Appendix table 7--Fluid milk sales by product, 1970-93--Continued

Year	Half and half	Light cream	Heavy cream	Sour cream and dip	Total cream products	Eggnog	Yogurt	Total all products
				Million pounds				
1970	591	76	111	222	1,000	61	169	53,928
1971	557	67	113	246	983	74	229	54,881
1972	540	60	111	264	975	103	281	55,340
1973	554	80	120	272	1,026	80	307	55,092
1974	522	85	116	310	1,033	81	324	53,914
1975	514	87	119	350	1,070	76	442	54,820
1976	530	76	129	350	1,085	87	481	55,209
1977	536	68	126	364	1,094	94	533	55,315
1978	537	70	123	374	1,104	94	563	55,228
1979	543	66	139	395	1,143	94	565	55,233
1980	551	55	159	408	1,173	95	583	54,857
1981	568	56	166	424	1,214	100	580	54,593
1982	569	62	172	451	1,254	104	614	53,752
1983	599	67	196	484	1,346	112	760	54,330
1984	656	74	221	523	1,474	116	866	55,247
1985	714	85	243	544	1,586	121	974	56,620
1986	759	102	260	565	1,686	121	1,051	57,082
1987	754	103	271	588	1,716	124	1,073	57,135
1988	744	99	290	602	1,735	128	1,138	56,748
1989	766	101	317	620	1,804	124	1,073	57,781
1990	738	87	325	625	1,775	123	1,028	57,696
1991	771	79	318	661	1,829	111	1,063	58,269
1992	806	88	336	694	1,924	115	1,089	58,395
1993	823	91	351	697	1,962	108	1,144	58,034

Appendix table 8--Dairy products removed from the commercial market by USDA programs, 1970-93 1/

Year	Butter 2/	American cheese	Evaporated milk 3/	Nonfat dry milk	Milk equivalent (milkfat)	As percent of marketings	Milk equivalent (skim solids)	As percent of marketings
	Million pounds					Percent	Million pounds	Percent
1970	246.4	48.9	48.4	451.6	6,027	5.3	5,845	5.2
1971	292.2	90.7	111.4	456.2	7,547	6.6	6,448	5.6
1972	233.7	30.4	97.0	345.0	5,660	4.9	4,526	3.9
1973	97.7	3.2	53.7	36.8	2,283	2.0	582	.5
1974	32.7	60.3	28.3	265.0	1,389	1.2	3,728	3.3
1975	63.4	68.2	24.5	394.5	2,151	1.9	5,302	4.7
1976	39.4	38.0	21.8	157.1	1,291	1.1	2,245	1.9
1977	221.8	148.2	15.9	461.7	6,340	5.3	6,874	5.7
1978	112.0	39.7	17.6	285.0	2,909	2.4	3,743	3.2
1979	81.6	40.2	16.4	255.3	2,243	1.9	3,399	2.8
1980	257.0	349.7	17.5	634.3	9,008	7.1	10,875	8.6
1981	351.5	563.0	18.6	851.3	13,087	10.0	15,513	11.9
1982	382.0	642.5	20.8	948.1	14,512	10.9	17,429	13.1
1983	413.2	832.8	24.6	1,061.0	16,982	12.4	20,632	15.0
1984	202.3	447.3	19.0	678.4	8,730	6.6	12,430	9.4
1985	334.2	629.0	26.8	940.6	13,356	9.5	17,216	12.2
1986	287.6	8.4	28.8	827.3	10,837	7.7	14,311	10.2
1987	187.3	282.0	24.1	559.4	6,861	4.9	9,343	6.7
1988	312.6	238.1	23.1	267.5	9,120	6.4	5,540	3.9
1989	413.4	37.4	28.8	0	9,419	6.6	480	.3
1990	400.3	21.5	30.7	117.8	9,017	6.2	1,689	1.2
1991	442.9	76.9	27.9	269.5	10,425	7.1	3,938	2.7
1992	439.5	14.4	32.8	136.7	9,936	6.6	1,989	1.3
1993 4/	288.8	8.3	25.9	304.3	6,654	4.5	3,876	2.6

1/ Removals are delivery basis, after unrestricted domestic sales. Includes removals under the DEIP and similar export programs and may include purchases under Sec. 709 and 4a.

