

1988 Crop Wheat, Barley Producers To Receive 12-month 0/92 Payments

WASHINGTON, D.C. — The U.S. Department of Agriculture's Commodity Credit Corporation will make about \$2 million in 0/92 program payments to eligible 1988-crop wheat and barley producers, according to Acting CCC Executive Vice President Vern Nepl. These payments will be made in commodity certificates by USDA's Agricultural Stabilization and Conservation Service's county offices after July 14.

Eligible wheat and barley producers in the 0/92 program are assured the emergency compensation or 12-month "Findley" minimum payment rates shown in the following table:

	Wheat	Barley	Oats
	--dollars per bushel--		
A. Total minimum payment rates	1.53	0.76	0.30
B. 5-month minimum payment rate	1.47	0.71	0.30
C. 12-month minimum payment rate (line A minus line B)	0.06	0.05	0.00

CCC estimates payments to producers will be approximately \$1 million each for wheat and barley. No payments are due oat producers.

Eligible wheat and barley producers received the five-month minimum 0/92 program payments with the deficiency payments made after the first five months of the applicable crop year. Wheat producers in the 0/92 program who elected to receive an advance of the "Findley" payment received that portion in December 1988.

Enter This Drawing To Win A Free Ticket To Hersheypark From The Pennsylvania Dairy Promotion Program

DAIRY DAY AT HERSHEY PARK

The Pennsylvania Dairy Promotion Program has planned a special event with Hersheypark on Wednesday, August 2, from 10 a.m. to 6 p.m. Beside the drawing of 28 free admission passes, a 250-foot giant banana split, the largest ever to be at Hersheypark, will be constructed and then divided up to serve more than 300 people. In addition, special contests will be held that include:

"Fishing For Nutrition," a game to teach children up to ten years of age, about the major food groups, dietary needs and nutrition.

"The Great Cheese Taste," a game for all ages to guess the number of holes in a five-pound Baby Swiss Cheese.

Everyone is invited to join the fun at Hersheypark. But to win the free admission passes good any day the park is open throughout the season, fill in the entry blank below and send it to: Dairy Day At Hersheypark, PA Dairy Promotion Program, 2301 N. Cameron St., Harrisburg, PA 17110. Entries by mail must reach the PDPP office in time for the drawing on August 2. Entries may be clipped from *Lancaster Farming* and taken in person to Dairy Day At Hersheypark prior to the 5 p.m. drawing. You do not need to be present to win, but all winners who are present will receive an extra special gift.

So enter today for a chance to win a free Hersheypark pass from PDPP. And plan to join the fun at Dairy Day At Hersheypark on August 2.

Clip this entry form and mail in time to be received for drawing. Or take it in person to Dairy Day At Hersheypark on August 2.

Name: _____

Address: _____

Town: _____ Zip: _____

I like ice cream because: _____

Mail To:
Dairy Day At Hersheypark
Pennsylvania Dairy Promotion Program
2301 N. Cameron Street
Harrisburg, PA 17110

Positioning In International Growth

BY CONGRESSMAN
STEVE GUNDERSON
3rd District, Wisconsin

WASHINGTON, DC — A sense of optimism is in view for the United States' dairy industry, considering the growth potential for the U.S. in the international marketplace. Recent news by the USDA to pursue negotiations with the Soviet Union to sell the USSR butter, indicates the U.S. has enhanced its competitiveness in the world dairy market and is positioning itself to expand and capture an even greater share of international trade.

The recent successes of the U.S. dairy industry and estimated trends worldwide, could allow the U.S. to gain a stronger hold on the world dairy market. Domestic buyers of nonfat dry milk are actually finding themselves competing with foreign buyers for their needs.

World milk production was up slightly in 1988, even with the European Community's major policy-induced production decline. Total world dairy production is expected to increase about one percent in 1989, to 432 million metric tons. Consumption is expected to also take about a one percent increase during 1989.

Our major competitor for the world dairy market is the 12-national European Community. The international dairy market has been dominated for the last 20 years by the EC, but the EC's stronghold on the world export market is expected to decline 6% over the next year, down from 1.291 million metric tons of cheese, butter and nonfat dry milk

outside of the 12-nation trade group.

