

One group found itself in the wrong Agriculture building, late for a speech by Secretary Bob Bergland, when a nice gray-haired gentleman introduced himself and all followed Secretary Bergland to the right auditorium.

Bergland began speaking with hardly a pause for breath, outlining the farm program with a goal of getting rid of allotments and removing the government from the grain business. Bergland advocated food aid used as a developmental tool in third world countries - instead of dollars - as he described the sorry plight of fields in some other parts of the world.

He identified himself as an author of the grain inspection standards after he found seashells being added to corn for overseas shipment, causing a loss of world confidence and business.

The secretary also spoke at a Senate Agriculture subcommittee meeting in an old, small, packed hearing room in the Russell Building. He had almost finished asking for a large addition to the budget (loans) when Senator Hubert Humphrey, silent for a hour and a half and looking much older and grayer than his photographs, came to life.

Humphrey said such loans added to the budget made the government look bad, continuing much louder and ending by shouting "By God, if a man ran his business the way the government did he'd be put in the nut house."

A house Agriculture subcommittee proved equally interesting as 11 Representatives struggled to evolve a definition of the financial needs test as they worked to indemnify agriculture against catastrophe and loss.

Some of the group covered the Easter Show in the National Arboretum, a breath-taking display of massed white lilies, and purple azaleas, bordered by yellow daffodils and red tulips.

Others journeyed to Beltsville Agricultural Research Station which covers 5,000 acres of Prince George County, Md., for a three-hour tour of the facilities, watching continuing research on such diverse subjects as solar heating, cows, fruit trees and bees.

Part of the tour was through some of the extensive



Secretary of Agriculture Robert Bergland addressed the Michigan delegation during their visit to the U.S. Department of Agriculture in Washington, D.C.

floral greenhouses (no samples allowed) to see the virus experiments. The heated interior temperature and humidity caused us all to be grateful for the "cool" 85-degree conditions outside.

One group had a grand tour of Washington, Georgetown and the best restaurants with their Congressman's staffs. Some toured McDonalds. Actress Liv Ullman was worth the trip all by herself as Anna in "Anna Christie."

While the Farm Bureau members in Washington hopefully contributed to the Congressional understanding of agricultural problems they all returned home with one thing in common - very sore feet.

Legislative Seminar A Learning Experience



An airport press conference prior to departure for Washington, D.C. attracted Channel 6, Lansing and Channel 7, Detroit. Facing the cameras and fielding questions from the press were MFB Legislative Leaders Elton R. Smith, Arthur Bailey, Mike Pridgeon, Jan Stoner, Mr. and Mrs. Andrew Jackson, Jack Laurie, Bob Rottier and Bill Spike.



Congressman Robert Traxler (D-8th District) talks with MFB President Elton Smith and Lapeer County legislative leader Edwin Martus about proposed EPA dust emission standards which would increase costs to the farmer and could possibly put some smaller elevators out of business because they could not afford to install equipment needed to meet the standard.



Congressman Garry Brown (R-3rd District) told legislative leaders at the Republican breakfast that attempts will probably be made by consumer groups to have some kind of standby authority for President Carter to impose export controls. He warned this could "raise havoc" with the free market system and hurt the American farmer.



Congressmen David Bonior (D-12th District) chats with legislative leaders at the Democratic breakfast. Congressmen who did not attend the breakfasts were later "tracked down" by serious legislative leaders who were determined to get their message across while in Washington, D.C.



Visiting with Congressman Guy VanderJagt (R-9th District) at the Republican breakfast, Bethel Larabee, Kalkaska County; Uledene Merrill, Benzie, and Ethel Fulton, Saginaw County (left to right), listen attentively as he makes a point.



Discussing the "other side" of the PBB issue with Congressman William Brodhead (D-Detroit) and his aide, John Schelbe, are West Michigan farmers (left to right) Bob Rottier, Newaygo County; Janet Ball, Mecosta County; Bill Edbrooke, Newaygo County, and Pete and Marcia Korwin, Manistee County. Present but not shown was Lyle Ball, Mecosta County. Brodhead has introduced legislation at the federal level to lower PBB tolerance levels.



Michigan Farm Bureau Women's Committee Chairman Claudine Jackson tells Tom Ochiltree of Panax Newspapers about some of the issues farmers discussed with their legislators during the 4-day seminar in the nation's capitol. The exchange took place at a press briefing at the National Press Club between MFB legislative leaders and Washington correspondents.

Can Farmers Make an Impact?



ROBERT ROTTIER
MFB YOUNG FARMERS

Q.: What do you feel was your major contribution while in Washington, D.C.?

A.: When we talked to Congressman Brodhead on the PBB issue, we at least told him another side of the story - a side of which I'm sure he was completely unaware. Meeting with legislators from urban areas was valuable because they have no farmer constituents who can tell them how certain legislation will affect agriculture.



MARSHA KENNEDY
SANILAC COUNTY

Q.: Do you think Congressmen are responsive to the concerns of people "back home"?

A.: Absolutely! They want to know what their constituents think. They make decisions which directly affect our farms, our very livelihood. When we participate in legislative activities such as this, we can let them know where we stand on issues, and they know where they should stand to best represent us.



LYLE BALL
MECOSTA COUNTY

Q.: Do you think the Washington Legislative Seminar is a worthwhile activity?

