Rain interferes with South American crops

WASHINGTON, D.C. -Heavy rains in some parts of South America have delayed sowing activity and may necessitate replanting of certain crops in parts of Brazil, according to a weekly report issued Monday by the Joint Agricultural Weather facility of the U.S. Departments of Commerce and Agriculture Snow in the Soviet Union, and parts of Europe and the United States moderated cold weather's effect on winter grains.

Highlights of the report follow.

United States. More than three inches of snow cover probably saved Montana wheat from winterkill last week as extreme cold hit the northern Great Plains.

Warmer weather to the south spurred wheat growth in Oklahoma and Texas Much of the Wheat and Corn Belts received beneficial precipitation, but some areas in the western Wheat Belt remained very dry

South America. Locally heavy showers in Brazil may force some replanting of maize and soybeans.

Soybean plantings are nearly completed in Parana, however, further sowing delays have occurred in Rio

peratures dropped from the previous week. Snow depths increased in much of the central and western Ukraine.

The snow moderated the effects of cold temperatures, but a continued pattern of freezing and thawing of very wet soil in the southeastern areas prolongs the possibility of frost heaving damage.

Europe. Snow in the east last week gave winter grains needed protection as temperatures dipped much below normal By week's end, most agricultural areas of Eastern Europe had snow cover.

South Africa. Continued shower activity in the Maize Triangle last week further improved soil moisture conditions and stimulated sowing activities Yield prospects should not suffer from the crop season's delayed start

Eastern Asia. Seasonally normal, light precipitation occurred last week over parts of the North China Plain as temperatures turned colder, curtailing

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winter grain growth in the northern half of the area

South Asia. Light showers helped parched winter grains in India's Madhya Pradesh The lack of precipitation in northern winter grains areas was normal for this time of year

Australia. Southern parts of Australia's wheat belt received little rain last week providing favorable weather for the wheat harvest

africa. Northwestern Crops in Tunisia and eastern Algeria remained in good condition last week, aided by above-normal rains.

In Morocco, soil moisture remains adequate despite a third week of dry weather

Conditions in western Algeria remained too dry for winter grain germination and growth.

Mexico. Showers in northeastern Sinaloa did not significantly increase belownormal reservoir levels last week. Sunny, mild weather prevailed over most major agricultural areas and favored the harvest of many crops, especially corn in the Southern Plateau

CNI proposal

(Continued from Page D21) To complicate matters, there's a third alternative proposed by a group of Wisconsin handlers.

This proposal, sponsored by six Wisconsin dealers, calls for an 81 cent per cwt reduction of Class I differentials.

It would directly reduce the price advantage reconstituted milk has over fresh fluid milk.

This proposal would reduce the potential price advantage for a half gallon of reconstituted milk from 6 6 cents to three cents in the Northeast.

Under this proposal, the average fluid milk price in the U.S. would drop by more than one dollar in six months, but there would be no further declines expected in the next three years.

The potential decline in the average all-milk price would be offet by increasing the support price by 38 cents after six months, 40 cents after 18 months, and 46 cents after 36 months

This would mean increased milk prices for farmers in the Wisconsin area, including the Corn Belt, Lake States, and the Great Plains

But farmers in the Northeast probably would lost about 2.2 percent on their milk checks Farmers in the Southeast could lose as much

as 8.6 percent of their milk price.

USDA concedes the options considered would lead to reductions in milk production and smaller government expenditures to support mulk prices.

Results for both the CNI and Wisconsin proposals could save the government almost a quarter of a billion dollars per year.

Consumers would pay less for, and probably use more, milk.

Because dairy herd size varies so much, economists say they had trouble predicting effects on individual farmers.

The decline in gross farm receipts for the average herd with fewer than 30 cows could range from \$147 to over \$1000 in the Northeast depending on efficiency.

This is a gross farm sales figure and does not include savings in feed and other imputs which would result from lower production.

The CNI idea faces direct legal challenges in several states which outlaw use of recombined milk Those states include West Virginia, Tennesee, South Carolina, Hampshire, New Massachusetts, Idaho, and Alabama

Pennsylvania does regulate prices of recombined milk on a state level It also has specific labeling

requirements for recombined milk.

The hearing process has begun. For farmers in the area, January 2 is the deadline to offer comment or support for one side or the other.

The results of USDA's decision in the CNI Proposal case, one way or the other, will be felt in milk checks for years.



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