

Bob Dole

C.P. Henry

*Best
Dance
Milk
Parade*

REMARKS OF SENATOR BOB DOLE
BEFORE THE
NATIONAL MILK PRODUCERS FEDERATION
WASHINGTON, D.C.
AUGUST 22, 1977

LET ME THANK YOU FOR THIS DISTINGUISHED CITIZEN OF AGRICULTURE AWARD. I AM HONORED AND VERY MUCH AWARE OF THE CONSIDERABLE MEANING THE AWARD HAS TO THOSE OF US CONCERNED WITH THE FUTURE OF AMERICAN AGRICULTURE.

MANY THINK OF KANSAS AS THE WHEAT STATE, AND RIGHTLY SO SINCE WE PRODUCE 20 PERCENT OF THE U.S. WHEAT CROP, BUT KANSAS ALSO HAS MANY OUTSTANDING DAIRY PRODUCERS WHOSE PRODUCTION RECORDS ARE MOST IMPRESSIVE. WHILE THEIR 140,000 TO 150,000 HEAD OF MILK COWS CANNOT MATCH THE SHEER NUMBERS OF A STATE SUCH AS WISCONSIN, KANSAS PRODUCERS ARE IMPORTANT TO OUR ECONOMY--CONTRIBUTING A GROSS INCOME TO THE STATE OF MORE THAN \$200 MILLION ANNUALLY.

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MARKETING A NUTRITIOUS PRODUCT

I COMMEND YOUR ORGANIZATION AND YOUR PRODUCER MEMBERS FOR THE EFFECTIVE WORK DONE IN SERVING THE CAUSE OF BETTER NUTRITION IN AMERICA AND YOUR EFFORTS IN MARKETING MORE WHOLESOME PRODUCTS TO THE AMERICAN CONSUMER.

GREAT STRIDES HAVE BEEN MADE IN YOUR INDUSTRY OVER THE LAST 30 YEARS. TODAY, NON-FAT DRY MILK PRODUCTS MIX READILY, TASTE GOOD, AND PROVIDE AN EXCELLENT SOURCE OF REASONABLY PRICED NUTRITION. LARGE FAMILIES, PEOPLE WITH LOW INCOMES, AND THE BUDGET-CONSCIOUS CONSUMER ALL FIND IT AN ATTRACTIVE BUY.

GOOD WORK HAS BEEN DONE IN CALLING ATTENTION TO THE HIGHLY NUTRITIOUS PRODUCT THAT YOU PRODUCE. BUT AS WITH ALL THINGS, PRAISE FOR PAST EFFORTS MUST NOT DETER YOU FROM CONTINUING TO IMPROVE YOUR PRODUCT NOR DIMINISH YOUR ON-GOING EFFORTS TO KEEP YOUR COMMUNICATIONS WITH THE CONSUMER ALIVE AND EFFECTIVE. I'M SURE YOU WILL NOT REST ON YOUR PAST ACHIEVEMENTS IN EITHER CASE.

THE FARM BILL

PAT TELLS ME THAT A FEW REMARKS WOULD BE WELCOMED CONCERNING THE NEW FARM BILL, ESPECIALLY ITS RELATIONSHIP TO THE DAIRY FARMER.

AS YOU KNOW, THE HOUSE AND SENATE CONFEREES CONCLUDED A WEEK-LONG CONFERENCE OF DAY AND EVENING SESSIONS ON THE FARM BILL ENDING ON AUGUST 5, 1977. THIS ACTION CULMINATED MONTHS OF WORK IN BOTH THE HOUSE AND SENATE BEGINNING WITH HEARINGS AND ENDING WITH A CONFERENCE REPORT WHICH I BELIEVE WILL BE APPROVED BY THE HOUSE AND SENATE AND SIGNED BY PRESIDENT CARTER SOON AFTER LABOR DAY.

LET ME MENTION A FEW FEATURES OF THE BILL OF INTEREST TO MILK PRODUCERS AND SOME OF THE COMMODITY PROGRAMS IN WHICH YOU MAY HAVE AN INTEREST.

