

UEP Backs Fight Over Premium Cut

ATLANTA, Ga.—In its regular meeting last week, the Board of Directors of United Egg Producers voted to support egg producer members who are resisting premium price cuts, appointed a committee to work with the Chicago Mercantile Exchange in designing a new futures' contract, and approved the concept of establishing egg clearing houses throughout the United States.

According to Jerry Faulkner, Executive Vice President of UEP, the Board also voted to pursue its legal action against Bauer International UEP entered legal proceedings against the New York based firm in 1969 on charges of issuing false and misleading information regarding importation of shell eggs from Spain.

The directors discussed at length problems being faced by many Southeast egg producers who are resisting announced premium cuts on eggs shipped into the New York market. The directors reaffirmed the position of UEP to assist producers in the market-place, and directed the organization to work with its regional co-op members on this matter.

President Don Nicolaysen appointed Maurice Stein, Austin Moore, Herb Steinbrueck, Clyde

Springer and Jerry Faulkner to a committee to work with a committee from the Chicago Mercantile Exchange. It is proposed that a new futures' contract with higher specifications, larger quantities and certain other features be drafted.

A system of clearing houses for longs and shorts in the egg industry was outlined to the board and received its endorsement. The houses would be established in Chicago, New York, Atlanta, and on the West Coast to assist members in the orderly marketing of eggs. The houses would be operated by UEP through the regional offices of UEP members.

The Board approved a recommendation by its Long Range Planning Committee, headed by Dean Olson, that UEP pursue a program leading to a national check-off to finance advertising, promotion, consumer education, and market research for the egg industry. Such a program has been under study by the committee, and with the approval of the Board will now begin more specific work toward this objective.

In other business, the Board approved the proposed 1971 budget as presented by the Finance Committee and set its annual meeting date for April 27 in Seattle, Washington.

State Sets Restrictions On Poultry Plant

Strict sewage treatment requirements will be placed on construction of a poultry processing plant along Muddy Creek in Brecknock Township.

The G&M Poultry Corp. of Leola has been granted, a state permit to proceed with plans for a plant north of Frysburg if the daily discharge of pollutants is limited to 50 pounds a day during May 1-Oct 31 and to 100 pounds a day from Nov 1 to April 30, of each year.

The requirements actually exceed present Department of Health standards.

Plans for the poultry plant had been opposed by a group of farmers along Muddy Creek, downstream from the site, who feared pollution would affect their properties.

Poultry Directors Meeting Cancelled

It was announced this week that the Board of Directors Meeting of the Lancaster County Poultry Association which was scheduled for February 4, 1971 has been cancelled.

Any urgent business can be discussed at the Educational Meeting February 11th with President Vernon Leininger.



SECOND SECTION

Eastern Endorses Positive Letter for Milk Ad Funds

The Board of Directors of Eastern Milk Producers Co-operative Association in Syracuse, New York recently announced that it has endorsed the Positive Letter approach as a method of collecting funds for milk advertising from dairy farmers in New York and Pennsylvania for another year.

The Positive Letter approach is a voluntary system whereby milk producers are sent a letter stating that they wish to voluntarily contribute to milk advertising. If the recipient does not wish to contribute he merely returns the letter to the sender. Eastern's Board of Directors made its decision after careful study of milk promotion activities in various states in the northeast.

It was noted that out of a total of over 10,000 ballots cast by Pennsylvania dairy farmers in

that state's most recent milk promotion referendum, 54.5 per cent opposed a mandatory assessment of one-half of one per cent of each producer's gross milk check minus hauling charges.

Farmer testimony was overwhelmingly in opposition to a bill in the Vermont legislature which would have taxed milk producers in that state a total of five cents per hundred pounds of milk.

A concluding and decisive factor which caused Eastern's Board of Directors to take its present action was the opinions obtained from its membership on the question of voluntary versus mandatory deductions for the purpose of milk advertising. Approximately 60 per cent of Eastern's membership is now contributing voluntarily.

Seldomridge Announces 1971 Farm Program Information

New information on the 1971 farm programs has recently been announced, according to Fred Seldomridge, Chairman of the Lancaster County Agricultural Stabilization and Conservation (ASC) Committee.

"First of all, the signup period for the feed grain and wheat programs will be March 1 through April 9. Between now and March 1, we expect to announce all details of the programs which will be operated under the new farm law, 'The Agricultural Act of 1970,'" Seldomridge said.

Final determinations on set-aside acreages have not been made, but a tentative 20 per cent set-aside for feed grain and a set-aside of between 60 and 75 per cent of the domestic wheat allotment have been announced. The set-asides for these two crops will not exceed 20 per cent on feed grains and 75 per cent on wheat.

