

Grange has mixed feelings over Farm Bill proposals

WASHINGTON, D.C. — The Administration's proposals for 1981 farm legislation, as announced by Secretary of Agriculture John Block here last week, were met with mixed feelings by Ed Andersen, Master of the National Grange.

Andersen said he felt the proposals provide a good start but do not seem to have a their primary objective improving farm income.

Andersen said the proposals could be vastly improved by a few changes in the dairy and farmer

held reserve programs and retaining the target price concept.

He said the Grange supports the Administration's four basic legislative goals of reducing the role of government in agriculture, increasing farm productivity, expanding agricultural exports and cutting federal spending, but these objectives do not necessarily mean improved farm income.

"We would like to see the Secretary of Agriculture make improving farm income his number one priority," said Andersen.

Of particular concern to the Grange are the proposed changes in the dairy program. Andersen said Grange dairy farmers were willing to forego the April 1 dairy price support increase but a support level set at 70 percent of parity isn't realistic.

He said many dairy farmers, especially those in the Northeast with high transportation and feed costs, are barely scraping by when the level is close to 75 percent. The proposed 70 percent price support level will force many dairy farmers out of business, said Andersen.

Grange policy supports continuation of dairy price support at 80 percent of parity. However, the Grange would support an adjustable parity dairy price support program as a percent of parity to the amount of anticipated annual rate of net government purchases by the CCC.

Under this concept, dairy price supports would move up or down between 75 and 90 percent of parity, depending on the future estimates of government purchases.

Andersen said dairy farmers will be pleased by the Administration's proposal to increase the sell-back

price for dairy products held in the CCC to 110 percent. This will encourage dairy product manufacturers to store more of their own future needs rather than having the dairy products stored at public expense by the CCC.

The Administration's proposals also call for eliminating authority for the target price program. The Grange feels this concept should be continued for two important reasons.

Andersen explained that target prices will be needed to determine disaster payments in areas where federal crop insurance will not be available in 1982 and that they may be needed in the future years to protect farm income.

The Grange is also concerned about the procedures to be used in operating the farmer-held grain reserve.

"While we agree with the Administration's idea of placing a cap on the amount of grain in the reserve, we believe Congress should write stronger guidelines on the reserve entry loan rate, the release and call prices," said Andersen.

Andersen also observed that the Normal Crop Acreage (NCA) requirement should remain in any new farm legislation in an effort to protect fragile farmland and to make any future production control programs more effective.

Farm Bureau supports 1981 farm bill ideas

PARK RIDGE, ILLINOIS — Farm Bureau said this week administration proposals for a 1981 farm bill, as presented by Agriculture Secretary John Block, are "on the right track."

Robert B. Delano, president of the American Farm Bureau Federation, said Block's testimony before the House Agriculture Committee this week spelled out a proposed farm program that, with minor exceptions, is consistent with Farm Bureau recommendations.

"Congressional approval of the administration's proposed farm program," Delano said, "will be a step toward Farm Bureau's longtime goal of getting agriculture back on a market oriented basis and moves in the direction of getting government out of the farming business."

The farm leader also expressed appreciation to Block for "setting

the record straight" on President Regan's position on the grain embargo against the Soviet Union.

In his testimony, Block said that published reports that President Reagan intended to retain the embargo were "misleading." The secretary said he hopes the embargo would be lifted soon, an action that Farm Bureau has long advocated.

Points of disagreement between Block's testimony and Farm Bureau's policy involve peanuts and dairy loan rates.

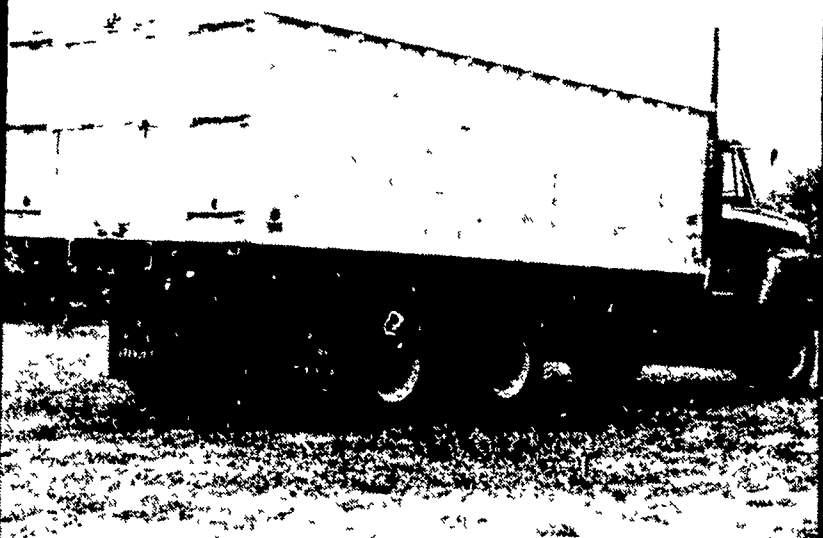
On peanuts, the administration would eliminate acreage allotments while Farm Bureau supports extension of the present program with modifications.

On the dairy issue, the administration would set the minimum at 70 percent of parity while Farm Bureau says the minimum should be 75 percent of parity.

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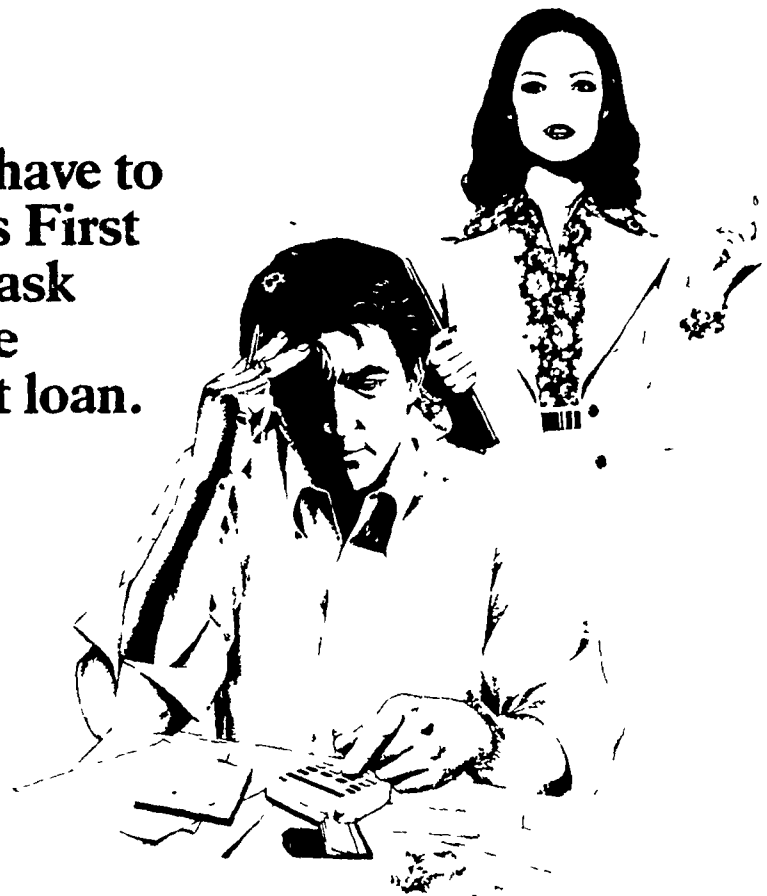
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