

PA Milk Marketing Board
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Recent Data Stories about PA Dairy

I started writing this article to focus on the most recent statistics of milk production, production per cow and numbers of cows and herds. As I was putting together my table, the number of licensed dairy herds in Pennsylvania in December 2020 gave me pause.

USDA reported that the commonwealth had 5,730 dairy farms as of December 2019; that number dropped to 5,430 in December 2020, a decline of 5.2 percent. At the same time, our production per cow has increased 15 pounds per cow comparing figures for those same months.

Pennsylvania's overall milk production for January 2020 compared to January 2021 declined by 1 million pounds, or less than 1.0 percent (0.1%). We should look at this as good news. Between February 2018 and February 2019, commonwealth milk production declined by 6.0 percent.

The board and staff are very much aware that minimum pricing in Pennsylvania is often blamed for dairy industry issues related to income and decline in consumption. A look at USDA figures for several other dairy states might help put our situation in perspective.

The United States Department of Agriculture (USDA) reported on February 25, 2021, that overall dairy production among the top 24 dairy states was up in January 2021 by 1.8 percent over January 2020. This increase is due to two major factors: an increase in milk production per cow and an increase in the total number of cows of 92,000 head for the year.

These increases follow a 2.2 percent increase in milk production in those 24 states between 2019 and 2020. How did Pennsylvania, ranking 7th in overall production, fare when compared to the top six?

	Total Production (x Million)		Pounds Per Cow		Number of Cows (x Thousand)		Number of Herds	
	2020	2021	Dec '19	Dec '20	2020	2021	2019	2020
CA	3534	3509	2050	2040	1724	1720	1255	1215
WI	2577	2567	2045	2105	1260	1262	7720	7110
ID	1348	1344	2090	2080	645	646	460	440
NY	1291	1300	2065	2080	625	625	3890	3650
TX	1255	1322	2145	2150	585	615	380	360
MI	974	1016	2280	2310	427	440	1330	1200
PA	866	865	1805	1820	480	475	5730	5430

Source: USDA, NASS (Released 2/23/21)

Remember, our PA dairy farms declined by 5.2 percent, but our overall milk production declined by only 0.1 percent.

California: Dairy farms declined by 3.2 percent, production by 0.7 percent.

Wisconsin: Dairy farms declined by 7.9 percent, production by 0.3 percent.

Idaho: Dairy farms declined by 4.3 percent, production by 0.3 percent.

New York: Dairy farms declined by 6.2 percent; production increased by 0.7 percent.

Texas: Dairy farms declined by 5.3 percent; production increased by 5.3 percent.

Michigan: Dairy farms declined by 9.8 percent; production increased by 4.3 percent.

All seven states in the table show declines in the number of dairy farms between 2019 and 2020; four of the six states that rank higher in production than Pennsylvania lost more dairy farms than did the commonwealth.

Pennsylvania's losses in overall production were lower than the other four states that had decreased production. Two other states—MI and TX-- saw increases in production despite losses in the number of farms. They also had increases in both the number of cows and production per cow.

Looking at income figures across Pennsylvania and the other six states also provides some good information. The average GROSS return, all milk, for the entire country as reported by USDA for April 2019 was \$16.28 per hundredweight (cwt). For the states in question the average returns were

State	Gross Return/cwt	State	Gross Returns/cwt	State	Gross Return/cwt
CA	\$15.78	NY	\$16.70	MI	\$14.90
WI	\$16.50	TX	\$16.90	PA	\$16.80
ID	\$15.70				

Source: USDA, NASS (Released 4/30/20)

It is hard to put any meaning to the data and I think I am usually pretty good at that. I suspect that internal factors to Pennsylvania's dairy industry are responsible for more stressors than external forces, and it doesn't appear that there isn't any clear cause and effect relationship between our pricing system and the changes in the industry. I believe that our number of small farms and their increasing costs of production have played a part in those changes.

The good news is that the loss of farms appears to be slowing as is the downturn in production. Along with that, consumption appears to be on the upswing, and we don't see any signs of that changing.

I would be interested in hearing your thoughts after you have had a chance to "ruminant" on the data (Sorry, I couldn't help it!). PMMB is always available to respond to questions and concerns. I can be reached at 717-210-8244 and by email at chardbarge@pa.gov.