

# ion Features Compact Support Rally

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the farmer receives more.

High prices last year were due, in part, to natural meteorological disasters in other milk-producing states, which drove down national availability and increased market price and farmer price for those who could still farm.

Recovery from weather disasters, such as in California, is expected to result in recovery of milk supply and lower farmer prices.

Through testing of market demand for commodities derived from milk components, specifically for butter, cheese (protein), and non-fat dry milk powder, the U.S. Department of Agriculture sets a base price for milk, called the Basic Formula Price (BFP).

Once the BFP is established, certain other factors, such as distance to market, are used to establish "differentials" which are corrections to the BFP according to how the milk was used. Differen-

tials are area-specific and use-specific.

The demand for drinking milk changes very little, though the price for drinking milk varies because its price is linked to the value of commodities manufactured with what is essentially surplus milk.

Because of the way milk is marketed and supplied, the relatively constant drinking milk (federal Class I use) processors fill their needs first, because they can pay farmers the most money.

Additional milk is marketed according to who will take it, or who needs it, many times at a loss (if compared to cost of production of milk used for Class I) to the producer.

Further complicating the actual price a farmer gets for his milk is the blending of prices for all milk marketed.

A blending of the values (of the milk sold for beverage uses and the milk sold for other uses) results in

a blend price.

Some farmers have no control or knowledge as to how their milk is to be marketed, nor at what price it is being negotiated.

Depending on how a farmer's milk is marketed, he will receive a blend price that reflects marketing negotiations.

Those who sell their milk to processors who primarily focus on bottling beverage milk receive more money than those farmers who sell their milk to processors who use the majority of the milk for its components, such as proteins for cheese.

(The real life marketing and pricing structure is more complicated than that.)

The Compact would restrict how much less the farmer could get for his drinking milk, and not limit how much more he can receive.

However, it would not affect the blend price, except that, if a farmer's milk is primarily marketed for drinking milk, his income

would stay relatively stable under a Compact.

Some opponents to Compacts cite the fact that the industry is quick to state the axiom that, "Milk follows the money," yet if their area excessive diversions of milk into a Compact area, or if in-Compact region milk production increases, the demand for beverage milk can't increase, but overall prices will drop because of the decreased value on the surplus drinking milk.

The dairy industry is unique in that almost all milk is produced for beverage purposes, but the majority is marketed for non-beverage uses.

The Compact pricing works by setting beverage milk prices to be paid by consumers, and setting the pay to farmers for the milk used for drinking.

At the Grange pro-Compact rally, the two-dozen or so people who stood at the front of the room in support were representatives of the

state's major as well as smaller farm and agricultural organizations, regional representatives of national cooperatives, representatives of regional dairy cooperatives, state Sen. Roger Madigan, state Rep. Sandra Major, state Sen. William Slocum, and national Grange Master Kermit Richardson.

Specifically, there was representation of the Mt. Joy Farmers Co-op, Ed Galligher represented Dairylea Co-op; Lobbyist John Nikoloff was there for Capital Associates in Harrisburg, Dennis Schad represented Land O' Lakes Dairy Co-op, several representatives were there from the Pa. Farm Bureau, Joe Connelly represented U.S. Sen. Arlen Specter, Bob Junk for the Pennsylvania Farmers Union, and Arden Tewksbury represented his Pro-Ag organization.

In his luncheon talk, state Secretary of Education Hickok described a new direction for the

state's public educational system that includes school choice, respect for local school board and administration solutions for curricula, and a set of standards for teachers.

He said much about what he was talking would be made public in coming weeks.

While prior to teachers receiving large increases in salaries several years ago, the majority were loath to discuss the concept of teachers being subject to performance evaluations.

While Hickok kept from actually saying that phrase, he said that teachers would be held more accountable for their effectiveness and expertise.

Nationally, Hickok said, 40 percent of math teachers didn't major or minor in math in college. He used that information to illustrate the fact that currently teachers don't have to know the subject they are teaching.

He said new state standards would require teachers to take the college course work required of students in the specific disciplines. For example, a college teaching student wishing to be a biology teacher would actually have to take biology course work, just as a biology student.

Not only would teachers be required to take the course work, but they would be expected to achieve more than passing grades.

Hickok said that while the proposal is not designed to make it more difficult for students of teaching, than for regular discipline students, it should be expected that teachers of a subject should have enough knowledge to teach.

As it is now, he said that teachers can have flunked a subject they are teaching.

Hickok was appointed education secretary in 1995, after teaching political science at Dickinson College and serving as adjunct professor at Dickinson Law School.

Hickok said he never sought the position, and that prior to the request from Gov. Ridge to serve, he had only been involved in educational public policy issues through involvement as a parent and as a school board member.

He said serving as secretary has been "... the most rewarding (position) of my life. Every day I get a chance to spend with the most important people — children, teachers and taxpayers."

But he also said that working to improve the public school system is challenging.

He said it will require that schools teach more or what the job market and future job market requires for workers, especially in the high-tech business environment.

For example, he said he discovered that in a Midwestern high school, only 25 percent of the graduated students were qualified to take a job on an assembly line.

While that sounded fairly dismal for the school system, what it really showed, he said, was that the assembly line has changed to that it requires a working knowledge of high tech equipment, not merely a human body following simple commands. Robotics has replaced that need.

He said the students actually performed well, but the education they received had not prepared them for the actual job. There is a disparity between educational goals and focus and demands of the workplace and society.

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