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ITEM TRANSFER REFERENCE FORM

The item described below has been removed to:

Old

~~Old~~ File Location:

Domestic Council Files of Norm Ross ~~Chitt F~~
Agriculture Subject File Livestock

Document Description: IBM tape entitled Norm Ross Beef Tape
for use in typing out form letter dated 7/29/74

New

~~Old~~ File Location:

~~WHCF 0A~~ ~~Box 315~~ A.V. materials

By

KGH

Date

3/14/80

NLF 11/1/78



THE WHITE HOUSE

WASHINGTON

July 29, 1974

Dear

Thank you for your recent communication regarding the current situation in the livestock industry and your request that the statutory limitation on the importation of meat into the United States be reinstated. It is important to recognize that the current situation is not the result of an increase in imports of meats subject to the Law. U.S. commercial production of red meats in the first five months of 1974 was up 920 pounds, 6.3 percent above January-May 1973. Imports of meats subject to the Law (mostly beef) decreased 5.3 percent (27 million pounds) during this period. Available information indicates that this trend of larger U.S. production and lower imports of meats subject to the Law is likely to continue for the remainder of 1974.

Nevertheless, the situation is a worldwide problem. It results from a buildup in cattle herds in all major beef producing countries over the past few years, which is now resulting in an increase in beef production at a time when consumer demand has weakened because of inflation and general economic slowdown.

We believe that cooperative effort is the best approach for solving emerging world livestock and meat problems and that we must avoid, if at all possible, continued unilateral efforts by importing countries to use restrictive trade measures to adjust to present problems. U.S. agriculture depends heavily on exports of farm products. We hope to avoid imposing beef import restraints in the U.S. because of the implications this would have on our overall argument for freer trade in agricultural products. Nevertheless, we do not intend to stand by and see the world's beef problem dumped on the United States.

The Department of Agriculture has, therefore, taken a number of measures:

Agricultural attaches in every major beef producing and trading country have been kept informed of the current world beef surplus.



August 8, 1974

August 8, 1974

They were asked to convey our view of the situation to their host governments, to protest the restrictive import policies of the European Economic Community and Japan, and to recommend that governments of beef exporting countries also formally object to these restrictive policies. The governments of the major exporters have done this.

Agricultural personnel visited Australia and New Zealand at the end of June to reassess these countries' beef shipments to the United States this year. Based on their findings, the Department issued on July 1, the third quarterly estimate of 1974 imports of meat covered by the Meat Import Law.

The new estimate is 1,210 million pounds, 365 million pounds (23 percent) below the second quarterly estimate. The downward revision in estimated imports is due to a delay in marketings of slaughter cattle in the major supplying countries because of unattractive manufacturing beef prices. Simultaneously, current excellent grazing conditions in Australia and improved pastures in Central America are making it possible for producers to hold cattle. The estimate assumes that the European Community will not subsidize current oversupplies of beef into the U.S. market, and that supplying countries will not adjust currency exchange rates or take other measures to improve returns to producers.

On the domestic side, USDA has purchased approximately 45 million pounds of ground beef for the school lunch program since March 26. Beginning July 1, the Department of Agriculture initiated a new program to purchase \$100 million of red meat for school lunches for the upcoming school year. The purchases are being made earlier than usual this year due to currently low cattle prices and in an effort to assist in stabilizing the market.

Representatives of the meat trade and retail supermarkets have been asked to make sure that lower farm prices show up more fully in retail store prices. In addition, to examine the causes of wider margins in the handling of meat, a special task force within the Department has been created and will report as quickly as it can complete its work.



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We are deeply concerned about the situation facing you and many others in the livestock industry. You can be certain that we will continue our close surveillance of the situation as to beef imports. To the extent possible, the Administration will continue to take steps aimed at improving the situation carried on in close collaboration with producer groups and others in the industry.

Sincerely,

Norman E. Ross, Jr.
Assistant Director
Domestic Council

NER:





DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

Received
Sept 9
file

September 9, 1974

MEMORANDUM TO: Norman E. Ross, Jr.

RE: Requests by Various Farm Groups to
Meet with the President

With regard to the following three organizations,
the Secretary's recommendations are:

1. National Association of Farmworker Programs - No
2. National Farmers Union - In time, but only after
the Farm Bureau has been in to see the President
3. National Livestock Feeders Association - In time,
but carefully structured to include all major
livestock groups.

DONALD E. BROCK
Executive Assistant
to the Secretary

Enclosures



23
AUDIENCE
(OPEN)

NATIONAL ASSOCIATION OF FARMWORKER PROGRAMS
Post Office Box 203
Brawley, California 92227
Telephone: (714) 344-6300

August 20, 1974

The President
The White House
Washington, D. C. 20500

received
Aug 28

ACTION
T/D _____
SCHEDULE BD. _____
DATE RECEIVED
AUG 27 1974
RMN MESSAGE _____
SPEAKERS BUREAU _____
OTHER _____
APPOINTMENT OFFICE

Dear Mr. President:

The National Association of Farmworker Programs, through its ten regional representatives, would like to request a meeting with you to discuss some of the pressing problems and possible solutions affecting migrant and seasonal farmworkers. There are more than one million such workers in the United States, most of whom live daily with poverty, poor education, malnutrition and unstable employment prospects.

The National Association of Farmworker Programs is an association of the programs directly serving the farmworkers through assistance in education, health, economic development and training. Some of the principal areas of concern which we would like to discuss with you include the following:

- (1) A national, federally-coordinated strategy regarding policies affecting farmworkers.

EXAMPLE: Federal agencies use many different definitions of the term "farmworker." Regulations published by the Department of Labor utilize different definitions than those used by the Department of HEW. As a suggested solution, the Office of Management and Budget could set up guidelines in these areas applicable to all federal agencies.

- (2) Continued and strengthened involvement of local communities and farmworkers themselves in the programs.

EXAMPLE: Programs should be tailored to the needs of the group to be served. Consultation with, and sensitivity to, the farmworker and his needs is an essential pre-requisite to effective programming. This type of consultation and sensitivity is one reason for the success of the programs we represent.



The President
Page Two

- (3) The need for a mechanism to obtain better data on the conditions, numbers and needs of farmworkers on a national basis.

EXAMPLE: The sources of data currently available are often conflicting, inconsistent or incomplete. An example of a possible solution would be a memorandum from OMB to all federal agencies regarding criteria for data gathering, analysis and dissemination in the area of our nation's farmworkers.

- (4) The fact that recently-published Regulations indicate that some of these areas of concern are not reflected in the proposed guidelines.

EXAMPLE: Safeguards designed to ensure fairness in the reviewing of funding requests must be strengthened in order to permit all interested parties the opportunity to compete on the same basis for available funds.

These are only a few of the issues and examples that we would like to discuss with you, at your convenience. The regional representatives had planned to be in Washington toward the end of this month and the beginning of next month. We shall, however, plan our visit to coincide with the appointment you may grant us, Mr. President.

We feel that these are matters of great national importance and welcome the opportunity to discuss them with you personally and work together toward some real solutions.

Sincerely yours,

THE NATIONAL ASSOCIATION OF
FARMWORKER PROGRAMS

Raphael Semmes III
By: Raphael Semmes, III.
Regional Representative



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**National
Farmers Union**

Office of the President

August 19, 1974

*Audience
(open)*

*In Time - But after
F.B. has been
in.*

The Hon. Gerald Ford
The President
The White House
Washington, D. C.

Dear Mr. President:

I would welcome an opportunity to share with you several ideas on how we might move toward more orderly world marketing of our agricultural production.

In recent months, I have met with a number of the world's agricultural leaders and I believe the World Food Conference in Rome during November offers an excellent forum for the United States to give the leadership that the nations of the world are anxiously looking for.

It has been much too long since we last visited. We still recall, with pleasure, your presence at our national convention in Minneapolis several years ago.

We will do all we can to support your efforts in unifying this great nation.

I do want to be helpful, and I wish you well.

Sincerely,

Tony Dechant
Tony T. Dechant



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PMS THE PRESIDENT

THE WHITEHOUSE

WASHINGTON DC 20500

RESPECTFULLY REQUEST YOU GIVE SERIOUS CONSIDERATION TO HAVING
A CONFERENCE IN NEAR FUTURE WITH LEADERS OF THE LIVESTOCK INDUSTRY.
WE ARE IMPRESSED WITH YOUR INTEREST IN MEETING WITH VARIOUS
GROUPS AND REPRESENTATIVES TO APPRAISE PARTICULAR PROBLEM AREAS
IN THEIR BUSINESS INTERESTS. NLFA STRONGLY SUPPORTS YOUR DETERMINED
EFFORTS TO ARREST INFLATION-THE NUMBER ONE PROBLEM FACING FARMERS
AND THE COUNTRY AS A WHOLE. LIVESTOCK INDUSTRY-CATTLE, HOGS
AND SHEEP-IS MOST IMPORTANT SEGMENT OF AGRICULTURE. STRONG AGRICULTUR
AL ECONOMY ESSENTIAL TO WELLBEING OF ENTIRE NATION. WILL APPRECIATE
RESPONSE TO ME DIRECTLY, OR TO OUR HEAD OFFICE, 309 LIVESTOCK

The White House

Washington T/D

ACTION

SCHEDULE BD.

1230 DATE RECEIVED

PM 1 08

AUG 27 1974

RMN MESSAGE

SPEAKERS BUREAU

OTHER *E. L. Schickel*

APPOINTMENT OFFICE

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EXCHANGE BLDG, OMAHA NE 68107.

MILTON J BROWN PRESIDENT NATIONAL LIVESTOCK FEEDERS ASSOCIATION
RTE 6 MT PLEASANT MI 48858

NNNN



September 26, 1974

Duval *K*

MEMORANDUM FOR: KEN RUSH
FROM: WILLIAM E. TIMMONS
SUBJECT: Cattle Prices

A number of Members of Congress have blasted the Administration for failure to help the cattle farmer. The latest is Rep. John McCollister (R-Neb) who reports serious concern over the spread between cattlemen's prices on the hoof and the price of meat in the market. The index continues to edge up and up. The victims are both consumer and cattle farmers.

McCollister suggests the President direct the Attorney General to investigate the situation under anti-trust laws. Is it lack of competition keeping market prices up?

Can you give me your view on this? What are the facts? There are just too many Members complaining not to have the issue developed here.

Please advise.

✓
cc: Ken Cole



received Sept 30

Presentation to Attorney General William B. Saxbie

September 30, 1974

We are here today to express a widespread national concern effecting every producer of red meats and likewise every American consumer.

The problem is the ever increasing price spread between what the consumer pays at the meat counter which continues to go up against what the producer is paid which continues to go down.

Those accountable for this action are well barricaded and inaccessible to the producers and consumers whom are being exploited alike.

The American consumer and food producer needs your assistance and the power of your office because they are now helpless to assure freedom of prices to fall in response to supply and demand, a condition which would exist without manipulation which is now of national concern.

For example, since 1970 there has been an increase in packer spread from approximately \$32 per head to the present \$53 per head. The corresponding increase in retail spread has gone from approximately \$146.00 per head in 1970 to approximately \$200.00 per head at present.

While the American consumer and producer has been buffeted with undue financial hardship the great meat producing industry faces bankruptcy.

These conditions exist as a direct danger to our national economy and in direct opposition to the goals of President Ford.

Only the investigation by the highest responsible office in our land can challenge the obstacles threatening our future food supply and our national economy.

While the consumer faces higher food costs the feeder has for nearly 14 months experienced heavy losses, many in the \$100 to \$200 per head on beef throughout the industry.

Your intervention on a national basis could be a great incentive toward securing immediate national awareness of the widespread dangers existing where market power has been concentrated to the extent that it impedes competitive price forces.



Honorable Governor J. James Exon: Governor, State of
Nebraska.

Glenn Kreuscher :Nebraska Director of Agriculture, Chairman
Marketing Committee National Association
State Department of Agriculture.

Tom Baxter, Grand Island, Nebraska: Director of National
Livestock Feeders Association and immediate
past president Nebraska Livestock Feeders
Association. A cattle feeder with 12,000
head capacity.

M.J. Hankins, Stanton: past director National Livestock
Feeders Association- a well known
spokesman for the cattle industry.
A feeder with about 3,500 head
feeding capacity.

Perry Meyer, Bancroft, Nebraska: President of Citizens
Bank of Bancroft- a state and national
spokesman on finance for the livestock
industry.



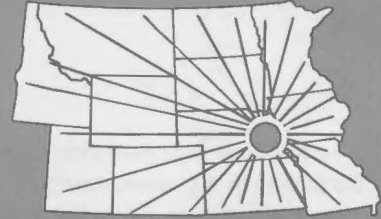
NEWS VIEWS
FROM OUR
STAFF

The Omaha National Bank

FARNAM AT 17TH STREET
OMAHA, NEBRASKA 68102

corral

PUBLISHED MONTHLY BY CORRESPONDENT BANKING-AGRICULTURAL LENDING DEPARTMENT



September 27, 1974

THE BUSINESS OUTLOOK

Recent actions by the Federal Reserve Board, though modest, suggest that the Federal Reserve has gone about as far as it intends to go in the uses of monetary policy as the main line of policy restraint and is now concerned with the possibility of inducing a sharp recession.

The reduction of reserve requirements on longer term, large CD's announced by the Federal Reserve is not a large action in itself. Furthermore, the recent evidence of a willingness of the Federal Reserve to tolerate a Federal funds rate about one percentage point below the typical levels of the past several months is not by any means a dramatic alteration of its behavior. But taken together and in the presence of a continuing 10% rate of inflation, they carry the suggestion that monetary policy has already been eased despite contrary statements by Administration officials.

While it may seem unusual to institute a policy of gradual monetary ease when our inflation rate is still at the 10% level, the Federal Reserve could be concerned about plunging the world into a renewed downturn in economic activity. In the present situation, an excessively restrictive monetary policy in the United States carries a dual threat for the world economy. In the first place, lack of monetary growth would have the effect of contracting markets in the United States, which in turn would have a direct impact on the volume of world trade. An even greater danger arises from the fact that an overly tight monetary policy in the United States could force other countries to pursue similar policies. This follow-the-leader situation could be created by the preference of the oil-producing countries to place their funds in the United States partly because of the high interest yield available. The rest of the world could conceivably be forced to maintain a restrictive monetary policy in order to maintain high interest rates which would assist in the attraction of oil money. To the extent that an excessively restrictive monetary policy in the United States would force other countries to keep money tight, aggregate demand in overseas markets would tend to contract. Hence, recent actions by the Federal Reserve may have been prompted, to a certain extent, by the threat of a worldwide recession.

U. S. GOVERNMENTS

In a definite display of policy change this past week, we have seen the Federal Reserve enter the short term money market in order to lower interest rates. The Fed appeared regularly last week as an active buyer of bills, coupons and agencies both for its own account and for customers. As a result of this, plus the Fed's execution of Reverse Repo's, the Federal Funds have stabilized from 11 1/2% - 12% to 11% - 11 1/2%; the ninety day Treasury Bill rate has dropped from 9.25 to 7.10 and coupon prices have raised one full point.

This Tuesday the Treasury actioned \$2 billion two year Treasury Notes to refund the \$2 billion 6% notes maturing 9-30-74. According to the official announcement, "For the first time in a treasury auction, bidding was on a yield basis rather than a price basis. The coupon was set after the auction to the 1/8 of one percent which is

nearest to the average yield on accepted tenders and which produces an average price at or below par." This, plus the \$10,000 minimum denomination, showed little interest in individual demand.

LIVESTOCK SITUATION

Cattle markets persist to be depressed below break even prices. Reports of cattle slaughtered off grass appear to be a primary indication for the lower than expected fat cattle prices. The number of cattle slaughtered continue to be above 650,000 per week, 40% of which has been estimated to be grass fed cattle. There exists little optimism for any substantial increase in fat cattle prices for the coming months.

Feeder cattle prices continue to trend downward. Expectations of a further downward trend are anticipated especially with the current prices of corn. Indications of a corn supply even less than the USDA estimates are the opinions of many, especially with the early frost recently experienced throughout the corn belt.

Bankers are looking for adequate margins in their customer's feeding programs. The mood of many farmer feeders appear to be one of taking profits on the sale of corn rather than continuing their traditional cattle feeding or backgrounding operations.

CURB TALK

The proposed conditions in the beef grading standards currently under study make it possible for slightly leaner beef which otherwise would have fallen into the top end of the Good grade to qualify for the Choice grade. The proposal eliminates conformation as a standard for determining grade and requires that all beef being graded for quality be Yield graded.

For cattle over 30 months old, increased marbling would still be required with age to keep the carcass in a higher grade. In the USDA Good grade, the minimum marbling requirement would be increased from current standards for young carcasses. Although the yield grade of a beef animal can be a reflection of its genetic ability to grow and produce a leaner carcass at a given slaughter weight, the length of feeding has a vast effect on yield grade. Cattle fed beyond the point when they should have gone to slaughter show a decrease in cutability potential and higher yield grades (4's and 5's) would be expected. If the yield-grade concept is incorporated into this new proposal, it will have the positive effect of encouraging feeders to market cattle at desirable slaughter weight and condition.

Supermarket specials in certain parts of the country are promoting beef which must be considered something less than USDA Choice beef. By whatever name they choose to call it, the majority of this beef is probably from grass fat cattle. Various "house grades" would lead the consumer to believe that this beef is comparable to USDA Choice or better. In other instances, there are organized attempts to market grass fed beef under various pseudonyms such as "beef fed veal" and "baby beef." The reaction and acceptance of the consumer to this type of beef will be of interest to the beef industry and could play a large part in determining future management systems for feed lot cattle, particularly in light of the present high cost of grain.

Trading in the cattle futures and all other commodity futures could possibly come under the control of the new Commodity Futures Trading Commission. The final draft of a bill creating the commission was to be written by the Senate-House Conference this week and probably will be passed in the near future.

The USDA is under constant criticism for its statistical reporting of major crops, livestock, export contracts, etc. In an attempt to be more precise in its estimation, the USDA is revising its system of reporting, particularly in the area of export contracts. Officials hope to get confidential daily reports on large sales of some crops, thereby improving their published weekly reports. Congress is pressing for improvement to help assure timely, accurate indications of changes in export-domestic supply balances.

* * * *



RESOLUTION NO. MT-4

SUBJECT OF RESOLUTION RESTRICTION OF MEAT IMPORTS

ORIGIN OF RESOLUTION SASDA NASDA

DATE OF RESOLUTION June 26, 1974

NASDA STANDING COMMITTEE, RESOLUTION ASSIGNED Marketing, Transportation, Weights & Measures

American consumers are purchasing less meats and meat products because of record high prices in retail outlets and this decline has caused surpluses of such products. Today farmers are receiving less money for their cattle and hogs than they have paid out for production costs and many are experiencing great financial loss. At the same time, total imports of foreign meats have increased greatly and now threaten the economic stability and strength of the United States domestic meat industry.

