

WHERE EMERGENCY LOANS WERE AVAILABLE

HELP FOR FARMERS—As of October 1963, 570 counties (in black on Newsmap) in 30 states were eligible for emergency loans from the Farmers Home Administration. These areas were where natural disasters, such as drought, floods or windstorms, caused a need for credit that could not be met by private lenders. In the fiscal year ended June 30, 1963, FHA made about 19,000 emergency loans totaling \$63 million, about the same volume as in the preceding year. Data from U.S. Department of Agriculture.

FARM REVIEW

HERALD AND NEWS, Klamath Falls, Oregon Tuesday, December 31, 1963 PAGE-7

Proposed Withhold Program Termed Ruinous To Farmers

WASHINGTON (UPI)—Three farm organizations have characterized as "ruinous" to Midwest dairy farmers a proposed "withholding" program designed to raise cash returns to producers.

Spokesmen for the three farm groups said a lengthy study showed that the withholding proposal of the National Farmers Organization (NFO) could not succeed because it would price withheld commodities out of the market and, in fact, destroy the market for the commodities in question.

The NFO withheld livestock from the market in some areas more than a year ago. The Agriculture Department said later that prices to producers went up somewhat, but later dropped more than usual because of an influx of heavier weighted animals.

The three groups — National Creameries Association, Wisconsin Council of Agriculture Cooperative, and Minnesota Dairy

Products Association—said the NFO's proposed withholding action would cause retail butter prices to "increase to about \$1.20 per pound and retail cheese prices to increase about 20 cents per pound."

The spokesman said such increases in consumer prices would have the "immediate effect of losing the commercial market for most of our butter and a great deal of our cheese; and would worsen an already bad situation in non-fat dry milk."

"The reduction in consumption, estimated at over 50 per cent of the commercial market for butter and a large portion of the cheese and non-fat markets, would in fact ruin the Midwest dairy farmer who produces milk for manufacturing," the spokesman said in a statement.

The government price support program also would be in serious danger, the spokesman said. "It is doubtful that the price

State Farm Income Prospects Improving For 1964

Oregon's 1964 farm income prospects are more favorable now than a few months ago, although "the economic and political weather ahead is far from settled."

This is the observation of Marlon D. Thomas, Oregon State University extension agricultural economist, in the new Oregon Farm and Market Outlook circular just published by OSU. Copies are available from county extension offices.

Changes in the wheat and cattle situation, Oregon's two top farm income producers, are responsible for the improved outlook, Thomas noted.

Poultry and dairy appear headed into a year much like the one just passed. Oregon fruit producers, with better weather, should have more to sell in 1964. Seed crops seem to be slated for another mixture of price and income ups and downs.

Vegetables for processing appear to be in a fairly favorable market position and potato prices could go from bad to better by next fall.

Unprecedented exports now promise to reduce United States wheat stocks by next summer to the lowest level since 1963, Thomas reported, taking much of the power out of the principal price and income-reducing force to which wheat and its producers are exposed by the

drastic drop in the 1964 price support level.

The large exports and reduced stocks will give a strong psychological boost to the 1964 market. Even more, they bring the day of larger allotments closer, Thomas said. Chances also remain for price support and diversion payments to help bolster 1964 wheat incomes, depending on Congressional action and administrative response to various pressures now developing.

Larger wheat marketings are another income-sustaining possibility, the economist pointed out. Even without federal program changes, new higher-yielding varieties and other technology seem likely to push output up.

"In any event, lower wheat prices, if they come, will be less disastrous than if they did not coincide with the introduction of higher-yielding varieties," Thomas said.

However, Thomas added, much uncertainty seems likely to continue throughout the 1964 wheat production and market season. Uncertainties and unforeseeable developments "will be a trying challenge to those who must make operating and policy decisions on farms and off-farms."

The big worry in 1964 for Oregon's cattlemen revolves around beef supply, which will depend on weather, domestic slaughter and imports. Demand prospects are encouraging, Thomas said.

But, he noted, beef supplies can and do increase faster than demand at times. This is one of those times. As a result prices have declined. This will encourage consumption and, in time, either slow down the rate of increase or temporarily decrease supply.

For 1964, the economist said, there is little prospect that U.S. beef supply will decrease, although lower prices may discourage imports. On the other hand, he continued, barring a severe drought, there is little reason to anticipate large increases in supplies or cow and calf prices much below recent levels.

On the whole, the year ahead should find both wheat and cattle moving toward stronger supply positions, Thomas said. Even so, it may be a better time to go into, than get out of, cattle ranching.

It will be a good time to make cost-cutting, output-increasing adjustments in the farm business. It will also be a good time to consider off-farm employment and investment possibilities, Thomas said.

