

Ag Committee:

As a 4th generation farm and a 5th in training I come before you to describe the impact that the Maine dairy tier program has had for our operations during the span of its implementation. As the last decade has come and gone and new dynamics of marketplace changes as well as the functions of economics and consumer demands, much of what was a stable reality has now become volatile risk potential as we are seeing today. Commodity hedge risk tools such as bookings of grain commodity prices and or forward contracts of production secure some risks as typical with winners and losers but non hedging categories such as labor, overhead, energy and repair parts and consumables have all been challenged by price and availability's amplifying the risk of malfunctions that were then well disguised and or expected. As younger generations look to enter any AG business the cost volatility can strictly limit any expectations of stability and can prohibit a multi generation operation that took many years and many risks to secure assets necessary in agriculture production. Currently most of these assets have gained in value beyond what any margin may return (depending on location), and threaten exit considerations and changes to landscape to be removed from Ag into other endeavors. The Maine tier dairy relief program has allowed the hardy to remain producing locally as many producer's know the value of local and take great pride in the participation of community values as generations pass through their tenure. Next generations have adapted into technologies, efficiencies and sustainability's to the best of their abilities as they have remained. The risks become greater on either side of a decision and the weight on a dairy producer becomes less bearable. The consideration and passing of dairy margins bill will temper the anxiety of uncertainty for many of us in dairy production.

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