RESOLVED, that the National Association of State Departments of Agriculture in convention at Milwaukee, Wisconsin on September 26, 1974

1. Petitions the Secretary of Agriculture to reimpose immediately the quota system on all meats being imported into the United States, authorized by the Meat Import Act of 1964.
2. Urges the congress and United States Treasury to take whatever action is necessary to make United States tariff rates on imported meats equal to those rates charged by other countries importing similar products; and
3. That in any negotiation concerning the importation of agricultural products, a major consideration must be the impact which the proposed importation will have on domestic food production.



ACTION TAKEN BY NASDA STANDING COMMITTEE Passed

ACTION TAKEN BY NASDA RESOLUTIONS COMMITTEE Passed

ACTION TAKEN BY NASDA Passed

RESOLUTION NO. MT-7

SUBJECT OF RESOLUTION EMERGENCY LOANS

ORIGIN OF RESOLUTION COMMISSIONER WILLIAM HARRELSON, SOUTH CAROLINA

DATE OF RESOLUTION August, 1974

NASDA STANDING COMMITTEE, RESOLUTION ASSIGNED Marketing, Transportation, Weights & Measures

The Emergency Loan Program under the Farmers Home Administration has over the years assisted farmers in recovering financially from natural disasters. Public Law 93-237, enacted by Congress and signed by the President January 2, 1974, eliminated many desirable provisions from the old law and therefore farmers are concerned that the new law does not provide adequate terms and conditions to help farmers overcome such disasters and continue their farming operations.

Prompt response to disaster declarations are critical to Agricultural producers suffering from natural disaster. There is a great deal of concern among the states about the procedures followed by the Secretary of Agriculture in approving requests for disaster status. There have been extensive delays in processing these requests for Emergency Loans in disaster areas. These delays are causing undue hardships upon our nation's agricultural industry.

RESOLVED, that the National Association of State Departments of Agriculture in convention in Milwaukee, Wisconsin, on September 26, 1974, instructs its president to appoint a committee to approach the Secretary of Agriculture concerning the possible review of the rules and regulations for the Emergency Loan Program.

The Committee appointed is to further impress upon the Secretary the need for responsive action to implement the emergency loan procedure to meet dire financial need where natural disaster has created critical financial hardship thereby giving maximum benefit to agricultural producers as the law intends.

ACTION TAKEN BY NASDA STANDING COMMITTEE Passed

ACTION TAKEN BY NASDA RESOLUTIONS COMMITTEE Passed

ACTION TAKEN BY NASDA Passed



NEWS

U.S. DEPARTMENT OF AGRICULTURE

AMERICA NEEDS A STRONG, HEALTH LIVESTOCK INDUSTRY:

KANSAS CITY, Oct. 17--"I want to thank the cattlemen and members of the livestock industry for their perservance in these severely trying times," Secretary of Agriculture Earl L. Butz told the USDA Cattle Industry Advisory Committee in Kansas City today.

"The dedicated people on this committee help guide the cooperative actions between government and the cattle industry," Mr. Butz said.

The Secretary is also here to address the Future Farmers of America convention and to participate in the American Royal Livestock and Horse Show.

He stressed several points with the advisory committee:

-- Every segment of the beef industry needs to be financially sound and vigorous, from breeder through the range cow-calf operator and the farmer who feeds out the cattle.

-- Increased beef production this year will allow per capita beef consumption to reach a new record of more than 116 pounds per person--up 6 percent over 1973.

-- The American appetite for red meat continues to grow. Only the ever-increasing efficiency of the livestock industry can meet rising consumer demand.

-- Fed cattle prices are expected to strengthen in the first half of 1975 as marketings of cows and nonfed steers and heifers decline, as pastures green up again, and when pork and poultry output declines.

-- Price spreads between farm gate and the consumer's plate are wider than they used to be. Most of the increase is due to inflationary cost increases.

-- There will be adequate livestock feed. The capacity of U.S. farmers to grow feed grains and forage is tremendous, despite this year's disappointing crops.

- more -

The Secretary praised all segments of the cattle industry for hanging on through a disappointing cycle brought on by unstable markets, inflationary pressures on all phases of production and marketing, and the upward spiral of feed prices.

"Price spreads are too wide," the Secretary said. "Most of the gap is the result of strong inflationary pressures in the American economy, including charges for transportation, labor, slaughter, processing, packaging and retailing."

Secretary Butz pointed out three-fourths of the increase in the cost of food this year has taken place between the farm gate and the consumer.

USDA 2993-74



cattle on feed



file
Justin

October 1974

Release:
October 18, 1974
3:00 P.M. ET

CATTLE ON FEED IN 23 STATES DOWN 24 PERCENT FROM A YEAR AGO

Cattle and calves on feed for slaughter market in the 23 major States totaled 9,149,000 head, according to the Crop Reporting Board. This is 24 percent below a year ago and 22 percent below October 1, 1972. The current 23 State number on feed is the lowest October 1 number since 1967. The number on feed in the 7 monthly States (which are included in the 23 State total) is estimated at 6,572,000 head, down 28 percent from a year ago.

Placements of cattle and calves on feed during the July - September 1974 quarter in the 23 States totaled 4,624,000 head, down 12 percent from the same 1973 period and down 26 percent from the 1972 period.

Marketings of fed cattle for slaughter during the July - September quarter of 1974 totaled 5,522,000 head. This is 7 percent below the same period last year and 20 percent below the same period two years ago.

Marketings of fed cattle for slaughter during the October - December 1974 quarter are expected to total 5,294,000 head, 18 percent below the same period in 1973 and 22 percent below 1972.

KINDS ON FEED

There were 6,700,000 steers and steer calves on feed October 1, 1974 in the 23 major feeding States 23 percent below a year earlier. Heifers and heifer calves, at 2,394,000, were down 26 percent from October 1, 1973. Cows and other cattle on feed totaled 55,000, about the same as a year ago.

UNITED STATES DEPARTMENT OF AGRICULTURE
STATISTICAL REPORTING SERVICE CROP REPORTING BOARD
MtAn 2-1 (10-74) WASHINGTON, D.C. 20250



WEIGHTS OF STEERS AND HEIFERS ON FEED

The number of steers and steer calves on feed in the 23 major States in each weight group and the change from October 1, 1973 are as follows:

Under 500 pounds - 234,000 head, down 396,000;
500-699 pounds - 1,069,000 head, down 539,000;
700-899 pounds - 2,268,000 head, down 467,000;
900-1,099 pounds - 2,504,000 head, down 542,000;
1,100 pounds and over - 625,000 head, down 110,000.

The number of heifers and heifer calves by weight groups with changes from a year ago are as follows:

Under 500 pounds - 172,000 head, down 194,000;
500-699 pounds - 674,000 head, down 214,000;
700-899 pounds - 1,078,000 head, down 301,000;
900-1,099 pounds - 470,000 head, down 144,000.

EXPECTED MARKETINGS

During October-December 1974, cattle feeders in the 23 major States intend to market 5,294,000 head. If these expectations are realized, fourth quarter marketing this year would be down 18 percent from a year earlier. Monthly marketing intentions are for 37 percent of the 3-month total to be marketed in October, 32 percent in November, and 31 percent in December.

SEPTEMBER MARKETINGS AT SEVEN LIVESTOCK MARKETS

Steers and heifers marketed in September through seven livestock markets totaled 162,546 head, of which 101,112 were steers and 61,434 were heifers. Average liveweight of steers was 1,101 pounds compared with 1,131 pounds a year earlier. The average liveweight of heifers was 946 pounds compared with 963 pounds a year ago. During September, price per 100 pounds liveweight averaged \$39.98 for steers, down \$4.88 from a year earlier and \$39.15 for heifers, down \$4.37.



**CATTLE AND CALVES - NUMBER ON FEED, PLACEMENTS, AND MARKETINGS,
JULY 1 - OCTOBER 1, 1972, 1973 AND 1974 - 23 STATES**

ITEM	23 STATES			1974 AS PCT OF 1973
	NUMBER			
	1972	1973	1974	
	1,000 HEAD			PERCENT
CATTLE AND CALVES ON FEED JULY 1	12457	12729	10047	79
CATTLE AND CALVES PLACED ON FEED JULY 1-SEPTEMBER 30 1/	6224	5283	4624	88
FED CATTLE MARKETED JULY 1-SEPTEMBER 30 1/	6907	5958	5522	93
CATTLE AND CALVES ON FEED OCTOBER 1	11774	12054	9149	76
KINDS ON FEED OCTOBER 1				
STEERS AND STEER CALVES	8452	8754	6700	77
HEIFERS AND HEIFER CALVES	3282	3247	2394	74
COWS AND OTHER	40	53	55	104
NUMBER ON FEED BY WEIGHT GROUPS, OCTOBER 1				
STEERS AND STEER CALVES				
LESS THAN 500 POUNDS	617	630	234	37
500-699 POUNDS	1800	1608	1069	66
700-899 POUNDS	2781	2735	2268	83
900-1099 POUNDS	2707	3046	2504	82
1,100 POUNDS AND OVER	547	735	625	85
HEIFERS AND HEIFER CALVES				
LESS THAN 500 POUNDS	376	366	172	47
500-699 POUNDS	1032	888	674	76
700-899 POUNDS	1292	1379	1078	78
900-1099 POUNDS	582	614	470	77
1,100 POUNDS AND OVER	0	0	0	0
ALL CATTLE AND CALVES				
LESS THAN 500 POUNDS	993	997	408	41
500-699 POUNDS	2835	2499	1751	70
700-899 POUNDS	4083	4129	3361	81
900-1099 POUNDS	3308	3680	2996	81
1,100 POUNDS AND OVER	555	749	633	85
MARKETINGS OCTOBER - DECEMBER	2/6775	2/6478	3/5294	82

1/ INCLUDES CATTLE PLACED ON FEED AFTER BEGINNING OF QUARTER AND MARKETED BEFORE END OF QUARTER. 2/ TOTAL MARKETINGS INCLUDING THOSE PLACED ON FEED AFTER OCTOBER 1 AND MARKETED BEFORE DECEMBER 31. 3/ EXPECTED TOTAL MARKETINGS INCLUDING AN ALLOWANCE FOR THOSE PLACED ON FEED AFTER OCTOBER 1 AND MARKETED BEFORE DECEMBER 31.

CATTLE ON FEED, OCTOBER 1974

3

GROUP REPORTING BOARD, SRS, USDA



CATTLE AND CALVES - NUMBER ON FEED BY QUARTERS, OCTOBER 1, 1973, JULY 1 AND OCTOBER 1, 1974 1/

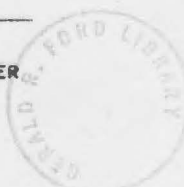
STATE	OCTOBER 1, 1973	JULY 1, 1974	OCTOBER 1, 1974	
			NUMBER	AS PCT OF 1973
	1000 HEAD	1000 HEAD	1000 HEAD	PERCENT
ARIZ.	565	476	348	62
CALIF.	1230	961	965	78
COLO.	925	672	690	75
IDAHO	160	185	186	116
ILL.	370	410	350	95
IND.	196	195	180	92
IOWA	1436	1320	1030	72
KANSAS	1190	820	900	76
MICH.	160	170	155	97
MINN.	400	365	320	80
MO.	175	170	155	89
MONT.	83	102	65	78
NEBR.	1438	1120	1040	72
N.MEX.	230	190	170	74
N.DAK.	28	46	35	125
OHIO	162	185	148	91
OKLA.	312	221	212	68
OREG.	60	49	55	92
PA.	53	57	48	91
S.DAK.	305	310	270	89
TEXAS	2323	1777	1599	69
WASH.	140	141	130	93
WISC.	113	95	98	87
23 STATE	12054	10047	9149	76

1/ CATTLE AND CALVES ON FEED ARE ANIMALS BEING FATTENED FOR SLAUGHTER MARKET ON GRAIN OR OTHER CONCENTRATES WHICH ARE EXPECTED TO PRODUCE A CARCASS THAT WILL GRADE GOOD OR BETTER

CATTLE AND CALVES - NUMBER PLACED ON FEED, BY QUARTERS, 1973-1974 1/

STATE	JULY-SEPT 1973	APRIL-JUNE 1974	JULY-SEPTEMBER 1974	
			NUMBER	AS PCT OF 1973
	1000 HEAD	1000 HEAD	1000 HEAD	PERCENT
ARIZ.	217	138	109	50
CALIF.	516	473	459	89
COLO.	478	322	460	96
IDAHO	68	81	85	125
ILL.	170	125	180	106
IND.	81	50	71	88
IOWA	492	425	390	79
KANSAS	560	345	595	106
MICH.	42	15	55	131
MINN.	154	145	155	101
MO.	80	55	95	119
MONT.	30	42	13	43
NEBR.	715	705	640	90
N.MEX.	88	55	75	85
N.DAK.	9	23	10	111
OHIO	64	53	68	106
OKLA.	152	86	135	89
OREG.	42	17	38	90
PA.	26	17	23	88
S.DAK.	118	90	100	85
TEXAS	1070	675	755	71
WASH.	72	66	70	97
WISC.	39	25	43	110
23 STATE	5283	4028	4624	88

1/ INCLUDES CATTLE PLACED ON FEED AFTER BEGINNING OF QUARTER AND MARKETED BEFORE END OF QUARTER



CATTLE AND CALVES - NUMBER OF FED CATTLE MARKETED, BY QUARTERS, 1973-1974 1/

STATE	JULY-SEPT 1973	APRIL-JUNE 1974	JULY-SEPTEMBER 1974	
			NUMBER	AS PCT OF 1973
	1000 HEAD	1000 HEAD	1000 HEAD	PERCENT
ARIZ.	228	220	237	104
CALIF.	465	474	455	98
COLO.	503	514	442	88
IDAHO	90	68	84	93
ILL.	250	215	240	96
IND.	100	100	86	86
IOWA	772	845	680	88
KANSAS	600	605	515	86
MICH.	67	75	70	104
MINN.	181	210	200	110
MO.	115	105	110	96
MONT.	69	54	50	72
NEBR.	748	965	720	96
N.MEX.	103	100	95	92
N.DAK.	27	18	21	78
OHIO	110	131	105	95
OKLA.	129	144	154	119
OREG.	32	28	32	100
PA.	31	38	32	103
S.DAK.	123	140	140	114
TEXAS	1082	1117	933	86
WASH.	92	77	81	88
WISC.	41	48	40	98
23 STATE	5958	6291	5522	93

1/ INCLUDES CATTLE PLACED ON FEED AFTER BEGINNING OF QUARTER AND MARKETED BEFORE END OF QUARTER.

CATTLE AND CALVES - EXPECTED TOTAL MARKETINGS - OCTOBER 1 - DECEMBER 31, 1974 WITH COMPARISONS

STATE	TOTAL MARKETINGS 1/	EXPECTED TOTAL MARKETINGS 2/	
	OCT.-DEC. 1973	OCT.-DEC. 1974	
	NUMBER	NUMBER	AS PCT. OF 1973
	1000 HEAD	1000 HEAD	PERCENT
ARIZ.	219	192	88
CALIF.	498	570	114
COLO.	581	420	72
IDAHO	102	102	100
ILL.	190	170	89
IND.	96	90	94
IOWA	940	700	74
KANSAS	655	500	76
MICH.	50	48	96
MINN.	244	200	82
MO.	100	97	97
MONT.	37	39	105
NEBR.	940	680	72
N.MEX.	112	100	89
N.DAK.	21	24	114
OHIO	76	70	92
OKLA.	162	124	77
DREG.	28	30	107
PA.	25	22	88
S.DAK.	150	150	100
TEXAS	1112	830	75
WASH.	85	90	106
WISC.	55	46	84
23 STATE	6478	5294	82

1/ TOTAL MARKETINGS OF CATTLE INCLUDING THOSE PLACED ON FEED AFTER OCTOBER 1 AND MARKETED BEFORE DECEMBER 31. 2/ EXPECTED TOTAL MARKETINGS INCLUDING AN ALLOWANCE FOR THOSE PLACED ON FEED AFTER OCTOBER 1 AND MARKETED BEFORE DECEMBER 31.

