



The State of the State

I hope that by the time you read this column, the budget crisis in the State of Michigan has been resolved, but I am not counting on it. I wish I could report that all our elected officials hunkered down, searched high and low and found enough money to fund all critical functions of State government without raising anybody's taxes. However, if I said anything like that you'd know that I had been spending way too much time in the hot October sun when I wrote this. The band-aid may have been applied to our budget for this year, but the long-term cure has not been discovered. We still have to revitalize the Michigan economy, and I believe that the growth of agriculture in Michigan can play an important role in this.

As of this writing, we have more taxes, but we are still \$440 million short of a balanced budget as required by our Constitution. That difference is supposed to be erased by spending cuts, which I'm sure could be accomplished. The problem is where the cuts are made and whose "ox is gored." I don't want to sacrifice my ox, and nobody else will volunteer theirs either.

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I think the Michigan Department of Agriculture's (MDA) budget has already been sliced to the bone.

MDA has a very critical role in protecting the food supply from farm to plate, and further cuts could impair their ability to provide that oversight in food safety. MDA also plays an important role in eradicating the threat of bovine tuberculosis. We have invested millions of dollars to control this threat, and any reduction in funding will impair efforts to get this problem under control. Going to the USDA for additional funding for the TB eradication program has so far been fruitless, since they claim to have empty pockets, too.

So what's the answer? Short term: taxes and cuts. Long term: building the Michigan economy. I would suggest we look at what is successful in the Michigan economy and build on it. Building the state's economy with hi-tech jobs sounds A-ok to me, but 49 other states are trying to do the same thing. Many of them have milder winters and more plentiful sunshine. Because high technology jobs, at least those that are generally lumped into that category, don't require the natural resources that are so plentiful in Michigan to be successful, they often choose to locate in other states. How about agriculture and — even more specifically — how about dairy?

The cows seem to like Michigan weather, as their production indicates. Of the top 15 dairy states, Michigan ranks number four in production per cow, and the three states ahead of us are all west of the Mississippi River. The success of our dairy industry is not just due to our

weather; after all, there are other states in our region with not too dissimilar weather. The major difference is you, and the infrastructure in place in Michigan. You and your predecessors are responsible for the infrastructure being here. For many reasons the Michigan dairy industry and all of Michigan agriculture has the ability to pull together and work for the common good of all.

We are strategically located to be able to help supply the growing population in the southeastern region of our country, many of them retiring Michigan boomers. Dairy farming is a basic industry. The nice thing about basic industries is the vast number of jobs they create. A dairy farm, for example, creates seven or eight off-farm dollars for every dollar spent operating the dairy farm. Jobs are created, some that can be classified as hi-tech jobs, when you define a hi-tech job as one that requires knowledge and the ability to use sophisticated equipment, starting with the farm itself and moving on to the dairy processing plant. How about the dairy nutritionist, veterinarian, Comprehensive Nutrient Management Plan (CNMP) provider, crop consultant, and the mechanic with his or her trusty laptop used to discover the cause of an equipment malfunction?

As our industry continues to evolve, becoming even more productive, dairy's impact on Michigan's economy continues to increase. The current status of Michigan's economy, I think, gives us a good opportunity to promote our position in revitalizing Michigan.

A handwritten signature in black ink that reads "Ken". The signature is written in a cursive, slightly slanted style.