Letters to the Editor

Editor: The American public, it appears, has been duped by government in believing that milk prices at the retail level would skyrocket if the 1975 Farm Bill were approved. This grossly exaggerated misinformation, distributed by the United States Department of Agriculture with the blessing of non-farm politicians across the land, caused President Ford to veto the bill on May 1, and endanger the production of fresh, wholesome milk and dairy products in this country.

Is government folly leading the United States into a food shortage rivaling the energy crisis? Let's take a real factual look as to what is happening from my vantage point.

Secretary of Agriculture Earl L. Butz strongly opposed the 1975 Farm Bill and recommended that it be vetoed by the President. His position appeared to be based on allegations by the U.S. Department of Agriculture that the Bill, in part, would raise milk prices by 8 cents per gallon, cheese prices by 10 cents per pound and butter prices by 20 cents per pound by the end of 1975. These allegations are grossly in error and ignore both current and expected marketing conditions. My own analysis indicates that these USDA estimates are at least 100 percent erroneous and perhaps worse.

It actuality, the Bill would raise the support prices by about 50 cents a hundred pounds (less than 5 cents a gallon) for milk, by about 7½ cents a pound for butter, and only about 4¾ cents a pound for cheddar cheese by the end of this year. In all probability the impact would be substantially less than these levels, perhaps as little as two cents a gallon for milk, 4½ cents a pound for butter and 1¾ cents a pound for cheddar cheese. The actual prices, of course, would depend on the rate of inflation in farm production and living expenses in the months to come and if such increases occurred, it is only fair that farm prices should change accordingly.

Again, it should be emphasized that these prices are supports on the wholesale level. They are not market prices on either the whole sale level or to consumers. How consumer prices are affected will depend on supply and demand conditions and on competition in the marketplace.

Prices of milk at some supermarkets currently are substantially below those prevailing last year and even with the Government's erroneously estimated increases resulting from the Farm Bill, consumer prices for milk likely would not even reach their previous levels of a year ago.

An Associated Press story, which recently appeared in newspapers, stated that "soaring farm prices drove the wholesale price index up 1.5 percent in April . . ." The source of this kind of information is irresponsible. Retail food price levels have resulted from an ever-widening spread between what farmers receive and what the consumer pays. Exorbitant costs in the food processing and distribution end have been among the real causes in any food price rise this year.

Dairy farmers' income, for instance, has dropped about $1.00 per hundred pounds of milk (46.5 quarts) from just one year ago while costs of producing that milk jumped 10 percent over the same period. The general public is unaware of this and farmers are being subjected to falsification of fact.

Foreign dairy imports which entered this country at a record pace in 1973 and 1974, lowered prices paid to dairy farmers by as much as $1.86 per hundred pounds form March to April last year. Farm production costs continued an inflationary climb while beef and calf prices dropped out of sight. Off-farm jobs became fewer in number.

Government called for all-out production of food in 1974 and 1975 but declined to reward the producer with proper financial return.

Now, in face of recession-caused lower demand for milk and dairy products, the American dairyman is being penalized for his efficiency and high productivity.

Since the depression years of the '30's, small family farms have deteriorated in number to the point where less than 5 percent of our population is producing the food for the remaining 95 percent. These farms, in part, are large and face heavy indebtedness. Both situations have been fostered by low farm income over a long period of time.

The curtain has been closed on Act I of the Farm Bill. Hopefully, an enlightened public will demand that government reconsider this Bill before the man that feeds us is no longer on the farm.

Abundant supplies of food could easily become shortages in the ensuing months and what once was considered a right will become an expensive luxury. We need only recall the high costs of oil imported from afar to realize what could happen if we depend on foreign supplies of food to survive.

Remember, a fuel crisis is serious, but a food shortage is deadly.

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TOP ATTRACTION...The Grand Canyon is the Number 1 tourist attraction in the United States. The North Rim with its depth and citadel-like formations seems ever-changing in color To many, this gigantic chasm is "the wonder of the world."