A22-Lancaster Farming, Saturday, April 24, 1999

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guest speaker Eugene Hickok, state secretary of education; Pa. Public Utilities Commissioner Aaron Wilson who dealt with a range of questions from a workshop audience on PUC dealings, from deregulated electricity and rural cooperatives to telephone changes; and Gordon Hiller, past master of the state Grange who now serves as president of the Grange Service Corporation, who talked about Grange services to a workshop audience.

The pro-Compact rally started the Grange event. It was introduced by state Grange Master William Steel, who has been actively pursuing the issue and promoting passage of legislation.

In addition to the supporters, there were several political leaders who normally attend such functions who did not attend. However, there were other concerns Monday as the state Legislature was in active session on Monday to consider a number of different issues, including the Compact legislation.

When session is active, it becomes difficult for many elected representatives to attend such special events, as well as for lobbyists.

During the pro-Compact rally, respective sponsors of Senate and House Compact legislation — state Sen. Roger Madigan and state Rep. Sandra Major — spoke about the need for passage of legislation and the need for Pennsylvania to join.

Also speaking was state Sen. William Slocum, majority chairman of the Senate Agriculture and Rural Affairs Committee, who said he also supports the Compact.

Sen. Slocum said it had been his pleasure to work with Sen. Madigan while the bill was in the Senate Ag Committee, to help get it moved out and on track for full Senate consideration.

(Madigan's Senate bill had been considered by the Senate Appropriations Committee which promptly moved it out for full Senate consideration on April 12. The bill was to have been approved by the Senate this week on third consideration and be forwarded to the House of Representatives for its consideration. The House has been considering Rep. Major's and Rep. Italo Cappabianca's similarly proposed pieces of legislation, though they remained in the House Agriculture Committee.)

Sen. Slocum repeated a statement he made earlier in the year regarding the Compact legislation: "In a lot of rural areas, the Compact (if it is expanded to encompass Pennsylvania) will be farmland preservation for us. It is also economic development."

National Grange Master Kermit Richardson also spoke out in favor of the Compact. He noted that the National Grange was the lead organization in promoting the concept of establishing a dairy compact, using Constitutional authorities for such organization.

He said that the Northeast Dairy Compact has been through a series of challenges and has won them all, meaning it has demonstrated its legal authority. It has benefited not just one state, but other states as well, he said.

He noted that when other dairy farmers were receiving low prices, Compact farmers received a higher price and consumers didn't suffer, and while milk prices were at their all-time high, the Compact price didn't limit farmer income.

However, he urged supporters to not stop their lobbying efforts, noting that even if Gov. Tom Ridge does sign Compact law for Pennsylvania, its still requires the approval of the U.S. House and Senate, and opposition in Washington D.C. is strong.

He said that if the Pennsylvania delegation were to have its state support inclusion in the Compact it may help motivate them to support the Compact, or help their cause if they already intend to do so.

There was no time to hear from the others representing organizations with pro-Compact policies, though they were recognized.

The Compact sets a floor price for dairy farmers' pay for beverage milk. Dairy farmers produce and deliver milk for use without any guarantees of selling price.

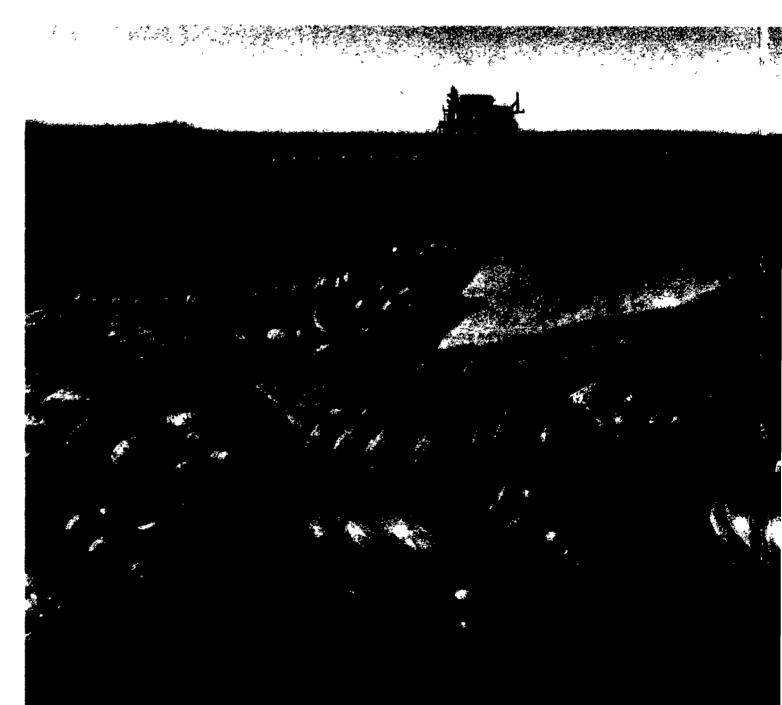
They get paid after the milk is used. If it is later discovered that there was too much milk supplied for market demand, the farmer receives less; if the milk supplied wasn't enough to supply demand,

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Grange Day Celebration



From the left, state Sen. Roger Madigan, National Grange Master Kermit Richardson, state Grange Master William Steel, and state Sen. William Slocum.



Further, he said opponents to the Compact may claim that it is destabilizing for consumer prices, though he said Compact retail prices have stayed stable at about \$2.70 per gallon.

The Compact pricing doesn't affect the Women Infants and Children program (WIC) for purchasing inexpensive milk; that schools are held harmless from increased retail pricing; and it offers no net cost to the federal or any state government.

While surplus milk in the Compact region resulted in farmers being assessed to reimburse the Commodity Credit Corporation for removals of excess dairy commodity supplies, Richardson said 99.8 percent of the surplus milk purchased by the CCC last year in the Compact area came from outside the Compact (meaning it was shipped in).

He also said that dairy farmers in Pennsylvania have waited long enough for stable pricing and that they should stop listening to Compact detractors.

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