

Phase 4

(Continued From Page 1)

Thursday. Futures contracts on all grains were up the limits. Egg marketers are looking for dollar-a-dozen days come September.

In exempting food prices from the freeze, President Nixon called on American farmers to produce as much as they can in the next few months.

He said he hopes that reports are untrue of farmers not wanting to raise livestock because of uncertainty over price controls.

"The rules we are setting forth today should give the farmer confidence that the government would not keep him from earning a fair return on his investment in providing food," Nixon said Wednesday.

Noting that the freeze has caused some withholding of supplies from the market, Nixon said the dilemma is no coincidence.

"It is because food prices were rising most rapidly that the freeze held prices most below

their natural level and therefore had the worst effect on supplies."

Treasury Secretary George P. Schultz said the controls program is being introduced gradually in such a way that a bulge of price increases expected to follow the freeze will be stretched out over several months.

Nixon said the tendency for prices to go up in the remainder of this year will be less than in the first half "but greater than anyone would like."

"Particularly, there is no way, with or without controls to prevent a substantial rise of food prices," the President said in his statement.

By 1974, Nixon said, "we should be able to achieve a much more moderate rate of inflation."

The President also took steps to increase the import of dried skim milk by some 80 million pounds from other nations in an effort to increase food supplies at home.

He said stabilizing the price of food remains a primary objective.

"Stabilizing the price of food would not be accomplished by low price ceilings and empty shelves, even if the ceilings could

be enforced when the shelves are empty," he declared.

Nixon said the evidence is becoming overwhelming "that only if a rise of food prices is permitted now can we avoid shortages and still higher prices later."

Phase 4 had been described in advance as a tough new system of price controls much like those that Nixon clamped on the economy during the Phase 2 system from November 1971 to January 1973.

This meant tighter enforcement by government agents, pre-clearance of wage and price increases with the government by big companies and big unions, tight rules allowing businesses to raise prices only enough to cover their cost, and restraints on profit margins.

Nixon opted for a new freeze when inflation exploded in the first half of this year, undermining his largely voluntary wage-price control system known as Phase 3. Consumer prices increased by 9 per cent during Phase 3 and food prices by more than 22 per cent.

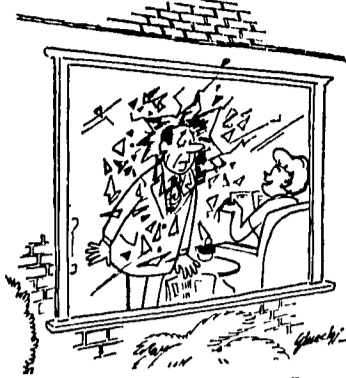
Although Phase 3 was designed to rid the nation of economic controls, Nixon decided on a new freeze to buy time for Phase 4. The President says the new price control setup will likewise be designed to shed the country of controls.

The price freeze resulted in severe hardship in some segments of the food industry after Nixon decided that prices of raw agricultural products would be frozen at the supermarket.

This resulted in some farmers cutting back production, the killing of baby chicks, and closing of some processing plants caught in a financial squeeze by the freeze.

The food industry predicted that unless the price freeze was lifted quickly the nation might be facing food shortages soon. Still, up until Wednesday's announcement, the administration granted few exemptions from the

My Neighbors



"I washed the windows, notice?"

freeze.

The administration blamed the sharp rise in food prices on strong domestic and international demand for food.

Farm Calendar

(Continued From Page 1)

Tuesday, July 24
Annual Conservation Field Day -
County Plowing Contest.

Wednesday, July 25
National Farm Safety Week
begins
Region 1 Ladies Day Out, Pott-
stown Holiday Inn.

Thursday, July 26
10:00 a.m. - Lancaster District
Holstein Show - Guernsey
Barn
Lancaster County Swine
Producers - Board of
Directors meeting, Farm and
Home Center.

Saturday, July 28
Lancaster County Farmers
Assoc. picnic, Lampeter
Fairgrounds.

PUBLIC AUCTION

OF HARDWARE AND LAWN & GARDEN EQUIPMENT

SATURDAY, AUGUST 4, 1973

AT 11:00 A.M.

Will be sold at Public Auction on the premises of
Farmersville Equipment, Inc. in Farmersville, Penna.

HARDWARE

1/4" Electric Drills; Corning Bowl Sets; Tool Boxes;
Fireplace Furnishings; Step Ladders; Extension Ladders;
Wheelbarrows; Bicycle Baskets; Pool Table; Blackboards;
Stove Boards; New Housewares; House Brooms; Dust Mops;
Electric Hot Plate; Electric Ice Crusher; Electric Heating
Pads; Flower Pots; Redwood Picnic Table & Bench; Electric
Sweepers; Ice Chests; Camping Cots; Lawn Chairs; Patio
Grills; Electric Toaster; Electric Hand Mixer; Sewing Chests;
Ironing Board Pad & Cover; Electric Light Fixtures;
Sleeping Bags; Tents; Parts Trays; Croquet Sets; Border
Fence; Lawn Fertilizer.

