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ADDRESS OF

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ASSOCIATED MILK PRODUCERS INC.

CHICAGO, ILLINOIS SEPTEMBER 5, 1970

not given

This first national meeting of the Associated Milk Producers Incorporated marks the beginning of a new era in the annals of dairy marketing in this country. Your new organization, with its membership of 31,000 dairy farmers from the great milk producing states of the Midwest, from Texas to the Canadian border, is proof that farmers can lend their individual strengths to a concerted effort to achieve bargaining power in the market place.

Your Chicago meeting is the largest ever held by the producers of a single agricultural commodity. I congratulate you. You have taken the necessary steps to organize to work together toward the solution of your common problems. This is, indeed, a new day for America's dairy producers.

And I want to give special recognition to the far-sighted leadership of your organization --- to your President. John Butterbrodt of Burnett, Wisconsin; Mel Bessemer of New Ulm, Minnesota; George Daley of Rochester, Minnesota; Harold Nelson of San Antonio, Texas; and Dave Parr of Little Rock, Arkansas. These men, their associates, and fellow members represent the new economic and political strength of organized agriculture.

This organization did not spring into being overnight. It

took planning and vision, coupled with hard work and persevering determination to bring you together in a unity of purpose. But it is now underway and success breeds success.

The milk producing areas of this country have been Balkanized in the past, producers in each small geographical area competing against each other for restricted markets, building walls around those markets in their attempts to gain a living wage for the producers. To be sure, milk marketing orders have worked well in bringing stability to marketing within the individual marketing areas, but they have not provided adequately for the shipment of milk across area lines and state lines.

This is not a new problem to me. I am a veteran in the battle to move milk freely and quickly from the great producing areas to the consuming areas at all seasons. As Senator, I repeatedly sponsored and worked for legislation that would have made it possible for milk that met the high sanitation standards of the U.S. Public Health Service to be marketed anywhere, regardless of the maze of state and local standards established as barriers to the free movement of milk.

As producers you have done a great job, a monumental job, in improving efficiency per man hour, in upgrading the quality and production of your milking herds, in setting and achieving high standards of sanitation, in the physical handling of milk in all stages from the farm to the dining table. And these achievements have been realized in the face of a price structure

that does not reward you equitably for that increased efficiency in the face of soaring costs of production or for the abundance and wholesomeness of your products.

Your marketing co-ops have done a good job under existing conditions, but your presence here is in response to the realization that a better job can be done if you are organized over a greater area; if you can work together in order to acquire bargaining power; a realization that changing conditions demand changed approaches.

Labor is organized, business is organized, finance is concentrated and organized, teachers and doctors and lawyers are organized. Yes, even football players are organized and they bargain for salary and benefits.

They bargain for a share of the national income. They all, in effect, bargain collectively in the market place. They all have achieved public recognition, public understanding of their rightful place in the economy.

The gaining of this public understanding is one of the big tasks facing you. Through your new super-marketing co-op. you are presenting a new concept of milk marketing. You believe that individual dairy farmers must no longer compete with each other, bargain against each other for price and markets, as has been done in the past. You know that the protective authorities of the Capper-Volstead Act enable you to work together to help each other while respecting and protecting the interests and the wel-

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fare of the public, the consumer. The American housewife knows that she can depend upon you to produce plentiful supplies of nutritious and wholesome dairy foods for her family at a reasonable price.

The Congress of the United States, too, must understand the need for a solid, prosperous agricultural economy as the base of a solid, prosperous national economy. This organization can help bring this about, too, by your support of these Members of Congress who come from farm states and farm districts. There is much talk about rural areas losing representation in Congress as more and more of our population moves into urban areas. But let me tell you this, a Member of Congress from a rural area who supports the legitimate needs of farming interests, and is supported by those farming interests can gain the respect, confidence and cooperation of his urban colleagues. May I caution you always to keep in mind that legislative support is needed if the dairy farmers of this organization are to win the success they deserve. Government policy can be your ally or your enemy.

