

Challenges for 1976

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will be lost over the next few years because they already own it. "But there are temptations — I know that," he affirmed.

"Agriculture in this part of the country is still on a very high level to me," Smith, who has won numerous awards for this work, continued. "The farming enterprise is a very important segment of our economy and in Lancaster County it furnishes a great attraction for tourism," he observed. Lest this interpretation of tourism be misunderstood, Smith explained that he believes the tourist industry within the County has reached the point where it should be controlled. This would be helpful to Lancaster County agriculture, he pointed out, "so that we don't take away the rural countryside which is still the great attraction. "It's changing, they're covering it up, and then it won't be as attractive to tourists," he noted.

Other challenges facing farmers in the coming year include the Clean Streams Law, pesticide regulations and similar environmental legislation. While much of this won't actually become mandatory until 1977, plans are now being prepared by many if not most farmers. The pesticide-use regulation, Smith noted, will not require farmers to be certified until Oct. 1977, rather than Oct. 1976 as had been proposed earlier.

The economic outlook for 1976 is strong. Smith and others in similar positions predict that favorable prices are likely to be seen for hogs and milk especially, at least for the first half of our Bicentennial year.

Swine producers in Lancaster County were unquestionably on top during 1975 as they saw their best year in history. "Hogs are scarce, and they even went up as high as 65 cents per pound," Smith recollected. Prices are expected to remain high, even though they've dropped approximately 10 to 15 cents since the all-time high was reached earlier in the year. The supply is catching up to demand, however, and the outlook on prices beyond the first half of 1976 may not be as favorable.

Smith described the dairy situation of recent months as having been "very good" and added that it is "one of the brighter looking enterprises on the farm today. "The accompanying chart shows the way prices have gone for the past three years."

Cow numbers are stabilizing; production per cow is gradually increasing, Smith noted. The demand for breeding stock is very strong in this part of the state, especially Lancaster County, he added. "overall, the outlook is quite favorable."

Any clouds which might be appearing on major segments of the area's ag

economy are likely to be over the cattleman's business. The same problems which this industry encountered during 1975 are likely to remain next year because of "too much cheap beef and some exports." The total number of unfinished cattle on hand is believed to be responsible for the not-so-bullish outlook. Prices are likely to decline, in fact, says Smith.

According to Smith and ag extension economists at Penn State, the picture for the beef operator could change if he is encouraged by the lowered feed prices. In the past many cattlemen have not bothered to finish their cattle because of high feed prices — thus glutting the market with low-grade beef. High quality beef has remained relatively scarce. A Penn State survey revealed that cow slaughter in the July-Sept. period for 1975 was up 60 percent from a year ago.

Prices of feeder cattle are expected to remain low. If lower feed prices encourage cattlemen to put more animals into feedlots as expected, then a more favorable outlook may be over the horizon during the second half of 1976.

Egg prices are expected to decline somewhat during 1976, compared to price levels attained this year, but Smith expressed confidence that the Lancaster County poultry outlook would remain good for both eggs and broilers. He forecasts a lowering of poultry meat consumption if red meat prices decline — as they might because of lower feed prices. Penn State extension economists predict that more eggs, broilers and turkeys are in prospect for the upcoming year.

Feed grain prices are significantly below those of a year ago, and this has helped the majority of Lancaster County farmers since they are primarily involved in livestock, poultry and dairy production.

