

THE FOLLOWING TESTIMONY OF ARDEN TEWKSBURY,
MANAGER OF PROGRESSIVE AGRICULTURE ORGANIZATION
IS PRESENTED TO THE PENNSYLVANIA MILK MARKETING BOARD
REGARDING THE LEVEL OF THE OVER-ORDER PREMIUM ON
MILK USED FOR FLUID PURPOSES IN THE STATE OF
PENNSYLVANIA.

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My name is Arden Tewksbury of Meshoppen, Pennsylvania (Wyoming County).

I appreciate the opportunity to testify at this important hearing concerning the level of the premium collected on fluid milk that is used for bottling and is marketed in Pennsylvania.

Mr. Chairman, I'm again listing all of my past activities, but I'm not going to read them. I think it is far more important to get to the meat of the problems that are facing the majority of dairy farmers in Pennsylvania as well as dairy farmers across the United States.

*In addition to operating my dairy farm in Meshoppen Township, Wyoming County, Pennsylvania for over 50 years, I have also been involved with many farm organizations. In the 1960s I served on the dairy committee of the Pennsylvania Farm Bureau, later on I served on the dairy committees of the Pennsylvania Farmers Union, and the Pennsylvania State Grange for several years. In the 1970s, I was elected to the

Board of Directors of Eastern Milk Producers, which I served for 9 years. While there, I was on the Executive Board for 7 years, 2 years as Vice-President, and 5 years as President of the Co-op. During my term as President, we were successful in bringing Leprino Foods into South Waverly, Pennsylvania, which took care of a substantial amount of milk that many times was homeless. After leaving the Board, I served as assistant to the General Manager, and later on, I did consulting work for Leprino Foods. During the 1980s, I was hired to do membership and dairy work for the Pennsylvania Farmers Union and was named manager of the Northern Tier Farmers Union Co-op. I also became a director of the Regional Marketing Cooperative Agency and also the Regional Bargaining Agency. In 1985, I was named Granger of the Year for the State of Pennsylvania. In 1991, several dairy farmers started the Progressive Agriculture Organization, which I have managed since that time. *

It is unthinkable that the United States Congress still refuses to come to grips with the financial problems facing all dairy farmers.

This past spring the prices paid to dairy farmers dropped approximately 40% compared to 2014. It is important to note that the price paid to dairy farmers is also approximately 40% below the actual cost of production. According to the Economic Research Service, a division of the USDA, the national average cost of producing milk in 2015 was \$24.39.

It blows my mind to think that the United States Congress stands by and pays no real attention to the dairy farmers' dilemma.

Unfortunately, these losses can never be recaptured. This cannot continue.

Therefore because of the continued problems facing dairy farmers, it is extremely important that the Pennsylvania Milk Marketing Board continues the premium on bottled milk at its present level. Other people testifying may illustrate the cost of producing milk in Pennsylvania at slightly different levels. However, it's very clear that Pennsylvania dairy farmers are losing a substantial amount of money despite which cost of production figures are the most reliable. Personally I place a lot of credence in figures that Mr. Evanish, Manger of MSC Business uses.

When I testified before the Board on September 2, 2015, I predicted that the prices paid to dairy farmers in 2016 could drop at least \$6 per cwt., and the figures turned out to be on the low side. Everyone knows the prices paid to Pennsylvania dairy farmers in 2016 plummeted between \$8 to \$9 per cwt. Unbelievable!

Mr. Chairman and Board members: Along with the staff of the Board, you are the only ones that I know about that have had the intestinal fortitude to continue your efforts to improve prices paid to dairy farmers. Again I cannot commend you enough for your continued support of the Pennsylvania dairy farmer.

Even though I never received a penny of the premium money, I have always been a strong supporter of the Board and your activities. My milk was always sold to Readington Farms (previously Durling Farms) of New Jersey and I was not eligible for the premium.

However, in the old days, this premium paralleled what we were able to do in establishing the PMMB premium, and the Board's premium has helped us to obtain premiums from some proprietary handlers such as Readington Farms in White House, New Jersey. Readington Farms' premium is an unmandated and unqualified premium. The current level of this premium is \$1.50 per cwt.

I also want to note that Readington Farms is one of the only two remaining bottling plants in the state of New Jersey.

Why don't we all work together to correct the real problem in Washington DC that is helping to ruin many dairy farmers across the United States? Mr. Chairman and members of the Board I want to thank you for your support of the dairy farmer in Pennsylvania, and please remember what your Board does is recognized all across the United States.

Arden Tewksbury