## A30—Lancaster Farming, Saturday, October 17, 1981

## Lyng urges dairy program changes

LOUISVILLE, Ky. - Deputy Secretary of Agriculture Richard E. Lyng appealed to the nation's dairy farmers to endorse a realistic dairy price support program as a first step to restoring economic good health to the dairy industry.

Speaking to the Great Lakes-Southern Milk, Inc., annual meeting, Lyng cited growing government-held dairy supplies, the decline in the demand for milk products, and high costs of present dairy support programs as serious economic problems in the industry.

Lyng pointed out that by Oct. 1 the federal government will have spent a net of \$1.89 billion this fiscal year on dairy price supports; that the government will own the dairy products made from 16.4 billion pounds of milk; and

that per capita dairy consumption continues to drift downward.

"In the face of those disappointing statistics, dairy farmers have increased the number of young replacement heifers to 4.6 million head, about 6 percent more than last year, and the highest number in 15 years. It is obvious that the present dairy price support program - not the commercial market - has been the attraction for holding more heifers," Lyng said.

"I agree with the growing number of dairymen who say that the path to a vigorous dairy economy is to rely less on government price guarantees and rely more on voluntary efforts and industry-sponsored long range market expansion," Secretary Lyng said. "I agree also that the present dairy support program is

standing in the way of an improved economic climate for dairymen, and until changed, this present program will merely deepen the problems in the industry.'

Lyng said that the administration's recommendations for dairy price supports in a range of 70 to 90 percent of parity, adjusted annually, would help dairymen work their way out of trouble. The dairy price support minimum would be no less than \$13.10 per hundredweight. If net government outlays for dairy price supports exceed \$750 million in any marketing year, the secretary of agriculture would be authorized to forego the annual adjustment. "This is a program that will help dairymen gradually work their way out of trouble and build markets for the future. It is a market oriented concept that will

lead to increased dairy consumption, which is what all dairymen want," Lyng said.

"In the long run, increased dairy consumption will raise dairy profits, while increased government-held dairy stocks will depress prices and stifle opportunity," Lyng said.

Lyng also called on dairymen to voluntarily cull their herds more vigorously. "At today's costs, some of the dairy cows aren't making the owners any money, anyway," Lyng said. "Those cows that are operating below the breakeven level are costing the owners money and their production is adding to the government-held dairy surplus and to government costs.

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"Make no mistake about it," Lyng said, "those costs add to government deficits and to government borrowing. This helps elevate interest rates and raises the inflation rate. Dairymen can help themselves and their country by culling harder," Lyng said.

## York youth wins at Eastern National

YORK — Eleven-year-old John Hausner, son of John and JoAnn Hausner of Dover, received the reserve champion Hereford steer title recently, at the Maryland Eastern National Livestock Exposition in Timonium, Md.

The 1135-pound steer was born

which last year earned John the same title at Maryland.

Thompson's Meat Market bought the steer for \$1.32 per pound.





