

# Lancaster Farming

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## USDA blasts dairy unity; milk output up 6%

BY JAMES H. EVERHART

WASHINGTON — The anticipated showdown between the House Agriculture Committee and the Reagan Administration has begun.

Undersecretary of Agriculture Richard Goldberg, apparently speaking in behalf of his boss, USDA secretary John Block, criticized the dairy legislation approved last week by the Committee, in a letter dated Tuesday.

Goldberg described the Ag Committee's dairy title as being "inconsistent with long-term solutions or long-range planning."

Specifically, the letter addressed to Committee chairman Kika de la Garza, noted that the assessments would be higher than the legislators had estimated.

While the committee placed the standby diversion assessments at 40 cents or less, USDA officials said a more accurate estimate would be 75 cents to \$1.25 a hundredweight.

Goldberg also said CCC costs would range from \$3.5 billion to \$6 billion during the period from 1986-1990.

The committee has since responded to the blast from USDA, in a letter that received bipartisan support.

Goldberg's letter "contained misrepresentations that serve to be divisive and further damage agriculture," said the letter from de la Garza, and Reps. Tony Coelho, Ed Madigan and Jim Jeffords. Madigan and Jeffords are the ranking and senior Republicans, respectively, on the committee, while Coelho is chairman of the livestock, dairy and poultry subcommittee, which forged the original proposal.

The cost estimates, the congressmen said, "do not make

sense, economically or realistically," and ignored the impact of off-setting savings.

The legislators also disputed Goldberg's assessment of the impact on consumer prices, noting that even if milk prices did go up, they would be rising at a slower rate than the Consumer Price Index, the government's recognized barometer of inflation.

The group called on Block to

"reconsider your staff's criticism of this program."

The committee last week approved a Dairy Title proposal that includes standby diversion authority and a support price tied to cost of production.

Meanwhile, milk production in June approached all-time records, increasing 6.1 percent over June 1984 figures.

USDA officials said production

totalled 12.434 billion pounds last month, more than 700 million pounds over last year's output.

Production per cow increases accounted for most of the additional milk, with the monthly output climbing 43 pounds to 1,128 pounds.

Cow numbers were also on the rise, though not as steeply, climbing about two percent to just over 11 million.

The present totals are higher than any June figures since 1947, when per capita consumption was much higher.

June 1984 figures, of course, reflect the impact of the dairy diversion program, which was then in its sixth month of operation.

The increases since the end of the diversion program April 1 have fueled the controversy now raging in Washington over the future of dairy policy in this country.

Proponents of the program cite the figures as proof the program did bring about a reduction, admittedly temporary, in dairy output.

Opponents, however, point to the increases as confirmation that the program made no lasting impact on the imbalance between supply and demand.

Last year, the government purchased nearly eight billion pounds of surplus milk, down 50 percent from the 16 billion Uncle Sam absorbed in 1983. At the current rate, surplus purchases are estimated at 10 billion pounds or more.

Pennsylvania's June milk production was up six percent, a rate virtually identical to the national increase, and roughly in league with figures from other leading milk-producing states.

California and Minnesota led the major producers, recording increases in the seven-percent range, while Wisconsin had a six-percent increase and New York, a four-percent hike in production.

Florida and Maryland led the nation, both recording 13-percent increases over June 1984 figures. Virginia, meanwhile, recorded a 12-percent increase and Washington state jumped nine percent.

## 'Ice Cream Dream'



And what could be a sweeter dream than free ice cream for everyone? The Keystone Ice Cream Association and the Pennsylvania Dairy Promotion Program made that dream come true on Thursday by dishing out free fix-your-own sundaes to hundreds of ice cream fans on the steps of the State Capitol Building.

Pictured above is Keystone Ice Cream Association president William Culp receiving a "custom built" sundae from (left) Franklin County Dairy Princess Debby Hawbaker, State Dairy Princess Lynette Loper and York Princess Joyce Ruppert.

## Young Farmers meet in Ephrata Friday

EPHRATA — About 325 members are expected to attend the Summer Conference of the Pennsylvania Young Farmers next weekend at Ephrata Area Junior High School.

The conference, an annual event, will feature farm tours, business meetings, programs and a banquet next Friday evening.

A special videotape presentation will describe the hydroponic tomato planting facility at Penn Dutch Farms, where 9,500 plants are grown in water only, without soil.

Highlights of the farm tour include:

- The Green Dragon Farmers Market and Auction. Conventioneers will have the opportunity to watch livestock, hay and straw auctions, and see 250 local growers, merchants and craftsmen selling their products.
- Triple G Farms. The Graybill

brothers farm 400 acres, milk 175 cows and sell milk and ice cream at their grocery store. They grow corn and alfalfa, and have a new open-front heifer barn.

- G/M Finishing. A division of the Gerber Company, this dye and bleach plant sends material to sewing plants throughout the United States.

- The Fox Farm. Dan and Kathy Fox farm 74 acres, mostly corn and hay, and milk 40 cows. Their 200-plus-year-old home was built over a spring with a capacity of about 1,000 gallons a minute.

- Indian Spring Farm. Clark and Lucy Stauffer farm about 100 acres of corn and tobacco. Conventioneers who visit the farm will be able to see tobacco at all stages of development.

- Middle Creek Wildlife Management Area. Located on the Lancaster-Lebanon County bor-

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## Fair Coverage

Come July, a bumper crop of fairs begins sprouting throughout Lancaster Farming country.

Traditionally, our coverage of county-level fairs has been extensive. But for the first time, fair coverage will be consolidated in Section A, following the markets.

Our all-new fair pages will cover results, as well as highlights of upcoming fairs. Throughout the fair season just check the index for the location of fair coverage.

Also in this issue you'll find a complete schedule of Pennsylvania fairs and livestock shows on page C2.

## State Grange offers HMO medical coverage

BY MARGIE FUSCO  
Staff Correspondent

HARRISBURG — The Pennsylvania State Grange has become the second Grange in the nation to offer its members a prepaid primary health care plan.

The program, called a Health Maintenance Organization (HMO), is a method of covering basic health costs not covered by standard medical insurances. Grange members who subscribe to the HMO will receive coverage for both doctor visits and hospitalization by paying a quarterly premium.

"Now farmers and other self-employed people in the agricultural industry can have health benefits as good as people covered by company plans," explains Linda Blake, public relations director for the Pennsylvania State Grange. Because of its size, the Grange has been able

to form a group and has enlisted the services to two HMO organizations.

Grange members living in Lancaster, Lebanon, York, Adams, Dauphin, Cumberland, and Perry Counties will come under coverage from HealthAmerica Members who live in Montour, Columbia, Lycoming, Northumberland, Snyder, Union, Lackawanna, Luzerne, Wyoming, Sullivan, Clinton, Clearfield, Centre, Mifflin, and Juniata Counties will receive coverage through the Geisinger Health Plan. HealthAmerica is a national program serving nearly half a million members across the country. The Geisinger Health Plan is offered through the Geisinger Health Care System, headquartered in Danville, Pa.

An HMO is somewhat different from conventional medical in-

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