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FARM TRENDS

A summary of market and commodity news for the past week

by Dick Wanner

Fertilizer Prizes Up

Price rises zipped upwards immediately after the Cost of Living Council removed ceilings on domestic fertilizer prices. Prices abroad had been about \$25 a ton higher than the controlled price here in the U.S., and the industry was therefore selling its wares overseas. A shortage of supplies at home prompted the CLC to take another look at the situation.

Higher prices at home are expected to help relieve acute domestic shortages and stabilize food prices by increasing crop production in 1974. At least that's what the administration hopes.

The price increases range from 20 to 40 percent and more, with fertilizer products previously selling in the \$60-to-\$80-a-ton range currently priced above \$100 a ton in most cases.

Bits and Pieces

- + Prices of dairy products are up slightly, but they remain a good buy in terms of protein value.
- + Milk prices went up less than cola drinks for the year period ended January, 1973.
- + Twenty grams of protein from milk cost 21 cents as of March 5, versus tuna fish at 23 cents and sirloin steak at 70 cents.
- + The average price of soybean meal, the principal protein feed for dairy cows, was \$372 per ton in mid-August, an increase of \$239 in a year.
- + Milk production for the January-August 1973 period, at 80,981 million pounds, is 2.4 percent less than the same period last year. Yearly production for 1973 will approximate 117 billion pounds, versus 120,278 pounds last year.
- + There are fewer cows in 1973 on fewer farms producing less milk per cow than in 1972.
- + High feed prices and poor quality and quantity of roughage have lowered milk production. Dairy farmers have been culling herds for beef sales.
- + Feed prices are expected to remain high, but gains in milk output per cow may improve with increased feed crops.
- + High prices are pushing up cash receipts in 1973 to about \$7½ billion. Dairymen's gross income is rising less than costs, so net returns may be less than in 1972.
- + Total commercial use of milk in all dairy products this year will likely rise less than 1972's 3½ percent. Per capita milk consumption may hold about steady, after rising 1 percent last year.

At Local Annual Meet . . .

Buy Fertilizer Now Agway Group Told

"Fertilizer supplies are going to be erratic. Shipments are going to be even worse. I just hope we don't have the price situation with fertilizer that we had with feed grains this past year," Mark Hess told an annual meeting of Agway members, employees and officers on Monday night at the Farm and Home Center. Hess is manager of Agway's local Garden Spot unit. Hess strongly urged farmers to contact their fertilizer suppliers as soon as possible to arrange delivery of their fertilizer needs for next spring. "And if you can get the fertilizer, buy it and spread it now. I know you may run into some leaching problems,

but I think you'll still save money because the price is sure to go up if you wait till next spring to place your order."

Recapping the local unit's performance for the past year, Hess said that fiscal 1972-3 was the best year ever, with over \$7 million dollars in sales for the Garden Spot. Of the total, approximately \$1 million was in tobacco sales, and the rest was spread over the four local stores.

Hess commented on some of the changes that have taken place in the past year, and thanked the members for their patronage. He ended by reminding the group that money

(Continued on Page 22)



Three junior members of the Lancaster County Holstein Association were honored Monday night at the association's annual banquet in Smoketown. Left to right are Ruby Ginder, who won the FFA calf

presented annually by the association, Greg Landis and Linda Kauffman. Greg and Linda are the association's distinguished junior members for this year. (See story on page 23.)

Called by Milk Advisory Council

250 Dairymen At Marketing Meet

Responding to the question, "Will the United States dairy industry be traded off to Europe", Pat Healey of the National Milk Producers Association responded, "Yes, if we let it happen." Healey was one of a half-dozen speakers featured at the first Pennsylvania Milk Marketing Conference which took place at the Penn Harris Motor Inn Wednesday. The meeting, titled "Crisis In Marketing", was attended by approximately 250 dairymen from throughout the state.

First to speak on the international dairy trade was Robert Lewis, executive director of the Wisconsin Farmer's Union. "Europeans are gravely upset with America's policies, particularly in agriculture," Lewis said. He went on to state that they would not accept the proposals of the Flanigan report even if we

left our government try to get away with it. Europeans are committed to giving farmers a fair deal he stated.

Lewis believes the Flanigan report is a market oriented policy, free of government

Credit for Agriculture Seen Tight

"In the next four or five years, taking out a farm loan isn't going to be a question of whether or not your credit's any good, it's going to be a question of whether or not anybody has the money to lend," Carl Brown told the annual meeting Wednesday of the Lancaster Production Credit Association and the Federal Land Bank Association of Lancaster. Brown is general manager of the two farm credit organizations which operate out of Lancaster office.

Brown said credit requirements have gone up rapidly in the past few years, and he foresees a day when there may simply be no money to lend. "In 1971, our average PCA loan was for \$23,000. In 1972 it was \$27,000, and in 1973 the average loan is \$33,000. And most of these loans are for small operations. We have only one loan in excess of \$1 million," Brown said.

The local PCA has some \$19.4

(Continued on Page 23)

programs even though it may look otherwise. Trade negotiator goals for agriculture are aimed at breaking down the price supported system of other countries. We want our grains and soy beans to be marketed overseas without government controls and in return will reduce import limitations on dairy products that are sent to us.

Lewis went on to say that in order to avoid world price controls, we ought to stop protecting dairy farmers so that other countries will reduce controls for our grains and soy beans. Theoretically, he said, our production capabilities would thereby compliment each other. Europe has the capacity to produce milk and milk products but is not in the position to provide grains and soy beans to meet its needs. In short, Lewis

(Continued On Page 22)

Farm Calendar

- Sunday, November 11
Bit and Braddon 4-H Club meeting, Webber's.
- Monday, November 12
Fulton Grange meeting, Oakryn
- Tuesday, November 13
9:30 a.m. - Chester County Extension Workshop, Men's Knit Jacket, Malvern.
- 6:15 p.m. - Inter-State Mill Producers Coop annual Banquet, Marriott Moto Hotel, Philadelphia.
- 7 p.m. - Solanco FFA Testimonial Banquet, Solanco High School Cafeteria

(Continued On Page 23)

In This Issue

Markets	2-4
Sale Register	35
Farmers Almanac	6
Classified Ads	41
Editorials	10
Homestead Notes	24
Home on the Range	28
Tobacco Meets	8
Shaver Seminar	12
Livestock Judging	
Team Places 4th	33
Garden Spot	
Farm-City Exchange	19
Poultry Health Meets	19
PSU Forage Conf.	18
Neema Meet	17
Mark Hatfield Visit	30