A.: Definitely! This is the most effective Farm Bureau members have to let their legislators know that we're "out there" and let them know our views on issues that effect us. It puts us in contact with people who set the nation's policies. It's also a fantastic opportunity to get ideas from Congressmen on how we can be of more assistance to them.

Migrant Worker Education Advocated

A better system of utilizing seasonal migrant farm labor should be implemented in Michigan to help fruit and vegetable workers be assured of trained, productive workers when they are needed the most, a spokesman for the processing industry told participants of the Seasonal Farm Labor Issues Conference held in Lansing April 6.

The conference was sponsored by the Michigan Commission on Agricultural Labor in cooperation with the Michigan Department of Labor's Bureau of Employment and Tax Training.

"The present system forces the fruit or vegetable grower to hire unproductive, unskilled migrant workers who have little incentive to increase their output," Jack Leaver, director of Agricultural Operations for Gerber Foods, Inc., pointed out. "If such manpower remains all that is available to the grower, he could be forced to make the choice of switching to less labor-intensive crops."

Many elements of society would be hurt by the loss of any of Michigan's fruit and vegetable producers, Leaver emphasized. However, processors are going to be purchasing only produce that is "U.S. Fancy" grade because consumers will not

accept less than this quality. Unskilled seasonal laborers do not consistently provide this quality of produce for the grower, Leaver said. Therefore the grower's profit margins could be hurt by not having trained workers in his fields.

"If a stable supply of trained migrant workers were available, growers would be willing to pay them wages that would be competitive with other industries," Leaver explained. "The extra expense would be well worth the knowledge that the workers knew how to harvest crops in the best manner."

The key elements of system to provide better trained seasonal migrant workers would be to provide a guaranteed minimum amount of wages for migrant workers, providing a training program for each specific crop to be picked, and to have growers make their work need requirements well in advance of the season, and an educational program that migrant workers would be required to participate in, Leaver explained.

"The guaranteed income concept would be an asset when recruiting seasonal farm workers," the agricultural labor expert pointed out. "The training programs would be essential for the various crops, because

Ammonia Fertilizer Causes Blindness

(Continued from page 7)

Ammonia's most dangerous property is its tremendous affinity for water. Upon contact with the eye, composed of 80 percent water, the ammonia penetrates almost at the instant of contact, and within 30 seconds, cell and tissue destruction begins. "Once in the eyes, immediate flushing with water, continuously for 15 minutes is the recommended emergency first aid procedure," O'Neil said.

"If the victim is near a pond or other body of water, he should jump right in, immersing himself completely, holding his eyelids open so the ammonia can be diluted and washed away.

After this emergency measure is completed, he should seek immediate medical attention from a physician or hospital emergency room. Waiting for treatment increases the chances for sight loss," O'Neil cautioned. Salves or ointments should never be applied as they tend to seal the fertilizer in and may only add to the damage.

It is up to farmers to be sure that a 5 gallon tank of fresh water is attached to the applicator and nurse tank vehicles. The Society also urges a plastic squeeze bottle of water be carried in a shirt pocket to flush the eyes immediately, should contact with anhydrous occur.

Following first aid the victim should be quickly moved to a larger water supply for more copious flushing of the eyes, followed by immediate medical attention.

Most accidents occur during transfer of pressurized anhydrous ammonia from the bulk supply to smaller tanks, a process often repeated several times between factory and actual farm application.

There are only three ways to safeguard your sight against anhydrous ammonia: regular use of chemical safety goggles, good maintenance of equipment, and very careful application.

each must be handled in a different way to provide a consistent high quality harvest. The educational program would provide the worker and his family with an upward mobility and skills that would class him as a semi-professional in his fieldwork. Writing, reading interpersonal communications and other areas would be focused on."

Along with a better quality harvest, the migrant worker would have an improved standard of living, Leaver continued. The consumer would have a more dependable source of top grade produce to buy and the processor a better product to offer through this program.

Armstrong Outlines Residue Protection Plan

(Continued from page 6)

"It makes little sense to provide disaster funds to flood or weather victims and to deny such aid to chemical contamination victims," he testified. "However, this federally - funded and supervised low-interest loan program for the victims should be implemented by non-local scientists to make sure that only actual victims benefit from the program."

Armstrong also suggested that:

a. Chemical companies should be required to package all food grade material in a pre-printed container of a specified color and with a readable label setting forth the chemical name of the product contained in the package.

b. Chemical companies should be required to conduct acute or chronic toxicity studies upon all of their products regardless of whether they are intended for food uses or other products.

c. Chemical companies should be required to notify their food grade customers of the trade names and toxic characteristics of all their products at the time any food grade product is sold.

d. Regulatory agencies, both federal and state, should be provided with adequate staff and testing equipment to test feed and animals on an individual basis when chemical contamination is suspected.

"It's simply not fair to quarantine an entire operation which is engaged in the manufacture of perishable goods just on the basis of a few tests," Armstrong emphasized. "This problem requires legislators to squarely face the question of whether they are willing to commit public funds to pay the salaries of additional scientific personnel, pay farmers for losses sustained because of delays sustained in obtaining such test results,

or risk adverse health implications pending the outcome of such tests."

Armstrong also called for an objective, well, defined and clearly understood basis for establishing acceptable chemical residue tolerance levels. State legislatures should be required to establish a sufficient scientific basis for deviating from federal tolerance levels. This system would be designed to avoid the possibility of producers having to adhere to differing standards because of local political considerations.

