

Action cited to reduce ag's uncertain prospects

CHICAGO, D.C. — A spokesman for the U.S. Department of Agriculture has said most of the uncertainty U.S. agriculture has faced due to the suspension of sales to the Soviet Union by now has been reduced by the series of actions taken by the Administration and the Department.

Speaking before the Fertilizer Institute's annual meeting here, Howard W. Hjort, director of economics, policy analysis and budget, cited a rebounding of farm prices and rapidly moving exports as signals of a continued strong agricultural plant.

In spite of the suspension in sales, he said, the U.S. will continue to be the world's greatest agricultural exporter.

However, he said, one issue of prime importance to the fertilizer industry remains unresolved — the question of whether a land diversion program will be implemented this spring.

Furthermore, while U.S. policy on fertilizer product trade has been announced, the issue has not yet been completely settled.

"Before the suspension of grain shipments to the USSR, we had forecast consumption of nitrogen, phosphate and potash to increase three to four percent, as a result of an increase in planted acreage and higher application rates. Fertilizer prices were forecast to rise substantially above 1978-79 levels in response to strong domestic and foreign demand and increasing production costs.

"The invasion of Afghanistan and the U.S. response have complicated this outlook," Hjort said.

On January 18, President Carter imposed a quota on 1980 Russian ammonia imports, limiting imports to 1 million short tons in calendar year 1980. Of this quota, it is estimated that 500,000 tons will be imported

during January-July.

"By itself, this action would have had little impact on nitrogen supplies or price," Hjort said. However, actions taken by the International Longshoremen's Association have been a complicating factor since the union was refusing to load or unload all cargo to or from the USSR — effectively stopping ammonia imports on the East Coast and all phosphate exports. On Friday, however, the ILA was ordered to stop interfering with phosphate exports to the Soviet Union.

"However, the consistency of a policy to allow fertilizer trade with the Soviets at a time when grain sales had been suspended, had come into question," Hjort said.

Secretary of Commerce Philip M. Klutznick has announced that in the interest of U.S. foreign policy, the U.S. suspended new licensing of phosphate exports under general licenses, effective February 4.

"In the future, phosphate exports will require validated licenses before shipment can be made to the USSR. Shipments of phosphate on dock for loading or in transit to a port have been given 48 hours to move under general licenses. But until a thorough assessment of the issues is completed, no licensing action will be taken," Hjort said.

"The net result of these actions could mean some downward pressure on domestic phosphate prices," Hjort said. "On the other

hand, near-term ammonia imports could be constrained slightly."

Whether a diversion program is implemented in 1980 will also affect demand and prices for fertilizer, he added.

Hjort described the measures President Carter directed in response to the Soviet Union's invasion of Afghanistan, mainly dealing with the suspension of grain sales above the eight million tons allowed under terms of the U.S. - USSR Grains Supply Agreement and its potential impacts on American farmers.

"In other circumstances, this action might have meant disaster for our agricultural producers. In this case, it has not. The reason lies behind the President's commitment to ensure that our agricultural producers alone do not bear the cost," he said.

During the last month, the government has offered to assume the contractual obligations for approximately four million tons of wheat, 10 million tons of corn and about one million tons of soybeans.

In the case of corn and soybeans, the Commodity Credit Corporation will either take delivery or, if the farm price is above the pre-suspension level, arrange sales of the contract to another party; none of the wheat will go back onto the market — instead it will be used for foreign food aid purposes.

The government also amended the farmer-owned

reserve to encourage farmers to place additional quantities of grain in reserve.

Loan prices for wheat and corn were increased and the bands between reserve release and call prices expanded. Reserve storage rates were increased and interest on the first 13 million tons of corn entering were waived for one year.

Producers already with corn in reserve also were given a year's interest waiver as on January 7, but interest accrued before that time is still owed.

In addition, the government offered and received bids to make direct pur-

chases where congestion is backing up the system.

The President is asking Congress to increase fiscal 1980 and 1981 appropriations to increase food aid to needy countries and has reiterated his support of an alcohol fuels program to stimulate new demand for grain while helping to reduce dependence of foreign and costly energy.

Hjort said reaction to the President's stand has been favorable.

"Rarely have we received such heartening support from our fellow nations as we have this time for the stand we have chosen to take.

"At home, the reaction of our people has been equally encouraging. Our producers and consumers understand the seriousness of the current situation. They understand the reasons behind the President's actions. Most are willing to carry part of the load.

"Agricultural producers, at first skeptical of the President's commitment to protect farm prices and farm income, are seeing that our promise will be kept. And, as a result of the Administration's actions, most of the uncertainty surrounding prospects for U.S. agricultural has been reduced," Hjort said.



Enjoy with pride the value and the real convenience of **THE MILLER BUILDING**, delivered complete and ready for use . . .

The Miller Building is ready when you are — and can be delivered to your site and erected in just a few hours upon your own foundation. You save both time and money when compared with conventional or even masonry construction.

The uniqueness of The Miller Building is in the exceptionally strong internal construction. Not only does this allow for the added strength of siding materials but it permits maximum use of all interior space — permitting the wide use and easy application of finished wall materials.

Besides the flexibility of modular units — allowing additions or easy relocation — erection is fast and simple, with no wait for a contractor.

