

# Ag and Food NEWSLETTER

## New Weed Killer

BIG POSSIBILITIES CAN be seen in a new weed killer Dow will bring out under the name Dalapon. It will do to grass-type weeds what 2,4-D does to the broad-leaved varieties. Dalapon has been under test by Dow for several years and last spring was put out for experimental study by state colleges and stations. It won't be ready for sales to farmers until those results are in. Also FDA approval has not yet been granted. Results of the tests are expected at the National Weed Control Conference in December. Dalapon, which enters by way of the leaves, is said to knock out many grassy weeds which resist 2,4-D, such as Johnson, crab, and several kinds of blue grass. Study of the patent indicates that chemically it is an  $\alpha,\alpha'$ -dichloropropionic acid.

## Nonfat Dry Milk Declines

THE DROP IN CONSUMPTION and purchase of nonfat dry milk this year has caused concern in the USDA. Nonfat dry milk has been the one dairy commodity which has shown a steady increase in per capita consumption over the past few years. Probable reason for the decreased demand: increased supply of whole milk in southern markets has replaced the dried product in the skimmed milk and cottage cheese industries. Preliminary estimates indicate that consumption of other dairy products will be about the same as last year. Ice cream is up about 2% above last year and butter may be slightly above the record low last year of 8.7 pounds per person. The increase in butter consumption is attributed to distribution of surplus stocks to school milk programs and other outlets. Margarine consumption is expected to be about the same as last year.

## Wheat Vote

THE ANNOUNCEMENT BY the USDA that more than 87% of the 410,000 votes cast in the wheat referendum were in favor of marketing quotas has been interpreted in Washington as an indication of the farmer's desire for price supports and market controls. This interpretation, if followed through, could mean trouble for Secretary Benson who has announced that he is in favor of flexible price supports and eventual reduction of controls. Farm bloc congressmen seem to have interpreted the vote as an endorsement of the whole price support program and say that it will be a factor to consider in next year's lawmaking. Administration representatives in the USDA don't see it that way. They say that there is no long term significance to the vote, rather it was a decision made by the farmers for this year and not a test of their approval of the idea of flexible price supports at all.

## Tax Relief Sought By Wine Growers

THE WINE INDUSTRY in both U. S. and France is clamoring against high taxes. In France the current government crisis has involved a proposed increase in the wine tax which has been persistently defeated in the past by the alcohol lobby. The citizens don't seem to be too much in favor of an increase of the price of the vital commodity either. Here in the U. S. representatives of the domestic wine industry testified before a House committee that federal taxes on a ton of grapes amount to \$53.75 while the average return to the grape grower has been only about \$34.08. Wine is the major outlet of the grape crop grown in the U. S. on about 675,000 acres. Approximately 90% of the American wine is produced in California's 300 to 400 wineries.

## Smith-Douglass Expands

EXPANSION OF SMITH-DOUGLASS Co. of Norfolk appears to be moving along well with completion of arrangements on purchase of Coronet Phosphate. That company is an important rock phosphate producer for fertilizer and its high-temperature defluorination process has been putting about 10% of its phosphate rock into the animal feeds field. Smith-Douglass is out to expand its fertilizer business, of course, but also is very much interested in the phosphate for feeds and expects to increase that part of the business of its new Coronet Division. This spring Smith-Douglass took over the lease of the San Jacinto ammonia plant and is now adding facilities which will expand production about 35%.

## Canadian Pesticides

THE PESTICIDE SITUATION IN Canada this year has been good, with supplies adequate and prices lower. There have been local shortages, resulting from failure of farmers and dealers to stock up adequately in advance. Result: Supplies had to be rushed to areas threatened with sudden outbreaks of insects and plant diseases. Among the major problems this year have been apple scab and aphid in southern Ontario and an unusually heavy outbreak of potato blight in the Maritime Provinces.

## Record Wheat For Canada

REPORTS FROM CANADA indicate that the anticipated wheat crop there will again top 600 million bushels. If the predictions come true it will be second only to the all time high harvested last year, more than 680 million bushels. The good possibility of continued bumper crops of Canadian wheat was probably one of the important factors in the decision of the British Commonwealth to go it alone and bolt the international wheat agreement. If the wheat crops in the sterling areas can be maintained at high levels they may be able to undermine the international price agreed to by the signatories to the wheat pact.