

## Farm Credit

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Custom farming is growing because it enables farmers to secure the use of expensive and complex farm machinery and equipment without having to tie up scarce capital for its purchase. Custom work can also save the farmer time and avoid increasingly expensive and hard to get farm labor.

— A fifth key provision of the new law is that it allows local credit associations to become involved in farm record keeping, accounting and tax services for farmers. Brown emphasized, however, that the local FLBA and PCA will not implement this provision of the law unless it develops in the future that there is a demand for it.

With such services already available from Penn State University and other organizations, such as Farmers Association, Brown said he does not expect a demand to develop.

He also noted that the local area has many accountants and attorneys who can give good financial advice.

This section of the law will be important primarily in those rural areas which do not now have adequate alternatives, Brown stated.

— A sixth key provision applies strictly to cooperative loans. The provision allows that the minimum amount of sales to farmers can be reduced from 90 per cent to 66 2-3 per cent. The cooperative must still be "100 per cent farm related in product

line," Brown said.

In explaining the importance of this new provision, Brown said that it would enable farmers with a corn drying cooperative to do up to one-third of the volume of their work as custom work for non-members. Before, at least 90 per cent of the work would have had to have been for members.

The new bill makes a distinction between a farming cooperative and commercial operation. It does not apply to large farm machinery firms or poultry processing firms, for instance.

In other comments, Brown explained that farm loans through his office are from five to 35 years, the better the security, the longer the term allowed.

Local PCA and FLBA interest rates generally reflect the national bond market, because the district office in Baltimore must obtain funds for distribution locally by selling bonds on the national market. The rate received in Baltimore must be increased enough by the local credit office to allow a profit.

The Baltimore district banks serve the five States of Delaware, Maryland, Pennsylvania, Virginia, and West Virginia, presently including 31,705 farmers with a loan volume in excess of \$670 million, of which the PCA and FLBA account for about five per cent.

The present local rate to farmers is seven per cent on Production Credit up to seven years, and seven and one-half per cent on Land Bank loans up to 35 years.

Brown explained that long-term money presently is more expensive, because of a general reluctance by lenders to tie up their money for long periods; a few years ago, it used to be the opposite — long term money was less expensive, Brown noted.

Nationally, lending units of the Farm Credit System supply about 20 per cent of the credit used by American farmers and 60 per cent of the credit needs of farmer cooperatives.

E. A. Jaenke, governor of the U. S. Farm Credit Administration, said the Farm Credit Act ranks as the most significant legislation affecting the system since it was established by Congress in 1916 and expanded in the 1930's. This spring at the National Newspaper Farm Editors of America convention, Jaenke said passage of the legislation was among the most important pieces of farm legislation to be proposed by the administration during this term.

Jaenke said the Act "gives the System new authorities through which it can gear its lending programs to meet the rapidly-changing and skyrocketing credit needs of farmers and their communities. This is a completely new charter under which these Federally supervised, privately-owned organizations will operate," he said.

Jaenke said meetings are presently underway in which representatives of the farmer-owned System and FCA, the supervisory Federal agency for the System, are discussing guidelines under which the programs will be carried out locally. Until the new regulations are put into effect—sometime this spring—the System will continue to operate under the present programs, according to Jaenke.

## Diller Holstein Sale

Saturday, January 8, 1972

1:00 P.M. Sharp

Location — Along Route No. 222, 7 miles South of Lancaster, 6 miles North of Quarryville, Lancaster, Pa. at Carl Diller Barn.

35 — Head Registered Holsteins — 35  
(few good grades included)

Fresh and many springing, young cows, 2 year olds with plenty of size and dairy type, pleasing udders, hand picked personally.

