

Pa. Milk production 'booming', says economist

UNIVERSITY PARK — Pennsylvania dairy farmers are creating a "boom" in milk production. Their milk output has

Breeding sheep



Champion Shropshire ewe was shown by Belmont Ridge Farms, Barbara Platt, Gettysburg.

increased in greater amounts and at faster rates than anywhere else in the Northeast, according to Blair J. Smith, agricultural economist at Penn State.

In 1960, 12 percent less milk was produced than was consumed in the state. By 1980, production was 26 percent greater than consumption. Smith analyzed state and federal reports of milk production and consumption in his work with the Agricultural Experiment Station at Penn State.

"Of the Northeastern states, only Vermont has a greater milk surplus relative to consumer needs," he stated. "Vermont's surplus is about 2 billion pounds annually while the surplus in Pennsylvania is 1.75 billion pounds."

The Penn State economist suggested several reasons exist for the vigorous growth of Pennsylvania milk production. Closeness of dairy farmers to great masses of people has become increasingly important. This is due largely to the rapidly increasing costs of transportation since 1973 and 1974.

In addition, soil, climate, and topography in the Commonwealth

lead to a kind of dairying that is only slightly affected by widely fluctuating feed prices. This occurs since much of the feed needs of dairy herds are produced on home farms.

The dairy "boom" in Pennsylvania is also seen as beneficial to consumers. Other factors remaining equal, more milk at the farm tends to create lower prices at the supermarket. Smith pointed out that milk and dairy products have long been an economical source of a very important part of human diets.

"Currently, for about 13 percent of our food budgets, we receive about 22 percent of our dietary protein in the milk and dairy products that add so much variety to our meals," he affirmed.

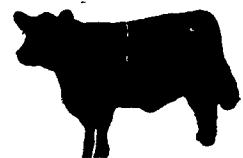
Contrary to what some people may believe, retail prices of milk and dairy products have gone up less than prices of all foods generally, it was stated. The increase has also been less than the average price increases of all consumer products taken as a group.

Smith predicted retail milk and dairy product prices will rise more

slowly during the next several years. He indicated this will be due to probable future actions of the federal government — similar to those taken recently.

"The primary effect of government dairy programs," Smith said, "has been to moderate the wide swings in prices and production that might otherwise take place. Stability introduced into the market by government programs is important," he commented.

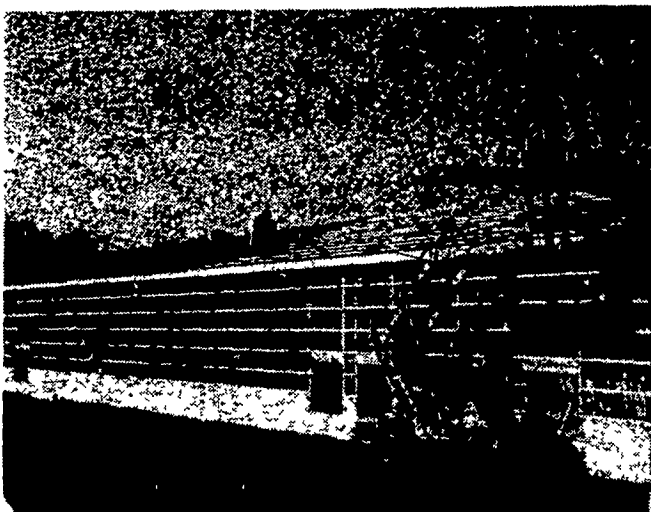
"Such stability reduces the risk and uncertainty facing dairy farmers and milk processors," the Penn State economist stated. "With a fairly stable outlook, farmers and processors can carry out more highly efficient, lower cost operations than otherwise. Moreover, competition within the dairy industry assures that most cost savings are eventually passed along to the consumer," he concluded.



Ebersole

BUILDERS AND DESIGNERS

PRE-ENGINEERED POLE-BUILDINGS



COMPARE THESE FEATURES

- Lower Initial Costs
- Reduced Maintenance
- Greater Efficiency
- Heavy Duty Pressure Treated Posts
- Kiln Dried Framing
- Pre-Engineered Trusses
- Choice of Overhead or Sliding Doors
- Choice of Aluminum or Steel Siding Plain or Painted

CALL OR WRITE TODAY

Ebersole Builders

P.O. Box 190, Doe Run Road
Manheim, Penna. 17545
(717) 665-6861

Name _____

Address _____

City _____ State _____

Zip _____ Phone _____

SEND INFORMATION ON:

COMMERCIAL BLDG. _____

AGRICULTURAL BLDG. _____

STORAGE BLDG. _____

STATE SIZE

HOG PRODUCERS!

Get Top Price
for Your Hogs at
New Holland



Sold in sorted lots the auction way. See them weighed and sold and pick up your check.

SALE EVERY MONDAY - 8:00 A.M.

NEW HOLLAND SALES STABLES, INC.

Phone 717-354-4341

Daily market Report - Phone 717-354-7288
Abe Diefenbach, Manager



MORIDGE

GRAIN DRYERS
— IN STOCK —

GRUMELLI'S FARM SERVICE

Quarryville, PA. 17566
Phone: 717-786-7318