

# Lancaster Farming

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## McHale on Milk Pricing . . .

# Let's Scrap Retail Controls

"Governor Shapp's administration is opposed to controls on the retail price of milk," Pennsylvania Secretary of Agriculture told LANCASTER FARMING in an interview Thursday afternoon, after his speech to some 1300 members of the Lehigh Valley Cooperative Farmers during their annual meeting at Lancaster's Host Farm.

McHale said that he supports, along with Governor Shapp, a bill now in the Pennsylvania Senate which would abolish retail controls. Senate Bill 130 would

reportedly protect the farmer's price, however, and would forbid milk from being used by stores as a loss leader.

"Stores would have to sell milk with at least a five percent markup," McHale said. "Dealer bonds would also be strengthened. This bill would be good for the dairy industry, because it would assure the farmer of a profitable price, and it would lower retail prices so consumers would get a better buy."

Earlier this month, selected dairymen throughout the state

received a letter about Senate Bill 130. It came not - from Secretary McHale, but from Governor Shapp. The letter dwelt mostly on the need for a price increase to dairy farmers, and took a swipe at the Nixon administration farm policy. And, despite Harrisburg protests to the contrary, some of the letter's language appeared to be an attempt to drive a wedge between farmers and dealers.

Two copies of the letter were sent to this newspaper. One copy came from a milk dealer, one from a farmer cooperative. In

part, the letter said:

In view of the tremendous losses incurred by Pennsylvania farmers during Agnes, and all the events since last June that have caused great increases in farm operation, the Pennsylvania Milk Marketing Board held hearings in February and announced a 92 cent per hundredweight increase to farmers under its pricing jurisdiction. The evidence presented by farmers at these hearings overwhelmingly supported the Board's decision.

Chairman Harry Kapleau and

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Lancaster Farming Photo

## N. J. Ag Secretary Alampi . . .

# "Controls Here to Stay"

"We've been setting retail prices on milk in New Jersey since the 1930's, and we're going to continue to do so," New Jersey Secretary of Agriculture Phillip Alampi told LANCASTER FARMING, on Thursday after he had addressed the 40th annual meeting of the Lehigh Valley Cooperative Farmers.

In an interview with this newspaper, Alampi said price controls are needed in New Jersey to avoid destructive price wars. "If we'd eliminate con-

trols, the big companies would sell milk at a loss. They'd drive out the smaller companies, then they'd boost the prices and the consumer would have to pay more in the end."

There is a milk control board in New Jersey which determines the retail price on the basis of costs and federal order prices. Alampi said the price setting actions have no effect on farmers, because all the state's dairymen come under either Federal Order 4 or 2.

Retail prices in New Jersey are fixed at minimums of \$1.08 per gallon, 57 cents per half-gallon and 31 cents per quart. Except for two or three jugging operations, most milk in the state is sold above the minimum. The average price a consumer pays for a half-gallon of milk there is 60.5 cents, the lowest figure, according to Alampi, of any state in the six-state northeast area. The average price in those states is 65 cents. Pennsylvanians pay an average of 63.4 cents for a

half-gallon of their milk.

Unlike Pennsylvania law, the New Jersey milk law applies to all milk retailers, including juggers. "The jigger might sell a half-gallon of milk for 57 cents, but he's not saving the consumer any money on her grocery bill," Alampi said. "My department made a check of prices on other food items in juggers' stores. Almost without exception, prices on individual items were higher than the exact items in other

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Lancaster Farming Photo

# Agnew Addresses Lehigh Dairymen

Vice-president Spiro T. Agnew addressed some 1300 dairy farmers from the Lehigh Valley Farmers Cooperative during their 40th annual meeting held Thursday at Lancaster's Host Farm. Other speakers included Pennsylvania Secretary of Agriculture James A. McHale, New Jersey Secretary of Agriculture Phillip Alampi, Edward L. St. Clair, market administrator for Federal Milk Market Order No. 4, and Richard Allison, president of Lehigh.

In his speech, Agnew accused some of the news media of having "engaged in the shabby practice of portraying the entire problem"

of rising food costs as a "battle between farmers and consumers."

"This is dead wrong and we should say so," Agnew said.

"What would help is a better understanding by consumers of the economics of farming - and of processing and marketing as

well," he said.

Agnew struck a generally conciliatory note in his speech, urging farmers and farm organizations to educate the general public as to the facts of economic life of farming.

He urged farmers to "try to

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# Martin, Lutz Win At SCS Roundup

A group of 13 young people competed in the annual 4-H Soil and Water Conservation Roundup held Tuesday evening at the Farm and Home Center. There were nine entrants in the conservation display competition, and four entered in the speaking contest.

Thirteen-year-old Andy Lutz, 1973 Millport Road, Lancaster, won the display contest with a miniature side-by-side demonstration of contour planting and non-contour planting on sloped fields.

The Conestoga Valley 7th-grader followed in the footsteps of his brother, Al Lutz, Jr., who took the first place award last year. Andy is the son of Mr. and Mrs. Al Lutz, Sr., and is treasurer of the Southern 4-H Soil and Water Conservation Club.

Sandy and Jeanette Dunkelberger, Denver RD1, placed second in the contest with a display showing the effects of forest fires. Other displays were entered by: Richard Updike, Ephrata, RD1; David

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Andy Lutz displays the first-place plaque he won Tuesday at the annual 4-H Soil and Water Conservation Roundup.

## Farm Calendar

Saturday, April 28

8 p.m. - Lancaster Pomona Grange meeting, Fulton Grange Hall.

Tri-County Relief Auction, Morgantown.

56th Little International Livestock Exposition, Ice Pavilion, Penn State

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