

The Milk Check

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County Agent



Decision Time

The legislation has been passed; the regulations have been written; the meetings have been held; the worksheets prepared and even computers are standing at the ready to help dairy farmers determine whether participation in the new Milk Diversion Program is profitable for them individually. With all the time that has been given to the development of the program; all the meetings that have been held; all the words that have been spoken and written and all the paper that has been handed

out and mailed, nowhere among all of this will you find the answer to your participation in the program. It comes only from the analysis of your own individual situation with your own decision for your own farm. The Milk Diversion Program is unique to the dairy industry because, for the first time, payments will be made, in cash, directly to farmers for reducing the supply of milk coming to market.

It's the first supply reduction program for milk producers that is voluntary so farmers are faced, for

the first time, with individual decision making rather than having a program that applies uniformly to all producers. I believe, many producers are having a hard time adjusting to the fact that they are being asked, for the first time, what they want to do rather than merely accepting a change they can't avoid. For the first time they will have to do a minimum amount of record analysis and herd management to participate in a marketing program. The answer for you can't come from magazine articles or Extension newsletters (no matter who writes them) but only from your own analysis and decision making. Don't worry about how many of your neighbors participate but only if it's good for you. But don't jump to a conclusion without some analysis of your records and the facts of the program. Too many are using excuses rather than reasons for not participating.

One of the many reasons I've heard over the years for the average dairy farmer's lack of interest in milk marketing (unless there's a crisis) is that they can't, individually, do much to change things so they don't bother learning at all. Well, this may be a chance for you to manage your herd; take advantage of a marketing program; be your own man and come out ahead. Many times this month I've heard the argument that if there isn't enough participation in the Milk Diversion Program to reduce supply then the next program will rely entirely on price cuts to cut government costs. This may very well be true but I'm more concerned about those producers who could profitably participate in the program now but miss the opportunity because they didn't make the effort to find out for themselves if it was good for them individually. It would also bother me if dairy farmers left the impression with lawmakers that they couldn't plan and adjust

voluntarily for themselves when given the opportunity.

Deadlines

The deadline for applying for waivers of cattle sold for dairy purposes between November 8 and December 31, 1983 is January 21. This means that if there's any chance that you may sign a contract under the Milk Diversion Program by January 31 and you sold cattle that did not go for slaughter or export between November 8 and December 31 you should apply for a waiver on such sales. There is no form for this. You just put it in writing - what cows, to whom, when - and get it to the local ASCS office by January 21. You'll have an answer within 24 hours if the waiver is granted but it is expected that Washington will be "lenient" in such situations. However, this will be the only time during the program that a contractor will be permitted to sell heifers or cows to another producer unless the purchaser is also under contract.

Another deadline you should keep in mind is January 27. This will be the last day for verifying bases and submitting a Milk Reduction Plan. Both of these are required before you can make a contract with ASCS but the final date for your signature on the contract is still January 31. That is also the last day for withdrawal of the contract if you signed one earlier and want to change it or you changed your mind about participating.

The only uncertainty is the modification of contracts by the Secretary between February 2 and 15. He has the discretion to do that if the planned reductions in the contracts would threaten the milk supply or greatly depress beef, pork or poultry prices. The chances of getting a significant modification seem to get more remote each week. Threatening the milk supply seems even less

likely than lowering livestock prices by contractors. In addition, the USDA has the opportunity to purchase commercial beef for welfare and school lunch programs and reduce the imports of beef if prices begin to drop.

The USDA wasn't enthusiastic about a Milk Diversion Program when it was under consideration in Congress but now that it's here they seem to be doing all they can to make it work. The rest is up to the producers and no one will know the result until February 15.

Non Voluntary

So much time has been spent explaining the Milk Diversion Program that we may have forgotten that there are other provisions in the Dairy and Tobacco Adjustment Act of 1983 that are not voluntary. One of these was the drop of 50 cents in the support price that started December 1. It didn't take long to show its effect and dropped the Minnesota-Wisconsin Price 45 cents for December. That was translated into a similar cut in the Class II price for December in Order 2 to \$12.17 making it the lowest in the Order since September 1980. It won't be reflected in the Class I price until February when that drops to \$14.36 from \$14.77 in December. In addition, you still have one 50 cent assessment to pay for the Milk Diversion Program but you have no Louisville Plan payment as you did in November so January checks for December milk will still look pretty skimpy but will be worse in February. The uniform price for December was \$13.07 which was 56 cents less than November and the lowest for December since 1979. You set a new record high for the month in Order 2 with shipments of 97 million pounds. However, that was nothing new since you've been setting such new records every month since July.

