

Dairies deliver dose of sticker shock at stores

Albany-- Milk price cap increases by 50 cents to \$2.94 a gallon in upstate markets, \$3.16 in New York City

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Consumers, already smarting from higher gas prices, started shelling out more money for milk Monday as the state-set limit for retail milk prices went up by 50 cents a gallon.

"It's ridiculous. It's like the gas," said Bob Fitzgerald, a local carpenter who bought milk at the Stewart's convenience store at Western Avenue and Russell Road Monday afternoon. "But what are you going to do? You've got to have it."

Fitzgerald got off a little easy Monday -- Stewart's was holding off on hiking the milk price until this morning, when it will jump from \$2.39 to \$2.69 a gallon.

Price Chopper and Hannaford supermarkets didn't wait. The retail price for a gallon of milk at Price Chopper was \$2.94. At Hannaford, the price jumped from \$2.47 to \$2.89.

While the maximum per-gallon price upstate is \$2.94, the price in New York City will increase to \$3.16 a gallon. Retailers can charge more if they can prove they have a higher cost to bring milk into their stores.

State officials say the increase might seem significant on a month-to-month basis, but milk prices have been at record lows for the past two years. The increase brings prices back to where they were in mid-2001.

"The cost of milk coming off the farm goes up on Monday. That, unfortunately, is going to have to be passed on to the consumers," Gary Dake, president of Stewart's Shops Inc., said late last week.

Dake does not expect consumers to balk too much at higher prices. "I think the thing for consumers is if they know the money is going to farmers, they understand the importance of that to the community."

The increase in retail prices is tied to wholesale prices, which are about 50 percent of what customers pay in stores, according to the Associated Press. The prices farmers can charge for milk are set monthly by the U.S. Department of Agriculture.

Christine Clifford, manager of the Western Avenue Stewart's, said milk seemed to be pouring out of the store Monday morning. Clifford had to restock the milk case by 10 a.m., a chore she usually does not need to tackle until the afternoon.

Judy Conti of nearby Daytona Avenue stopped by to grab two half-gallon cartons of milk. She said she could handle the higher milk prices. That didn't mean she liked it.

"It's reasonable," she said. "Everything else is going up too." writer Jeremy Boyer contributed to this report.

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