The lack of a comprehensive federal program to take immediate action when chemical food contamination is suspected is also a major concern for Dr. Maurice Riezen, director of the Michigan Department of Public Health and Dr. Francis Mulhern, former administrator of the U.S. Department of Agriculture's Animal and Plant Health Inspection Service.

"Throughout this episode, it has been apparent that there is a lack of physical, financial and personnel resources at the state and federal levels to meet emergency situations of this type," Riezen pointed out at the hearing. "There is still no effective mechanism established to control these residue problems although there is no question that such situations will develop in the future. It will take a long term commitment from all levels of government to develop a program of research investigation, regulation and training that will be able to cope with all these problems."

Mulhern agreed with Riezen on the need for such a cross-governmental commitment. He also encouraged the establishment of a national feed monitoring system for chemical contaminants.

Rural Health Day to Encourage Country Doctors

To help call attention to the acute shortage of family physicians in rural areas and inform communities in ways to obtain such professionals, the Michigan Health Council is sponsoring a Rural Health Day.

The event will be held May 19, in conjunction with Education Day of Michigan Week. The Physicians Center in Hastings, next to Pennock Hospital, will be the site of the meeting.

Doctors who are now in training in family medicine, along with other primary health care specialists, have been invited to attend. Representatives of communities that are in need of physicians are also urged to attend.

Hastings has been chosen for the meeting because this community has been successful in obtaining several family physicians to the area within a short period of time. A key to attracting these health personnel was the construction of the Physician's Center.

Rural Health Hints Help Prevent Choking

Accidental choking on food has become the sixth major cause of death in the United States. It often occurs in restaurants after a few drinks may have dulled the gag reflex, and spontaneous laughter and uncontrolled inhalation, added to a substantial chunk of food, triggers tragedy.

The "bear hug" is a relatively new technique to stop choking.

How do you recognize that a person is choking on food rather than having a heart attack?

(1) The victim will not be able to speak. (2) In a short time, he or she will turn blue, and (3) In a few minutes more, the victim will collapse. Death occurs in four minutes from the time air is first cut off.

Here's how to administer the Heimlich technique to a person choking on food if the victim is standing or sitting:

Stand behind the victim and wrap your arms around his waist.

Grasp your fist with your other hand and place the fist against the victim's abdomen, slightly above the navel and below the rib cage.

Press your fist into the victim's abdomen with a quick upward thrust. Repeat several times if necessary.

If the victim has collapsed, turn him onto his back. Then: Facing victim, kneel astride his hips.

With one of your hands on top of the other, place the heel of your bottom hand on the abdomen slightly above the navel and below the rib cage.

Press into the victim's abdomen with a quick upward thrust.

Repeat several times if necessary.

Be prepared to remove any morsel of food from the mouth of the victim if it is not completely ejected.

The theory behind the Heimlich technique is that placing pressure to the victim's abdomen forces the diaphragm upward and the compressed air outward. The rush of air expels the stuck object (and the victim could just as well be a child who has ingested coins or other foreign matter), much like the cork from a child's pop gun or a champagne bottle.

It's a simple technique, but its application could save a life.

Motor Vehicle Fund Inadequate for Major Road Improvement

(Continued from page 7)

Rogers, director of the County Roads association of Michigan. "The interstate system is about 93 per cent complete, but no one can give us an accurate idea as to when the last sections of these roads will be done. Some of the originally planned construction has been abandoned at the drawing board stage."

The County Roads Association of Michigan is also one of the organizers of the Forum for Balanced Transportation.

Meanwhile, the shortage for county road improvement is especially acute. The Michigan County Road Commissions spent \$119 million in 1975 for "stop gap construction," to alleviate the most critical of the county road system deficiencies, but Rogers says that this is by no means enough to counteract the massive deterioration of county roads. Routine maintenance cost \$84 million spent that year on rural roads went for traffic services, equipment expenses, ad-

ministration and other operating costs. However, inflation and increasing traffic will continue to cause additional deterioration to be repaired at added expense.

Though the counties stayed within the 1975 funds allocated to them from the state highway trust fund, there was a further increase in the high percentage of inadequate county roads that year, Rogers says. The Forum for Balanced Transportation favors an increase in the percentage of Motor Vehicle Fund monies the county road system receives to help pay for some of these improvements. Highway user taxes would be increased to fund the new apportionment revenue.

Under Public Act 51, revenue collected through highway user gasoline and licensing weight taxes are put into the state Motor Vehicle Fund. The Act also sets the percentages that are allocated for construction and maintenance of all classes of roads. Under this system, 44.5

per cent of the highway trust funds go to state trunk lines, 35.7 percent is returned to the counties to maintain the county road system and 19.5 per cent is provided to incorporated cities and villages.

"Though the percentage to the cities and villages may seem low, the ratio does not cause as much problem for this group as it does for the state highway department and counties," McCarthy says. "The latter two have no ad valorem taxing powers to provide funds for roads as the cities and villages do."

The only way local tax money can be provided for county road maintenance is through the township. This local governmental unit provides revenue for the roads within its boundaries through local property taxes. To get money from the county in which it is located for specific road improvements, the township must allocate some of its revenue for such projects. In theory, the county will then match this

amount on a 50-50 basis.