The executive branch of the government, too, must cooperate more. For 15 years, millions of American school children have benefited from the availability of milk at a nominal cost regardless of their ability to pay. They didn't have to take a means test. They didn't have to bring a financial statement from home. They simply could buy all of the milk they wanted for a few pennies a carton. The School Milk Program has become as

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American as apple pie. And the Congress of the United States has recognized this year after year --- giving generous support to this program --- a program I fought for and voted for in the United States Senate. This year Congress decided that the program should be permanent and should be funded at a level of \$120 million. But the Administration seemed to have decided to balance the budget by pinching the pennies of school children, and was all set to cripple the program with all sorts of restrictions. School authorities had been informed that less than one-fifth of the appropriated funds would be made available. They were told there would have to be two programs --- one for the child of the poor, another for the child of the non-poor --- class distinction in its most outrageous form. To top it off, the price of a half-pint carton of milk was to go up from 4 cents to 7 cents.

This was the school milk program at the opening of the school year until the AMPI, the PTAs, the teachers and an outraged public protested and demanded that the program be restored in full without discrimination in price or person. And your voice --- now strengthened by organization and political power --- has been heeded. The Secretary of Agriculture has used your forum to announce the full restoration of the Special School Milk Program. You have not only won a victory for your numbers, but for the millions of school children. Yes, organization, bargaining power, does work. It produces victory.

Another office of the executive branch that ignores the welfare of the American dairy farmer is the Customs Bureau. A Democratic Secretary of Agriculture --- Orville Freeman --- and a Democratic Vice President insisted that the Tariff Commission and the President take steps to halt the flood of cheese and other dairy products that was coming into the United States from low-production-cost countries.

Action was taken, and was successful for a while in slowing down these imports. In 1967, dairy products equivalent to 2.9 billion pounds of milk were imported. By 1969 this was cut back to 1.6 billion pounds. But due to evasions of the import restrictions and lax and uninformed determinations by Customs officials, dairy imports in 1970 are expected to reach the milk equivalent of 2.6 billion pounds, and, in 1971, 4 billion pounds. It is estimated that each billion pounds of milk imports reduces the price of all milk --- Grade A and manufacturing --- about six cents per hundredweight. This means that for every 1,000 pounds of milk a dairy farmer produces, imports cost him \$1.56. If 2.6 billion pounds of imports come in this year, Minnesota dairy farmers will lose more than 15 million dollars in dairy income. The loss to Wisconsin dairy farmers will be 28 million dollars. to Texas producers more than four and a half million dollars.

In addition to the direct cost to dairy farmers, each billion pounds of imports cost the government between 65 and 70 million dollars because U.S.D.A. must purchase, through the price

support program, an amount equal to the volume imported.

Yes, the bargaining power of farmers would be increased from having more friends in Washington. And there are programs other than import restrictions that would increase farm bargaining power.

When we provide an adequate diet for our needy, school lunches and wholesome milk for our children, farm bargaining power is increased.

When there is plenty of farm credit available at reasonable rates of interest, farm bargaining power is increased.

When we increase the number of people with the ability to pay for food, when we reduce unemployment and fight poverty, farm bargaining power is increased.

When exports are increased under the Food for Peace Act, farm bargaining power is increased.

And when the purchasing power of the dollar is forced down by inflation, farm bargaining power is weakened.

When unemployment figures go up, farm bargaining power is weakened.

When interest rates go up, when credit is tight, and farmers have to sell on a depressed market, farm bargaining power is weakened.

When we do not use the full authority of the Food for Peace program to distribute food to needy nations, farm bargaining power is weakened.

When we do not act to abolish hunger in our own country,

farm bargaining power is weakened.

When we do not have permanent farm price support programs that set effective floors under the prices of major commodities, farm bargaining power is weakened.

Our economy is interdependent, each part relying on the other. When there is unemployment in the cities, there is trouble in rural America.

When farm prices tumble, there is trouble in our factories.

When farm people are pushed off the land, there is mounting trouble in the cities.

It is time for the government to recognize the farmer's needs and efforts.

It is time for the government to make the American farmer a partner in the prosperity and progress of this country.

It is time for the government to help farmers help themselves by achieving effective bargaining power.

I am willing to help.

If I am elected to the United States Senate, I shall ask to be assigned to the Senate Committee on Agriculture and Forestry. I served on this Committee for approximately 8 years. It is my hope that I can serve again. I believe that Midwest Agriculture needs an effective, hard-working, determined and experienced spokesman for the family farmer.

I have done this in the past. I am prepared to do an even better job in the future.



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