

CNI proposal

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business men from dairy industries, waited their turns to testify.

Twenty-eight people from Pennsylvania, Vermont, New Jersey and New York were listed on the roster to speak, but as the day wore on, it became apparent that some present were not listed, so by 4 in the afternoon when the meeting adjourned nearly 40 had the opportunity to speak their opinions.

Representatives of the Grange, Farm Bureau, and milk cooperatives all voiced emphatic opposition to the Community Nutrition Institute request for a hearing for deregulation of reconstituted milk from Order pricing.

According to Wilson W. Moffatt, Jr., Director of the Division of Dairy Industry of the New Jersey Department of Agriculture, the CNI issue is the greatest challenge to the dairy industry in the past decade and would be a disaster to dairy farmers. It would cost New Jersey dairy farmers at least \$7000 a year if the price for fluid milk were lowered 90 cents to

compete with the reconstituted milk, he estimated.

One dairy farmer representing the New York State Farm Bureau succinctly remarked that he could see no sense in using the energy to take the fluid out of milk to dry it, and then use more energy to put the water back in to sell it a few cents cheaper than fresh fluid milk.

Charles D. Cook, New York state Senator from Delhi, defended the sale of fresh fluid milk by saying that it is the greatest bargain on the market today. The average person works eight minutes to purchase a gallon of milk while ten years ago it cost ten minutes of work to buy a gallon of milk.

The only woman to testify was Chris Braley, Farm Bureau president from Columbia County, New York. She said the net annual income of 404 farms studied in her county was \$13,126. She was most concerned how the CNI proposal would affect them. The Federal Milk Order System was thought to be basically sound by most with



Ed McNamarra, director of National Milk, Inc. and president of Nedco, was among the many dairy leaders who testified Monday.

the exception of Martin Schanback, president of the National Association for Milk Marketing Reform of Washington, D.C., an association of independent businessmen, not farmers.

He said he thought the Federal Order system was unresponsive in revising transportation costs.

Irving Klein of Metropolitan Dairies said he felt strongly there should be one Federal Order in the Northeast to assure a

uniform price for handlers. He remarked that Order 2 producers are carrying the surplus for other orders and getting a lower price for their milk.

All who spoke for the milk cooperatives, including John York for Lehigh Valley, Joseph Mathus for Eastern Milk Producers, Glen Brown, Jr. for Nedco, Lester Jones for Inter-State, Edward McNamarra for National Milk, Inc., Clyde Rutherford for Dairylea,



Congressman Al Jeffords, Vermont, shares a smile with Neal Wallace, right, who testified on behalf of the Tompkins County, N.Y. Agri-business Council. Jeffords heard plenty of anti-CNI testimony at the hearings.

Richard Langworthy for Yankee Milk, and Loyd Patterson, Northeast Dairy Cooperative, agreed that the Capper Volstead Act was sound and should be maintained.

According to Andrew Novakovic, assistant professor of Agriculture Economics at Cornell, dairy cooperatives are not monopolistic. Less than half of the milk in the northeast is marketed by milk cooperatives. Any change in limiting the size of the coops would be detrimental, he charged.

The need for money for research was a strong point of Novakovic's testimony. He cited that between 1967 and 1977, the state and federal funding for dairy scientists was cut in half. He encouraged the request for more research dollars if the dairy industry is to survive.

Energy, too, was on the minds of most who testified. Loyd Patterson, of Vermont, chairman of the Northeast Dairy Cooperative, said that a shortage doesn't seem to be the problem, but the ever rising cost is increasingly difficult to pay for.

Another hot issue mentioned by nearly everyone was the importation of casein and other dairy products.

The Farm Bureau, Grange, and the cooperatives were in favor of shutting down all dairy imports reasoning that some dairy products come from highly subsidized countries and are processed under health standards lower than in the United States.

Novakovic of Cornell said Australia should be allowed to send us casein, and that perhaps production of it in the United States should be encouraged.

Refuting those who argued against the importation of casein was Bruce Stewart, president of the New Zealand Milk Products, Inc. of Rosemont, Illinois.

Speaking in a faint British accent, he said that all dairy products from New Zealand are quality and subject to U.S. inspection on arrival.

The functional and nutritional qualities of casein are unique and it cannot be replaced by using non-fat dry milk. Cheaper substitutes from soy and other sources will be inferior, he warned, and will be sought if imports of casein are not allowed.

D D Nussbaum, executive vice-president of L D Schrieber Cheese Company of Green Bay, Wisconsin, was another advocate of importing casein. His company

produces 78 billion pounds of natural, processed, and cheese products per year, he said, and their production relies on casein.

Casein is a dairy product, and research on other products such as soy would be a threat to dairymen, he stated. He cited the article "Dining in A.D. 2001" in the February Readers Digest as an example of how Americans are going to eat substitute foods in the future.

He warned that if the price of casein goes up, it would cause his industry to seek cheaper sources.

Norman Hecht, of Walden, N.Y. was the only one who spoke for the poultry industry, representing the Northeast Egg Marketing Association and other related organizations.

His long and humorous testimony refuted the argument that cholesterol in eggs is harmful to the human body. As a result of hundreds of millions of dollars in advertising, he stated, the American public has been brainwashed by the technique of endless repetition into believing that cholesterol is a poisonous substance rather than a substance that our own bodies make more of when we eat less.

He said he knew of no scientific work that shows any material increase in blood cholesterol levels in a normal population as a result of eating eggs, he boasted.

Following the rush of one minute testimonies, cut down drastically due to lack of time, Congressmen Baldus and Jeffords thanked all who came and assured them that their written testimonies would go on record.

Additional stories on the testimony for Dairylea and Lehigh Valley Co-op appear on pages A-20 and A-21.



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