CATTLE AND CALVES - NUMBER ON FEED BY CLASSES, BY QUARTERS,
OCTOBER 1, 1973, JULY 1 AND OCTOBER 1, 1974

STATE	STEERS AND STEER CALVES			HEIFERS AND HEIFER CALVES			COWS AND OTHERS		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD			1000 HEAD		
ARIZ.	541	457	327	23	18	20	1	1	1
CALIF.	1141	894	905	85	65	54	4	2	6
COLO.	577	445	439	342	224	250	6	3	1
IDAHO	123	137	136	32	44	48	5	4	2
ILL.	226	266	235	144	144	115	0	0	0
IND.	110	123	113	82	69	62	4	3	5
IOWA	960	930	721	473	388	306	3	2	3
KANSAS	952	593	682	238	226	213	0	1	5
MICH.	146	154	144	14	14	9	0	2	2
MINN.	279	270	214	120	95	106	1	0	0
MO.	118	120	110	56	48	43	1	2	2
MONT.	61	62	43	21	39	21	1	1	1
NEBR.	944	754	701	488	360	334	6	6	5
N.MEX.	131	114	114	97	74	54	2	2	2
N.DAK.	17	33	27	11	13	8	0	0	0
OHIO	128	152	124	32	31	22	2	2	2
OKLA.	218	143	129	94	88	83	0	0	0
OREG.	38	33	36	21	13	16	1	3	3
PA.	42	46	39	4	4	4	7	7	5
S.DAK.	186	205	173	116	102	94	3	3	3
TEXAS	1621	1187	1103	697	586	491	5	4	5
WASH.	106	110	105	34	31	25	0	0	0
WISC.	89	77	80	23	17	16	1	1	2
23 STATE	8754	7305	6700	3247	2693	2394	53	49	55



CATTLE AND CALVES - NUMBER ON FEED BY WEIGHT GROUPS, BY QUARTERS,
OCTOBER 1, 1973, JULY 1 AND OCTOBER 1, 1974

STATE	UNDER 500 POUNDS			500-699 POUNDS			700-899 POUNDS		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD			1000 HEAD		
ARIZ.	143	13	11	167	111	65	124	145	127
CALIF.	250	44	42	321	252	191	365	372	341
COLO.	16	10	16	108	81	74	285	242	275
IDAHO	6	1	5	23	16	25	48	69	63
ILL.	17	20	14	68	92	94	147	181	132
IND.	14	6	15	37	44	52	87	89	78
IOWA	33	13	28	200	259	114	545	574	387
KANSAS	24	3	16	245	174	203	479	334	353
MICH.	9	3	10	34	32	32	46	63	51
MINN.	27	8	8	61	88	48	151	143	127
MO.	8	8	5	40	45	38	76	78	70
MONT.	6	0	2	16	11	2	20	39	18
NEBR.	24	6	10	211	158	167	572	504	366
N.MEX.	40	9	11	64	58	46	68	75	59
N.DAK.	3	0	0	3	6	3	9	30	14
OHIO	13	7	17	34	31	23	59	86	54
OKLA.	15	5	9	70	52	59	107	97	79
OREG.	6	2	2	20	9	15	22	10	21
PA.	4	3	4	8	7	9	15	17	15
S.DAK.	6	5	4	48	88	31	143	125	139
TEXAS	320	241	169	684	497	430	674	570	502
WASH.	2	0	0	21	15	10	52	59	61
WISC.	11	10	10	16	18	20	35	33	29
23 STATE	997	417	408	2499	2144	1751	4129	3935	3361

STATE	900-1099 POUNDS			1100 POUNDS AND OVER		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD		
ARIZ.	126	184	129	5	23	16
CALIF.	272	260	351	22	33	40
COLO.	371	249	242	145	90	83
IDAHO	54	69	53	29	30	40
ILL.	118	98	98	20	19	12
IND.	50	49	32	8	7	3
IOWA	551	362	421	107	112	80
KANSAS	366	247	263	76	62	65
MICH.	64	57	52	7	15	10
MINN.	133	88	118	28	38	19
MO.	48	33	40	3	6	2
MONT.	28	46	29	13	6	14
NEBR.	525	361	405	106	91	92
N.MEX.	49	44	50	9	4	4
N.DAK.	11	9	17	2	1	1
OHIO	53	55	50	3	6	4
OKLA.	98	64	52	22	13	13
OREG.	9	17	11	3	11	6
PA.	15	22	17	11	8	3
S.DAK.	96	73	81	12	19	15
TEXAS	563	386	410	82	83	88
WASH.	42	53	45	23	14	14
WISC.	38	26	30	13	8	9
23 STATE	3680	2852	2996	749	699	633



STEERS AND STEER CALVES - NUMBER ON FEED BY WEIGHT GROUPS, BY QUARTERS,
OCTOBER 1, 1973, JULY 1 AND OCTOBER 1, 1974

STATE	UNDER 500 POUNDS			500-699 POUNDS			700-899 POUNDS		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD			1000 HEAD		
ARIZ.	130	9	7	162	105	62	119	137	114
CALIF.	234	43	39	292	230	176	338	340	316
COLO.	8	3	7	36	29	28	145	127	151
IDAHO	4	1	4	14	7	14	32	45	39
ILL.	9	11	7	23	45	54	79	109	80
IND.	7	3	8	18	21	28	42	50	49
IOWA	19	9	22	105	139	65	298	363	231
KANSAS	19	2	11	162	98	141	381	227	240
MICH.	6	3	9	31	28	30	39	55	46
MINN.	17	5	6	31	54	24	97	100	75
MO.	5	5	3	26	27	24	45	54	47
MONT.	5	0	0	10	4	1	14	20	9
NEBR.	9	2	7	104	90	63	312	285	211
N.MEX.	21	5	8	29	29	30	34	43	33
N.DAK.	2	0	0	1	3	2	5	21	10
OHIO	11	6	14	26	21	18	41	66	42
OKLA.	7	3	3	39	24	27	72	50	46
OREG.	4	1	1	10	6	8	15	5	15
PA.	2	2	3	6	5	7	12	13	12
S.DAK.	4	2	2	24	49	14	84	76	79
TEXAS	97	83	66	438	297	232	470	368	353
WASH.	1	0	0	10	9	7	37	43	47
WISC.	9	9	7	11	14	14	24	24	23
23 STATE	630	207	234	1608	1334	1069	2735	2621	2268

STATE	900-1099 POUNDS			1100 POUNDS AND OVER		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD		
ARIZ.	125	183	128	5	23	16
CALIF.	257	248	334	20	33	40
COLO.	244	197	170	144	89	83
IDAHO	45	57	40	28	27	39
ILL.	95	82	82	20	19	12
IND.	35	42	25	8	7	3
IOWA	432	307	324	106	112	79
KANSAS	314	204	226	76	62	64
MICH.	63	54	49	7	14	10
MINN.	106	73	90	28	38	19
MO.	39	29	34	3	5	2
MONT.	20	32	20	12	6	13
NEBR.	415	287	329	104	90	91
N.MEX.	39	34	40	8	3	3
N.DAK.	7	8	14	2	1	1
OHIO	47	53	46	3	6	4
OKLA.	78	53	40	22	13	13
OREG.	7	11	7	2	10	5
PA.	13	19	14	9	7	3
S.DAK.	63	60	64	11	18	14
TEXAS	535	356	364	81	83	88
WASH.	35	44	37	23	14	14
WISC.	32	22	27	13	8	9
23 STATE	3046	2455	2504	735	688	625



HEIFERS AND HEIFER CALVES - NUMBER ON FEED BY WEIGHT GROUPS, BY QUARTERS,
OCTOBER 1, 1973, JULY 1 AND OCTOBER 1, 1974

STATE	UNDER 500 POUNDS			500-699 POUNDS			700-899 POUNDS		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD			1000 HEAD		
ARIZ.	13	4	4	5	6	3	4	7	12
CALIF.	16	1	3	29	22	10	26	31	25
COLO.	8	7	9	72	51	46	137	115	123
IDAHO	2	0	1	9	9	11	15	24	24
ILL.	8	9	7	45	47	40	68	72	52
IND.	7	3	7	19	23	24	43	37	26
IOWA	14	4	6	95	120	49	246	210	156
KANSAS	5	1	5	83	76	62	98	107	110
MICH.	3	0	0	3	4	2	7	7	5
MINN.	10	3	2	30	34	24	54	43	52
MO.	3	3	2	14	18	14	31	24	22
MONT.	1	0	2	6	7	1	6	19	9
NEBR.	15	4	3	107	68	104	259	216	154
N.MEX.	19	4	3	35	29	16	34	32	26
N.DAK.	1	0	0	2	3	1	4	9	4
OHIO	2	1	3	8	10	4	17	19	11
OKLA.	8	2	6	31	28	32	35	47	33
OREG.	2	1	1	10	3	7	7	5	6
PA.	1	0	0	1	1	1	2	2	2
S.DAK.	2	3	2	24	39	17	59	49	60
TEXAS	223	158	103	244	199	197	202	199	147
WASH.	1	0	0	11	6	3	15	16	14
WISC.	2	1	3	5	4	6	10	9	5
23 STATE	366	209	172	888	807	674	1379	1299	1078

STATE	900-1099 POUNDS			1100 POUNDS AND OVER		
	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974	OCT. 1, 1973	JULY 1, 1974	OCT. 1, 1974
	1000 HEAD			1000 HEAD		
ARIZ.	1	1	1			
CALIF.	14	11	16			
COLO.	125	51	72			
IDAHO	6	11	12			
ILL.	23	16	16			
IND.	13	6	5			
IOWA	118	54	95			
KANSAS	52	42	36			
MICH.	1	3	2			
MINN.	26	15	28			
MO.	8	3	5			
MONT.	8	13	9			
NEBR.	107	72	73			
N.MEX.	9	9	9			
N.DAK.	4	1	3			
OHIO	5	1	4			
OKLA.	20	11	12			
OREG.	2	4	2			
PA.	0	1	1			
S.DAK.	31	11	15			
TEXAS	28	30	44			
WASH.	7	9	8			
WISC.	6	3	2			
23 STATE	614	378	470			

CATTLE AND CALVES ON FEED - INVENTORIES, PLACEMENTS AND MARKETINGS, BY MONTHS,

STATE	MONTHLY STATES, APRIL 1, 1973 - OCTOBER 1, 1973 AND APRIL 1, 1974 - OCTOBER 1, 1974								
	CATTLE ON FEED			PLACED ON FEED			MARKETED		
	1973	1974	1974/1973	1973	1974	1974/1973	1973	1974	1974/1973
	1000 HEAD	PERCENT		1000 HEAD	PERCENT		1000 HEAD	PERCENT	
	APRIL 1			DURING APRIL			DURING APRIL		
ARIZ.	614	558	91	45	52	116	81	76	94
CALIF.	1046	962	92	115	95	83	139	166	119
COLO.	946	864	91	144	125	87	170	185	109
IOWA	1960	1740	89	199	195	98	216	275	127
KANSAS	1230	1080	88	175	160	91	195	220	113
NEBR.	1520	1380	91	251	320	127	286	330	115
TEXAS	2259	2219	98	257	245	95	353	392	111
7 STATES	9575	8803	92	1186	1192	101	1440	1644	114
	MAY 1			DURING MAY			DURING MAY		
ARIZ.	578	534	92	90	49	54	87	70	80
CALIF.	1022	891	87	253	215	85	166	146	88
COLO.	920	804	87	195	107	55	185	169	91
IOWA	1943	1660	85	176	140	80	282	290	103
KANSAS	1210	1020	84	220	115	52	220	185	84
NEBR.	1485	1370	92	359	240	67	345	330	96
TEXAS	2163	2072	96	492	219	45	403	361	90
7 STATES	9321	8351	90	1785	1085	61	1688	1551	92
	JUNE 1			DURING JUNE			DURING JUNE		
ARIZ.	581	513	88	81	37	46	86	74	86
CALIF.	1109	960	87	220	163	74	150	162	108
COLO.	930	742	80	190	90	47	170	160	94
IOWA	1837	1510	82	170	90	53	291	280	96
KANSAS	1210	950	79	200	70	35	180	200	111
NEBR.	1499	1280	85	274	145	53	302	305	101
TEXAS	2252	1930	86	461	211	46	378	364	96
7 STATES	9418	7885	84	1596	806	51	1557	1545	99
	JULY 1			DURING JULY			DURING JULY		
ARIZ.	576	476	83	58	39	67	86	84	98
CALIF.	1179	961	82	150	162	108	165	147	89
COLO.	950	672	71	123	153	124	163	135	83
IOWA	1716	1320	77	117	100	85	225	210	93
KANSAS	1230	820	67	160	240	150	220	185	84
NEBR.	1471	1120	76	169	180	107	250	270	108
TEXAS	2335	1777	76	356	344	97	309	326	84
7 STATES	9457	7146	76	1133	1218	108	1498	1357	91
	AUGUST 1			DURING AUGUST			DURING AUGUST		
ARIZ.	548	431	79	78	43	55	70	73	104
CALIF.	1164	976	84	205	165	80	143	137	96
COLO.	910	690	76	140	147	105	170	162	95
IOWA	1608	1210	75	212	140	66	255	250	98
KANSAS	1170	875	75	200	190	95	180	160	89
NEBR.	1390	1030	74	268	200	75	238	220	92
TEXAS	2302	1795	78	366	264	72	354	299	84
7 STATES	9092	7007	77	1469	1149	78	1410	1301	92
	SEPTEMBER 1			DURING SEPTEMBER			DURING SEPTEMBER		
ARIZ.	556	401	72	81	27	33	72	80	111
CALIF.	1226	1004	82	161	132	82	157	171	109
COLO.	880	675	77	215	160	74	170	145	85
IOWA	1565	1100	70	163	150	92	292	220	75
KANSAS	1190	905	76	200	165	83	200	170	85
NEBR.	1420	1010	71	278	260	94	260	230	88
TEXAS	2314	1760	76	348	147	42	339	308	91
7 STATES	9151	6855	75	1446	1041	72	1490	1324	89
	OCTOBER 1								
ARIZ.	565	348	62						
CALIF.	1230	965	78						
COLO.	925	690	75						
IOWA	1436	1030	72						
KANSAS	1190	900	76						
NEBR.	1438	1040	72						
TEXAS	2323	1599	69						
7 STATES	9107	6572	72						

STEERS SOLD OUT OF FIRST HANDS AT SELECTED MARKETS FOR SLAUGHTER
SEPTEMBER 1973 AND 1974 1/

MARKET AND GRADE	NUMBER		AVERAGE WEIGHT		AVERAGE PRICE PER 100 POUNDS LIVELIGHT	
	1973	1974	1973	1974	1973	1974
	HEAD	HEAD	POUNDS	POUNDS	DOLLARS	DOLLARS
KANSAS CITY						
PRIME.....	56	17	1021	1048	47.34	41.02
CHOICE.....	773	1179	1004	1026	44.89	40.65
GOOD.....	218	692	1136	1005	43.60	38.09
OTHER 2/.....	136	136	1250	1024	39.02	34.20
TOTAL.....	1183	2024	1057	1019	43.95	39.35
OMAHA						
PRIME.....	2058	1464	1166	1158	45.68	42.65
CHOICE.....	14449	15740	1113	1111	45.45	41.41
GOOD.....	3473	7907	1141	1043	43.64	39.20
OTHER 2/.....	484	902	1205	1061	40.84	35.20
TOTAL.....	20464	26013	1125	1091	45.05	40.64
ST. LOUIS NSY						
PRIME.....	436	270	1112	1135	44.20	43.25
CHOICE.....	4626	5983	1054	1026	46.49	42.18
GOOD.....	1182	4282	1084	1013	43.49	39.49
OTHER 2/.....	449	731	1159	1046	44.85	31.56
TOTAL.....	6693	11266	1070	1025	45.68	40.49
SIOUX CITY						
PRIME.....	1268	2289	1218	1192	45.36	42.53
CHOICE.....	15512	17200	1139	1142	45.54	41.44
GOOD.....	3348	3916	1170	1107	43.74	38.40
OTHER 2/.....	79	515	1177	1087	38.40	33.93
TOTAL.....	20207	23920	1149	1139	45.20	40.91
SIOUX FALLS						
PRIME.....	29	315	1227	1198	44.28	42.00
CHOICE.....	2914	8070	1147	1136	43.82	40.97
GOOD.....	1386	3886	1217	1110	43.00	37.63
OTHER 2/.....	92	667	1126	1050	40.74	33.77
TOTAL.....	4421	12938	1169	1125	43.49	39.66
SO. ST. JOSEPH						
PRIME.....	200	376	1079	1099	45.09	42.24
CHOICE.....	2218	4193	1073	1043	43.36	41.37
GOOD.....	472	2401	1126	1034	42.42	38.16
OTHER 2/.....	72	279	1280	1016	41.32	31.61
TOTAL.....	2962	7249	1087	1042	43.26	39.99
SO. ST. PAUL 3/						
PRIME.....	600	505	1232	1133	45.29	43.53
CHOICE.....	4515	6644	1128	1117	45.68	41.26
GOOD.....	3453	6783	1165	1151	43.39	37.73
OTHER 2/.....	527	3770	1143	1091	38.97	30.80
TOTAL.....	9095	17702	1150	1125	44.39	37.78
TOTAL 7 MARKETS						
PRIME.....	4647	5236	1178	1167	45.39	42.64
CHOICE.....	45007	59009	1116	1109	45.39	41.40
GOOD.....	13532	29867	1157	1079	43.48	38.46
OTHER 2/.....	1839	7000	1177	1074	41.05	32.04
TOTAL.....	65025	101112	1131	1101	44.86	39.98

1/ DATA COLLECTED BY LIVESTOCK DIV., AMS AND STATISTICAL REPORTING SERVICE
2/ STANDARD, COMMERCIAL AND UTILITY
3/ PARTIAL RECEIPTS



HEIFERS SOLD OUT OF FIRST HANDS AT SELECTED MARKETS FOR SLAUGHTER
SEPTEMBER 1973 AND 1974 1/

MARKET AND GRADE	NUMBER		AVERAGE WEIGHT		AVERAGE PRICE PER 100 POUNDS LIVEWEIGHT	
	1973	1974	1973	1974	1973	1974
	HEAD	HEAD	POUNDS	POUNDS	DOLLARS	DOLLARS
KANSAS CITY						
PRIME.....	37	18	898	989	46.21	39.43
CHOICE.....	515	534	910	961	43.58	39.57
GOOD.....	108	388	951	852	42.94	36.41
OTHER 2/....	13	50	864	932	45.16	31.72
TOTAL.....	673	990	915	917	43.64	38.01
OMAHA						
PRIME.....	2793	1449	970	983	44.76	41.62
CHOICE.....	12096	12178	961	964	43.86	40.73
GOOD.....	3601	6594	955	926	42.52	38.52
OTHER 2/....	735	497	1044	910	38.46	35.25
TOTAL.....	19225	20718	964	952	43.52	39.99
ST. LOUIS NSY						
PRIME.....	464	158	916	977	44.04	42.08
CHOICE.....	3073	2955	890	894	44.54	41.01
GOOD.....	649	1978	893	851	43.68	37.97
OTHER 2/....	173	730	911	809	43.40	29.80
TOTAL.....	4359	5821	894	871	44.31	38.73
SIOUX CITY						
PRIME.....	1029	938	975	1004	44.57	40.88
CHOICE.....	10926	10496	960	964	44.16	40.05
GOOD.....	2139	2351	988	963	42.66	37.06
OTHER 2/....	151	166	1048	931	38.31	30.71
TOTAL.....	14245	13951	967	966	43.90	39.50
SIOUX FALLS						
PRIME.....	85	265	1001	978	43.97	40.22
CHOICE.....	2775	4887	992	961	42.59	39.60
GOOD.....	1010	2257	1001	922	40.39	36.45
OTHER 2/....	64	165	1056	911	33.80	31.15
TOTAL.....	3934	7574	996	949	41.90	38.53
SO. ST. JOSEPH						
PRIME.....	171	82	926	991	44.91	40.14
CHOICE.....	1686	2348	925	930	43.58	39.89
GOOD.....	481	1658	952	884	40.44	36.58
TOTAL.....	2338	4088	930	913	43.01	38.60
SO. ST. PAUL 3/						
PRIME.....	258	304	1118	1102	46.47	41.77
CHOICE.....	4284	4063	991	973	44.18	40.64
GOOD.....	1206	2369	978	932	42.53	38.23
OTHER 2/....	538	1556	1059	992	37.73	28.65
TOTAL.....	6286	8292	999	969	43.39	37.72
TOTAL 7 MARKETS						
PRIME.....	4837	3214	973	1000	44.76	41.28
CHOICE.....	35355	37461	958	957	43.93	40.34
GOOD.....	9194	17595	966	917	42.29	37.73
OTHER 2/....	1674	3164	1034	929	38.52	30.18
TOTAL.....	51060	61434	963	946	43.52	39.15

1/ DATA COLLECTED BY LIVESTOCK DIV., AMS AND STATISTICAL REPORTING SERVICE
2/ STANDARD, COMMERCIAL AND UTILITY
3/ PARTIAL RECEIPTS



October 21, 1974

Dear Senator:

I would like to acknowledge and thank you and your colleagues for your October 17 letter to the President.

The President is very much aware of the problems facing the dairymen and the livestock producers and feeders. He has indicated a number of actions that he is taking to deal with the disparity in the prices they receive as compared to those charged at the supermarkets. He also has announced that he will be meeting at the White House very soon with a representative group of farmers and ranchers so that he can obtain first-hand their suggestions as to appropriate government response to the cost-price situation.