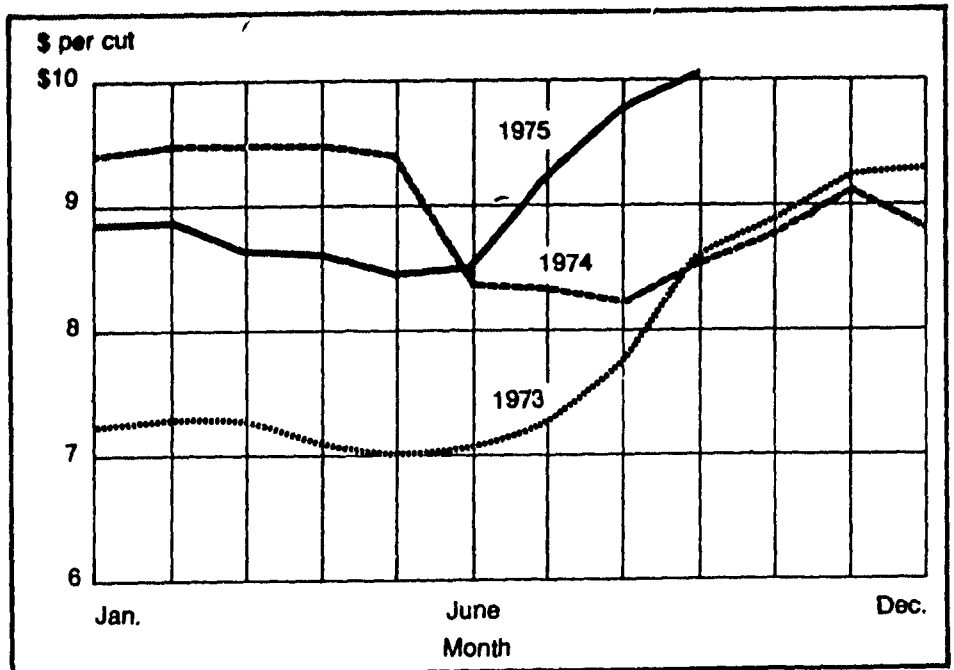
Lancaster County is in an especially favorable marketing situation, Smith pointed out, because of its closeness to eastern metropolitan areas. A brochure printed last year states that the markets of nearly one-third of the nation's population are within an overnight haul of Lancaster County farms.

Smith believes that the total dollar value of farm products sold from Lancaster County farms will be up for 1975. In 1974 the gross farm income for the County amounted to \$326-million — first in the U.S. for non-irrigated counties. Known far and wide as the "Garden Spot of the Nation," Lancaster County has approximately 6,000 farms in production and more cows than any other county in the Commonwealth. Its more than 70,000 head makes it the third most populous dairy county in the entire United States.

Jeff Martin then took over the meeting.

The next meeting of the New Holland 4H Baby Beef Club will be held January 19, at Victor Weaver's Poultry Plant.

Audrey Hoover, Club Reporter



Average blend price received by Pennsylvania farmers for milk

Month	U.S. Milk Production			Pa. Milk Production		
	1974	1975	Change	1974	1975	Change
	mil.	mil.	%	mil.	mil.	%
	lbs.	lbs.		lbs.	lbs.	
Jan.	9287	9301	+ .2	559	568	+1.6
Feb.	8765	8775	+ 1	512	531	+3.7
Mar.	9988	10023	+ 4	585	599	+2.4
Apr.	10122	10121	0	601	605	+0.7
May	10841	10789	-.5	653	656	+ .5
June	10563	10460	-1.0	630	623	-1.1
July	10139	9998	-1.4	599	586	-2.2
Aug.	9690	9690	-0.8	582	579	-0.5
Sept.	9140	9101	-0.4	569	566	-0.5
Oct.	9125			571		
Nov.	8669			540		
Dec.	9087			570		
Total	115416			6971		

Using production figures from 1973, here's a quick run-down of Lancaster County's agricultural might:

Dairy products — 70,700 cows, product value of \$60,703,000; first in Pennsylvania, second in the U.S. Poultry (all) — more than 2-million, product value of more than \$70-million; first in the state, seventh in the nation.

Cattle and calves (beef and dairy) — 227,700 head, product value of \$95,647,000; first in Pa., 27th in the U.S.

Hogs — 135,000 head, product value of \$7.4 million; first in the state, 64th among 3,000 U.S. counties.

Sheep — 8,800 head, value of product: \$298,300; third in the state.

In crop production, the County ranks first in the state for all but oats, potatoes, vegetables and

fruits. The total value of all crops harvested in 1973 from 329,950 acres totalled to \$74,736,360. The value of all farm products in 1973 was \$311-million.

