State Pricing Orders

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market power," Samuel said. "The governor says they (the dealers) should pay the over-order premium...But they're big enough that they don't have to. Because they can't show that this will hurt them.'

The dispute has turned a little nasty in New Jersey, according to Charlie Miller, an official with the New Jersey Farm Bureau. Miller said there is evidence that processors have juggled their milk supplies to lower their Class I utilization percentages on milk produced in New Jersey, thereby reducing the amount of the premium paid to the state's dairymen.

Both the state Farm Bureau and Atlantic Dairy Cooperative, which has a number of members in the southern part of the state, have filed briefs in support of the New Jersey state order. In addition, the Farm Bureau's board of directors recently asked the office of the state's attorney general to look into the overall issue of farm and retail milk prices in New Jersey.

Wettlin disputed the contention that the Class I utilization percentages for June reflected anything out of the ordinary. He also said the dealers are suffering from a kind of character assassination.

"We have been portrayed as anti-farmer," he said. "We're not. We're pro-farmer."

One indication, he said, has been the processors' willingness to pay premiums even before the state pricing order became effective, at a time when there was no shortage of milk in the marketplace. In southern New Jersey, where marketing is governed by Federal Order 4, the processors have long paid the \$1.05 premium charged by the Middle Atlantic Cooperative Milk Marketing Agency, known as MACMMA. In the northern part of the state governed by Order 2, processors have been paying 40-60 cents a hundredweight even to the independent dairymen (those not associated with a cooperative). The processors are still paying these premiums and holding in escrow only the difference between these

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amounts and 77 cents, Wettlin said.

The spokesman said the processors have objections to some specific features of the New Jersey order as well as a fundamental disagreement with the imposition of government controls in the marketplace.

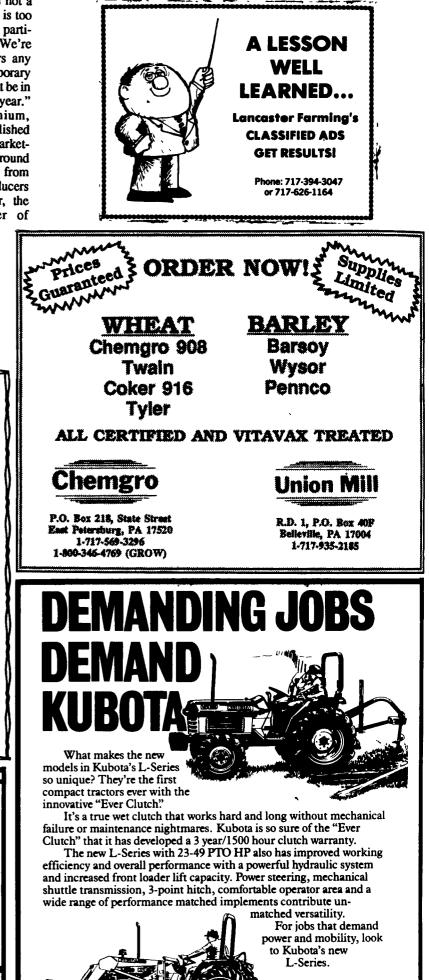
"This is a market-wide problem," Wettlin said. "This is not a New Jersey problem. There is too much milk in the Northeast, particularly in Federal Order 2. We're not doing the dairy farmers any favor by imposing a temporary premium that may or may not be in existence at this time next year."

The MACMMA premium, which parallels the one established by the Pennsylvania Milk Marketing Board, is one common ground that has escaped the fallout from this latest battle between producers and processors. Bob Dever, the assistant general manager of

Atlantic Dairy Cooperative, said the cooperative helped propose and continues to support the New Jersey state order. But he was careful not to criticize the processors for their concerns about the legaliand scope of the new state pricing orders. MACMMA leaders, meanwhile, remain committed to a cooperative bargaining approach

with area handlers, Dever said.

Wettlin also pointed to the MACMMA example as one the dealers could support more readily than state pricing orders. Its private pricing agreement can be adjusted much more quickly than those imposed by government regulations, he said.



Feed Grain Comments Due

She said the department has proposed 1992 corn ARP options, along with an analysis that includes estimated planted acreage, production, domestic and