The Department of Agriculture has just ended hearings regarding price support levels for fluid milk and it will be making an announcement soon on the basis of the evidence presented during those hearings.

I understand that, due to voluntary agreements which were worked out with major exporting nations, such as Australia, meat imports are running well below the Congressionally mandated ceiling at which point import quotas would be triggered. Meat imports during the quarter just concluded are expected to be lower than in the first two quarters.

To each signer



I hope that this information will be helpful to you.
I also would like to share with you the enclosed excerpt from the speech made by the President when he was in Sioux Falls on October 16.

With kindest personal regards,

Sincerely,

Tom C. Korologos
Deputy Assistant
to the President

The Honorable Adlai E. Stevenson
United States Senate
Washington, D.C. 20510

Enclosure

bcc w/ inc to William E. Timmons - FYI
bcc w/ inc to Warren Rustand - FYI
✓ bcc w/ inc to Norm Ross - FYI

TCK:VCL(cleared with Ross):EF:mlg



10/23

FLOYD K. HASKELL
COLORADO

10-18

United States Senate

WASHINGTON, D.C. 20510

October 17, 1974

(2)

The President
The White House
Washington, D. C.

Dear Mr. President:

We would like to appeal to you concerning the continuing crisis in the nation's beef cattle industry. A price depression has existed for nearly a year at the farm level and, under present conditions of abundant supply, can be expected to continue through 1975. Unfortunately the consumer has not benefitted from low cattle prices as beef retail prices have remained high while supermarket profits are up. If this situation is allowed to continue, all producing segments of the industry will be seriously crippled, resulting in beef shortages and even higher consumer prices in the years to come.

There has been extensive debate about the causes of the present industry-wide depression. It is generally agreed that a number of factors are involved, not the least of which are the beef price freeze of last year and an influx of foreign beef over the past year while our trading partners closed their borders entirely to beef imports. Low cattle prices have been especially damaging recently as production costs have soared--due to increased prices for feed, baling wire, and so forth--catching cattlemen in a severe cost-price crunch. It simply costs more to produce a single steer than the farmer gets paid for that steer. Cattle producers and feeders have been taking losses of more than \$100 per animal for many months.

The feeding industry suffered a severe crisis last summer which we tried to relieve with emergency aid. The cow-calf producers at the ranch level are now undergoing the same kind of disaster. As this is the basic unit of production in the entire industry, a failure of this segment will have dire consequences for the entire American beef industry for years to come.



If we want American agriculture to produce abundant food for our own people as well as other nations we must be willing and able to protect our farmers and ranchers from depressions of this kind and offer a degree of market stability to meat protein producers.

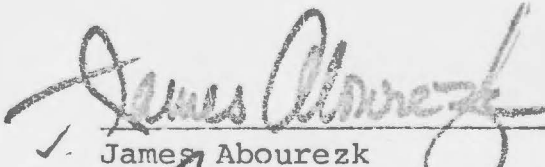
In the past few days you have received letters from the American National Cattlemen's Association and the Colorado Cattlemen's Association requesting that you meet with their leaders to discuss and help solve the cattle industry's problems. Of immediate concern is the pending crisis as many calves may well be slaughtered unless the cattlemen can be assured of some action in the near future. As you know, there are rumblings of serious discontent among cattlemen and we believe it is important that cool heads and responsible leadership prevail. We endorse the cattlemen's request for a meeting with you and ask that you consider inviting selected Congressional representatives from the cattle states.

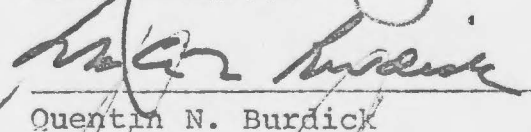
Three proposals have been suggested to head off the immediate crisis:

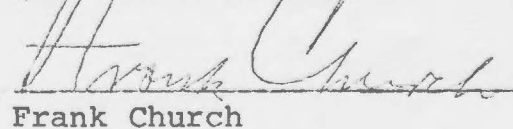
1. The immediate imposition of meat import quotas.
2. A step-up in beef purchases for the school lunch program and additional beef purchases for food aid to the needy at home and abroad, including purchases of canned beef.
3. Swift implementation of the proposed beef grading standards presently under consideration by the Department of Agriculture.

We believe that action is necessary now to avert a full-scale crisis which will have repercussions at home and abroad for years to come.

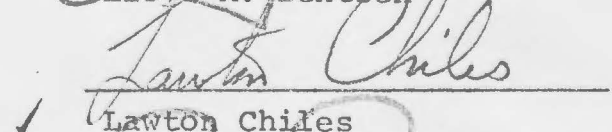
Sincerely,

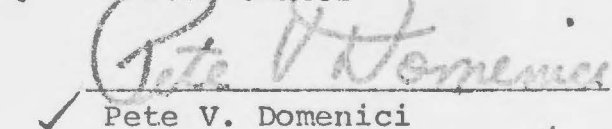
✓ 
James Abourezk

✓ 
Quentin N. Burdick

✓ 
Frank Church

✓ 
Lloyd M. Bentsen

✓ 
Lawton Chiles

✓ 
Pete V. Domenici



176
23

Mr. Chairman

✓ Tom Eagleton
Thomas F. Eagleton

✓ Edward J. Gurney
Edward J. Gurney

✓ Floyd K. Haskell
Floyd K. Haskell

Mr. Chairman

✓ Gale W. McGee
Gale W. McGee

✓ Mike Mansfield
Mike Mansfield

✓ Joseph N. Montoya
Joseph N. Montoya

Mr. Chairman

✓ Henry M. Jackson
Henry M. Jackson

✓ Barry Goldwater
Barry Goldwater

✓ James A. McClure
James A. McClure

✓ Paul J. Fannin
Paul J. Fannin

✓ Clifford P. Hansen
Clifford P. Hansen

✓ Mark O. Hatfield
Mark O. Hatfield

✓ George McGovern
George McGovern

✓ Lee Metcalf
Lee Metcalf

✓ Frank E. Moss
Frank E. Moss

✓ J. Bennett Johnston, Jr.
J. Bennett Johnston, Jr.

✓ Adlai E. Stevenson
Adlai E. Stevenson

Mr. Chairman



We want to keep this country rolling, not parked on a dead-end street.

Let me add one special concern that I had for people of South Dakota when this issue was presented to me and I rejected it. I thought of the people of South Dakota and other States who have to travel not a couple of miles but many miles to go to the doctor or to the hospital. I thought about the people in South Dakota who have to go from their farms or their ranch to the implement dealer or to the community where they trade.

A gasoline tax would unfairly, in my judgment, penalize those people. And for that reason, among many others, I rejected it. And we are not going to have it as long as I am in the White House.

There are some other things that have to be done, not just in agriculture, but they have to be done in agriculture. We have got to increase productivity. But I also like to add, when talking about productivity, that the statistics show that in the last 20 or more years, the farmers of America have increased their productivity more than any other segment of our economy in the whole United States, and I applaud you for it.

But just because you are the champs doesn't mean you can't do better. So I am urging every one of you to make that little extra effort to make sure that we get the maximum from our soil and from the toil of all of you.

Now there is one question that is always raised that if the farmer produces more, responds to the demands of people in this country and around the world, what kind of protection, what kind of guarantee does the farmer who has made this special effort get?

Let me add this: I promise a fair return, a fully fair and adequate return to the farmers of America, a fair profit on what you put in on your time, your labor, your investment, and your facilities. This is what you deserve and this is what we have to guarantee.

Let me add, if I might, the problems and the concerns of the people of rural America will not be buried under the concrete of big city interests.

There is one comment I would like to make and it is somewhat a sad one. I am particularly disturbed by the wasteful protest, the protest resulting in the slaughtering of calves in Wisconsin just yesterday, at a time when we are trying to increase the supply of food.

MORE



I fully recognize the frustration that prompted this shocking demonstration, but their actions, I think, even if they reflect on it themselves, will contribute nothing, nothing toward a solution to the problem that they face or the problems that our country faces.

I am aware of the cost price squeeze in which livestock producers and feeders find themselves. I have requested from the Department of Agriculture and every other department in the Federal Government the reports that I can look at and analyze, and I will meet very shortly at the White House with fair representation of the farmers and ranchers to get their solutions from them directly.

I am disturbed by the disparity between the reduced earnings of the cattle growers and the higher prices charged to consumers throughout the Nation on the shelves of the supermarkets. And I am asking the new Council on Price and Wage Stability to examine the reasons behind this gap which is paid to the farmer and what must be paid on the other end of the line by the individual consumer.

Something is obviously wrong, and I intend to do what I can to find out the cause and do something about it.

Our livestock producers here in South Dakota obviously cannot tolerate a situation in which calves cost more to raise than they bring at the market place, but there certainly is a better way of redressing these legitimate grievances than by the drastic and wasteful destruction of our food supply.

Now there is another problem which equally concerns me -- the tremendous cost price squeeze in which America's dairymen find themselves. I met last Friday in Washington in the Cabinet Room with a representative group of dairy farmers on the one hand and a group of Democratic and Republican Congressmen and Senators on the other. And they outlined to me the practical problems that the dairy producers in their respective States are faced with.

I am very sympathetic to the problem. I understand the concern of those dairy producers that the United States dairy price system should not be allowed -- and this is very important -- that this price system should not be allowed to be undermined by efforts of foreign dairy producers.

MORE



Now some of these foreign dairy producers, as we know from the sampling that we have taken, are seeking to shift the burden of their own cost price problems to the United States market, aided by artificial incentives from their own Government.

And because of my own concern about the economic problems dairymen are facing, I intend today announcing that no action will be taken to change the present system of dairy import quotas without a thorough review of market conditions and full opportunity for our dairy producers to be heard at that time.

I think the record proves that our farmers can compete with any group of farmers, or the farmers from any nation throughout the world. And I am looking forward to those negotiations where we can equalize our opportunities to compete with foreign markets around the world.

Now these are some of the reasons I am here, to listen to what you have to say, to get your reactions to what I say. I have a button up here that says "WIN". Win now. And I see some signs and I see some buttons in the crowd here.

MORE



October 18, 1974

Mr. Orville K. Sweet, President
American Polled Hereford Association
4700 East 63rd Street
Kansas City, Missouri 64130

Handwritten:
Name Ross
RM 718
1/2

Dear Mr. Sweet:

The President has asked me to reply to your telegram of September 19, regarding the status of the commercial beef cattle industry.

We share your concern about the economic difficulties affecting the U.S. cattle industry. The Department of Agriculture has taken several positive actions to help the cattlemen, such as increased beef purchases for the School Lunch Program and encouraging the Department of Defense to increase its beef purchases for military feeding and its commissaries. The administrations' recent decision to require prior approval for certain grain and meal exports was undertaken to assure that essential feed supplies are available to our domestic livestock producers.

President Ford expressed his personal concern about the cost-price squeeze in which livestock producers and feeders find themselves during a meeting in Sioux Falls, South Dakota on October 16. The President has requested reports on this problem from the U.S. Department of Agriculture and other departments in the Federal Government, and will personally meet very shortly with representatives of the farmers and ranchers to get recommendations directly.

The President also expressed concern about the disparity between the reduced earnings of the cattle growers and the higher prices charged to consumers. Accordingly, the President has asked his newly established Council on Price and Wage Stability to investigate the causes of this disparity.

We appreciate receiving your views and recommendations,



Handwritten: 10/21

which will be carefully considered as we seek realistic solutions to the difficult adjustment problems affecting American cattlemen.

Sincerely,

W. D. Eberle

W.D. Eberle
Executive Director

WSHARP/cyf/10-18-74

cc: Ross, Murphy, Hartquist, ExSec, Chron



Oct. 18, 1974

President's Meeting with Senator Henry Bellmon

file

Background

The situation facing cattlemen is worldwide and is caused by a worldwide surplus of beef. Beef cattle prices in Oklahoma ran above a year ago during the first quarter of 1974, but have lagged well below year ago levels since then. In September, Oklahoma cattlemen received an average of \$28.30 (versus \$32.80 nationally) for beef cattle, compared to \$49.60 per hundredweight (versus \$47.20 nationally) a year earlier. Nationally, slaughter rates are expected to be large this fall and prices will continue lower than this summer. But all of the increases in fall slaughter will be from cows and steers coming off grass, or which has had minimal grain feeding. Grain-fed cattle will be in short supply for the rest of the year. This will improve the profit picture and would tend to encourage increased grain feeding. But recent sharp increases in feed grain prices may discourage this.

USDA's Farmers Home Administration has approved a total of 83 loans, valued at \$11,909,802 to Oklahoma farmers and ranchers under the recently enacted (in July) Livestock Emergency Credit Act. Under this Act, FmHA guarantees up to 80 percent of loans made by commercial lenders to livestock farmers in distress. Oklahoma ranks second in the Nation in utilization of this program, is behind Texas where a total of 96 loans for \$14,551,000 have been approved.

There has been some discontent involving this program because of high interest rates; because it is available only to farmers and ranchers whose major farm enterprise is livestock; and because some want 100 percent guaranteed loans.

Talking Points

I am aware of the cost price squeeze in which livestock producers and feeders find themselves. I have requested from the Department of Agriculture and every other Department in the Federal Government the reports that I can look at and analyze,



and I will meet very shortly at the White House with fair representation of the farmers and ranchers to get their solutions from them directly.

I am disturbed by the disparity between the reduced earnings of the cattle growers and the higher prices charged to consumers throughout the Nation on the shelves of the supermarkets. And I am asking the new Council on Price and Wage Stability to examine the reasons behind this gap which is paid to the farmer and what must be paid on the other end of the line by the individual consumer.



FOR IMMEDIATE RELEASE

OCTOBER 22, 1974

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Oklahoma City, Oklahoma)

THE WHITE HOUSE

PRESS CONFERENCE
OF

HENRY BELLMON, U.S. SENATOR
DEWEY BARTLETT, U.S. SENATOR
JOHN DUNN, PRESIDENT, OKLAHOMA CATTLEMEN'S ASSOCIATION
GEORGE STONE, PRESIDENT, OKLAHOMA FARMERS' ASSOCIATION
WRAY FINNEY, FIRST VICE PRESIDENT,
NATIONAL CATTLEMEN'S ASSOCIATION

SKIRVIN PLAZA HOTEL

11:05 A.M. CDT

MR. NESSEN: Gentlemen and ladies. The President has finished his meeting with the cattle and dairy industries, and we have with us here some of the participants in the meeting.

You know Senator Bellmon. You know Senator Bartlett. We also have George Stone of the Farmers' Union from Choctaw, Oklahoma; Wray Finney of the Cattlemen's Association from Portland, and John Dunn, President of the Oklahoma Cattlemen's Association, from Woodward, Oklahoma.

You know what time the meeting started, and it just broke up, so you have an idea of how long it was. It lasted about 45 minutes.

The President's participation mostly consisted of listening to the position as stated by the Senators and the representatives of the cattlemen's and dairymen's industry. He asked some questions to clarify points, and he did say in connection with limiting imports on dairy products, that he had talked to Secretary Butz about this and that he thinks that he is sympathetic to the idea and that he has said publicly before that there is a high degree of likelihood that he would limit dairy imports.

For the rest of the briefing on how the meeting went, here is Senator Bellmon.

SENATOR BELLMON: I would like to also ask the others who participated to come up front.

MORE



We met with the President to represent both the livestock and dairy industries of the State as well as farming, generally. The conversation with the President showed that he had a good understanding of the agricultural industry, and its importance to the country, and the problems that we presently face as far as dairy and beef cattle are concerned.

He indicated a willingness -- almost an eagerness -- to work our way out of this difficulty before the breeding herds and the dairy herds are liquidated, thus producing in a few months a shortage of meat and dairy products which could result in higher prices for consumers.

I think it would be a mistake to say that he made any commitments about any course of action that he is going to follow, but he indicated very strongly that he looked favorably toward taking action to stabilize the situation and to improve it in as reasonable a way as he could.

He was particularly interested, I thought, in seeing that steps be taken to break down the barriers that other countries have erected against the import of American meat products, especially the Japanese. He said that he was planning to be in Japan soon and that this will be one of the major items of conversation over there.

He also felt that with the passage of the new trade bill that is likely when Congress goes back into session, that he will have a better tool to use in bargaining.

Some of these other gentlemen may want to add to that, but that was the comment that I would make.

Q Senator, what steps would you like the President to take?

SENATOR BELLMON: The question is, what steps would we like for the President to take. We would like to see the import quota system on beef reinstated when January 1 rolls around. This, as you know, was lifted by President Nixon back at the time when there was a shortage of processing beef and when the prices were high.

MORE



We feel that the circumstances now justify the reimposition of this program.

The same is true for dairy imports. Those have also been modified and we would like to see them reinstituted.

We also feel that any additional purchases by the USDA for school lunch use or by the military department for military use, are now in order because of the low price of beef and other types of meat, and this would be a good bargain for the Government as well as have a stabilizing effect on the live cattle prices.

Q Did the President take any position on limiting beef imports?

SENATOR BELLMON: The President did not take a firm position, but he certainly thinks he may indicate an inclination toward reimposing the program as of January 1.

MORE



Q Senator, the Oklahoma Cattlemen's Association's request to prosecute those members of the packaging and retailing industry on items in restraint of trade led retail prices to drop and to cut down on consumption. I would like to ask you if you believe the meat-packing and retail grocery industries have been involved in items of trade in this area?

SENATOR BELLMON: The indications are that margins are much higher than they were a year ago, that the decline in live animal prices has not been fully reflected at the retail meat counters. This would lead to the conclusion that the profit margins are excessive.

I would like for Mr. John Dunn, President of the Oklahoma Cattlemen's Association, to comment on that.

MR. DUNN: This question has been raised, gentlemen. All you had to do is read in the Wall Street Journal and see all of these grocery chains and packers where they get a statement of earnings. You don't have to be real certified public accountants to figure out that some of them are earning up to as much as 400 percent over the first five months in 1973. You know, it came at our expense and at the consumer's expense.

Q Senator, did you ask that or are you just presenting that statement? Did you verbalize that statement?

MR. DUNN: He did get a copy of that.

Q Senator, did you ask the President, or did he ask you or any of the cattlemen not to slaughter steers, to slaughter cattle?

SENATOR BELLMON: There has been no slaughter of baby calves by the Oklahoma producers. The matter was discussed. The President stated very strongly his distaste and disapproval of this action. I believe that this is a very grave mistake on the part of those who have participated in this sort of activity and it is not going to go on here.

Q Senator, did he say that the President indicated an inclination, as you put it, to reimpose quotas?

SENATOR BELLMON: That is the way I interpreted his comments.

MORE



SENATOR BELLMON: I didn't hear the President make any comments about retail markets.