Demand for food products will continue to grow, Smith assures, and this in itself may be one of the greatest challenges to agriculture. With that in mind, the extension official cites a greater need than ever before for "doing the right thing at the right time with the best knowledge that you have."

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CCC loan activities summarized

WASHINGTON — The U.S. Department of Agriculture reported today that as of Oct. 31, the total investment of Commodity Credit Corporation in commodity loan and inventories amounted to \$1,077,005,000. The amount includes loans outstanding of \$636,980,000 and inventories of \$440,025,000. This compares to \$707,657,000 as of Oct. 31, 1974, which included loans outstanding of \$532,947,000 and inventories of \$174,710,000.

Commodity loan and purchase transactions on 1975 crops through Oct. 31, 1975, totaled \$783,234,720. The total was comprised of loans made of \$553,061,683 and purchases of \$230,173,037. This compares with \$532,185,024 on 1974 crops as of Oct. 31, 1974.

New loans made for storage facilities and drying equipment during the first four months of fiscal year 1976 amounted to \$26,144,137 as compared with \$10,396,589 for the same period a year earlier. Loans outstanding under this program as of Oct. 31, 1975, compared with Oct. 31, 1974, amounted to \$184,846,566 and \$240,473,625 respectively.

Commodities acquired, including purchases, by CCC during the first four months of the 1976 fiscal year had an acquisition cost value of \$101,863,020. For the same four-month period a year earlier, purchases and acquisitions amounted to \$162,772,771

Movement of agricultural commodities out of CCC's inventories through Oct. of Fiscal 1976 totaled \$81,210,928, acquisition cost value basis. The out-movements for the first four months of fiscal year 1975 totaled \$101,481,816, on the same basis.

The Corporation's total net realized loss from operations amounted to \$110,315,000 for the four-month period ended Oct. 31, 1975, as compared to \$150,440,000 for the same period in fiscal year 1975.

Beef Club meets

The New Holland 4-H Baby Beef Club held its 1976 reorganization meeting recently at the home of Linda High. County Agent Max Smith got the meeting started and each member gave their name and a report on their steer. Mr. Smith gave out the record books and then the officers for 1976 were elected, and they are as follows: Jeff Martin, President; Linda High, Vice-President; Kathy Martin, Secretary; Vickie Bare, treasurer; Tim Groff, Song Leader; Donna and Gerald Eberly, Game Leaders; and Audrey Hoover, Reporter. The 1976 Adult leaders for the club are the same as last year and are as follows: Harvey High, Auctioneer Robert Martin, Lester Weaver, John Groff, Mark Yoder Our new President



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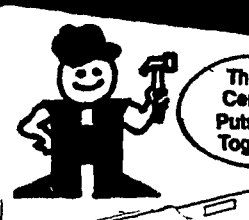
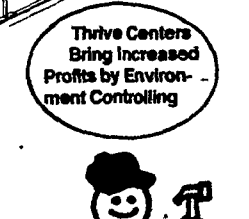
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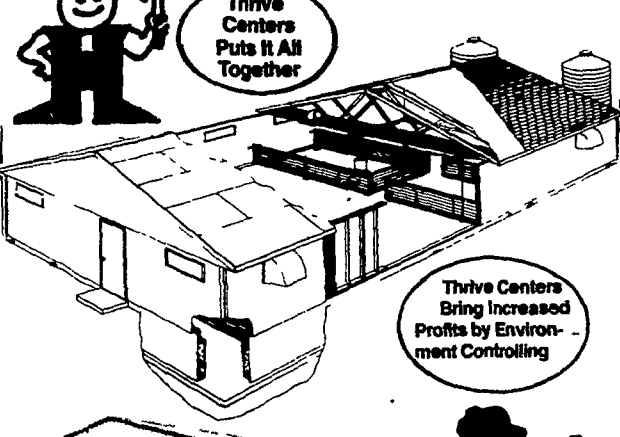
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