Opportunities for farm youth and farm adults to learn new skills and better methods will be available, although somewhat restricted by state budget cuts, he added.

Beach Tells Convention Decisions

Harold Beach, Hermiston, president of the Oregon Farm Bureau Federation and a delegate to the American Farm Bureau Federation Convention in Chicago this month, said the delegates were more unanimous in their decisions this year than at any previous conventions he had attended.

Beach said the image of the farmer as a free enterprise backer was more pronounced this year and that he felt it was due largely to the defeat of the wheat referendum last spring.

Some of the topics of interest to Oregon farmers covered at the convention were these:

1. An Oregon resolution asking for greater tenure of public land usage by ranchers. Such practices would encourage ranchers to make land improvements which are not feasible under present policy.
2. Curtailment of meat imports which are currently depressing the U.S. market.
3. Opposition to extending minimum wages and hours to farm workers.
4. Averaging income for tax purposes to aid farmers in poor crop years.
5. Another Oregon resolution calling for maintaining food protective programs with the U.S. Department of Agriculture, rather than shifting them to other departments of government.
6. A voluntary land retirement program on a bid basis for cutting down on surplus production.

More Poultry, Eggs Forecast For 1964 With Gains Probably Equal To Growth

More poultry and eggs are in prospect for 1964, with the gains probably equaling or exceeding population growth. This should keep Oregon prices near or below 1963 levels.

This is the outlook as seen by Charles M. Fischer, Oregon State University extension poultry marketing specialist. Fischer makes his observations in the new Oregon Farm and Market Outlook circular just published by OSU and available from county extension offices.

The increase in national egg production is expected to be relatively small and moderate expansion is foreseen for broilers and turkeys, Fischer said.

Egg production level for the first half of 1964 is largely fixed by the number of layers and potential layers currently on hand. On Oct. 1, the number was the same as a year earlier, he said, suggesting that the national flock will be about the same size as the laying flock on Jan. 1, 1963.

As the year progresses, however, new layers will be added and, by the second quarter, layer numbers may exceed the 1963 level by about one per cent. Much of the expected in-

crease in egg production will likely stem from an increase in eggs per layer, particularly in the first quarter, Fischer said.

However, he continued, lower egg prices early next spring and the trend away from spring hatchings are expected to result in a decline in the January - June hatch of egg-type chicks below 1963. Because of this, the number of layers on farms by early fall may be below the 1963 level.

Producer prices are likely to show a greater seasonal rise next year, but may still average under 1963, he pointed out.

Recent hatchery activity indicates broiler production in 1964 will be about the same as early 1963, but output for the entire year is likely to be above 1963, Fischer said, with the larger national hatchery supply now on hand adding pressure for larger broiler output.

However, he noted, more abundant beef supplies in the

Field Mice Precaution Need Told

New is the time to look for and control meadow mice, small rodents that annually cost Oregon farmers thousands of dollars, reports Andrew S. Landforce, Oregon State University extension wildlife management specialist.

Mice do their damage to orchards, lawns, pastures, and high-value agricultural crops during fall and winter. Their presence may be detected along ditch banks, fence rows and in weed patches.

The rodents can be controlled with one per cent zinc phosphide treated grain, Landforce explained. This is considered safe to wildlife and other animals when applied correctly at proper rates. It is available at most feed and seed stores.

To be effective as well as safe, 6 to 12 kernels of poisoned grain must be placed in mouse holes or runways, leaving a space of 10 to 20 feet between baited places. This is an average of 3-5 lbs. per treated acre.

"It only takes four kernels of poisoned grain to kill a meadow mouse," Landforce stressed.

This is currently the most economical way to control meadow mice, he added. OSU Agricultural Experiment Station researchers in wildlife management are studying the life history and biological aspects of the rodent hoping to learn how to predict and avoid the population explosions so costly to agriculture.

Poisoned grain should not be applied by broadcasting, Landforce emphasized, but placed in mouse holes and runways. Meadow mice don't run in search of food, but confine themselves mostly to holes or established runways. Also, losses of both domestic animals and wildlife have been reported when excessive amounts of bait have been scattered in fields.

Future Of New Milk Law Hangs On January Meet

The future of Oregon's new milk stabilization law may depend on decisions made Jan. 6 to 8 by producers attending the 70th annual meeting of the Oregon Dairymen's Association in Eugene. Operation of the milk marketing act will be one of the major subjects for discussion.

Oscar Hagg, Oregon State University extension dairy marketing specialist, points out that the new law, which went into effect in June, has already come under fire from several producer groups. One of the major obstacles to effective administration of the law is the ticklish interstate sales problem. This has been partially solved by a change in policy by the State Department of Agriculture.