Q What did Mr. Dunn say about retail prices?

MR. BELLMON: Mr. Dunn gave the President the same information he has just given you. This seemed to make an impression upon the President.

If we are going to have stable meat prices and a dependable supply of meat at a price the consumers can afford, we simply cannot allow the present circumstances to go on because we are now liquidating the breeding herds, and this means that once these herds are liquidated, then there will be a drastic reduction in the supply of beef available at that time, the price will soar. So, it is in the long-range interest of controlling inflation not to let this present situation -- which is not helping the consumer materially since the prices are not going down at the retail market -- to continue.

I would say that in less than a year we will see meat prices back where they were a few months ago. There has to be a happy medium.

Q Senator, do you have a reimposition of beef quotas, import quotas, and price control at the retail level to make sure that it does not skyrocket any higher than it already has?

SENATOR BELLMON: The reimposition of those quotas would not produce skyrocketing prices at the live level but they would probably not even be noticed at the retail counter.

Q Why, Senator?

SENATOR BELLMON: Because the problem is that there is excessive margin encountered in the process used in retail to absorb what those differences were in the increase in prices and that price is passed on to the consumer.

Mr. Finney, would you like to comment?

MR. FINNEY: I am First Vice President of the National Cattlemen's Association. I am glad you raised the question of imports into this country.

They compete directly with our own cows -- beef -- in this country. In Oklahoma City, we moved a record number of cows through the Oklahoma City market. So, we don't think you will see much change in retail prices related to this kind of beef.

MORE



We have more than ample supplies of cow beef available now and there are more coming, and I don't think you will see any change if we don't get through to the reimposition of quotas. I think you are going to see an industry that is even in more trouble than it is right now. We know there is a world surplus in beef. Australia, for example, ships us 50 percent of our imports and we are told by the Australians, themselves, that they have some 200,000 tons of surplus beef that they are getting ready to ship somewhere and we are the only country in the world that has open borders right now. Every other country has closed their borders.

MR. NESSEN: The Washington press has to get ready to go so let's have one last question.

Q One of you told the President you would like to make him feel poverty-stricken. Do you really think in 30 or 40 minutes you made him feel poverty-stricken?

SENATOR BELLMON: I said that partly in jest and partly in earnest because now I expect most of our Oklahoma cattlemen have lost as much in one year as they made in the previous 10 years. And they made him an honorary member of the Oklahoma Cattlemen's Association and told him that he sure would not lose the common touch. I gave him an Oklahoma Cattlemen's Association tie tack and he traded me his Vice Presidential tie tack. That was the exchange.

MORE



Q I was pretty sure

SENATOR BELLMON: Well, I think that he had a deep understanding of our problems and how he relates to what is going to happen, too.

Q Thank you.

MR. FINNEY: The President did indicate last week that he was going to have a meeting on the quota system and also yesterday there was a meeting of cattlemen with Secretary Simon in Washington. They felt that he indicated support for reinstitution of the quota system.

I talked with him last night about another matter and he indicated his suggestion to the President to reinstitute the quota system.

Q Thank you very much, gentlemen.

MR. NESSEN: The President listened with a great deal of interest and sympathy to what the dairymen and cattlemen had to say to him and he asked a lot of questions. The major points that the President made were that there was a high degree of likelihood that he would limit imports on dairy products.

He will meet next week with Secretary Butz on the question of dairy imports and that on his trip to Japan he will talk to the Japanese about increasing their purchases of American choice-fed calves.

Those are the points that the President made. Most of the meeting was listening with sympathy to the position made by the guests.

Q Ron, did the President indicate that he was inclined to agree on a position of controls on cattle--beef imports?

MR. NESSEN: I just told you the major points that the President made.

END (AT 11:30 P.M. CDT)



October 24, 1974

Dear Mr. Wilson:

I would like to acknowledge and thank you for your October 16 letter to the President suggesting that he meet with representatives of the beef cattle industry to discuss possible solutions to their problems.

The President is very much aware of the problems facing the dairyman and the livestock producers and feeders. He has indicated a number of actions that he is taking to deal with the disparity in the prices they receive as compared to those charged at the supermarkets. He also has announced that he will be meeting at the White House very soon with a representative group of farmers and ranchers so that he can obtain first-hand their suggestions as to appropriate government response to the cost-price situation.

The Department of Agriculture has just ended hearings regarding price support levels for fluid milk and it will be making an announcement soon on the basis of the evidence presented during those hearings.

I understand that, due to voluntary agreements which were worked out with major exporting nations, such as Australia, meat imports are running well below the Congressionally mandated ceiling at which point import quotas would be triggered. Meat imports during the quarter just concluded are expected to be lower than in the first two quarters.

I hope that this information will be helpful to you. I also would like to share with you the enclosed excerpt from the speech made by the President when he was in Sioux Falls on October 16.



- 2 -

livestock
central

With kindest personal regards,

Sincerely,

Max L. Friedersdorf
Deputy Assistant
to the President

The Honorable Charles Wilson
House of Representatives
Washington, D. C. 20515

see w/ins to Warren Rudman - FYI

see w/ins to Norm Ross - FYI

MLF:VL (text cleared with Ross): EF:js



10/28-

14
CHARLES WILSON
2D DISTRICT, TEXAS
*Ref
Interview
(11/11/74)*

10-19
COMMITTEES:
FOREIGN AFFAIRS
VETERANS' AFFAIRS
h

Congress of the United States
House of Representatives
Washington, D.C. 20515

October 16, 1974

BT
The Honorable Gerald R. Ford
The White House
Washington, D.C. 20500

My dear Mr. President:

I wish to join several of my colleagues who have requested your favorable consideration of a meeting with representatives of the beef cattle industry.

My meetings with members of both the beef and dairy cattle industry have brought out a very clear indication of a developing crisis situation in the cattle industry with the cost of production exceeding the price they receive for their product. A continuation of this situation can only lead to reduced cattle numbers and higher meat and dairy prices to the consumers.

Many of the issues they wish to discuss have been presented to you by the national and state cattlemen and dairymen organizations. I only wish to add my support to their desire to address their proposals to you for relief in a timely and personal manner. Your acceptance of this request would be both helpful and appreciated.

Sincerely,

Charles Wilson
Charles Wilson

CW:lmg



THE WHITE HOUSE

WASHINGTON

October 24, 1974

MEMORANDUM FOR: NORM ROSS

FROM: DAVID WHEAT

SUBJECT: President's Meeting with Cattlemen and Dairywomen

Here is a list of potential invitees to the President's meeting with cattlemen and dairywomen. It was compiled from recommendations our office has received since the President announced his plan to hold the meeting.

Gordon Van Vleck (President, American National Cattlemen's Assoc.)
Wray Finney (1st Vice-President, ANCA)
Lee Spann (President, Colorado Cattlemen's Assoc.)
Boyd Clements (President, Arizona Cattle Feeders)
Waldo Mommson (President, Iowa Cattlemen's Assoc.)
Pat Wilson (President, Florida Cattlemen's Assoc.)
Bill McMillan (Washington Representative, ANCA)
Hilmar Moore (President, Texas and Southwestern Cattle Raisers Assoc.)
J. A. Whittenburg (1st Vice-President, TSCRA)
Glenn Deen (President, Texas Cattle Feeders)
R. L. Moore (President, Independent Beef Producers of America)
Bob Harvey (Vice-President, IBPA)
Larry Gamblin)
Louie Woodall)
James Traweek)
Felix Parmley) Northeast Texas Dairywomen and Cattlemen
Lee Perkins)
Worth Barham)
Gary Odom)
Don Smith)

The attached resolutions passed by the American National Cattlemen's Association and the Texas and Southwestern Cattle Raisers Association, regarding calf slaughters, may be of interest to you in the preparation of talking points.

I'm also attaching some background information on the general situation.

Attachments



STATEMENT
adopted by the
AMERICAN NATIONAL CATTLEMEN'S ASSOCIATION
Board of Directors
October 16, 1974

The American National Cattlemen's Association deplores the killing of cattle as a dramatization of the current economic crisis in the cattle industry. However, ANCA recognizes the frustrations which have driven the individuals and groups involved to take such drastic action.

The shortage of grain and resulting extremely high feed costs, coupled with today's depressed cattle market, have made it impossible to maintain and raise the cattle for market without sustaining intolerable financial losses.

ANCA does not in any way condone the wasteful destruction of cattle; nor does it condone an economic situation in which it is more feasible to kill calves than it is to raise them to maturity.

In circumstances where cattle producers cannot keep and raise calves without incurring impossible economic losses, the U. S. Department of Agriculture should accept the responsibility for collecting, processing and distributing this food resource to the needy and undernourished.



Unanimous Resolution Adopted by the
Directors of the Texas and Southwestern Cattleraisers
Association, in College Station, Texas, October 3, 1974

Whereas the cattle industry is currently suffering from the most punitive cost/price ratio in its history, and

Whereas the untenable situation of oversupply at the producer level will undoubtedly be followed by severe shortages of beef, and the departure from the industry of those producers who cannot survive these devastating conditions, and

Whereas the Texas and Southwestern Cattleraisers Association, representing 15,000 members, is working constantly to reach a solution to this problem,

Now, therefore, be it resolved that the Association does not approve intemperate protest acts such as the proposed wasteful destruction of hundreds of cattle, and that, instead, the Association supports and advocates the prohibition of unrestricted imports, the allocation of more funds for beef promotion, increased research efforts for the industry, fiscal responsibility at all levels of government, and continuing the efforts to fight inflation, so that the average consumer will have more disposable income for the purchase of beef.



The current economic status of the U.S. beef cattle industry is severely depressed. Since beef price ceilings were removed during the Economic Stabilization Program in September 1973, the U.S. beef cattle industry has been suffering from severe over-supply. This was reflected in large losses experienced by cattle feeders throughout the winter of 1973-4 and extending to the present time. The severity of the situation has been compounded by high feed grain prices which have caused the price of feed ingredients fed to cattle rising from an average of \$80.00 per ton in mid 1973 to \$120.00 per ton currently. Cattle feeders with prevailing fed cattle prices, are losing between \$25 and \$100 per head sold, depending upon the original price paid for the feeder cattle.

The continuing losses experienced by feeders now is reflected to the grass cattle producers who are suffering losses ranging in the magnitude of \$100 per head or more on every 400 lb. calf produced. The situation is so crucial that the normal non-fed slaughter of about 20% of total commercial cattle slaughter currently is in the range of 40%. In other words, cattle prices are so low that many animals are going directly to slaughter from grass rather than to the feedlot where they normally would flow. Some examples of prices are 400 lb. calves \$26-\$30 CWT; 600-700 lb. yearlings \$25-\$27 CWT; 700-800 lb. steers \$25-\$27 CWT. Recent studies indicate that it costs at least \$55 CWT to produce a 400 lb. calf. From this, it is easy to equate the losses occurring at the producer level combined with continued losses at the feedlot level.

All of this means that we have a large over-supply of cattle of all qualities in the U.S. with the likelihood that we will be killing many more non-fed cattle, including cows, throughout 1975.

Australia has a similar backup of cattle supplies due to a depressed market condition. Favorable grass growing conditions have existed in Australia and producers have held back cattle rather than sell them at the present market prices. These market prices have been caused by a lack of world markets for their exportable beef. Embargoes on beef imports exist in the European Economic Community and Japan and quotas now have been established in Canada. All of this is combined with low market conditions in the U.S. As a consequence, beef imports into the U.S. in 1974 will be less than in 1973....a record year. However, we must look beyond today and into next year.

In 1975 we do not look for the U.S. and world market situation to improve much, if at all. The European market likely will remain closed for most, if not all of the year, the Japanese market will remain closed for most of the year, and Canada will maintain a quota system. This leaves the U.S. the only open market in the world, should import restraints not be imposed in accordance with the Meat Import Act of 1964. Add to this the devaluation of the Australian dollar, in relation to the U.S. dollar, which will result in the enhancement of more beef to be shipped to the U.S. New Zealand also has followed suit. Those two nations account for over 75% of all beef imports into the U.S.

Prospects are for more than ample supplies of domestically produced



-2-

beef, so consumer prices will likely remain near the present low levels. However, should unlimited quantities of fresh frozen beef and veal be permitted entry, live cattle prices will be drastically impacted, causing further liquidation of cows and other non-fed cattle. Temporary additional supplies of beef will result, but long term short supplies will be the consequence.

Restraints of beef imports into the U.S. in 1975 will help alleviate the cow and non-fed cattle liquidation and help bring more stability to the cattle industry and consumer prices in the future. Perhaps the U.S. should even embargo beef imports if the European and Japanese markets do not open up.



BEEF and DAIRY PRODUCERS are caught in an economic squeeze that will be the cause of disaster if relief does not begin at once.

The following are statistics presented in brief resume form for quick referral:

	Producer rcd	Milo	Soybeans	Finished Feed Cost
MILK: Apr. 1974	\$9.41	\$4.30	\$10.10	\$5.35
Aug. 1974	7.98	5.95	13.95	7.35

IMPORTS: Product	(Millions of pounds) '71-'72	'72-'73	'73-74	Ratio '73 to '71
Butter	.7	.8	55.4	79 to 1
Butter Oil	1.2	1.2	23.8	20 to 1
Non-fat dry milk	1.1	27.3	317.2	288 to 1
Cheese	72.3	89.9	244.5	3.4 to 1
Meat(beef)	1,756.	1,996.	2,020.	1.15 to 1

	7-'72	7-'73	7-'74	9-9-74	
FEEDER CALVES:	\$46.80	64.13	35.24	26.11	Down 44.2%
Feed-20% cubes/cwt	4.20	5.60	7.45	7.25	Up 72.5%
23-9-14 Fertilizer	69.00	82.00	141.00	155.00	Up 124.6%
Hamburger	1.04	1.22	1.09	1.09	Up 5%

P. L. 480 Title I Sales

Past fiscal year:

SALES: \$1,000,000,000 Agricultural products
 Approx. 500,000,000 Grain
 Interest rate: 2 or 3 %
 Loan term: 10 to 40 years

50% required to be shipped in U.S. vessels cost U.S. taxpayer approximately \$40,000,000.

RAIL RATES:

	to Sulphur Springs	to Houston
Lincoln, Nebr.	67 1/2¢ cwt	64¢ cwt
Kansas City	61 1/2¢ cwt	61 1/2¢ cwt
Sulphur Springs		37 1/2¢ cwt

The farmers and ranchers of the U.S.A. are experiencing a cost-price squeeze that will lead to an ultimate financial disaster. During the past year he has seen his investment deteriorate to almost half of its value. Let me illustrate two typical operation.

DAIRY OPERATION: 1973

100 cows @ \$650 each = \$65,000
 25 replacements @ \$400 each = \$10,000
 \$75,000

1974

@\$400 each = \$40,000
 @\$200 each = \$ 5,000
 \$45,000



BEEF CATTLE OPERATION:

1973
400 cows @\$500 each = \$200,000

1974
@\$300 each = \$120,000

EQUITY LOST

Dairy Operation	\$30,000	40%
Beef Cattle	\$80,000	40%

As you can see the operations have lost about half of their values within the past year.

In a recent survey conducted by Clifford H. Burton, Extension Dairy Specialist, Oklahoma State University, it was found that in an 80 cow herd each cow requires 55 hours of labor for her care annually. The present cost of production as computed by Mr. Burton in his study show that the dairyman is receiving \$19.87/cow or 36¢ per hour for his labor.

In most cases the beefman is contributing his labor for free at the present time.



Dear Mr. Congressman:

The following is a copy of a letter from Clifford H. Burton, Extension Dairy Specialist, Oklahoma State University, sent to Mr. Jerry Dryer of the National Milk Producers' Federation.

Dear Mr. Dryer:

I am enclosing some information related to animal food production that may be of interest to you.

I am not a journalist nor an economist. As Extension Dairy Specialist, Oklahoma State University, Department of Animal Science, I have worked the past 21 years with dairy farmers in the Southwest. Most of my attention has been toward production problems related to management efficiency with dairy farmers. In February of 1973, with the aid of a computer model developed by the Agricultural Economics Department designed to arrive at the costs and returns of the dairy farmer, I have devoted much of my attention to determining these costs and returns for milk production in the Southwest. As shown in the summary, the survey is conducted and changes are indicated each three to four months. We feel that this has been sufficiently exposed to the public to have confidence in the results. It appeared in Hoard's Dairyman, March 10, 1974 issue.

In the 21 years that I have worked closely with producers, they have never, even for a short term, experienced the financial crisis they have faced since June 1, 1974. The enclosed summaries will verify this. Producers are a rugged lot and giving up or admitting defeat is usually not in their thinking. Today, tomorrow, next week, next month, or next year they will be forced to accept defeat if the present trend isn't reversed. We estimate a 15% net loss in producers during the next 12 months.

As a public servant interested in the total future of our United States of America, I submit for any use you may choose, the following situations. Realizing that anything that can be done is too late for many of the producers in business today, but with the hope that a stability can be reestablished in Agriculture that will provide food for the future.

A. "When the cow goes dry" will the United States of America have another energy crisis? We, in the United States of America, enjoyed the cheap fuel from foreign origin while we lived on false security and did little to promote our own "Energy" supply. When our wells ran dry, the Arabs came to life and made us walk the chalk line. Today, we live in much the same way depending on foreign imports of meat and milk products (approximately?) while our own cows are going dry. Cows on dairy farms in the Southwest are going dry at the rate of \$145.00 or more per cow annually. The question becomes "When will we drift into the position when foreign countries can set the price of food to suit themselves.

The foreign imports are in stable products as cheese, powder and butter. The fluid milk supply cannot be imported. There must always be a surplus of fluid milk produced to maintain adequate supply. The cost of fluid milk would be unreasonable without the other products.

B. The dairy farmer in the Southwest, as indicated by the enclosed budget, has, on the average, approximately \$1500/cow investment. This is a conservative figure as many dairy farmers have a much greater investment. With today's high interest, labor, feed, equipment and other costs exceeding their income by \$145/cow annually the only alternative for the younger or heavily financed dairyman is bankruptcy. Sales to salvage equipment and buildings suited to milk production yield very small returns. In most instances, less than 25% of the purchase price is realized.



Dairymen are forced to sell and their creditors experience heavy losses when the business fails.

What happens to farmers when they are forced to quit? Their skills are usually not suited to industry or another profession. This involves a retraining and/or social program for rehabilitation into other areas. Fortunately, the conditions for dairying during the past few years have not attracted many young men. Many of the older producers will simply close the gate and discontinue producing milk.

C. What are other countries doing? Canada has recently raised the support price on milk to over \$9.00/cwt with the reasoning that they want Canadians to have milk produced in Canada. Their government will probably have some surplus produced that in all likelihood, will find its way to the United States at any price we will pay. France is importing cheap Algerian labor. The subsidy program in the European common market is substantial. Countries all over the world are expanding their dairy operations. There has been, and still is, a demanding foreign market for dairy cows in the United States.