NEW

Rheems 30 gal. Gas Water Heater; Refrigerators; Stoves;
Monitor Washer; Fedders Air Conditioners; Wood stoves;
Caloric Double Duty Automatic Gas Disposal; 3 Point
Hookup Scraper Blades; Aluminum Storm Doors &
Windows; Screen Door Screening

USED

Used Norge Wringer Washer like new; Color TV, Oil
Heaters, Chest Type Freezers; 2 HP Electric Submersible
Pump w/Switch & Cable

LAWN & GARDEN

New MTD & Bolens Roto-Tillers; 6 New Compost
Shredders & Grinders; 2 New Hudson 12 gal. Sprayers; 1
New Mott Flail Mower 18"; 5 New Lawn Boy Power
Mowers; 5 New Homelite Chain Saws; 5 Used Chain Saws; 1
Used Mott 38", 8 HP Trailer Type Flail Mower, Like New;
New Gilson 5 & 8 HP Riding Mowers; New MTD t & 8 HP
Riding Mowers; Used Bolens 6, 7, 10 HP Tractors
w/Mower; New Portable Space Heaters; 10 Used Riding
Mowers & Garden Tractors, All Sizes; New Bolens G-8 8 HP
Electric Start w/32" Mower; 1 New Bolens G-10 10 HP
w/38" Mower; 1 Denco G-10 10 HP w/38" Mower; 4 New
Lawn Utility Sheds, 1 - 6'x8'; 1 - 8'x10'; 2 - 10'x10'

RECREATIONAL

6 New & Used Chibi Mini Cycles; 10 New & Used MTD
Mini Bikes (3-5 HP Models); 10 New Huffy Bicycles (All
Sizes); 1 Used Bolens 16 HP Snow Mobile; 1 EZ 6'x8'
Double Snow Mobile Trailer w/4 Cycle Racks; 1 Attex Six
Wheeler, 21 HP

Refreshments

Sale time, 11:00 a.m.

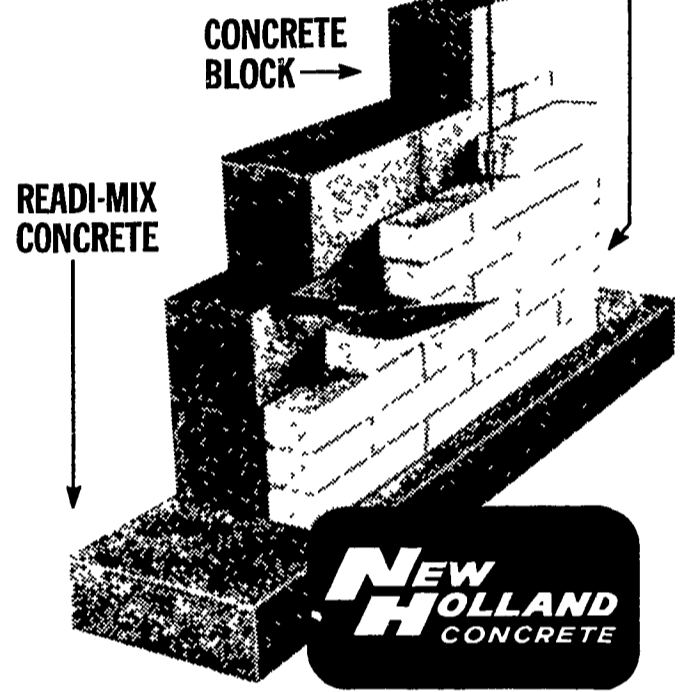
Terms by

FARMERSVILLE EQUIPMENT
R. D. 2, Ephrata 354-4271

FRANK and PAUL SNYDER, Aucts.
859-2688 - 733-7052

For all your concrete needs

Serving the building industry in
Lancaster County with a complete
line of quality concrete products.

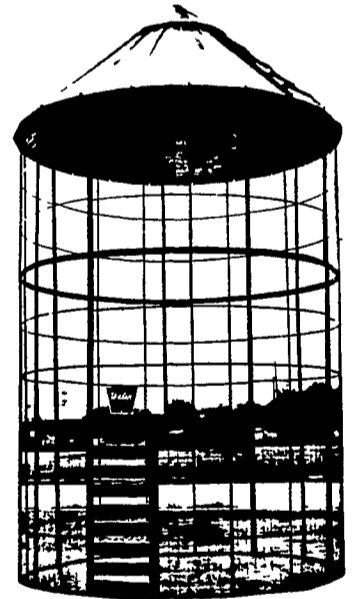


NEW HOLLAND, PENNSYLVANIA / 717 354-2111

RED ROSE FARM SERVICE INC.

MR. FARMER

ARE YOUR HOME
GRAINS IN
SHORT SUPPLY?



Red Rose Farm Service offers a complete selection of
Solanco Dairy Rations to meet every farmers feed-
ing requirements.

Have you seen our coarse textured dairy feeds?

Red Rose Solanco Dairy Rations are manufactured
with the highest quality of ingredients available, and
fortified with the proper amounts of vitamins and
mineral requirements.

GRAIN BANKING PROGRAMS AVAILABLE.

For Complete Information Call One Of Our
Conveniently Located Stores Today

MAIN OFFICE

N. Church Street
Quarryville, Pa.
786-7361



**GRAIN
ELEVATOR**
New Providence
786-3427

BUCK, PA.
284-4464