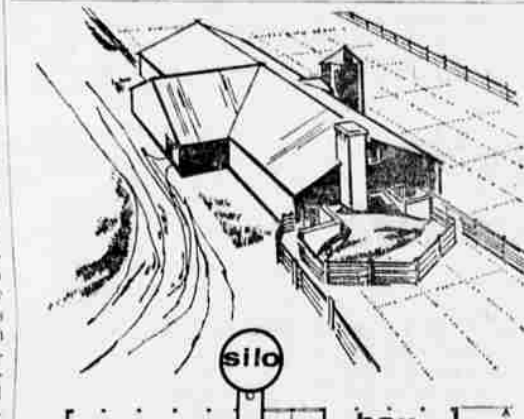
Another problem area is the payment of equalization fees by producer-distributors. A third factor which has introduced a note of uncertainty into the program's future is the recent decision by a Portland milk shipping group to divert member's supply from one marketing agency to another. The Dairymen's Association meeting will provide an opportunity for Oregon milk producers to discuss these issues.

The ability to find solutions to these and other problems yet to come may spell out the fate of the new law, according to Hagg. The dairy marketing specialist predicted that if for any reason the law doesn't work as it should, this will probably be the last time that the Oregon legislature will co-

operate with dairymen in creating milk control legislation.

In the past, too many dairymen have paid too little attention to the marketing phase of their business, says Hagg. Attendance at the Eugene meeting is one means of learning more about marketing problems and helping to solve them, he added.

The general theme of the three-day meeting of the Eugene Hotel will be "Cooperation for Mutual Profit." Dairymen and industry representatives in attendance will concentrate on finding solutions to some of the more serious dairy marketing problems. Speakers will include Dr. G. Burton Wood, head of the OSU Agricultural Economics Department; Aaron Dudley, editorial director of Western Dairy Journal; and W. F. Penney, manager of Northwest Dairymen's Association.



Bread Law Into Effect

Bakeries selling bread in Oregon will start the New Year with a new look on their bread labels.

The Balloon Bread Law, which was passed by the 1963 Legislature to protect the consumer, goes into effect Jan. 1, 1964. The law sets requirements for labels on bread and advertising.

Kenneth Carl, chief of the dairy and consumer services division of the Oregon Department of Agriculture, which administers the law, reminds that all bakeries selling bread in Oregon are affected by the law. Labels have been submitted for approval from the states of California, Connecticut, Idaho, Montana, Nevada, Utah and Washington.

Carl said most of the Oregon bakeries have submitted their new labels for approval by the department, though a few are still being received by the department.

The law requires that the label have the minimum net weight and the weight size, such as "standard loaf," "standard large loaf," "standard extra large loaf," "balloon," "balloon loaf" or "balloon bread."

The minimum size of letters on the label is also set by the law. All lettering, except the word "balloon," must be a minimum of 3-16 of an inch if on the sides or top of a loaf and 5-16 inch if on the ends or an attached tag.

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POTATO COMMITTEE MANAGERS' JOINT DISPOSITION REPORT, 1963 CROP SEASON WITH 1962 CROP SEASON COMPARISONS
CUMULATIVE FIGURES THRU December 31, 1963 COMPILED BY OREGON-CALIFORNIA POTATO COMMITTEE, P.O. BOX 788, REDMOND, OREGON

CROP	Oregon		Washington		Idaho		California		Nevada		Total 6 Areas	
	1963	1962	1963	1962	1963	1962	1963	1962	1963	1962	1963	1962
By Carriers	2270	1353	2288	8591	1224	11907	1391	1270	158	148	8414	5979
Rail	2022	2007	2117	3370	1813	1274	3518	2917	2531	4157	13221	12244
Truck	248	346	171	4821	411	9333	873	353	127	321	5193	3735
Total	2518	1700	2459	13412	1624	21234	2264	1623	385	469	18414	9714
By Grades												
U. S. 1	4359	2710	9517	10157	10902	10814	3907	3320	2359	2671	4071	6099
U. S. 2	933	660	1779	1895	1262	951	204	171	1422	1634	875	1006
U. S. Com'l.			79				898	546			3776	3745
Mixed					1203	1907					1203	1907
Total	5292	3370	11405	12052	12067	13582	5009	4037	3781	4305	12712	11018
By Variety												
Rada	39	29	305	308	115	189	2701	2367	1509	1655	8101	7669
White	438	242	1029	1145	225	211	433	384	1577	1555	4450	3232
Russet	4815	3099	9913	10414	13654	13176	1875	1285	695	1095	181	247
Mixed					324	108					221	300
Total	5292	3370	11405	12052	12067	13582	5009	4037	3781	4305	12712	11018
Other Outlets												
Seed	142	110	30	119							643	888
Export											35	4
Food Processing	390	279	1959	2505	12587	13847			8	15	14734	15576
Home Food												
Starch			465	1640	2750	1700					4250	4357
Livestock Feed	1807	916	2255	1038	1876	1856	1670	1146	1029	1429	10128	7212
Total	2342	1213	3455	2196	17193	17433	1670	1146	1034	1214	2876	2976
Total	(595)	(734)	(678)	(706)	(458)	(448)	(758)	(756)	(798)	(788)	(624)	(796)
TOTAL DISPOSITION	7032	4503	14860	17257	11260	11095	6679	5183	6813	5519	15518	11012
											8262	7787