D. Today's dairy farmers are surviving on the only two categories that do not demand current cash payment. Family labor and equity they have in their capital investment. While only a small percent of the dairymen are debt free, many do possess a 50% ownership.

In an 80 cow herd each cow requires 55 hours of labor for her care annually. If the \$145.07 loss per cow is taken from the \$164.94 allowed for labor in the budget the family would have \$19.87/cow or 36¢/hour for labor. This amounts to only \$1584/year. With the addition of 1/2 of the return for capital investment or \$75.00/cow this makes a gross income of \$7,584 return. Obviously, a meager return for 4,400 hours of labor and investment of \$120,000.

E. Questions that seem to be important to the continued supply of animal food products are:

(1) Should the American stockman be forced to compete with subsidized foreign poor quality products?

(2) If America is dedicated to a supply of cheap food it must be subsidized at some point. A check on the agrarian history shows that there has never been a major country that hasn't subsidized its agriculture production. Today, we are actually subsidizing with food stamps. Would it take less dollars at the production level to accomplish the same results?

(3) Can we afford to allow our production of animal food products to deteriorate until we must depend on foreign supply?

(4) A stabilized market would allow for more efficient planning and less energy and resources for risk. Should support prices be at least to the level of production costs?

Again, my only bias is: (1) for the protection of a strong America not dependent on the other nations of the world for our animal food supply, and, (2) for the dairy farmers' survival. I am certain that their continued function is most essential to the strength of this nation.

I am not in any way connected with producer associations nor their operation, but only a dedicated American performing the objectives of my position as Cooperative Extension Dairy Specialist in the best manner that I know how. I will be most happy to supply, supplement, or explain any phase of the information I have covered in this letter.

Clifford H. Burton
Extension Dairy Specialist



FACTS ABOUT THE BUDGET

Clifford H. Burton
Extension Dairy Specialist
Oklahoma State University
Stillwater, Oklahoma

The level of efficiency and herd size for the surveys have been based on 12,000 pounds of milk sold in 80 cow herds.

A March survey from a 5% sample or every 20th herd in the Southern Region of AMPI resulted in 11,464 pounds of milk produced on 81.3 cow herds as the average herd size and production for the region. The 12,000 pound 80 cow herd is represented in the summary and the wheat color with the 11,464 pound 81.3 cow size in the blue summary.

Source of inputs:

(A) Feed data is gathered from a survey of two producers in each district of AMPI (approximately 2% sample); The Extension Dairy Specialists, Area and State in each of the states; and from the current price that commercial feed companies will agree to contract feed to producers. The feed price data from producers and Extension personnel is fed into the "least cost" ration computer program and verified by the other inputs.

(B) Breeding, utility, supplies, veterinarian and drugs, and records are from survey of a 2% sample of producers made in February from 1973 tax records, and updated in March, 1974 and June, 1974

(C) Tractor, machinery and repair from companion budgets.

(D) We have no value for land necessary for barns, lots, etc. No value is entered for AMPI base.

(E) The equipment, barns, etc. is the minimum required to produce milk. The major inputs are:

1. Double 4 herringbone barn.
2. One thousand gallon bulk tank.
3. Seven ton feed storage and feeding system in barn.
4. Manure spreader dry system for disposal.
5. Hay barn and loafing shed.
6. Four hundred hours or 2/3 actual use of pickup and 200 hours or 1/3 use of truck.
7. Four hundred hours or 2/3 use of 50-60 horse power tractor, 200 hours or 1/3 use of 70-80 HP tractor. (Used for cleaning and feeding)
8. Lots for feeding and handling cows.

(F) Milk price is determined by dividing all the dollars available to the producer by all pounds of milk delivered.

*All inputs were determined by Dr. Hollis Hall in a two year doctoral study with Oklahoma State University Department of Agriculture Economics from 1966-68. Updating since then done by Extension Dairy Specialists.



Sulphur Springs, Texas
Sept. 12, 1974

To-Commissioner John C. White
News Media & others:

The livestock (Beef and Dairy) producers are caught in a crushing economic squeeze. Following are some figures covering the past two years to illustrate the trend in the price of feeder calves compared to three closely related cost factors:

	7-72	7-73	7-74	9-9-74		
Feeder Calves- cwt.	\$46.80	54.13	35.24	25.11	Down	44.2%
Feed, 20% cubes-cwt.	4.20	5.60	7.45	7.25	Up	72.5%
23-9-14 Fertilizer-ton	69.00	82.00	141.00	155.00	Up	124.6%
Hamburger - ob.	1.04	1.22	1.09	1.09	Up	5%

A & M University research indicates it costs \$190.00 per year to maintain a beef cow. This includes interest on the investment, taxes, feed, labor, etc. You can quickly determine the annual loss when 400 lb. calves are selling for 25¢ to 28¢ per pound and most producers get less than a 90% calf crop.

The bulk of this year's calf crop is still in the pastures. However, these calves must go to market in the next six to eight weeks or we will have to start feeding them. With feed costs of over 7¢ per pound and it takes six to seven pounds of feed to produce a pound of weight there would be further loss in feeding.

Each week more and more dairy cows are going to market further depressing the beef market.

Inflation has affected most all supplies and equipment needed by the cow-calf operator. Land prices rose over 20% in 1973 and is expected to climb another 8-12% in 1974, two of the popular size tractors for this are increased by 24% in the past 12 months and as an extreme example baler twine increased a whopping 339% in the same 12 months. These are just a few of the long list.

Many of our younger producers, those with greater potential, will be forced out of business with tremendous losses which will ultimately result in shortages of beef and more inflation unless a reverse in this trend is made soon.

Anything you people can do to reverse this situation will be greatly appreciated as one of America's oldest industries, The Cattlemen, is fighting for survival.

Hopkins County Beef and Dairy Producers Ass'n.



THE DAIRYMAN'S SITUATION IN N.E. TEXAS

In 1973 cost of production began to rise rapidly in the dairy industry and in the summer of that year we were faced with low mild prices that hurt the producer drastically. This situation put many producers in a servere financial crisis. During the winter of that year we received a long overdue price increase that began to help us. Then as costs once again began to run rampant in the winter of 1974, milk prices began to drop in May and June. This chart will explain our position more clearly.

Producer Received
April, 1974
Avg. \$9.41/cwt.

Producer Received
August, 1974
Avg. \$7.98/cwt.

Producer Paid For Feed
April, 1974
Avg. Milo-\$4.30-r.40 cwt.
Soybeans-\$9.80-10.40 cwt.
Finished Feed Cost-\$5.25-
5.50 cwt.

Producer Paid For Feed
August, 1974
Avg. Milo-\$5.90-6.00 cwt.
Soybeans-\$13.70-14.20 cwt.
Finished Feed Cost-\$7.25-
7.50 cwt.

The cost of hay production has risen \$20 to \$25 per ton due to increases for twine, wire and fertilizer.

U.S.D.A. says, and we quote "The dairy man enjoys the best milk to feed cost ratio since 1972." This is far from the truth as you can see from these accurate and truthful figures.

The imports of dairy and beef products have destroyed the dairyman and cattleman and we cannot tolerate it any longer.

HOPKINS COUNTY DAIRY AND BEEF ASSOCIATION



Sulphur Springs, Texas
September 12, 1974

To Commissioner John C. White
News Media and Others

The farmer and rancher of Northeast Texas is experiencing a cost-price squeeze that will lead to an ultimate financial disaster. During the past year he has seen his investment deteriorate to almost half of its value. Let me illustrate two typical operations.

DAIRY OPERATION:

1973	1974
100 cows @ \$650 each = \$65,000	@ \$400 ea. = \$40,000
25 replacements @ \$400 ea. = \$10,000	@ \$200 ea. = \$ 5,000
<u>\$75,000</u>	<u>\$45,000</u>

BEEF CATTLE OPERATION:

1973	1974
400 cows @ \$500 ea. = \$200,000	@ \$300 ea. = \$120,000

EQUITY LOST

Dairy operation: \$30,000	40%
Beef Cattle " : 80,000	40%

As you can see the operations have lost about half of their values within the past year.

Most financial institutions will loan a maximum of approximately 70% of the value of the chattels with all other credit factors being satisfactory. If this had been the actual situation the value of chattels would barely support the debt. The actual operating losses that have been sustained during the past 6 to 8 months, plus high interest costs are deteriorating all equities these operators had. This confrontation of losses in equity plus continued operating losses will force complete financial ruin.

Certainly it would not seem to be in the best interest of the country to have an industry such as agriculture to deteriorate or collapse to the extent that the ultimate end is shortages and under supplies.

HOPKINS COUNTY BEEF & MILK PRODUCERS



I've been selected to represent the business element of our area. I imagine I was selected because I work directly with and for the beef and dairy farmers in this agricultural-oriented community. The entire business and financial structure of this large community depends on the success of our beef and dairy farmers.

COMMISSIONER WHITE, WE ARE IN TROUBLE. WE ARE APPROACHING ECONOMIC DISASTER FOR OUR ENTIRE COMMUNITY.

What's bringing this about? Its not that our people aren't trying. No one works harder, longer hours, holidays, Sundays and everyday of the year than the dairy farmer.

They are not forty (40) hour per week people. They are hard working, conscientious, community-minded, tax paying citizens--not looking for a handout but somewhat of an even break to be successful rather than lose their life's earnings in our present economic debacle.

Commissioner White, I am serious when I say we are approaching economic disaster in our area. Our people cannot continue to pay today's prices for the production needs and sell at today's meat and milk prices. Three more months will break 25% of our producers--six months could ruin 50% of them. That is all we need to bring on a crash in our area.

Seems to me it would be a shame for these hard working, honest people to be destroyed and to become a liability to this state and nation, rather than the asset they have tried so hard to be.

If they go, our business of thirty-five (35) years will go with them and most of the other businesses in this community will be just a few steps behind. Yes, we are talking about a crises that is here NOW. Let half of the dairy cows go to slaughter in the next six months and we will be standing in line waiting for milk at twice today's price before 1975 draws to a close.

If economic disaster strikes our farmers it will strike those of us in every small town in the cattle areas of this nation. A depression in agriculture will soon move into large urban areas. I don't believe this is what we want. If not, some immediate remedial actions must be taken.

These people do not want to give up. Many people have exhausted all sources of credit and have no place to go. Recently, a dairyman and his wife whose credit had been terminated were in my office seeking additional help. The lady cried when it looked like they were going to have to sell out because they couldn't get feed for their dairy herd. It is pretty tough turning down people who are willing to get up between three and four o'clock in the morning to milk--not just one morning, but day after day--every day--year in and year out.

I am not here to lay blame at anyone's doorstep. You do represent us in government, so let us talk about what government policies are helping to destroy our beef and dairy farmers.

FORD

Page 2 - The Business Man and the Price Cost
Squeeze on Dairy and Beef Production

Policies developed when we had large reserves and surplus of grain are bringing on disaster now.

Today, much is being said about a Free Market -- World Trade free of tariffs, import duties, etc.

This may be the thing to do but let us rid ourselves of the subsidies we pay to foreign producers so they in turn can import dairy and beef products and destroy our markets.

During the years of surpluses, we developed rail rates from the grain producing areas to the ocean ports which were much less than the freight from grain producing areas to the inland points of our own live-stock and dairy producers. In many instances this grain goes through our town and three hundred miles beyond cheaper than if it were stopped here. These rates are still in effect. What makes it worse is that within the last six months the railroad tried to eliminate our best rate, the multi-car rate, with no thought of changing the export rate.

During the years of surpluses, we spent billions of dollars making rivers navigable so barges could haul grain to ocean ports at reduced rates for our foreign buyers. We are still spending millions maintaining these river channels for navigation for our foreign competitors with the barge lines making no contribution for their upkeep. Ladies and gentlemen, I call this subsidizing our foreign competitors.

After this grain gets to the ocean port, we have not stopped our subsidy. If this grain is hauled in American Vessels, and one-half of it must be to satisfy our Maritime Unions, we subsidize the ship lines for the ocean freight.

Now if that isn't enough we continue our subsidy with LONG TERM LOW INTEREST credit to our foreign buyers.

What else is unfair about this foreign competition? Let us talk about Quality Standard. Can you imagine the difference in conditions between dairy products produced on a Grade A dairy farm here compared to farms of our foreign competitors? What standards do we make them meet? Who inspects their barns, test their cattle, inspects their dairy product plants, controls their feed formulas, inspects their meat packing plants? I'd dare say that if the American Consumers knew the difference we wouldn't have to worry much about the dairy and beef imports. Why should we insist on all these regulations, inspections, and protection from our farmers while our foreign competitors are years---yes, even decades---behind us in this regard?

How can we stop the economic disaster that has been thrust on our dairy and livestock producers?

Let us reduce or completely stop imports of beef and dairy products until their standards of production and quality controls meet the rigid requirements that must be met by our dairymen, milk haulers milk processing plants, cattle feed yards, and meat processing plants.

Page 3 - The Business Man and the Price Cost
Squeeze on Dairy and Beef Production

Let us stop subsidizing our foreign competitor with reduced shipping rates, long term credit, low interest rates or out right gifts of products that are needed by our livestock and dairy producers.

Yes, I believe in Free Trade-- I believe our farmers do also-- but not under the terms and conditions being used today. Dairymen in foreign countries have been subsidized by their government for generations. In addition they have been subsidized by our country. Give us an even break and we can whip them hands down.



Commissioner John C. White

We, the beef and dairy producers of Hopkins County, respectively submit to you, for your consideration, the following recommendations:

1. An immediate increase to 90% parity for the price paid for milk. We support H. R. Bill No. 16249, but we feel that since the Secretary of Agriculture has the power to change parity at his discretion that the change to 90% parity can be made immediately.
2. An immediate stop of imports of dairy and beef products, or put a tariff or surtax on beef and dairy imports that would be used for research, development and promotion of the beef and dairy industries. Also, that any imports of these products be required to be produced under the same rigid health standards as those produced in this country.
3. The immediate embargo of all grain exports for 60-90 days, or until the true picture of the present grain crop can be determined.
4. An immediate study to determine why we have such a great difference between the price paid for farm products and the cost of farm products at the retail level.

Commissioner White, we feel that these proposals are fair and are in the best interest of American consumers today. We know that much has been said about the future of the beef and dairy industries in this country and we realize that you may or may not consider these recommendations, but we are here today to say that unless you and the elected representatives of this country take immediate action, the consequences may be so severe on the American consumer that they will certainly protest your inaction at the polls in 1974, 1975, and certainly in 1976.

Hopkins County Dairy and Beef
Association



STEPHEN F. AUSTIN STATE UNIVERSITY
NACOGDOCHES, TEXAS 75961

DEPARTMENT OF AGRICULTURE

The following tabulation represents average cost increases (1971-72 to Fall, 1974) for several major items used in the operation of the Stephen F. Austin State University Dairy Farm Laboratory, Nacogdoches, Texas.

<u>Item</u>	<u>1971-72</u>	<u>1972-73</u>	<u>1973-74</u>	<u>Fall 74</u>	<u>Increase 1971-74</u>
Concentrate	\$76.00 ton	\$92.00 ton	\$121.00 ton	\$152.50 ton	100.7%
Mineral	2.50 cwt	5.00 cwt	10.20 cwt	17.30 cwt	592.0
Calf Feed	4.75 cwt	6.50 cwt	9.60 cwt	11.30 cwt	137.9
Fertilizer	65.50 ton	91.00 ton	140.00 ton	175.00 ton	167.2
Barb Wire	6.80 roll	7.50 roll	10.60 roll	37.50 roll	451.5



• NOTE: THE FOLLOWING SHEETS REFLECT THE PRICE INCREASES ON SOME OF THE MOST USED GOODS AND PRODUCTS BY THE DAIRY AND BEEF CATTLE FARMERS. THIS IS A 12 MONTH COMPARISON TAKEN AT RANDOM FROM LOCAL MERCHANTS.



Lone Star Farm and Home Center

PHONE
564-4861

608 WEST MAIN STREET
NACOGDOCHES, TEXAS 75961

OR
713-564-3711

STEELE WRIGHT, CHMN. OF BOARD
JOE WRIGHT, PRESIDENT
GERALD MILLARD, MANAGER
JACK FOSHEE, ASST. MANAGER

Division Of
TEXAS FARM PRODUCTS COMPANY



The following is a few of the products that the dairy men and ranchers were buying from us on 9/18/73 and 9/18/74.

<u>FERTILIZER</u>	<u>9/18/73</u>	<u>9/18/74</u>
Ammonium Nitrate	\$80.00	\$175.00
0-20-0 (Super Phosphate)	\$43.00	\$89.00
0-0-60 (Potash)	\$50.00	\$90.00

These are F.O.B. Sack prices.

<u>SUPPLIES</u>	<u>9/18/73</u>	<u>9/18/74</u>
Baling Twine	\$10.00	\$35.00
Barb Wire (4ft)	\$10.50	\$39.95
Metal Post (6ft)	\$1.50	\$2.95
Staples & Nails	\$.20 lb.	\$.45 lb.
Penicillin 100 cc.	\$3.26	\$4.20
Hog Feeder (8 hole)	\$135.00	\$195.00
24-D Weed Killer (gal.)	\$6.05	\$9.39
Horse & Mule Feed	\$3.25 50#	\$4.15 50#

<u>FEED:</u>	<u>9/18/73</u>	<u>9/18/74</u>
Dairy Feed		
16% Dairy Pellets (Ton)	\$90.00	\$134.00
		<u>Del.</u>



SOIL

FERTILITY

of Texas

September 18, 1974

P.O. BOX 815 • LO 4-7343
NACOGDOCHES, TEXAS

Sept. 1, 1973

Fertilize	Price/Ton
12-12-12	\$75.95
13-13-13	82.00
16-6-12	74.00
10-20-20	95.80
Am. Nitrate	72.25

Seed

Crimson Clover	57.00
Vetch	25.00
Elbon Rye	10.00

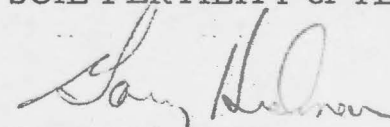
Sept. 1, 1974

Fertilize	Price/Ton
12-12-12	\$135.00
13-13-13	145.00
16-6-12	145.00
10-20-20	160.00
Am. Nitrate	175.00

Seed

Crimson Clover	87.00
Vetch	37.00
Elbon Rye	15.00

SOIL FERTILITY of TEXAS

Gary Hudman
Vice President

Heins Farm Equipment, Inc.