USDA Clarifies Policy On Fat In Sausages

The U.S. Department of Agriculture has announced that there has been no change in its policy or procedures regarding the enforcement of a 30 percent limit on the fat content of cooked sausages, such as frankfurters and bologna.

Officials of USDA's Consumer and Marketing Service said a number of inquiries in the past few days indicate that there may be widespread misunderstanding as to whether or not the limit is still being enforced. They said the misunderstanding may have resulted from recent news reports of the cancellation of plans to start a new market sampling program for cooked sausage products.

During 1970, 19,789 samples were sent to Federal laboratories for analysis. Officials emphasized that this testing in Federal laboratories will be continued.

These tentative set-asides are planned by the U.S. Department of Agriculture for the purpose of the special January farmers' planting intentions report. Decision on the actual percentages will be made before March 1.

"Set-aside is an important new concept," the ASC Committee Chairman said. "Under the set-aside programs for feed grain and wheat, a participating farmer will set aside a certain percentage of his base or allotment and put this acreage in a conserving use. He will also maintain his farm's conserving base in conserving use."

Chairman Seldomridge noted that corn and grain sorghum bases are considered the feed grain base for 1971. Barley bases will not be considered in the 1971 program.

"On his remaining cropland he will be free to plant whatever he chooses, except that he cannot grow crops which are under marketing quotas — rice, tobacco, extra long staple cotton, and sugarcane, unless he has farm allotments for these."

"A farmer in the feed grain or wheat programs will receive set-aside payments whether or not he produces the program crops."

He re-emphasized that participants in either feed grain or wheat have no acreage limitation on production other than the required set-aside acreage and maintenance of their farm's conserving base.

"For example, suppose a farmer has 300 cropland acres, including a 100-acre feed grain base and a 50-acre conserving base. Now suppose we do have a 20 per cent set-aside for feed grains — remember, however, that 20 per cent is still a tentative figure. The farmer sets aside 20 per cent — 20 acres of his feed grain base, maintains his 50-acre conserving base, and is free to plant the remaining

230 acres to whatever crops he chooses, except he can't plant the quota crops mentioned earlier. He can plant corn, soybeans, grain sorghum, vegetables or specialty crops — whatever crops or combination of crops he figures will bring him the best returns for his investment," Seldomridge said.

The example cited would be just as true for wheat participants as for feed grain. "The important thing for farmers to remember in planning for 1971

is that the feed grain and wheat programs provide them flexibility in their farm management, allowing more efficient operations than the more restrictive programs of past years."

Final set-aside percentages will not be announced until additional information is received by the U.S. Department of Agriculture, such as the special January farmers' planting intentions report, and further data on 1970 crop production.



Participating in a unique new public affairs education program being conducted jointly by the Cooperative Extension Service and the Department of Agricultural Economics and Rural Sociology of The Pennsylvania State University are, from left: Dr. Robert E. Howell, Extension rural sociologist and group leader; and Ivan R. Yost, of RD1, Christiana. The group, meeting at Greensburg, is currently involved in 20 days of intensive training in economics, sociology, communications, public speaking, meeting management, and government. The sessions are designed to provide the participants with a broader understanding of problems facing rural Pennsylvanians. Those taking part have received W. K. Kellogg Fellowships which are defraying costs of instruction, study materials, room and board while at the institutes, and field trips. Programs, similar to the one currently being conducted, will be continued over the next two years, with Kellogg Fellowships being offered to other young adults in this area.

Preliminary program payments will be made to producers as soon as practicable after July 1. It is expected the preliminary payment will represent a major portion of the total payment a producer will earn. In any event, no producer refund will be required if the preliminary payment for any of these crops proves to be higher than the full payment due the farmer.

Participants in the 1971 feed grain set-aside program will be guaranteed a national average of \$1.35 a bushel on production from half their corn base, and \$1.24 a bushel (\$2.21 a hundred-weight) on half their sorghum base. The feed grain set-aside payment will be equal to the difference between the national average price received by farmers, during the first five months of the marketing year and the guarantee.

No national wheat acreage allotment for 1971 will be set such as there was in 1970. There will be a domestic use allotment totaling 19.7 million acres.

Participating wheat growers will receive 100 per cent of parity on the production of their full domestic allotment.

Loan rates have been announced for several 1971 crops. For program participants, price-support loans will be available on wheat at a national average of \$1.25 a bushel, corn at \$1.08 a bushel for No. 2 and grain sorghum at \$1.73 a hundred-weight.

Participation in the set-aside programs is not required to obtain price-support loans on the following crops: soybeans, at \$2.25 a bushel, No. 1 Grade; barley, at 81 cents a bushel; oats, at 54 cents a bushel; rye, at 89 cents a bushel. Loan levels are the national average; county rates will vary somewhat from these averages.

Additional details on the new farm programs will be announced on a program-by-program basis, the ASC Committee Chairman said.