The Miller Buildings Pictured TWO CAR GARAGE 24 x 24 x 8
SHOWROOM 24 x 40 x 10 TEN CAR GARAGE 120 x 36 x 10



Transportable Steel Buildings
All Steel Unitized Construction
Styrofoam Wall and Roof Insulation
Attractive Bonded Finishes
Aluminum Pass Door and Windows
Complete Building Delivered to Site

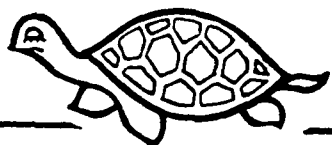
Practical and Versable Designs
TWO-CAR GARAGE
STORAGE BUILDING
WAREHOUSE or WORKSHOP

Uniquely constructed in two or more units this steel molded building offers maximum strength with a very minimum of bulk. Strong space saving walls will help control temperature changes making the building easier to heat and cooler to use in summer.

For sales and service call
(717) 866-2319
(717) 866-5469

J. MILLER BUILDINGS, Inc.
P O BOX 171
Myerstown R.D. 3, Pa. 17067

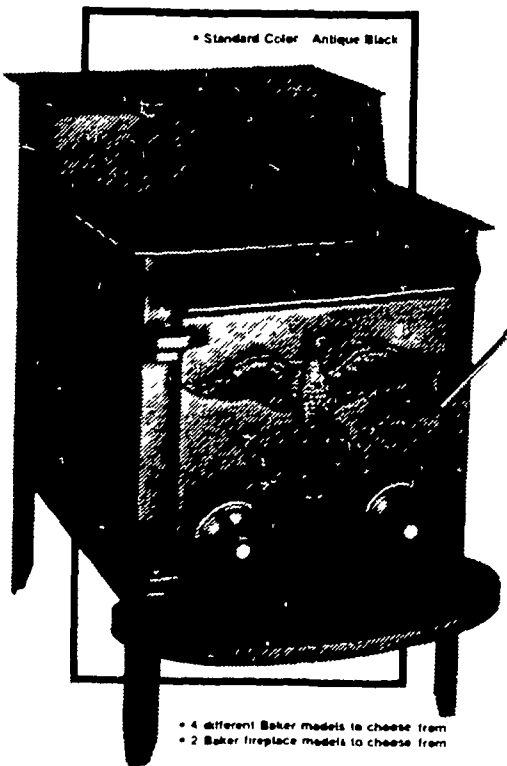
**DON'T
BE
SLOW**



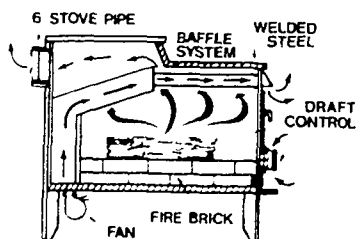
**Call Now To Place Your
CLASSIFIED AD**

Ph: 717-394-3047 or 717-626-1164

Baker SILVER EAGLE



The Baker "Silver Eagle" is engineered for peak efficiency. Not only do you have the fastest cold-to-hot time, but also the longest burning. Constructed from heavy-welded steel plates, cast iron door and hinges and fire brick lining. Tastefully finished in early American tradition, the Baker "Silver Eagle" will add warmth, beauty, and charm to your home, shop and place of business. We re-invented the wood burning stove — circulatory and radiant heat.



Baker Wood Burning Stoves, the patented system for warmer living

IN STOCK

\$450⁰⁰ PICKED UP

**WOODBURNERS
PARADISE**

J & A STOVES

Box 176, Rt. 322 East, Blue Ball, Pennsylvania 17506
Phone 717-354-4478

See The Patz Dealer In Your Area For Products And Service...

DISTRICT MANAGER

GEORGE HEATH, 472 Woodcrest Dr., Mechanicsburg, PA 17055 717-737-9400

ALEXANDRIA
MAX ISENBERG
814-669-4027

BALLY
LONGACRE
ELECTRIC
215-845-2261

BELLEFONTE
LUCAS BARN
EQUIPMENT
814-383-2806

BELLEVILLE
MACLAY & SON
717-935-2101

CAMP HILL
LLOYD SULTZBAUGH
717-737-4554

CHAMBERSBURG
VALLEY FARM
AUTOMATION
717-264-3814

ELLIOTTSBURG
CARL BAER
717-582-2648

HAMBURG
SHARTLESVILLE
FARM SERVICE
215-488-1025

LEBANON
MARVIN J HORST
DAIRY EQUIPMENT
717-272-0871

McALISTERVILLE
SANER FARM
SYSTEMS
717-463-2606

MILLERSBURG
LANDIS
LABOR SAVERS
717-692-4647

MILTON
LANDIS FARMSTEAD
AUTOMATION
717-437-2375

QUARRYVILLE
UNICORN FARM
SERVICE
JAMES E LANDIS
717-786-4158

PIPERSVILLE
MOYER
FARM SERVICE
215-766-8675

TERRE HILL
TERRE HILL
SILO CO. INC.
215-445-6736

WILLIAMSBURG
LONGENECKERS, INC.
814-793-3731

MARYLAND DEALERS

HAGERSTOWN, MD
TRI-STATE
FARM AUTOMATION
301-790-3698

KENNEDYVILLE, MD
PINDER SERVICE CO.
301-348-5263

LINEBORO, MD
WERTZ GARAGE, INC.
301-374-2672

STREET, MD
P & S EQUIPMENT, INC.
301-452-8521