The crux of the local road problem is that townships are becoming increasingly unable to provide enough money, so that when matched with the county share, the total is sufficient to fund a substantial road improvement program.

"Unfortunately, some townships are unable to allocate even enough money for snow removal from all of their roads, let alone major improvements," McCarthy says. "The problem is really acute in the northern part of the state, where there are many townships that do not have enough of a population to develop any kind of a tax base," he points out.

Rogers says that counties are not getting enough money from the Motor Vehicle Trust Fund to provide their amount of the 50-50 percentage to all the townships within their boundaries.

"Just about all of Michigan's townships are being forced to provide 100 per cent of the money needed to improve secondary roads in their areas," Rogers says.

If there were enough money in the state Motor Vehicle Fund the system could conceivably do its job. But Rogers feels that the funding

system could never help to improve county roads enough the way it is set up now.

"The cost of blacktopping a road has more than doubled in the last five years," Rogers says. "The cost of road maintenance equipment has also escalated, while the equipment in use today continues to wear out," he points out.

To provide more money to improve county roads, the Forum for Balanced Transportation is recommending a change in the trust fund percentage formula for the various classes of roads. The most important part of this recommendation is that a higher percentage of the funds would be allocated for county roads.

However, there is a major effort to divert what amount of revenue there is in the Motor Vehicle Fund to other means of transportation. Some of this diversion has already been made through the establishment of a General Transportation Fund. This fund was first established in 1972 through P.A. 327. At the same time, the state gas tax was raised by two cents. Three fourths of the revenue from the increased tax was to go back

(Continued on page 12)

Ag Labor

(Continued from Page 3)

wage and the employment of illegal aliens."

Ellsworth considers communication of the uniqueness of agricultural labor conditions the biggest challenge that will be posed to growers during the writing of the legislation concerning these issues.

The second most important thing is for farm labor employers to keep the most accurate records possible, Ellsworth said. More and more rules will be implemented, with more regulatory officials coming in to inspect these records. Good records are the only way to prove that the employer has been complying with the multitude of laws concerning this area.

Ellsworth also warned that although there is no National Agricultural Labor Relations regulation concerning the establishment of farm worker unions, union organizers will not wait for the passage of such rules.

"Michigan farms will be the target of union organizers, so farmers should be working for the implementation of this national legislation," Ellsworth pointed out. "If there is to be such a rule, it should be uniform throughout the country. It would limit the powers of agricultural labor unions, as well as grant them new freedoms."

Michigan Senator John Welborn told the ag labor conference participants that the Workmen's Compensation is one of the biggest, most costly concerns

confronting all Michigan employers. Yet the state's agricultural element has ignored this issue, he says.

"Farmers have to be just as interested in Michigan's workman compensation legislation as members of the auto industry are," Welborn emphasized.

"Michigan's system is rated 45th in cost effectiveness out of the 48 mainland states," he said. "It also is the only state that allows retirees to receive workman's compensation. Clearly, action must be taken to revise this legislation."

Because of the inefficiency of Michigan's Workmen's Compensation program, several industries have moved to other states, the Senator said. Since farmers can't move, they must stay and fight the problem.

Growers are especially hurt by the workmen's compensation system because they must pay a high minimum workmen's compensation insurance premium even though most such producers only use outside help for a small part of the year, Welborn said. He feels that this requirement is totally unfair.

Welborn also said that the state legislature is currently considering on an annual payroll exemption system for agricultural employers. This change would be especially helpful to the small farm operator who pays out less than \$1,200.

Also being considered is a way to outlaw the minimum workmen's compensation premium, he said.

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Michigan Marketing Outlook

Market Intelligence--Q&A

Question: Could you please provide me with a list of publications and organizations that have marketing information and price projections for corn, wheat, soybeans and cattle?

Marty Lewis
Jeddo, Michigan

Answer: There are a large number of publications available that offer some sort of market analysis or information and price forecast. They range all the way from free government publications to Market News Services costing \$500.00 or more. The problem is choosing the ones most suited to your needs and that you feel you can afford. If you just want market in-

formation perhaps the Wall Street Journal or your local radio station would provide you with a good daily update. On a weekly basis there are such publications as the Kiplinger Agriculture Letter, Doane's Agricultural Report, Pro Farmer, Great Plains Wheat, Weekly Weather and Crop Bulletin published by the USDA and U.S. Department of Commerce. The list of monthly publications is just overwhelming.

There are of course the Market News Services which provide up-to-date market information on a minute-by-minute or hour-by-hour basis. Grain Instant News, Reuters, etc. are available for a fee.

Michigan Elevator Exchange has a producer hotline available (517) 321-4411 which you can call anytime day or night. They quote market prices and provide a brief explanation of market activity. The only cost for the MEE Hotline is your telephone call. Your local elevator is often a good source of information concerning local prices. Thus, there is a wide array of information available. A lot will depend on what you want the information for.

Dr. Paul E. Kindinger,
Director
Market Development
Division

Wheat, Corn and Soybeans

Exports are the key to wheat prices in the months ahead. And frankly the outlook isn't very bright. Facts are, that with the present supply and utilization rates, there's just too much wheat. Most of the large wheat stocks in the U.S. are a result of severe cutbacks in international wheat trade. Generally, as a rule of thumb, the U.S. exports about 2/3 of its annual wheat crop. This year however, because of favorable growing conditions nearly worldwide, other exporting countries also have wheat to sell and many countries who normally buy wheat don't need as much. Some countries like Argentina have undercut the U.S. price all winter long.

