

Dairy Compact Hearing Held

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York Co. Correspondent
WILLIAMSPORT (Lycoming Co.) — An informational hearing held last week on proposed Dairy Compact legislation for Pennsylvania brought out a standing-room, nearly 200-head strong, crowd of dairy farmers and industry representatives.

The hearing, called April 3 by the Pennsylvania Senate Agriculture and Rural Affairs Committee and hosted at the Pennsylvania College of Technology, was to gather input on Senate Bill 170. The Northeast Interstate Dairy Compact bill, if enacted by the Senate and Legislature, would lay the groundwork for the state's dairy industry to become part of the Northeast Interstate Dairy Compact. The bill was originally introduced to the Senate on January 21, 1997, by Bradford County Senator Roger Madigan and referred to the Agriculture and Rural Affairs Committee for consideration.

Because the Dairy Compact is structured for only contiguous states to join, with mirror enabling laws, Pennsylvania participation hinges on the passage of similar legislation in New York. New York's state Senate has already passed its version of Compact legislation, but it has yet to be acted upon by the Empire state's Assembly side.

The Northeast Dairy Compact was authorized by the 1996 Farm Bill and first used for pricing milk in late summer 1997. Included in the original Compact borders area are Vermont, New Hampshire, Maine, Massachusetts, Rhode Island and Connecticut. New Jersey recently had enabling Compact legislation signed into law and more than a dozen other states either have, or are working toward, similar compact proposals. Maryland's legislation, thwarted in previous attempts, was working through the state's Senate earlier this week.

While some dairy hearings pit the state's farmer-member organizations against one another, that has not been the case with the Compact issue. One by one, the Farm Bureau, Grange, Farmers' Union, and the state's major dairy cooperatives, DairyLea, Dairy Farmers of America, Land O'Lakes and Maryland and Virginia Milk Producers, all presented testimony at the hearing solidly bearing one united message. Pennsylvania's dairy producers need Dairy Compact enabling legislation.

One recurring theme through several presentations of testimony was that dairy farmers are having difficulty paying their bills, as input costs have continued to rise while milk prices remain at price-levels of years ago.

Daniel Smith, executive director of the Northeast Dairy Compact which is presently pricing Class I milk in the six New England states, addressed that same issue in his supportive testimony.

"It is allowing farmers to stay more current with their bills. The expectation of wholesale dairy farmer sellouts has stemmed," said Smith, of the legislation which has added as much as \$1.30 and as little as a few cents to the Class I price paid to New England's producers of fluid-class milk. According to Smith, the pricing mechanism has added eight cents per hundred-weight to all milk produced in the Compact area.

The Compact currently sets the Class I price at \$16.94 per cwt., and pays producers the amount between the level and the Federal Order Class I price. As Federal Order prices rose during the winter, the Compact's "extra check" diminished in amount. As Federal Order prices drop with seasonality, the Compact is designed to collect the over-order premium to hold the Class I to the established \$16.94 level.

As expected, it was the processor and manufacturing side — buyers of raw milk — which voiced some opposition to the floored Class I prices which would result if the Compact's present \$16.94 was extended to Pennsylvania-produced drinking milk. Presentations by the state's Milk Dealers Association and Food Merchants Association criticized the Dairy Compact proposal as not in keeping with the intent of the

1996 Farm Bill and a short-term program currently designed to end in less than a year.

Most vocal in opposition was Hershey Foods Corporation, which used 1.5 million pounds of milk daily, or 5 percent of the state's production, according to presenter Audrey Throne, manager of dairy ingredients for the candy giant. Hershey's position is that "the free market is the best way to price milk."

Under cross examination, the Hershey representative acknowledged that the bulk of the food company's milk purchases are not Class I fluid priced.

The Pennsylvania Milk Marketing Board, represented by chair-

man Beverly Minor, did not take a position pro or con on the Compact issue but applauded the hearing committee for its efforts. Chairman Minor noted that certain of the Compact's elements are similar to those of the PMMB, and the Board assumes that it would continue to perform its functions if Compact participation did become reality. The PMMB prices milk produced, processed and sold within the Pennsylvania state borders, about 20 percent of the state's total milk production.

Lancaster Senator Noah Wenger, acting chair of the Agriculture and Rural Affairs Committee, quizzed many of the pro-Compact supporters on the likelihood of in-

creased milk production in response to a higher Class I price for milk.

Northeast Compact executive director Dan Smith acknowledged that the Compact has changed the area's supplies more than anticipated, with milk flowing in from outside areas and diluting the pool, and that a hearing process is under way to tighten the rules.

Under the Compact regulations, if production in the pricing region grows more rapidly than the nation, and causes the Commodity Credit Corporation to purchase excess supplies, monies from the Compact must be used to pay for those extra CCC purchases. In anticipation of that possibility, a

large portion of the February Compact premium, 14 cents per cwt. which would have been paid out in March, was escrowed. If CCC purchases from regional oversupply are not necessary, those escrowed funds will be distributed at a later date to the Compact's producers.

Senator Wenger's office and the Agriculture and Rural Affairs Committee expect to take some time to study and evaluate the hearing before generating any further action.

"We will be in the process of reviewing the testimony and will discuss the next step," says Chet Weaver, chief of staff for Senator Wenger.

Seminar To Discuss Urban Tree Establishment Practices

WEST PITSTON (Luzerne Co.) — Establishing trees in urban and suburban areas is no easy task these days. Growing a healthy tree is not as simple as digging a hole and planting the tree. Many times, conditions are such that trees will not survive more than a few years.

What is it so difficult to grow trees in urban and suburban landscapes? As we build or rebuild our cities, towns, and suburban residential communities, we change physical and chemical soil properties, or completely remove top-

soils, the growing medium for our trees. In other situations, we are compacting soils for sidewalk paving to the point at which roots cannot grow. With compacted soils comes poor drainage which can kill trees. Chemically, soil pH is driven upward when construction debris is left in soils. Landscapers then cut a small opening in the concrete and plant a species of tree that requires good drainage and an acidic soil.

On April 16, a seminar titled "Establishing Trees In Urban

Areas" will examine new research on plant establishment techniques that Cornell University's Urban Horticulture Institute and others across the nation have been working on for years. The seminar is scheduled for the National Institute for Environmental Renewal in Mayfield. Preregistration for the program is required and an \$18 fee will cover lunch, breaks, and a packet of reference materials.

The day will be full of usable practices from site assessment and modification to plant selection and

transplant strategies. The seminar is also designed with a hands-on session that will be held outdoors in the afternoon.

If you are a landscape contractor, architect, designer, civil engineer, horticulturist, forester, arborist, shade tree commissioner, municipal official, or planner, and wish to learn the latest findings that are improving tree establishment and survival, attend this seminar. For more information, contact Penn State Cooperative Extension at (717) 825-1701.

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