THE CONFEREES ACCEPTED THE SENATE PRICE SUPPORT LEVEL WHICH REQUIRES THAT THE PRICE OF MILK BE SUPPORTED AT NOT LESS THAN 80 PERCENT OF PARITY FROM THE DATE OF ENACTMENT UNTIL MARCH 31, 1979. ADDITIONALLY, A PROVISION WAS ADOPTED REQUIRING SEMIANNUAL ADJUSTMENTS OF THE SUPPORT PRICE OF MILK, FROM THE DATE OF ENACTMENT TO MARCH 31, 1981, TO REFLECT ANY ESTIMATED CHANGE IN THE PARITY INDEX DURING THE FORTHCOMING SEMIANNUAL PERIODS. IT ALSO GIVES THE SECRETARY OF AGRICULTURE DISCRETIONARY AUTHORITY TO MAKE QUARTERLY ADJUSTMENTS TO THE SUPPORT PRICE.

THIRD, THE CONFEREES ALSO ACCEPTED THE SENATE PROVISION ON BASE PLANS WHICH EXTENDS FOR FOUR YEARS PROVISIONS OF THE 1970 AGRICULTURAL ACT RELATING TO MILK MARKETING ORDER AUTHORIZATIONS FOR BASE EXCESS PLANS, LOUISVILLE PLANS, CLASS I BASE PLANS AND SUCH RELATED MATTERS.

MOREOVER, EFFECTIVE THIS OCTOBER 1, INDEMNITY PAYMENTS WILL BE EXPANDED TO DAIRY FARMERS FOR CONTAMINATION FROM NUCLEAR RADIATION OR FALL-OUT OR RESIDUES OF CHEMICALS OR TOXIC SUBSTANCES WHICH WERE NOT USED CONTRARY TO APPLICABLE REGULATIONS OR LABELING INSTRUCTIONS.

THE AUTHORITY FOR THE INDEMNITY PROGRAM WAS ALSO EXTENDED FOR FOUR YEARS (TO SEPTEMBER 30, 1981).

FINALLY, REGARDING ICE CREAM STANDARDS, THE SECRETARY IS REQUIRED TO ISSUE MILK CONTENT STANDARDS FOR ICE CREAM.

THE ADOPTION OF THIS AMENDMENT IS THE OUTGROWTH OF CURRENT EFFORTS BY THE FOOD AND DRUG ADMINISTRATION TO MODIFY THE EXISTING STANDARD OF IDENTITY FOR ICE CREAM. AS YOU KNOW, FDA WOULD PERMIT CASEIN AND NON-DAIRY INGREDIENTS TO BE SUBSTITUTED FOR MILK SOLIDS IN THE MANUFACTURE OF ICE CREAM AND THIS WOULD HAVE HAD AN IMPACT ON DAIRY PRICES.

OTHER COMMODITIES

AS GROWERS OR FEEDERS OF GRAIN AND OTHER COMMODITIES, OTHER FEATURES OF THE FARM BILL MAY BE OF INTEREST.

FIRST, THE WHEAT TARGET PRICE FOR 1978 OF \$3.00 WILL BE ADJUSTED TO \$3.05 PER BUSHEL IF U.S. WHEAT PRODUCTION IS NO MORE THAN 1.8 BILLION BUSHELS. BEYOND 1978, TARGET PRICES WILL BE ADJUSTED ACCORDING TO THE COST OF PRODUCTION. THE LOAN LEVEL MAY BE ADJUSTED DOWNWARD BY THE SECRETARY OF AGRICULTURE BY A MINIMUM OF 10% A YEAR TO A FLOOR LEVEL OF \$2.00 A BUSHEL, IF NEEDED TO KEEP U.S. WHEAT COMPETITIVE IN WORLD MARKETS.

SECOND, CORN TARGETS BEYOND 1978 WILL BE ADJUSTED ACCORDING TO THE COST OF PRODUCTION AND THE SECRETARY MAY ADJUST THE LOAN LEVEL DOWNWARD TO A FLOOR OF \$1.75, IF NEEDED, TO KEEP U.S. CORN COMPETITIVE IN WORLD MARKETS.

THIRD, THERE SHALL BE A MANDATORY PRICE SUPPORT FOR SOYBEANS FOR THE 1978 THROUGH 1981 CROPS. THE SECRETARY WILL MAKE AVAILABLE LOANS AND PURCHASES, BUT NO MINIMUM LOAN LEVEL WILL BE REQUIRED. THE SECRETARY DOES NOT HAVE A SET-ASIDE AUTHORITY FOR SOYBEANS.

FINALLY, THE RESEARCH PORTION OF THE BILL FIRMLY ESTABLISHES THE USDA AS THE LEAD AGENCY IN THE FEDERAL GOVERNMENT FOR RESEARCH, EXTENSION AND TEACHING IN THE FOOD AND AGRICULTURAL SCIENCES. THIS SHOULD MEAN MORE DIRECTION AND ACCOUNTABILITY IN AGRICULTURAL RESEARCH.