INCLUDED IN THIS SALE ARE

- Spring Farm Master Maple dtr. — 3 yrs. 16,000M, 563F. She "Good Plus". Her dam has 16,000M, over 600F.
- MAYERS DARK LEADER DTR. — 2 YR. 369 DYS. 15,196M, 720F, 4.7%. 3 YR. 363 DYS, 16,545M, 766F, 4.6%. SHE CLASSIFIED "VERY GOOD". HER DAM 16,228M, 610F.
- KINGPIN DTR. — 5 YRS. OLD, CL. "VERY GOOD" 87. DUE SOON. 80 LB. COW.
- Spring Farm Reflection Ormsby dtr. — "Good Plus" 2 yr. 304 dys. 12,399M, 505F, 4.0%. Her dam 3 yrs. 15,534M, 602F, 3.88%.
- Kenevelyn Model Ranger dtr. — 4 yrs. 307 dys. 15,084M, 592F, 3.9%.
- (2) Glenafton Herdmaster dtrs. — 3 yrs. 15,000M, 600F; 2 yr. 11 Mo. 305 dys., 16,070M, 603F, dam 17,600M, 687F, 3.9%.
- Red & White Reg. Heifer sired by Summit View Citation S.

Other daughters of the following Sires: Rosafe Shamrock Perseus, Esteem Duke, Glenafton Herdmaster, Dividend Clipper, Oak Ridges Regal Promoter, Penstate Star Man, Whirlhill Kingpin, Forest Lee Rocket Centurion, Sandsdale Fond Supreme, Bardhome Royle Supreme.

Through these series of sales, several cows have since classified "Very Good" for their owners.

Everett Kreider, Auct.

SALE BY  
CARL DILLER  
464-2233

Lunch Available

## Public Sale

SAT., JANUARY 1, 1972 at 10:30 AM.

Located North of Mt. Wolf toward Power plant, turn right at first hard road. Watch for sale signs. George Steffee, R.D. 1, Mt. Wolf, Pa.

### NEW MACHINERY bought within past 2 years:

Int 444 gas, power steering, 3 pt, remote hydraulic with only 485 hours, 4 row No-Til Allis Chalmers corn planter (planted 50 acres), AC 10' heavy duty transport disc No 234, IHC 2 row corn picker will fit and late 3 plow tractor (picked only 250 acres)

Farmal M, Farmal H, Super C Farmal, mtd corn planters, mtd 7' mower, mtd snow plow (right or left angle) Corn workers for C or super C, Massey Harris 26-10' self propelled combine, John Deere 33 PTO spreader, Massey Harris 2 row mtd corn picker, hay crusher, IHC manure spreader (4 wheel on steel), 2 JD plows, one 4 bottom 14" on rubber plow, 10' tractor harrow, 8' disc, 28 blade offset disc, JD Killfer 24' smoker elevator w-motor, 18' grain elevator, No 2 forage harvester, AC blower, 2 wagons (one with false end gate), self loading trailer 14', 2 hole corn sheller w-motor, 16' farm trailer, McCurdy gravity bin wagon, and John Deere hammermill.

### TRUCKS

1948 KB5 Int U tag, 15' bed with less than 10,000 on overhauled motor and good rubber. 1964 F-100 Ford truck, S tag, 4 speed trans V-8, 1971 F-250 Ford Custom, 4 speed trans, power steering, power brakes, 360 cu in engine, 15,000 miles 7 x 14 truck bed (factory made).

### ANTIQUe MACHINERY

No 8 New Idea corn shock husker, steel wheels for old gasoline engine, Model A-Ford frame, wheels & rear end.

### CATTLE

Feeder cattle, 10 white shoats, sow & 11 pigs 1 year old Holstein heifer

### MISCELLANEOUS

2 Farmal radiators, 1 used block for Farmal Cub, Tractor chains, Used tractor tires, used wagon tires, Ford belt pulley, large belt pulley for H or M, 50 T baler for parts, 1959 Plymouth, New locust posts, tire & rim for Ford tractor and small parts for wagons and various types of farm machinery Hay and straw

Terms Cash or good check.

GEORGE STEFFEE

R.D. 1

Mt. Wolf, Penna. (717)266-3436

BLAINE N. RENTZEL, Auctioneer  
Emigsville, Penna.

(717) 764-6412

Clerks: Hull, Fink & Hess



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Oh LORD,  
Let there  
be Peace  
on Earth

Wolgemuth Bros., Inc.

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