P. O. Box 628

Nacogdoches, Texas 75961

Ph. (713) 564-7303



18 September 1974

To Whom It May Concern:

Prices to the best of my knowledge at the time listed below. These are list price at the time with tractors and equipment with the same equipment on them at each time they were priced:

Sept. 1, 1974 - 830 John Deere Tractor	5,472.00
Sept. 1, 1973 - 830 John Deere Tractor	<u>4,657.00</u>
Increase	815.00
Sept. 1, 1974 - 1530 John Deere Tractor	6,864.00
Sept. 1, 1973 - 1530 John Deere Tractor	<u>5,528.00</u>
Increase	1,336.00
Sept. 1, 1974 - 2030 John Deere Tractor	9,103.00
Sept. 1, 1973 - 2030 John Deere Tractor	<u>7,148.00</u>
Increase	1,955.00
Sept. 1, 1974 - 39N Mower 7 ft. Cutter Bar	853.00
Sept. 1, 1973 - 39N Mower 7 ft. Cutter Bar	<u>681.00</u>
Increase	172.00
Sept. 1, 1974 - 346-T PTO Hay Baler	4,430.00
Sept. 1, 1973 - 346-T PTO Hay Baler	<u>3,525.00</u>
Increase	905.00
Sept. 1, 1974 - Hesston 30 Stackhand	9,576.00
Sept. 1, 1973 - Hesston 30 Stackhand	<u>7,980.00</u>
Increase	1,596.00



Heins Farm Equipment, Inc.
P. O. Box 628
Nacogdoches, Texas 75961
Ph. (713) 564-7303



Page 2 of 2 pages

Sept. 1, 1974 - Bush Hog 15 ft. Mower	4,080.00
Sept. 1, 1973 - Bush Hog 15 ft. Mower	<u>3,265.00</u>
Increase	815.00
Sept. 1, 1974 - Mark 4 Post Hole Digger 9'Auger	320.00
Sept. 1, 1973 - Mark 4 Post Hole Digger 9'Auger	<u>229.00</u>
Increase	91.00
Sept. 1, 1974 - F4 Midland Pasture Dream	1,375.00
Sept. 1, 1973 - F4 Midland Pasture Dream	<u>1,105.00</u>
Increase	270.00

I hope that consideration will be given to these facts. The small equipment dealer is having to lower his profit on equipment to move it because of the low prices of farm products, but the cost of operating our business stays high because of high prices on labor, insurance, taxes, and equipment we have to have to operate and because of high cost of parts inventories.

Yours truly,

A handwritten signature in cursive script that reads "Donald Pack".

Donald Pack
Store Manager





Wm. PERRY CAMPBELL

CONSIGNEE

Magnolia Petroleum Products

NACOGDOCHES, TEXAS



Comparison of farm fuel costs; Sept., 1973 vs. Sept. 1974 cost.
Prices shown are tax free listings:

<u>TYPE</u>	<u>SEPT., 1973</u>	<u>SEPT., 1974</u>	<u>INCREASE</u>
Regular Gasoline	.187/gal.	.315/gal.	.128/gal.
Diesel Fuel	.185/gal.	.33/gal.	.145/gal.

Oils, lubes, and greases: From .06 to .50 cents per gal./lb.

(Increases vary depending upon type and quality of oil, lube oil,
and/or grease used.)





DuBose Ford Tractor & Equipment

2312 E. Stallings Drive, Nacogdoches, Texas 75961, Phone 564-2441

CURRENT SEPTEMBER 1974 PRICES

2000 D - 8 speed	
Live PTO	
Diff. Lock	
Power Steering	
Deluxe Seat	
13.6 x 24 Rear Tires	\$6,213.00
4000 D - 8 speed	
Diff. Lock	
16.9 x 30 Rear Tires	\$8,691.00
542 Baler	\$3,652.00
503 Rake	\$ 946.00
501 Mower	\$ 769.00

SEPTEMBER 1973 RETAIL PRICES

2000 D - 8 speed	
Live PTO	
Diff. Lock	
Power Steering	
Deluxe Seat	
13.6 x 24 Rear Tires	\$4,970.40
4000 D - 8 speed	
Diff. Lock	
16.9 x 30 Rear Tires	\$6,978.00
542 Baler	\$3,287.00
503 Rake	\$ 787.00
501 Mower	\$ 653.00

Franklin Tolbert V. Pres.



The following is a list of truck and tractor tire price increases over the past twelve months from a major tire dealer in Nacogdoches, Texas:

SEPTEMBER, 1973

\$158.21 - 14.9X28

\$252.00 - 16.9X30

\$198.00 - 13.6X38

\$117.50 - 900X20

SEPTEMBER, 1974

\$182.60

\$290.50

\$226.45

\$159.94 Lug tire



submitted to Don Webster for
the President's meeting with
cattlemen and dairymen 10/30

TALKING POINTS

- I am aware of the cost-price squeeze in which America's cattle and dairymen find themselves. I have recently met with representative groups of Senators, Congressmen and farmers who have outlined to me the practical problems that the cattle and dairy producers in their respective States are faced with.
- I understand the concern of the dairy producers that the United States dairy price system should not be allowed to be undermined by efforts of foreign dairy producers and that our markets should not be the dumping ground for the world's beef.
- I am disturbed by the disparity between the reduced earnings of the cattle and dairy farmer and the higher prices charged to consumers. I have asked the new Council on Price and Wage Stability to examine the reasons behind this gap which is paid to the farmer and what must be paid on the other end of the line by the individual consumer.
- To help in the grain situation, we are monitoring grain export sales daily to accomplish an equitable sharing of our grain supplies and we have announced an all-out production effort to increase feed grain supplies next year.



LIVESTOCK SITUATION

America's livestock producers find themselves in a tremendous cost-price squeeze. A principle cause for the lower livestock prices has been the increase by farmers of livestock production. Pork supplies in 1974 will run about 7 percent higher than in 1973. Beef supplies in 1974 will run about 7 percent higher than in 1973, a new record.

The slack in the economy makes consumers somewhat less robust buyers of meat, although they bought 8 percent more meat per person through August at 6 percent higher prices than a year ago. In the first three quarters of 1974 consumers spent about 4.2 percent for their disposable income for red meat. This is the same as for the average of the full 1973 year; is the same as in the full 1965 year; and is less than the 4.7 percent spent in 1955 and 1960.

The margin between farm livestock prices and consumer meat prices has widened considerably from a year ago. Retail meat prices through the first 8 months of 1974 averaged 6 percent higher than in the first eight months of 1973. Thus retail prices have not come down as much as they could to help move the larger meat supplies into consumption more readily.

The farm retail spread for a 1,000-lb choice steer (compares farm value with retail value) in the second quarter of 1974 was \$232 per animal, up from \$190 in the second quarter of 1973 and \$163 for the full year 1970. The farm to retail spread similarly for a 220-lb hog was \$58 in the second quarter of 1974 compared with \$43 in the second quarter of 1973, and \$43 for the full year 1970.

A late, wet spring, dry summer and early frost have reduced expected grain yields, and have caused a bullish market for feed grains and soybeans. This creates problems for the entire livestock industry until the next harvest season.

Reflecting consumer resistance to high retail milk prices, consumption of fluid milk was down 5 percent for the first half of this year compared to a year ago. Fluid milk sales are currently 1.1 percent below 1973 levels. Declines in fluid milk sales released more milk for use in processed dairy products. Stocks of dairy products have increased, prices dropped, and the Department of Agriculture made substantial purchases under the price support program.



[ca. 10/31/74] All livestock

FARMS
HOMES
COMMUNITY
FACILITIES
BUSINESS &
INDUSTRY



A Rural Credit Program

fact sheet

WASHINGTON, D. C. 20250

FARMERS HOME ADMINISTRATION

U. S. DEPARTMENT OF AGRICULTURE

EMERGENCY LIVESTOCK LOANS GUARANTEED BY FmHA

The Farmers Home Administration guarantees loans made by banks or other legally organized lenders to ranchers and farmers in the livestock business to permit them to maintain their operation. This loan guarantee program will be in effect through July 25, 1975. It may be extended for 6 months if the Secretary of Agriculture determines that it is needed to help the livestock industry obtain sufficient credit. The Emergency Livestock Credit Act of 1974 (P.L. 93-357) which was enacted on July 25, 1974, provides the authority for these loan guarantees.

FmHA guaranteed loan programs are available to all qualified applicants regardless of race, color, creed, sex, or national origin.

Who Is Eligible For Assistance?

Loans can be guaranteed for bona fide ranchers and farmers who:

1. Do business in the United States, either as an individual, corporation or partnership;
2. Are recognized in the community as one whose chief occupation is ranching or farming; and
3. Are primarily and directly engaged in agricultural production for the purpose of breeding, raising, fattening or marketing their own beef or dairy cattle, swine, sheep, goats, chickens or turkeys.

An individual must derive a majority of his gross income from his own livestock enterprise or devote a majority of his time to it.

A corporation or partnership must derive a majority of its gross income from the livestock operation and shareholders or partners who own a controlling interest must receive a majority of their gross income from and devote a majority of their time to their own or the corporations or partnership's livestock operations.

If any applicants can secure credit without a guarantee, FmHA shall not guarantee the loan.



What Are The Terms And Conditions Of Assistance?

FmHA can guarantee up to 80 percent of losses on loans made by lending institutions. No fees will be charged by FmHA for the guarantee. The total loans guaranteed for a borrower cannot exceed \$250,000.

How May The Money Be Used

Funds may be used for agricultural production purposes essential to conducting livestock operations, including replacing livestock, providing feed, paying usual charges for grazing permits or use of land and buildings, providing farm machinery, moving livestock, building or repairing pens and fences, and for essential family living expenses. Loans cannot be used to expand livestock enterprises.

Can Debts Be Refinanced?

Yes, if absolutely necessary to enable the borrower to remain in business, needed credit is not available without the guarantee, and the lending agency is not currently refinancing similar loans to others without the guarantee.

What Are The Interest Rates and Terms of Repayment?

The interest rates will be those agreed upon by the lender and the borrower. Maximum repayment terms for these loans will be 3 years, with possible renewal for up to two additional years.

What Security Is Required?

Loans guaranteed under this Act shall be adequately secured by liens on livestock, other chattels, real estate, or additional property.

What Is The Procedure For Applying For Assistance?

Applicants should contact banks or other lenders. When amount of loan, terms of repayment, interest rates, and other details are completed, the lender may request the FmHA office serving the area where the livestock operations are conducted to issue a guarantee. The lender will process the application, close the loan, and service it to final settlement.



THE WHITE HOUSE
WASHINGTON

August 23, 1974

MEMORANDUM FOR: JIM CAVANAUGH
DEWEY CLOWER
✓ MIKE DUVAL
JIM FALK
TOD HULLIN
GEOFF SHEPARD

FROM: WARREN HENDRIKS

SUBJECT: President's Briefing Book

It is necessary to insure that your portion of the President's general briefing book (Q's and A's) is completely updated and factual as of COB Monday, August 26. You should also include any additional Q's and A's or deletions, as appropriate, to make the book complete.

As you know, Ken has received some extremely favorable response to the material you recently submitted. He feels, however, that all sections of the book should be in complete conformity as to layout and form. I am attaching, therefore, a sample Q and A for your use in conforming to this approved style.

As you are aware a particular concern to Ken is brevity in the answer with additional information, if necessary, in a Background section which follows.

I am not returning the Q's and A's but they are available should you not have copies.

Would you please have your final material to me by 4:00 p.m. Monday.

! did - what we had submitted previously - 81

NORM -

Please have yours to me by 2 pm Mon

I want to review all our area.

Shank Mike



Jóhnson (202) 447-4323
McDavid (202) 447-4026

NEWS

U.S. DEPARTMENT OF AGRICULTURE

ELIGIBILITY REQUIREMENTS EASED FOR EMERGENCY LIVESTOCK LOANS:

WASHINGTON, Oct. 30--Changes have been made in the Emergency Livestock loan prográm that will make assistance available to more family farmers who produce livestock, Secretary of Agriculture Earl L. Butz announced today.

The Secretary noted that more than 420 loans had been made, exceeding \$59 million in the three months since the law was passed.

"The intent of the law was to make credit assistance available to the nation's livestock producers, especially family farmers, during a period when falling meat prices and rising costs caught them in a pinch," the Secretary said.

"The purpose of the changes is to open the program to more family farmers without throwing it wide open to other than bona fide farmers and ranchers," he said.

Under the new eligibility criteria, an individual may be eligible for a loan guarantee if he derives a majority of his gross income from his own livestock enterprise, or if he devotes most of his time to it. More farmers will be able to get assistance under this program change.

Partnerships and corporations including their partners and major stockholders--must derive a majority of their gross income from their own and the organization's livestock operation, and devote most of their time to them.

(more)



The original intent of the law was to offer assistance to bona fide farmers and ranchers who are primarily and directly engaged in agricultural production for the purpose of breeding, raising, fattening or marketing livestock, including beef or dairy cattle, swine, sheep, goats, chickens or turkeys.

The changes re-emphasize that this assistance is intended for family farmers, and others who are recognized in their communities chiefly as livestock producers.

PL 04 B



Liver took the try

- Will meet with O. cattlemen. Prepare talking points
- Quality of inputs (pork) from Canada
- Saskatchewan announcement of investigation of profit margins (cheats)
- Transportation policies
- Grain Policy. allocation (export)
- X - EPA noise reg. 90 db for Truck and fire noise
Briefing Paper for President. - was the an
inflation input statement prepared (EPA recent
Announcement of proposed reg. (were they closed
by OMB)



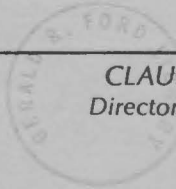
U.S. DEPARTMENT OF AGRICULTURE

Office of Communication

October 29, 1974

TO: Norm Ross

Attached is background material for the
livestock meeting.



CLAUDE W. GIFFORD
Director of Communication
Ext. 75247-76311

President's Livestock Conference

Question: What kind of a squeeze are dairymen in?

Answer: You can measure the squeeze by comparing milk prices with feed costs. One pound of milk at September farm prices would buy 1.17 pounds of dairy feed. A year ago in September a pound of milk would buy 1.50 pounds of dairy feed, and in September 1972 a pound of milk would buy 1.75 pounds of feed.

Dairy feed is the largest cost item in dairy production. The squeeze has been tightening fast since April 1974. As that time, a pound of milk would buy 1.56 pounds of feed, compared with only 1.17 pounds of feed in September.

Other costs besides feed have also increased substantially from a year ago.



President's Livestock Conference

Question: What is the reason for the lower livestock prices?

Answer: Farmers have increased livestock production.

Pork supplies in 1974 are running about 7 percent higher than in 1973.

Beef supplies in 1974 will run about 7 percent higher than in 1973, a new record.

The slack in the economy makes consumers somewhat less robust buyers of meat, although they bought about 8 percent more meat per person through August at 6 percent higher prices than a year ago.

The margin between farm livestock prices and consumer meat prices has widened considerably from a year ago. Retail meat prices through the first 8 months of 1974 averaged 6 percent higher than in the first 8 months of 1973. Thus retail prices have not come down as much as they could to help move the larger meat supplies into consumption more readily.

The depressed conditions in the livestock business are world wide.

In the first 3 quarters of 1974 consumers spent about 4.2 percent of their disposable income for red meat. This is the same as for the average of the full 1973 year; is the same as in the full 1965 year; and is less than the 4.7 percent spent in 1955 and 1960.

The farm retail spread for a 1000-lb. Choice steer (compares farm value with retail value) in the second quarter of 1974 was \$232 per animal, up from \$190 in the second quarter of 1973 and \$163 for the full year 1970. The farm to retail spread similarly for a 220-lb. hog was \$58 in the second quarter of 1974 compared with \$43 in the second quarter of 1973, and \$43 for the full year 1970.



President's Livestock Conference

Question: What has been happening to hog prices?

Answer: Prices for slaughter hogs at Omaha averaged \$43.79 per hundred in September 1973 and \$35.79 in September 1974--a drop of 18 percent. The average price for all of 1973 was \$40.27 per hundred and will average about \$34 in 1974--a drop of about 15 percent for the year.

Hog prices are now 35 percent less than the 1973 peak reached in August 1973, and are 7 percent less than in February 1974.

The hog-corn ratio measures the profitability of raising hogs--the ratio tells you how many bushels of corn that you can buy with 100 pounds of live pork. In September 100 pounds of live pork would buy 10.3 bushels of corn; last September it would buy 18.4 bushels; and in September 1972 it would buy 22.6 bushels of corn.

Another measure of profitability in hogs is the margin between the cost per head of young feeder pigs and the selling price per head of a hog ready for slaughter. In September a year ago that margin was \$61.53. This September it was \$56.64.

A cost analysis of a farmer's cost in producing a slaughter hog for market in the first 8 months of 1974 shows a net loss for each month, ranging from about \$1 per hundred to about \$17 per hundred--that would mean a loss of \$2 per head to \$37 per head.



President's Livestock Conference

Question: How do farm beef cattle prices compare with a year ago, and what has been the recent trend in beef prices?

Answer: Choice steers at Omaha in September averaged \$41.41 per hundred--down from \$45.45 in September 1973; a drop of 9 percent.

Choice steer prices last Thursday were 20 percent below prices in January 1974, and 29 percent below the highest prices reached in 1973 (August 1973).

A cost analysis of the cost of feeding a 600-lb. feeder steer in the Corn Belt to 1050 pounds ready for slaughter shows a net loss for the last 7 months ranging from \$5.71 per hundred to \$11.33 per hundred--that would mean a loss of \$60 per head to \$170 per head.

Utility cow prices (hamburger type) were \$32.50 per hundred a year ago, but only \$19.50 last Thursday--a drop of \$13 per hundred, or 40 percent. This affects the cow-calf operator who is selling cows for the market as he reduces his herd size or culls out low female producers from his herd to replace them with young females.

Feeder calf prices that cow-calf range operators sell to be fed out in feedlots and on farms are also off sharply. Choice feeder calves averaged \$62.80 per hundred in September 1973 and only \$32.40 this September--a drop of 48 percent.



President's Livestock Conference

Question: What is the government doing about the squeeze on livestock producers?

Answer: We have proposed a change in beef grades to permit more younger, leaner beef in the upper grades. The "comment period" on this change is now open and will close in early December. A decision will be made as soon as possible after that.

We are providing emergency credit to livestock producers and propose to loosen eligibility requirements.

We are holding a joint conference on Food Productivity, Costs and Prices tomorrow and Friday (Oct. 31-Nov. 1) at the Department of Agriculture in cooperation with the Council on Wage and Price Stability that will focus on the widened margins between farm prices and consumer food prices.

We will be taking a close look at meat import quotas at the end of the quarter to see if a change is indicated.

We are holding public hearings on the import restrictions that Canada has placed on imports of our beef.

We have held hearings on the feasibility of increasing Class I Milk Order prices, and the "comment" period is now open.

We are recommending the imposition of countervailing duties on imports of dairy products and meat any time that foreign governments put export subsidies on these products.

Our U.S. Department of Agriculture Extension Service has activated an educational program on beef management problems.