Because of the sad price situation it is likely that some winter wheat will be plowed down and less spring wheat planted. The 1977 production

however, is still forecast at nearly 1.2 billion bushels. In all likelihood this would mean fewer carryover stocks than once forecast, but still substantially more wheat than we need in the short run. Thus, prices will remain sluggish and will probably not go much above current levels.

CORN

The forecasters are calling for 81 to 83 million acres planted in the U.S. this spring. This compares with 84.1 million acres last year. Thus, if yields are anywhere near last year's average of 88 bushels per acre we could still have another record crop. One forecaster is predicting a corn crop totaling nearly 6,240 million bushels. Thus, we could be looking at substantially increased corn stocks this fall.

Should this large supply

situation develop, we could see further softening in corn prices through the summer. It would be unlikely that corn prices for the remainder of 1977 would rise above first quarter levels. Obviously a great deal still depends on the weather when the crop is being planted and throughout the summer; how much is fed to livestock before this fall and what happens in other parts of the world.

SOYBEANS

Tight supplies and strong prices still prevail for soybean markets. In all likelihood these general conditions will continue through the remainder of 1977 at least. Despite some slowdowns in domestic crushing, the export markets are still red hot. This means that carryovers this fall are likely to be extremely low. Evidently some others in the market place also assess the situation in a similar

Fruits and Vegetables

The 1977 prospective contracted planted acreage of the nation's major processing vegetables is estimated at 1.63 million acres. This is only a fraction below the 1.64 million acres last year. Snap beans and green lima beans are showing the largest increase while sweet corn and green pea acreages are down.

Here in Michigan contracted snap bean acreage will be up 19 percent while cucumbers for pickles and tomatoes for processing are down 14 and 22 percent respectively.

With only a small processing market left some growers have turned more to the fresh market. We feel that there is a good market for fresh pears if the growers will use proper cultural practices to attain size, grade and finish needed for this market.

APPLES

National utilized apple production was 6.2 billion pounds, 12 percent below last year's record. Virtually all of the short 1976 crop was utilized, whereas in 1975 nearly 6 percent of the crop was lost due to economic abandonment and excess

manner, that is if the current prices are any indication. Significant price increases in old crop beans have taken place. However, new crop (1977-78) have not reacted quite so violently.

There are still a few key things to keep track of as the new crop year progresses:

1. How much corn is planted in the Midwest and how much cotton is planted in the South. These crops are the major competitors for

cullage. Michigan's crop of 500 million pounds was a decline of 27 percent from a year earlier.

The U.S. season average price to growers for all purposes has been estimated at 8.8 cents per pound. Total value of the crop is estimated at \$549 million compared with \$454 million in 1975.

With remaining supplies of fresh apples substantially smaller this season, combined with reduced supplies of citrus fruits and continued strong foreign demand, apple prices are expected to remain high in the near future.

PEARS

A record 826,700 tons of pears were utilized in 1976, an increase of 11 percent from last year's record crop. The western states accounted for 98 percent of the U.S. crop. In view of this large supply, prices have been averaging 6 percent lower than 1975 for all uses in the U.S.

With the combined problems of fire blight, insect pests, lack of size and a limited processing market here in Michigan, many orchards have been neglected or taken out entirely.

soybean acreage.

2. More sales of soybeans to countries like the P.R.C.

3. The Peruvian fish catch.

4. Substitute products - like wheat in the U.S. and a new high yielding sunflower in Russia.

Obviously there are other factors like dry weather, livestock feeding, prices of competing products, etc. which will also have an effect. Overall however, the outlook for soys is quite bullish for 77.

Motor Vehicle Fund Inadequate

(Continued from page 11)

into the motor Vehicle Fund, while one-fourth was to go into the General Transportation fund. Currently, this amounts to about \$22 million.

Monies from the General Transportation Fund go to fund mass transportation in urban areas, airports, railroads, dial-a-ride systems in rural areas and other uses.

Now Governor William Milliken has proposed that a Single Transportation Fund be established. All revenue collected for transportation purposes would be collected and disbursed on a percentages basis to pay for road development, airports, state police service, mass transportation systems and other transportation projects.

The governor's proposal would mean the abolishment of the state Motor Vehicle Fund, as well as the state Aeronautics Fund. The Michigan Farm Bureau, in its

1977 resolution on Roads and Highways, opposes any action that would take funds away from the Motor Vehicle Fund.

The Forum for Balanced Transportation is also disputing the constitutionality of two laws passed in 1976 that could affect the further diversion of revenue from the Motor Vehicle Fund.

"The Michigan Supreme Court is currently deciding the constitutionality of P.A. 295 and P.A. 297," Smith points out. "P.A. 295 provides the authority for the State to bond against the revenue going to the Motor Vehicle Fund, while P.A. 297 defines what a 'highway purpose' is.

Potentially the state legislature, through these two acts, now has the power to divert Motor Vehicle Fund to just about any purpose that they wish, Smith emphasizes.

"This power threatens the

revenue available to the state's roads at a time when the road system desperately needs more money, not less, for improvements," he said.