VETO NOT ANTICIPATED

SO, A PRETTY GOOD FARM BILL WILL BECOME A REALITY. IT WILL NOT SOLVE THE CRISIS CONDITIONS ON U.S. FARMS--ONLY STRONGER DEMANDS IN WORLD MARKETS RESULTING IN MORE FAVORABLE PRICES CAN DO THAT--BUT IT WILL HELP ALLEVIATE THE SITUATION THAT WE FACE TODAY.

THERE IS LITTLE QUESTION THAT THE UNITED STATES IS USING MORE ENERGY. WHILE I RECOGNIZE THE NEED FOR A COMPREHENSIVE ENERGY POLICY, THE ADMINISTRATION PROPOSES TO SOLVE OUR PROBLEM BY ENACTING A MASSIVE TAX PROGRAM. THE DECISION TO USE THE TAX MECHANISM RATHER THAN THE MARKET MECHANISM VIRTUALLY ASSURES THE CONSUMER THAT HE MAY SOMEDAY NOT BE ABLE TO BUY ENERGY AT ANY PRICE EXCEPT THAT DICTATED BY THE OPEC CARTEL.

THE ADMINISTRATION'S ENERGY POLICY IS BASED AROUND CONSERVATION. HOWEVER, CONSERVATION ALONE WILL NOT SOLVE THE ENERGY PROBLEM. WHEN YOU HAVE A SHORTAGE OF SOMETHING, YOU PRODUCE MORE TO MEET THE DEMAND. IN ORDER TO INSURE RELIABLE ENERGY SUPPLIES WE MUST

PROMOTE INTENSIVE AND EXTENSIVE ENERGY EXPLORATION AND DEVELOPMENT. THE NATIONAL ENERGY PLAN AS PASSED BY THE HOUSE FAILS TO PROVIDE THE MEASURES NEEDED TO INCREASE OUR ENERGY SUPPLIES.

THE ENERGY SHORTAGE WE FACE HAS BEEN CREATED IN LARGE PART BY THE UNITED STATES GOVERNMENT. THE TENACLES OF THE GOVERNMENT ARE SLOWLY SQUEEZING THE CONSUMERS AND PRODUCERS INTO SUBMISSION. UNLESS WE REALIZE THAT WE CANNOT REGULATE OUR WAY OUT OF THE ENERGY SHORTAGE-- OUR SITUATION WILL CONTINUE TO DETERIORATE.

FOREIGN POLICY: A POLICY ADRIFT

IT'S STILL TOO EARLY TO KNOW EXACTLY WHERE PRESIDENT CARTER'S FOREIGN POLICY IS LEADING US.

THE PRESIDENT HAS RECEIVED ENCOURAGEMENT FROM THE AMERICAN PEOPLE AND CONGRESS FOR HIS PROMOTION OF HUMAN RIGHTS PRINCIPLES. WE WILL HAVE TO WAIT AND SEE IF THE PRESIDENT WILL CONTINUE THIS FIRM STANCE IN THE FUTURE.

UNANIMITY OF PUBLIC OPINION DOES NOT EXTEND TO OTHER ASPECTS OF THE ADMINISTRATION'S FOREIGN POLICY, HOWEVER. A NUMBER OF US HAVE BEEN FRANKLY DISTRESSED BY THE PRESIDENT'S INITIATIVES TOWARDS VIETNAM, CUBA, AND THE PEOPLE'S REPUBLIC OF CHINA. DOES THE AMERICAN PUBLIC REALLY WANT TO SEND FINANCIAL AID TO VIETNAM OR ABANDON TAIWAN FOR COMMUNIST CHINA? AND AMERICAN PRISONERS ARE STILL LANGUISHING IN CUBAN JAILS. IS IT IN OUR BEST LONG-TERM INTERESTS TO PULL ALL U.S. GROUND TROOPS OUT OF SOUTH KOREA, CURTAIL OVERDUE NEW WEAPONS SYSTEMS, AND CHANGE OUR CONTROL OVER THE PANAMA CANAL?

THESE ISSUES--FOREIGN POLICY AND NATIONAL DEFENSE, ENERGY,
AND AGRICULTURE--ARE ALL DESERVING OF FULL PUBLIC DISCOURSE. AS
THEODORE ROOSEVELT ONCE OBSERVED, "THE GOVERNMENT IS US; WE ARE THE
GOVERNMENT, YOU AND I."

THANK YOU.