One of the deciding factors that benefits U.S. market growth potential is the EC's supply quotas that were introduced in 1984. In 1987, production was cut by 6% and was expected to have an additional decline of 3% last year. The EC's share of world output has also declined, from 50% to 42%. As the EC continues to reduce its stocks of dairy commodities, these supply quotas make it difficult for the EC to meet increasing world market demands.

Some recent successes show the dairy industry in the United States is on the verge of gaining its international strength. We have made great gains in trying to take over the world market price for nonfat dry milk, and I'm convinced in the 1990's, the U.S. will be able to overtake cheese prices.

At the end of 1988, the U.S. price for nonfat dry milk ranged as much as 23-cents per pound under the world price. At the end of May this year, the domestic price of 84 to 89-cents is running even with the world trade price. The outlook for 1989 is for continued tightness in world supplies of nonfat dry milk, allowing the U.S. domestic prices to keep pace with rising world price levels.

As we hopefully continue to see trade barriers dropped in Japan, the U.S. will move into an increasing, energetic dairy market. Over the last year, Japan has increased imports of butter, cheese, and nonfat dry milk from 188,000 tons to 220,000 tons. Japan's imports for 1989 are expected to increase to 225,000 tons, with the U.S. pick-

ing up its fair share of that market.

What's so encouraging about the Japanese market is that they currently desire a higher butterfat content, good news for the U.S. dairy industry, where we have a butterfat problem.

The United States now has the Soviet Union seeking to negotiate a purchase of 30,000 metric tons of butter from our Commodity Credit Corporation stocks at world prices in cash. On Monday, the

USDA gave approval for the Foreign Agricultural Service to negotiate a possible butter sale with the Soviets. Trade officials have said this is a hot, new market worth pursuing.

Further evidence of the U.S. growth potential is viewed by a competing country, New Zealand. In their eyes the U.S. is no longer insulated from the world dairy economy. They have said the U.S. needs "to grasp the opportunity

current market conditions present and recognize that a more open and orderly basis for international dairy trade will serve its long-term interests best."

If we have other countries looking at the U.S. to be in the best position for market growth, we need to seize that opportunity and capitalize on it, placing ourselves in the position that can ultimately benefit our domestic markets.

USDA Opens Ninth Conservation Reserve Sign Up

DAUPHIN (Dauphin Co.) — The U.S. Department of Agriculture will open a ninth sign-up period July 1 thru August 4 for the Conservation Reserve Program (CRP).

To enroll in the program, farmers must submit bids indicating the per acre rental payment they would accept to keep their land out of crop production and into

conserving using for 10 years. Applicants must also provide a cropping history for 1981 thru 1985.

In addition to highly erodible cropland, farmers may bid to enter filter strips, cropped wetlands, certain water bank program acres and cropland subject to scour erosion.

Rental payments are made annually to producers with approved contracts and cost-share payments are made after the conservation practice is completed.

If you are interested in this program, please call your county Agricultural Stabilization and Conservation Service office for information.

Maryland Farm Queen To Be Crowned

TIMONIUM, MD — Sunday, August 27, Miss Rebecca Osburn, the 1988 Maryland Farm Queen, will have the honor of crowning her successor, the 1989 Maryland Farm Queen.

Young ladies representing 23 Maryland counties will compete for this renowned title and a scholarship worth up to \$2,000.

Contestants between the ages of sixteen and nineteen have earned their place in the 1989 Maryland Farm Queen Contest by winning

local county contests sponsored by their Farm Bureau. These young ladies will be critiqued primarily of their agricultural knowledge and experience. Each must spontaneously respond to a "fish bowl" question either related to career issues or specific farming problems. Poise, communication skills, and civic involvement and secondary requirements.

The 1989 Maryland Farm Queen and her four runners-up will be selected by three judges.

The criterion for judging are farm, home and community responsibilities, 25 points; general appearance, 25 points; personality, manner and friendliness, 25 points; speaking ability, 25 points.

The 1989 Maryland Farm Queen will be required to be present throughout the 10-day State Fair.

For additional information, contact Ms. Susan Summers, Maryland Farm Bureau, 301/922-3426.