By action of the Board of Directors, The Michigan Farm Bureau will join with other groups to enter the case before the Supreme Court as Amicus Curiae, or friend of the court, to file legal briefs disputing the constitutionality of P.A. 295 and P.A. 297.

Farm Bureau members who oppose the diversion of monies from the Motor Vehicle Fund should contact their legislators in Lansing, Smith says.

In the June edition, Michigan Farm News will take an in-depth look at Governor Milliken's Single Transportation Fund concept, along with Michigan Farm Bureau policy and the recommendations of the Forum for Balanced Transportation to increase revenue for Michigan's roads.

Safemark National in Scope

Some Community Group members have indicated a concern about the ability to have Safemark service in particular states while traveling south for vacations. The Safemark Program is very well established throughout the nation, as it is effective in 42 states. In any of these 42 states, Safemark tire service is provided and there is an interstate agreement to service the Farm Bureau members of these participating states. The service that is required on the local level is controlled by the members. They indicate the need for service to their Group Purchasing county committees and then the county committees establish the service that the local dealer must provide to the county members. At the

present time in Michigan, there are 34 Safemark dealers in operation.

There has also been quite a concern by Community Group members that they have seen no advertising of Safemark products in the publications they receive. In the course of the last several months, many of the county committees have had attractive advertisements in the counties which maintain a regular newsletter service. Other advertising has been provided by the county committees through local shoppers' guides. As the program continues to grow and expand, our members will be more aware of the continued success of the program through use of these first quality premium products.

Supply Report



By Greg Sheffield

GENERAL

Farm Bureau Services dealers are doing a brisk business in farm supplies. The large planting intentions, many days of favorable weather, and improved farm product prices in prospect all contribute to the large demand. Farm Bureau Services dealers are well stocked.

FERTILIZER

March and April turned out to be the biggest month ever in the sale of fertilizer for Farm Bureau Services. With the large planting intentions, as warned previously, there is now some trouble in replacing supplies as they are rapidly delivered to farmers.

Urea, especially, has been very short in supply. But, Farm Bureau Services dealers are still your best bet for both supply and competitive prices of quality fertilizer.

Now, while there's still time, make arrangements for your anhydrous ammonia side-dressing with a Farm Bureau dealer. He can help you with application equipment, too, if you need it.

PESTICIDES

Farmers were pleased to have the benefits of a large selection of quality Farm Bureau herbicides, insecticides, and fungicides. More pesticides have been sold by Farm Bureau in the last two months than ever before. Forward buying, careful analyses of dealer needs and knowledge of the best, most-adequate pesticides for farmers, again put our farmer patrons in the best buying position. Stocks are still adequate and prices are good.

FEEDS

NU PRO Dairy Feed Sales are gaining excellent acceptance. Results have been more than outstanding. Increases in milk production are being experienced by more than 98 percent of the dairy farmers using NU PRO Dairy Feed. These increases are in addition to, and topping increases, already thought to be the maximum from high producing herds. NU PRO Dairy Feed is only available from Farm Bureau Services and is a result of CRF, Cooperative Research Farms, patented research results.

HARDWARE

The new Vigilante Smoke Alarm is now available to protect your property. The Hardware Department made an excellent purchase on this UL listed alarm that meets all National Fire Protection Association standards. Put smoke alarms on your shopping list. Millions are now being sold due to local Fire Department and Insurance recommendations.

Dealers have adequate supplies of fence products, mowers, tillers and stock equipment. But, these are moving out fast and replacement shipments are just beginning. With price boosts for steel coming along, we recommend you buy your steel products from present dealer inventories. There are

already extended lead times for delivery of some steel materials.

Pressure treated lumber is readily available. However, because of the PCP, pentachlorophenol, question, we are recommending that it not be used in areas where animals are confined.

CO-OP Water Softeners save soap, improve health, make life easier. You can get your water tested free at participating Farm Bureau dealers. There will also be a promotion soon offering a year's supply of soap when you buy a softener. CO-OP Water Softeners have been

shown to be a better piece of equipment and lower in price than other brands.

LIQUID FUELS

As we go into the spring with its heavy demands for liquid fuel, the effectiveness of our planning and distribution arrangements has been paying off for farmer patrons. Liquid fuel supplies have been adequate in spite of the heavy demand. Gasoline and diesel fuel tanks on farms continue to be filled.

In anticipation of summer demand, prices of gasoline have gone up a bit, and there may be other boosts during the summer. New gasoline

and diesel fuel accounts are taking a spurt as farmers look to reliable sources of supply. With the weather breaking, the deluge in demand was already felt. However, our Energy Cooperative Refinery stands us in good stead.

TIRES

Increases in tire sales have dominated retail stores with farmers appreciating the vastly increased inventory, supply and price picture. A big burst of spring activity set sales records in excess of 25 percent. Both Cash & Carry savings and the Spring Ahead Sale contributed.



Progressive, Profitable Feeding Programs Begin With The Farm Bureau People

The Farm Bureau people are cooperative people — dedicated to helping you make your feed dollar go further. Farm Bureau dealers are backed by years of cooperative research, the most modern feed manufacturing facilities, and an expert staff including a qualified animal nutritionist. These things help your dealer tailor a feeding program to meet your needs.

Modern, progressive Farm Bureau techniques bring Michigan farmers profitable new feeds. Recently introduced Nu Pro™ dairy feed is a new feed concept developed by Farm Bureau Services in Cooperation with Cooperative Research Farms. Farm

Bureau Services dealers also offer liquid feeds . . .

