

Farm Organizations Split

(Continued from Page A1)

House proposal and its dairy provisions.

According to a position paper distributed during the conference, there are six major reasons why the three organizations — Grange, PFU and Pro Ag — “cannot support the proposed National Dairy Bill in its present form.”

In its summary, the position paper states, “The proposed Dairy Bill (in the House version) does establish a minimum Class I price (the price to farmers for milk sold that is used as fluid milk) for two years equivalent to the January 1996 level.

“The proposed Bill also abolishes the current Commodity Credit Corporation Assessment on producers.

“However, there are no minimum prices established for any class usage of manufactured milk — except the support price on cheese for \$10.35 cwt (per hundredweight) for 1996 and \$10.25 cwt for 1997 — and with the support price being removed from butter and powder, consequently one can assume that prices paid for manufactured milk will commence to descend this spring.

“In all probability, prices received by dairy farmers for milk produced in January and February of 1996 could be the highest prices received by dairy farmers during 1996 and 1997.

“Therefore, as a result of the concerns listed in this position paper, we cannot support the proposed Dairy Bill identified as H2854, without these concerns being addressed in a positive way.”

According to the position paper, those concerns include:

- The current basic formula price that establishes the prices paid to dairy farmers stays intact. Consequently, there remains no relationship between the prices paid to dairy farmers and the cost of producing their milk. Therefore, estimated prices paid to dairy farmers under the new proposed dairy bill falls short of covering the average cost of production to our dairy farmers and farmers should have the right to receive their cost of production plus a reasonable profit.

- The proposed bill calls for the national pooling of part of the Class I differential paid to area dairy farmers (80 cents per cwt). This means part of the money that is due to area dairy farmers will be transferred to dairy farmers in other sections of the country.

- The bill calls for the elimination of the milk price support program for butter and powder. Consequently the value of milk used for these products could drop on the price to producers.

- The proposed bill calls for national pooling of 50 percent of the differences between Class IV price and the support price on cheese. Depending on how low the Class IV goes, the cost to area dairy farmers could be between 10 cents and 25 cents per cwt.

Therefore ... area dairy farmers will lose some of the Class I price owed them, and in exchange for this, their blend price will be reduced because of the national pooling of the Class IV price.

- The proposed Dairy Bill appears to call for the elimination of state orders, such as what we have in Pennsylvania. Under the proposed bill, by December 31, 1997, the Secretary of Agriculture must consolidate the present numbers of federal milk marketing orders down to a number somewhere between eight and 13. How much of an input will dairy farmers have in the new milk orders? A referendum should be put in place on all final decisions that affect the federal milk marketing orders, to allow producers to have a voice in this matter.

- If, for whatever reason, the U.S. Secretary of Agriculture fails to implement the new federal milk marketing orders within two years because of enactment of this bill, the dairy industry becomes completely deregulated with no federal milk marketing orders, no federal dairy support program and no pricing mechanism. It is crucial that the Secretary of Ag acts within two years and it should be mandatory for him to do so.

On the other hand, Keith Eckel, president of the Pennsylvania Farm Bureau in news releases made during the past two weeks, urged quick passage of the Farm Bill, foreseeing a beneficial result of the proposal for all farmers, and dairy farmers.

That is also the position of the National Farm Bureau, the National Milk Producers Federation and the state's dairy cooperatives.

Eckel's reasons for getting a Farm Bill passed include the fact that without one, farmers won't be able to know what they should plant.

“It's already too late for farmers in the Southern belt and in a matter of weeks it could be chaos for all farmers heading to the field to plant their crops.”

Eckel stated support for the Senate's version of the farm bill, though noting its lack of dairy poli-

cy. He said that Farm Bureau supports the Senate version and the House version with the understanding that the final compromise bill sent to the President for signing into law will be a hybrid that addresses dairy policy and ensures something of a safety net, called transitional support, before eventually being turned over entirely to market forces.

Further, he asserted that with the existing Farm Bill soon ending, and without a new one taking its place, the nation would revert to 1949 regulations which “would be disastrous.”

An extension of the 1990 Farm Bill has been suggested by some, though none of the Pennsylvania groups representing agriculture

have issued support for that recourse.

According to Eckel, both bills will benefit farmers and consumers. In a news release containing Eckel's comments, states, “The (Farm Bill) measures provide farmers with income stability during the next seven years, and positions U.S. agriculture to compete more aggressively in world markets.”

The difference in opinion over policy has been ongoing for a number of years and it seems to have resulted in the polarization of two camps within agriculture, especially the dairy industry — those operations that have grown continually in size and efficiency during the past decade and those that have attempted to operate more tradi-

tionally and less aggressively.

The United States farm policy was developed to prevent the nation's citizens from starvation and suffering — by ensuring constant excess food supply, the nation's middle and low income citizens (most) could continue to be assured adequate food at low cost.

On the other hand, that policy also prevents farmers from ever making the kind of profit possible because as efficiencies increase, supplies increase, prices continue to drop, and at the same time competition isn't diminished because support prices can continue to keep operations afloat.

Efforts to expand agricultural

(Turn to Page A23)



Come for music and inspiration Fellowship of Christian Farmers/Southeast Pa. Spring Outreach Luncheon Saturday, March 16, at Noon • Leola Family Restaurant

Guest Speaker John Weidman with a special visual “Think and Remember” presentation.
Good food and uplifting music and testimony
for family and friends.

Tickets: Ages 12 and up, \$9 a person; Ages 4 to 12: \$6; Under 4: Free

Make reservations by March 9 with:

Fellowship of Christian Farmers,
David and Phoebe Bitler, RD 4, Box 4176, Fleetwood, PA 19522.
For more info, contact the Bitlers at (610) 944-0541
or Don Hershey at (717) 665-3808.

equipment
Beca

— FREE DEMOS —
717-354-2354

252 N. Shirk Road • New Holland, PA
former location of Beiler Hydraulics

“Quality products & service are a tradition”

Specializing In Cleaning Systems

REMOTE POSSIBILITIES

ALKOTA
CLEANING SYSTEMS

The “GO ANYWHERE” self-contained cleaners

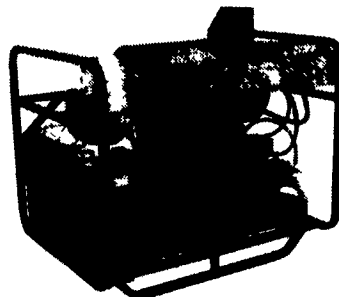
from ALKOTA let you CLEAN ANYTHING! ANYWHERE! ANYTIME!

Big, Brawny, Compact and Powerful.

Alkota Cleaning Systems deliver performance and reliability proven in millions of work hours. These work proven units offer quality and features that make them the best dollar-for-dollar buy in the cleaning industry

Quality designed to tackle the toughest jobs.

Alkota is the name you will find on a full line of hot, high-pressure washers and steam cleaners. From farm to market, from industry to house-hold, Alkota equipment is designed and built to tackle the toughest cleaning chores with ease.



REPAIRS
RENTALS
SERVICE

• See our Showroom
• Large Selection

Free Deliveries
In Lanc. Co.

20% off Brooms - Brushes & Hand Cleaners

See us @ Gordonville Fire Co Auction