We are monitoring grain export sales daily to accomplish an equitable sharing of our grain supplies.

We have announced an all-out production effort to increase feed grain supplies next year.



President's Livestock Conference

Question: What can livestock people do about the squeeze?

Answer: They can cull their herds harder than usual.

They can upgrade the quality of their herds now when replacement stock is relatively low priced.

They can use performance testing to upgrade the performance of their herds.

They can make fuller use of crop residues to cut the cost of feed.

They can save protein with legume grasses.

They can market at lighter weights.

They can be careful not to over-extend themselves on credit.

They can cooperate to help promote meat harder at home and abroad to boost demand.

They can do their best to hold things together and use good judgment during this adjustment period which, unfortunately, occurs periodically in the livestock business.



PRESIDENT'S LIVESTOCK CONFERENCE

SEATING ARRANGEMENTS:

- A. We recommend that you have place cards on the table for seating the livestock representatives.
- B. We recommend that the following ten people be asked to speak for 5 minutes each in the following sequence, which can be done by seating them across from the President from his right to his left so that he can call on the first person and suggest that they speak in turn from the first person going left:
- | | |
|--------------------|---------------------------------|
| 1. Gordon VanVleck | Beef cow-calf |
| 2. Glenn Lake | Dairy |
| 3. Marvin Garner | Hogs |
| 4. Roger Fleming | General farm group |
| 5. Milton Brown | Beef feeder - Corn Belt |
| 6. Glenn Deen | Beef feeder - Southwest Feedlot |
| 7. Gordon Leith | General farm group |
| 8. George Watts | Poultry |
| 9. Melvin Sprecher | Dairy |
| 10. John Scott | General |
- C. The remaining people could be seated in this arrangement if that is practical:
- | | |
|-------------------|-------------------------|
| 11. Wray Finney | Beef cow-calf |
| 12. Harold Steele | Hogs |
| 13. Sam Washburn | Lambs |
| 14. Edward Covell | Poultry-Broilers |
| 15. Richard Price | Dairy |
| 16. Hilmar Moore | Beef cow-calf |
| 17. Lew Waltz | Poultry |
| 18. Don Magdanz | Beef feeder - Corn Belt |
- D. I do not have background on the other livestock people who have been invited.
- E. The following four people will be present from the Department of Agriculture:
- Secretary Butz
Clayton Yeutter, Assistant Secretary
Don Paarlberg, Director of Agricultural Economics
Claude W. Gifford, Director of Communication
- F. Attached are additional background papers on the livestock situation.



Johnson (202) 447-4323
McDavid (202) 447-4026

NEWS

U.S. DEPARTMENT OF AGRICULTURE

ELIGIBILITY REQUIREMENTS EASED FOR EMERGENCY LIVESTOCK LOANS:

SAVE

WASHINGTON, Oct. 31--The emergency livestock loan program has been changed to make loans available to more livestock and poultry farmers, Secretary of Agriculture Earl L. Butz announced today.

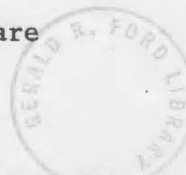
"The purpose of the change is to open the program to more family farmers without throwing it wide open to other than bona fide farmers and ranchers," he said.

"For example, a farmer may get most of his income and spend most of his time during the summer raising cotton, but for the year overall, he spends most of his time on his livestock," the Secretary said. "Now, that farmer might qualify, whereas before, he wouldn't."

"The intent of the law was to make credit assistance available to the nation's livestock and poultry producers, especially family farmers, during a period when falling livestock and poultry prices and rising costs caught them in a pinch," the Secretary said.

Under changed eligibility criteria, an individual farmer may qualify for an emergency livestock loan if he derives a majority of his gross income from, or devotes most of his time to his livestock or poultry operation. Previously, the farmer was eligible only if he received a majority of his gross income from his livestock or poultry enterprise and devoted most of his time to it. Now, either income or time can qualify a farmer for these loans. A partnership or corporation must still get most of its gross income and devote a majority of its time to the livestock or poultry operation to qualify.

Emergency livestock loans are made at regular commercial rates, but are guaranteed by the government, and therefore easier to obtain.



The emergency livestock loan law was passed three months ago, and 421 loans, exceeding \$59 million, have been guaranteed since then.

The intent of the law is to offer assistance to bona fide farmers and ranchers who are primarily and directly engaged in agricultural production for the purpose of breeding, raising, fattening or marketing livestock, including beef or dairy cattle, swine, sheep, goats, chickens or turkeys.

The changes re-emphasize that this assistance is intended for family farmers, and others who are recognized in their communities chiefly as livestock producers.

USDA 1111-74

SAVE

C O P Y

C O P Y

C O P Y

NEWS RELEASE
The White House

For release 4:00 p.m. EST
October 31, 1974

STATEMENT BY PRESIDENT FORD

I could not come to Sioux City, the heart of the slaughter livestock industry, and not say something about the production of meat and livestock producers--and especially cattle feeders--who have called to the attention of government officials many times in the past year the financial wringer they are being put through. Adjusting our higher feed costs and increased supply of beef animals is a painful process. I have, today, made three policy decisions which will relieve some of the anxiety in the industry and restore confidence among producers so that the industry can become profitable.

- (1) This Administration intends to carry out the intent of the Meat Import Law. If imports of meat, subject to the Meat Import Law, threaten to pick up markedly during the next year and exceed the Agriculture Department's estimate of 1975 import quota's trigger level under the Meat Import Law, I will either impose quotas or negotiate voluntary export restraint agreements with foreign suppliers.
- (2) No action will be taken to change the present system of dairy import quotas without a thorough investigation of market quotas and full opportunity for dairy producers to be heard at that time.
- (3) This Administration is not going to permit foreign dairy producers to compete against American dairymen in the U. S. market with subsidized dairy products. If the Europeans reinstitute their export subsidies on dairy products directed at this market, I will impose duties on these products. In addition, I have asked Secretary Butz to investigate increasing USDA purchases of ground beef for use in the National School Lunch Program. These purchases would provide more highly nutritional foods for school use in this program. This purchase will not be an additional cost for the government, as the USDA is obligated to finance each lunch served by \$.10 either in cash or in commodity by law.



Suggested comments regarding upcoming changes in the emergency livestock guaranteed loan program:

You are all aware that the emergency livestock guaranteed loan program was signed into law on July 25, 1974. Twenty days later, on the 14th of August, the first loan was made in Nebraska.

This means that the content and intent of the law had been digested and interpreted; regulations were written, approved and published; instruction and training were prepared for the 1,750 county offices of Farmers Home Administration that were to administer the program, and national and state associations of lenders were contacted and informed, since they are the key to a successful guaranteed loan program.

Those 20 days were full and busy ones, and I'm pleased and proud that the Department was able to respond so quickly and so well.

Now, however, two months later and after the making of over 421 loans exceeding \$59.4 million, we know more about the needs of the family farmers and others engaged in livestock production than we did before, and there has been better opportunity to assess the intent of the Congress as expressed in the law.

Section 2a of the law provided that: "The Secretary of Agriculture is authorized and directed to provide financial assistance to bona fide farmers and ranchers who are primarily and directly engaged in agricultural production for the purpose of breeding, raising, fattening or marketing livestock." Further, the lender was required to certify that the financing was to be used only for purposes related to the breeding, raising, fattening or marketing of livestock, which seemed to say that the intent of Congress was quite restrictive.



It has since become apparent that this was not the case, and the Farmers Home Administration instructed its field personnel to include family living expenses among the permissible uses of guaranteed loan funds.

Under another change in the emergency livestock loan program being announced today, an individual may be eligible for assistance if he derives a majority of his gross income from his own livestock enterprise, or if he devotes most of his time to it. By giving individuals the optional eligibility requirements of either income produced or time spent on their operations, more of them will be able to qualify for assistance and benefits from the program.

Take a family farmer, for example, who feeds out some livestock and also grows wheat. While most of his income might come from the wheat, particularly in the period of high prices, he would be an eligible borrower under this program if he spent a majority of his time with livestock, and with the livestock chores requiring time daily, the usual family farmer will spend more time with dairy or with beef or poultry than he will in plowing, seeding or harvesting, although these operations may take most of his time during a particular season.

For partnerships or corporations, the organizations, including partners or major stockholders, must derive a majority of their income from the livestock operations and devote most of their time to their own and the organization's livestock operations.

The dual eligibility has been retained for partnerships and corporations, but eliminated for family farmers. This distinction can help re-emphasize the intent of the law to assist the bona fide family farmers.



EMBARGOED FOR RELEASE
UNTIL 3:30 P. M. , CST (4:30 P. M. , EST)

OCTOBER 31, 1974

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Office of the White House Press Secretary
----- (Sioux City, Iowa) -----

THE WHITE HOUSE

TEXT OF REMARKS BY THE PRESIDENT
TO BE DELIVERED AT THE
SIOUX CITY MUNICIPAL AIRPORT
SIOUX CITY, IOWA

I think it's very appropriate that we're holding this rally in an airport. Because I've flown in today on a wing and a prayer -- to ask you to give me good men in Congress who will praise the Lord and pass the legislation!

It is wonderful to be here in Sioux City -- the largest city in the 6th Congressional District -- to appear on behalf of my good friend, Wiley Mayne.

I have always been taught -- when you have a good thing going for you -- to keep it. And that is what you have in Wiley Mayne as your Congressman. I've seen him in action for nearly 8 years, and I can assure you that if the United States Congress had more men and women of his skill and stature, our problems would be fewer today.

It is also good to see Dave Stanley here, your outstanding candidate for Senator. A veteran of the Iowa legislature, Dave is running one of the hardest and most active Senate campaigns of the year. I am convinced that the citizens of Iowa are going to send Dave to the Senate to put a hold on inflationary spending. He deserves your support.

Since we are in the heartland of American agriculture, there is no better place to commend the production genius of the American farmer -- to say thanks to so many for jobs well done.

At times, farmers have been unfairly criticized as the cause of high food prices. As you well know, farmers are more likely the victims of inflation than its cause. By their efficiency and ever-increasing productivity, they are the frontline shock troops who are staving off what might be an even more serious round of inflation were it not for their efforts.

I am aware that agriculture is beset by very difficult and challenging problems. Some of these have been aggravated by unwise government actions. Others are the result of an unusual and extraordinary combination of weather excesses -- too wet for planting, drought, unseasonably early frosts. All this at a time of increased domestic and world food needs.

Because of price incentive and encouragement by government to expand planted acreage, farmers have responded magnificently to boost the supply of grains and soybeans. Thanks to the flexibility written into the 1973 Agriculture and Consumer Protection Act, they were able to move smoothly from a limited to a full production program.

(MORE)



Incidentally, great credit for the major provisions of the 1973 Act must be given to Wiley Mayne, the top ranking Republican member of the important House Agriculture Subcommittee on Livestock and Grains. While I was House Republican leader, I conferred frequently with Wiley on this legislation. I know how hard he worked to help affect its enactment and to liberate farmers from the discredited, income-restrictive programs of the past 40 years.

There is another area of concern -- corn and soybean production is falling short of needs. Even so, the corn crop is still the fifth largest ever produced, soybeans the third largest, and wheat and rice the largest ever.

We cannot, in fairness, ask our farmers to produce more unless all of us are willing to share at least part of the production risks.

Fuel and fertilizer, especially fertilizer, adequate to supply farm needs continue to be a problem. As I have stated before, I will request the authority necessary to assure farmers all of the fertilizer they need and I will make sure they have all the fuel they need as well.

And I repeat to you today: I will not ask Congress to increase taxes on gasoline. That's one tax that is high enough.

I could not come to Sioux City, the heart of the slaughter livestock industry, and not say a word about the production of meat. Livestock producers, and especially cattle feeders, have called to the attention of Government officials many times in the past year the financial wringer they are being put through. Adjusting to higher feed costs and an increased supply of beef animals is a painful process.

I have today made three policy decisions which I believe will relieve some of the anxiety in the industry and restore confidence among producers so that the industry can again become profitable.

First, this Administration intends to carry out the intent of the Meat Import Law. If imports of meat subject to the Meat Import Law threaten to pick up markedly during the next year and the Agriculture Department's estimate of 1975 imports exceeds the trigger level under the Meat Import Law, I will either impose quotas or negotiate voluntary export restraint agreements with foreign suppliers.

Second, no action will be taken to change the present system of dairy import quotas without a thorough review of market conditions and full opportunity for our dairy producers to be heard at that time.

Third, this Administration is not going to permit foreign dairy producers to compete against American dairymen in the U.S. market with subsidized products. If the Europeans reinstitute their export subsidies on dairy products directed at this market, I will impose countervailing duties on these products.

In addition, I have asked Secretary Butz to investigate increasing USDA purchases of ground beef for use in the National School Lunch Program. These purchases would provide more highly nutritious food to schools for use in this program. This purchase will not be an additional cost for the Government, as the USDA is obligated by law to finance each school lunch served by 10 cents, either in cash or in commodities.

(MORE)



As I have in the past -- as Republican leader in the House, as Vice President and now as President -- I will continue to look to Wiley Mayne for guidance and help in solving the problems of agriculture which face us.

I hope that I don't duplicate some of what Wiley might be telling all of you in this crucial election year, but I want to remind you of the kind of service he has given to this district.

In a period when big corporate farms are taking over some agricultural production, Wiley has been in there fighting for the family farmer. He has helped lead the fight to limit government payments to \$20,000 per farm. He did so because he was in contact with farmers in his district who advised him that massive payments to big farms were discrediting the whole program. That is the kind of Congressman this District deserves -- one who can listen to the people and respond.

When you get down to the very heart of the matter, Wiley Mayne stands up for you. Believe me, when you have someone like him to stand up for you in the highest councils of government, then it is time to stand up for him in return.

That is why I am here today. We need -- you need -- I need -- Congressman Mayne in Washington. I respect his judgment and know his integrity is beyond reproach. If he is not returned to the Congress, the 6th District will not only lose one of the finest men ever to serve in the Congress, but it will also lose the seniority he has established in the House. If Wiley is not in the next Congress, the potency of your representation on the Agriculture Committee will be drastically diminished.

The thing I like about Wiley Mayne is that we can disagree without being disagreeable -- and that has happened on occasion.

Just recently, Wiley let me know quite candidly that he protested the action I took to suspend certain sales of corn and wheat to the Soviet Union. It didn't take him long to get down to the White House to find out whether our policy was a permanent one. I assured him that my intention was not to limit exports but to make sure that the market was not cornered by any single nation. Forty million bushels of corn and another forty million bushels of wheat have already been released to the Soviet Union.

However, there is one area on which the Nation and I can count on Wiley without question. That is his determination, and mine, to stop rising prices and inflation.

The principal cause of rising prices is the fact that our government has been spending more than it takes in. Wiley Mayne has voted to cut spending and more than it takes in. Wiley Mayne has voted to cut spending and balance the budget in the past and can be counted on to do so in the future. That is why I am here personally asking you, the people of the 6th District, to send Wiley Mayne back to Congress next Tuesday. It really matters. America needs his strong and reliable vote in Congress to help us beat back rising prices and inflation.

I want to use this opportunity today to put some myths to rest here in Sioux City. I have seen some interesting reports in this campaign year -- and I consider it superb coincidence that we can bury these political hobgoblins on Halloween.

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I have seen reports that some candidates of the other party are laying claim to being fiscal watchdogs. I have seen reports that they are even accusing the Republican Party of being for high spending.

You and I know what causes inflation, and it isn't the Republican Party. It is due largely to the Government's spending more money than it should. I will tell you flatly: the votes to break the budget did not come from Wiley Mayne or from his side of the aisle.

Let's look at the record. And this is something I want to call to the particular attention of people in the audience today. There are a number of you out there between the ages of 20 and 42. Let me remind you of something interesting. If you are in this age group, the Congress of the United States has been in control of one party for about 85 percent of your lifetime. That means that 85 percent of your life has been lived under the legislative control of a single political party.

And this is the party which has to be held accountable for so many of the problems we now face in this country -- including inflation which is the biggest legacy of this period of monolithic Federal control.

Next Tuesday, let us make sure we do not go down that road again. We know who has controlled the machinery of Government spending all these years -- the Democratic Party.

That is why I need the help of Wiley Mayne and Dave Stanley and of the other outstanding Republicans on the ticket here in Iowa this Fall. That is why you need their representation in Washington and in your State capitol.

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THE WHITE HOUSE
WASHINGTON

The attached forwarded to Powell
Moore to be used for Timmon's talking
points on the Hill -- Nov. 1, 1974



LIVESTOCK SITUATION

America's livestock producers find themselves in a tremendous cost-price squeeze. A principle cause for the lower livestock prices has been the increase by farmers of livestock production. Pork supplies in 1974 will run about 7 percent higher than in 1973. Beef supplies in 1974 will run about 7 percent higher than in 1973, a new record.

The slack in the economy makes consumers somewhat less robust buyers of meat, although they bought 8 percent more meat per person through August at 6 percent higher prices than a year ago. In the first three quarters of 1974 consumers spent about 4.2 percent for their disposable income for red meat. This is the same as for the average of the full 1973 year; is the same as in the full 1965 year; and is less than the 4.7 percent spent in 1955 and 1960.

The margin between farm livestock prices and consumer meat prices has widened considerably from a year ago. Retail meat prices through the first 8 months of 1974 averaged 6 percent higher than in the first eight months of 1973. Thus retail prices have not come down as much as they could to help move the larger meat supplies into consumption more readily.

The farm retail spread for a 1,000-lb choice steer (compares farm value with retail value) in the second quarter of 1974 was \$232 per animal, up from \$190 in the second quarter of 1973 and \$163 for the full year 1970. The farm to retail spread similarly for a 220-lb hog was \$58 in the second quarter of 1974 compared with \$43 in the second quarter of 1973, and \$43 for the full year 1970.

A late, wet spring, dry summer and early frost have reduced expected grain yields, and have caused a bullish market for feed grains and soybeans. This creates problems for the entire livestock industry until the next harvest season.

Reflecting consumer resistance to high retail milk prices, consumption of fluid milk was down 5 percent for the first half of this year compared to a year ago. Fluid milk sales are currently 1.1 percent below 1973 levels. Declines in fluid milk sales released more milk for use in processed dairy products. Stocks of dairy products have increased, prices dropped, and the Department of Agriculture made substantial purchases under the price support program.



We will be taking a close look at meat import quotas at the end of the quarter to see if a change is indicated.

We are holding public hearings on the import restrictions that Canada has placed on imports of our beef.

We have held hearings on the feasibility of increasing Class I Milk Order prices, and the "comment" period is now open.

The U. S. Department of Agriculture Extension Service has activated an educational program on beef management problems.

We are monitoring grain export sales daily to accomplish an equitable sharing of our grain supplies.

We have announced an all-out production effort to increase feed grain supplies next year.



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