Liquid Protein Supplement (LPS) and Liquid Silage Additive (LSA) to increase the profitability of your beef or dairy herd. And now the Farm Bureau people offer a new Farm Bureau mineral program with products designed to meet the special needs of modern livestock. Progressive, profitable

feeding programs are yours for the asking. Ask the Farm Bureau people.



DISCUSSION

TOPIC

by KEN WILES

Manager Member Relations

Co-ops Under Fire

Member Control Vital

Member control - and the closeness and participation which comes with it - is vital to cooperatives. It is the reason why cooperatives stay in the country-side when other businesses leave for more profitable markets.

This point was illustrated dramatically in recent years by the differing reactions of farmer-owned cooperatives, on one hand, and the profit minded corporations, on the other hand, to the fertilizer shortage. It was a period of critical and worldwide shortage. Overseas buyers were willing and able to pay more for fertilizer than U.S. farmers could pay. Corporations, properly acting in stockholder's interest, maximized profits by shipping fertilizer abroad. Cooperatives, also operating in their owner's best interest, kept fertilizer at home for their farmer members.

Those interested in exploring various reasons why cooperatives "marketshare" is growing might find study of that shortage period instructive. They might also learn what a cooperative is as well as how they actually operate.

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 those who patronize cooperatives.

Co-ops Have Principles

There are three distinct principles of cooperatives: 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 affairs of the cooperative rests with the members who use it.

People who invest in a cooperative are almost universally limited to a rate of return on that investment of 8 percent or less per year. This discourages investment by speculators who would be more interested in returns on the growth of their investment than in greater savings or refunds to patrons.

Cooperatives operate at cost. They enter into legally binding obligations to return all income in excess of expenses to members, in proportion to the amount of business that the member does with his cooperative.

When these principles are put into practice the result is a unique form of business arrangement. The management of the usual investor owner for profit corporation is caught between two strong and conflicting forces. The investor's owners, who pay management 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 for the lowest possible price.

In a cooperative, there is not this tug-of-war because the owners and the customers are one in the same. The owner-customers decide what services they want. Management provides these services at the lowest possible cost and the difference between the cost and the price charged by for profit businesses for the same service is money in the pocket of the farmers, not some outside investor.

Profits Are For Members

Cooperatives seek to operate in a manner which will yield a profit to their members and

other patrons from the service the cooperative performs. The benefits of cooperation are derived from patronage (doing business with the cooperative) not primarily from the earnings of invested funds. This concerted effort to discourage outside investment present a problem - where will a cooperative turn for the investment capital it needs to operate? While some funds can be borrowed, a substantial amount of the needed funds must be secured from investments by the patrons.

Cooperatives usually obtain investment money, called equity capital, in two ways. One, they sell membership certificates and other forms of financial paper. This paper usually carries only limited voting rights or none at all, it does not depreciate in value as all earnings are returned to the patrons, and it usually earns a low rate of return.

The second way commonly used to raise the necessary equity is that when the end of the fiscal year arrives and the cooperative is ready to distribute its earnings to its patrons, it retains some of the earnings and issues the patrons a Certificate of Allocation. This certificate is a promise to pay the money to the patron at some time in the future.

Government Control

The federal government took its first big step towards regulation of the business community with a passage of the Sherman Antitrust Act of 1890. This act was supported by agriculture for two reasons. One, farmers were told the act would burst the giant trust that were stifling competition in the goods and services farmers needed. Second, farmers were told that cooperative associations would not be prosecuted under the act. In the years that followed, the trust could afford to hire sufficient legal talent to avoid the act, but cooperatives could not and cooperatives were among the little guys who wound up being prosecuted.

In 1914 the Sherman Act was amended by the Clayton Act to remedy the weaknesses and abuses of the Sherman Act. This act contained an affirmative declaration that: "Nothing contained in the Anti-trust laws shall be construed to forbid the existence and operation of labor, agriculture or horticultural associations, instituted for the purposes of mutual help, and not having capital stock or deducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organization, or the members thereof be held or construed to be illegal combinations or conspiracies in restraint of trade, under the Anti-trust laws."

The law included a positive statement that farmer cooperatives were not illegal. However, the language that this exemption applied only to associations severely limited its applicability.

Capper-Volstead

All marketing cooperatives were given a limited Antitrust exemption with the passage of the Capper-Volstead Act in 1922. But, that exemption is limited! The first section of the Capper-Volstead Act sanctions only three specific activities: farmers may form cooperatives to prepare for and to market agricultural products; cooperatives may have marketing agencies; and cooperatives and

their members may make the necessary contracts to accomplish the first two permissible activities.

Furthermore, Section I of the Act places certain restrictions on the association of farmers who may qualify for these limited rights. First, the association must either follow the one-man one-vote principle or limit returns on investment to 8 percent; and second, the association must do a majority of its business with its members.

And, Section II of Capper-Volstead empowers the Secretary of Agriculture to take action against cooperatives which unduly enhance prices.

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

Can Do's

The "can dos" are:

1. Producers can organize together into a cooperative association and set policy.
2. The cooperative association may handle, process, prepare for market (including and-or limited to bargaining) all the products of its members.
3. The cooperative association can set prices for its products.
4. The cooperative association can have a complete monopoly; that is, it may have 100 percent of the market of its products.
5. Cooperative associations may have marketing agents in common.
6. The cooperative association and its members may make all necessary contracts and agreements to effect all lawful purposes.
7. 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 all of its members.