1. Certified as meeting N.O. fresh market requirements. Primarily table stock but may include few shipments to non-table stock outlets.
2. Certified seed shipments only and reports from some areas incomplete.
3. Seed lots contain high percentage U.S. 1 and U.S. 2 grades. In-tube chips, canning, freezing, flour and all types dehydrated products.
4. Lots contain lower percentage of U.S. 1 and U.S. 2 grades or fail to meet N.O. fresh market requirements.
5. Includes diversion to livestock feed, farm use, seed used for planting within area, etc.

American Farmers Produced Record Volume Of Field Crops During 1963

WASHINGTON (UPI)—American farmers produced a record volume of field crops in 1963, valued at an all-time high of \$21,308,816,000, about \$1.09 billion more than the value of the 1962 crop.

The field crop production this year was 4.6 per cent greater than 1962 production, 3.7 per cent larger than the previous record output in 1960, and 12 per cent greater than the 1957-59 average.

The Agriculture Department's year end report Wednesday showed that the record crop was planted or grown on 309 million acres, 2.5 per cent more than last year's record low of 301 million acres. The harvested acreage for the 1963 crop was 231 million acres, 1.9 per cent more than the record low of 1962.

There were record high yields for corn, cotton, oats, peanuts, and rice, and near-record yields for barley, wheat, sorghum, soybeans, and hay. Many other crops, less important in the nation's total output, likewise reached record or near-record yields.

Favorable growing conditions in most of the north and south central states helped push production to high levels. Total output of feed grains, food grains, oilseeds, cotton, sugar crops,

seed crops, and fruits and nuts were larger than in 1962. Hay, tobacco, and miscellaneous crop production totals were smaller while total vegetable output about equaled last year.

The composite index covering yields per acre for 28 major crops rose to 116 per cent of the 1957-59 base period. This compares with 112 for 1962 and 109 for 1961.

Corn production reached 4 billion bushels for the first time, paced by a record yield of 67.3 bushels per acre. The corn output for 1963 was 3.6 billion bushels, and the yield was 64.2 bushels. The output this year was 12 per cent more than harvested in 1962.

Iowa retained its rank as the No. 1 corn state with a production of 890 million bushels. The Iowa yield was 80 bushels per acre. Of the corn belt states, Indiana had the highest corn yield—87 bushels per acre. Illinois was a close second with 85 bushels.

Production of the four feed grains in 1963 totaled 155.9 mil-

Prices Decline During Month

WASHINGTON (UPI)—Prices farmers received for crops and livestock fell 2 per cent during the month ended Dec. 15, the Agriculture Department reported today.

This decline left farm prices 2 1/2 per cent below those of a year earlier.

The department's monthly farm price report showed that the cost of production and living supplies purchased by farmers fell one-third of 1 per cent during the month. Farm production costs were one third of 1 per cent higher than in December, 1962.

A comparison of farm market prices and farmers' costs showed prices in December averaged 76 per cent of parity, the lowest since August, 1959. This compared with 77 per cent in mid-November and 79 per cent in mid-December a year ago.

Other 1963 crops with a value of \$1 billion or more: Cotton lint and cottonseed, \$2.87 billion; hay, \$2.66 billion; wheat, \$2.11 billion; soybeans, \$1.84 billion; and tobacco, \$1.31 billion.

Other top value crops included: Oats, \$921 million; sorghum, \$569 million; potatoes, \$420 million; and oranges, \$332 million.

The department did not include in the total value of 1963 crop production such minor crops as popcorn, field peas, mung beans, mist for oil,

Credit Board To Meet Here

William Barratt of Heppner, director of the District Farm Credit Board, will address stockholders and guests at the 39th annual meeting of the Klamath Production Credit Association, Jan. 25. The luncheon and business meeting will be in the cafeteria of Klamath Union High School.

About 400 farmer and rancher stockholders and guests are expected, reports Don Krider, manager.

Murel Long, Merrill, president of the KPCA will preside. Krider will discuss the financial progress of the organization, a short and intermediate term lending institution.

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