

ners

# Food America's Best Buy

**much would cost \$2.67 per lb.**

Auto workers	up 149%
Construction workers	up 185%
Rubber workers	up 111%
Transportation workers	up 143%
Railroad workers	up 169%

Turning the comparison around, if wages had gone up at the slow rate of food prices, the average industrial wage would be \$2.23 per hour instead of today's \$3.65. This would amount to a 39% cut in 1972 wages.

Half of the increase in food prices has come in the past five years. But while food was going up 22%, wages jumped 41 percent. And in 1972 alone, wages and salaries advanced 10% while food was increasing 7%.

There's good reason to believe that the gap between food costs and wages will continue to widen. In any comparison with wages, food will remain a top value buy for Americans.

## ure is the best hope r the U.S. dollar

U.S. dollar is in trouble around the "Sound as a dollar" has a hollow ring lays. The basic problem is that we have buying more from other countries than we've been able to sell. Our trade deficit was 2 billion in 1971, \$6.8 in 1972 and will be higher in 1973. This growing trade deficit has put the U.S. to bite the bullet of dollar devaluation twice in a 14 month period. Things are likely to get worse before they get better. Our country is running out of oil. We must import to keep our engines running and our homes heated. That requires an ever increasing number of trade dollars. We are spending about \$5 billion for foreign oil each year—it could be more than \$15 billion by 1980.

Agricultural products offer the brightest promise to save the dollar. At present we are exporting more than \$10 billion per year. SDA experts think that \$15 billion is possible over the next few years — roughly enough to meet the oil bill.

The U.S. has lost its edge in manufacturing over Western Europe and Japan—probably because we produce agricultural products. No other country on earth can equal our ability to grow grain for world meat production. And our climate for high protein soybean production also is unmatched anywhere. We have a technology intensive agriculture with an enormous lead in productivity. And there's an organized marketing, transportation and industrial complex to support it.

Farm product exports must grow to keep the economy healthy, and to protect the value of the dollar at home and abroad.

## Look what beef costs in other countries

If you think meat prices are high in the United States, try shopping in other countries around the world. When U.S. agricultural attaches visited markets in various foreign capitals they found beef substantially higher than in Washington D.C.

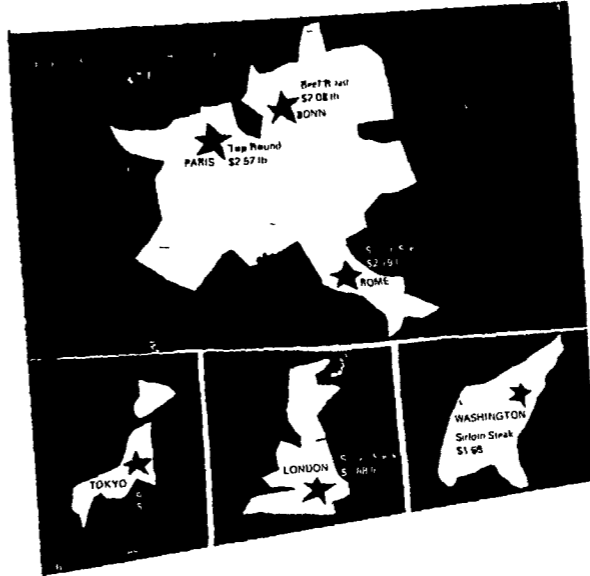
Using the Washington price of \$1.69 per pound for sirloin steak as a basis for comparison, beef in most Western European capitals costs 15 to 50% more than here. Sirloin steak sold for the equivalent of \$1.88 per pound in London and \$2.79 in Rome. Round steak was \$2.57 in Paris, beef roasts were \$2.08 in Bonn. Beef is a rare luxury in Japan where beef loin was quoted \$11.90. Because of difference in cuts and quality, prices are not strictly comparable — but these figures show that beef is much cheaper in the U.S.

Other meats are comparably priced. Early in 1972, chops sold at \$1.12 in the United Kingdom, \$1.66 in Denmark, \$1.74 in Italy and \$1.91 in Japan.

Broilers that sell for 44 cents per pound in the U.S. were priced at 67 cents in Denmark, 82 cents in Italy and \$1.09 in Japan.

People all over the world are demanding more beef and other meats. Their standard of living is improving and meat is what they want. Foreign workers are paying higher prices than those of the United States and a much high percentage of disposable income.

Japan currently averages only 27 pounds of beef per person, compared with our 115 pounds. But in prosperous Japan, people are demanding more beef and they are willing to pay the world's highest prices to get it.



## Farms and the food industry provide 1 out of 5 jobs

Food is the nation's largest business. Add up all of the workers on the farm, in processing, transportation, retailing and restaurant food service and you'll find one out of every five workers in the U.S. Farming itself employs 4.3 million workers. That's as many as the combined employment in transportation, steel and automobiles.

Two million people have jobs in providing supplies farmers use in production. For example, it takes 120,000 workers to produce farm equipment. The steel used in cars, trucks, tractors and other equipment requires 40,000 workers. Five percent of the production by the nation's rubber workers goes to farm markets.

There are another 8 to 10 million people employed in all of the links in the food marketing chain.

This includes those in the canneries, meat packing plants and those who make the packages for convenience foods. There are truckers and railroad workers all the way from farm to market. Count the number of people working your local supermarket next time you shop — you'll find an example of another large group of job holders. The total payroll in marketing runs \$38 billion per year. An agricultural industry that receives fair prices is a big buyer of all kinds of products. And that means more and better paying jobs for workers in urban factories and service industries.



This page is devoted to reprint of articles from "How Farmers Make Food America's Best Buy." The booklet can be obtained free by writing Penn-Jersey Harvestore Systems, Inc., P.O. Box 91, New Holland, Pa. 17557, or Phone (717) 354-5171.

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