Better Nots

The "better nots" are:

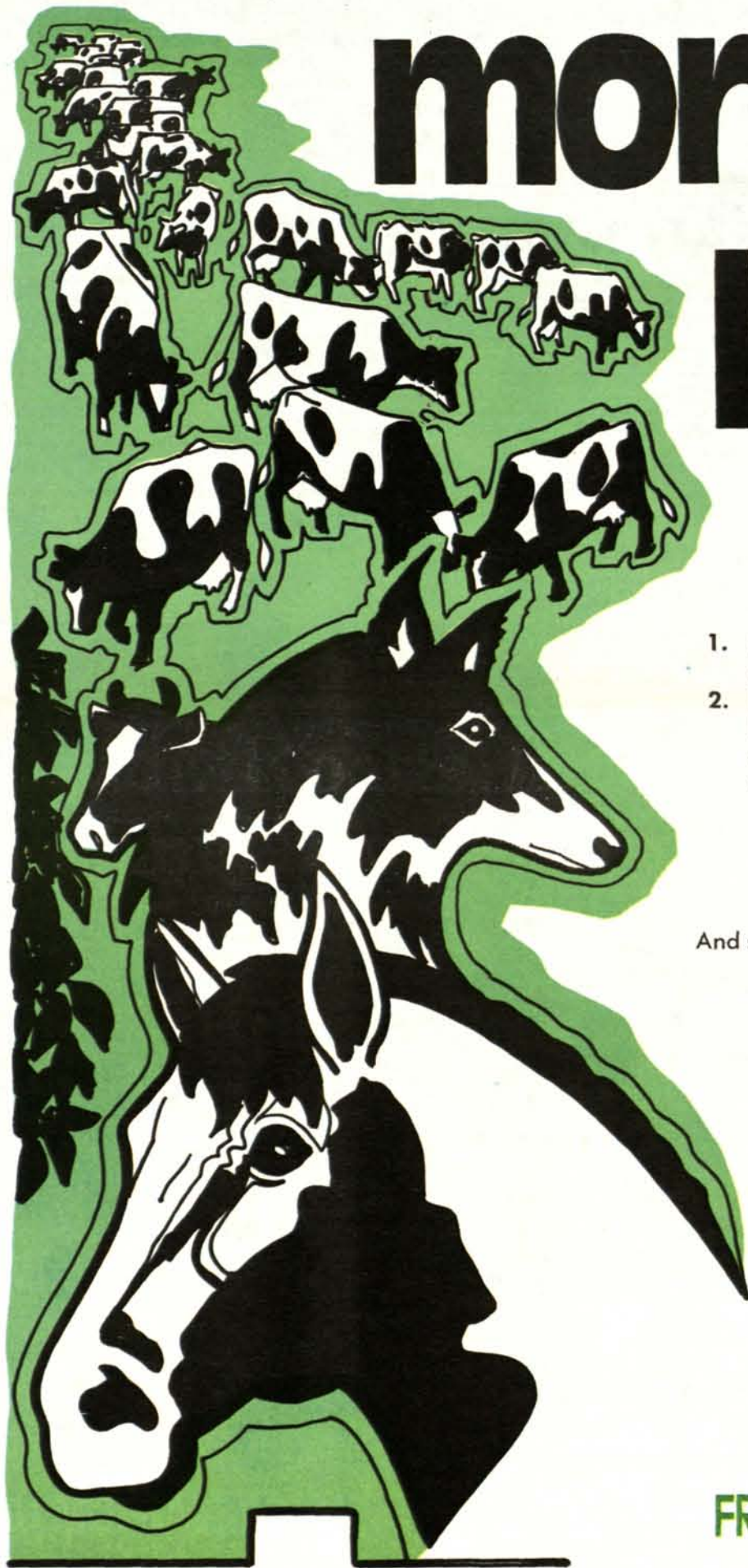
1. The cooperative association better not conspire with non-cooperative associations to fix prices.
2. The cooperative association better not engage in predatory trade practices.
3. The cooperative association better not coerce or compel customers of others to deal with it on an exclusive basis.
4. The cooperative association better not coerce or compel other cooperative associations to merge into its association.
5. The cooperative association, through its monopoly power, better not unduly enhance prices.
6. The cooperative association better not admit non-producers as members.

The fact that cooperatives have been enjoying a certain degree of success has caused them to appear on the horizon as a threat to their competitors. There can be no doubt that as long as farmer cooperatives did not progress past the local level, where they were a gathering point for a collection of fruit and grain and the distribution of feed and fertilizer, they were serving a vital role in the proprietary agri-business. Now that cooperative management is becoming more sophisticated and knowledgeable and money conscious of the profit centers of agri-business operations, people in Congress and federal agencies are being urged to investigate cooperatives.

Anti Co-op Sentiment

It is important that all farmers recognize the existence of the anti-cooperative sentiment and the threat it poses to the future viability of farm cooperatives. It is equally important that they learn as much as they can about cooperatives, that they be forceful in the defense of the cooperative concept, and that they are equally forceful in their criticism of those within the cooperative movement who abuse the privileges granted cooperatives.

the animal mortality policy



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