SCOTT SCIMONSON VINEYARD EQUIPMENT AUCTION TUESDAY, JANUARY 31, 1984 11:00 A.M.

Hammondsport, (Steuben Co.) New York Sale to be held at the farm located on County Road 76 (Middle Road) 5 miles from Hammondsport. Follow auction arrows from the Hammondsport Motel located on Rte. 54-A at the edge of the Village of Hammondsport.

Discontinuing farming due to loss of market, selling without reserve, full line of vineyard equipment and accessories!

EQUIPMENT: 1969 Chusolm Ryder grape harvester with updated Cleveland-Koch shaker system, field ready condition!; 1965 I.H. 2504 industrial gas tractor with shuttle, all brand new rubber, with Kuchyt rear mount fork lift; 1971 M.F. 135 diesel tractor with 3 pt. hitch, a beauty!; 1966 Ford 3000 diesel tractor with 3 pt. hitch; Oliver OC-3 gas crawler with 6 ft. manual angle blade; 1971 Dodge 900 diesel truck with 16 ft. flat deck, Detroit engine, 10 sp. Road Ranger trans., 11:00 x 20 rear rubber, air brakes, etc.; 2 9 ft. 6 in. x 4 ft. vineyard tote trailers with platforms; Meyers 200 gal. nozzle vineyard sprayer; Taylor-Way offset vineyard disk; Pittsburg 3 pt. 7 tooth field cultivator; Brady p.t.o. trailer type 5 ft. brush chopper; 2 section vineyard drag; Pix-Tone trailer type vineyard stone picker with Wisconsin gas power unit; Rutherford hydraulic grape take-out; Diadem 3 pt. broadcast spreader; 3 ft. x 7 ft. stone boat; Ontario 6 hoe vineyard grain drill; Shaver side mount hydraulic post driver; 2 3 pt. 2 bottom and 1 3 pt. 1 bottom vineyard plows, all tool bar mounted; Western 7 ft. 6 in. snow plow; 3 pt. p.t.o. wire winding wheel; set 24 in. tire chains.

ACCESSORIES: 1000 brand new 8 ft. treated and sharpened fence posts sold in small lots; 450 8 ft. locust fence posts, new; 2 new rolls vineyard (high tensile) fence wire; 8 1 yr. old grape tote boxes; app. 600 plastic grape picking trays sold in lots of 50.

SHOP TOOLS: Sears 1 1/2 h.p. air compressor; Sears bench grinder; Duracraft bench top drill press; Lincoln 225 amp. welder; 6 in. bench vise; 2 ton chain fall; 20 ton new hydraulic jack; steel bolt index with assorted new bolts and nuts; qty. of channan and angle steel stock; grape harvester and various equipment parts and miscellaneous other items!

An excellent line of machinery, well housed and under strict regular maintenance program! This auction represents the termination of two generations of grape farming at this vineyard! Prior inspection and inquiries are invited!

Terms: Cash or good check day of auction. Proper identification required! Nothing to be removed until settled for! Lunch available!

Owned by
SCOTT N. SIMONSON
607-868-3159 Days or
607-868-4829 Nights

Auction conducted by
PIRRUNG AUCTIONEERS, Inc.
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716-728-2520.

PUBLIC AUCTION VALUABLE FARM EQUIPMENT SATURDAY FEB. 11 10:30 A.M.

Located app. 5 miles North West of Manheim Lancaster Co., Pa. Mastersonville Fire Co. grounds Mastersonville Pa.

The following Well Maintained Farm Equipment! Please Note Just a few small items, please Be Early.

1486 IHC tractor, with Cab A.M. F.M. Stereo, Radial tires front weights, liquid rear weight "1800" hours, John Deere 2440 Tractor Weights Front & Rear Heavy Front axel, 48 Loader for J.D. 2440.

V 2900 Martin Wet Spreader, 680 John Deere Manure spreader, 220 John Deere 18' ft. Disc with 300 gallon Walsh Inc. Sprayer, IHC 400 Air No Till Corn planter, John Deere FB177 Grain drill. Bush Hog Chisel plow, John Deere grain spiner, Gehl 99 Blower, Gehl 600 Harvester with Electric Knife Sharpener Electric controls on Spout and Header gear box, Corn head and pickup head, Super 69 New Holland Baler, New Holland Flail Chopper, 2 Badger Silage wagons & with hoops, 3 pt. Large Bale carrier, large Bale Rack, McCurdy 150 Bu. Gravity wagon.

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