2/ Includes butter-equivalent of anhydrous milkfat.

3/ *Starting in 1991 no longer considered a price support removal.*

4/ Preliminary.

Appendix table 9--Manufacturing milk: Comparisons of announced support prices and U.S. average market prices paid to producers, marketing years, 1974-94 1/

Marketing year beginning in: 2/	Date effective 3/	Support level: Percentage of parity equivalent 4/	Support level: Price per cwt	Market price per cwt
		Percent	---- *Dollars* ---	
1974		81	6.57	
	1/04/75	89	7.24	6.87
1975		79	7.24	
	10/02/75	84	7.71	8.12
1976		80	8.13	
	10/01/76	81	8.26	8.52
1977 5/		82	9.00	6/8.77
1977		82	9.00	
	4/01/78	86	9.43	9.30
1978		80	9.87	
	4/01/79	87	10.76	10.86
1979		80	11.49	
	4/01/80	87	12.36	11.75
1980		80	13.10	12.71
1981		75	13.49	
	10/21/81	73	13.10	12.66
1982		69	13.10	12.66
1983		65	13.10	
	12/01/83	62	12.60	12.47
1984		59	12.60	
	4/01/85	57	12.10	
	7/01/85	55	11.60	12.13
1985		55	11.60	11.41
1986		54	11.60	
	1/01/87	52	11.35	11.55
1987		51	11.10	
	1/01/88	48	10.60	11.03
1988		47	10.60	
	4/01/89	49	11.10	
	7/01/89	47	10.60	11.93
1989		45	10.60	
	1/01/90	43	10.10	13.27
1990		42	10.10	10.67
1991		41	10.10	12.05
1992		41	10.10	11.65
1993		41	10.10	12.93
1994		41	10.10	

1/ See Dairy Situation-387, December 1981, table 2 for earlier data.
2/ Start of marketing year changed from April 1 to October 1 in 1977.
3/ If other than start of year.
4/ Except as noted, this is the percentage published in month before the marketing year. In some cases, the announced percentages, based on forward Estimates of parity, were slightly different. Parity equivalent is based on prices for all manufacturing grade milk.
5/ April-September transition period.
6/ Adjusted to annual average fat test.

Appendix table 10--States regulating milk prices, spring 1993

State	None	Minimum producer pricing 1/	Sales below cost 2/	Resale price 3/	Trade practice 4/	Bonding 5/
Alabama	X					
Alaska	X					
Arizona	X					
Arkansas	X					
California		X	X	6/		X
Colorado			X		X	
Connecticut	X					
Delaware	X					
Florida	X					X
Georgia	X					
Hawaii 7/		X				
Idaho	X					
Illinois		X				
Indiana	X					
Iowa					X	
Kansas				X		X
Kentucky	X					
Louisiana 7/	X					X
Maine 8/		X				
Maryland	X					
Massachusetts 8/			X	6/	X	X
Michigan	X					X
Minnesota			X			
Mississippi	X					
Missouri			X	X	X	
Montana	X		X	X		
Nebraska					X	
Nevada		X		X	X	
New Hampshire	X					X
New Jersey		9/	X	X	X	X
New Mexico	X					
New York 10/		X			X	X
North Carolina	X					
North Dakota	X		X	X		
Ohio	X					
Oklahoma	X					
Oregon	X					
Pennsylvania 10/		X		X	X	X
Rhode Island	X	6/				
South Carolina	X					
South Dakota	X					
Tennessee	X					
Texas	X					
Utah	X					
Vermont	X					
Virginia		X	X	6/	6/	
Washington	X					
West Virginia	X					
Wisconsin			X		X	X
Wyoming	X					

1/ State sets producer prices. 2/ Sale below cost, however cost is defined, is prohibited. 3/ State sets minimum retail and/or wholesale prices. 4/ Prohibitions on certain trade practices. 5/ Either an escrow-type bond or some statement of net worth is required to be a milk dealer. Statute protects dairy producers in cases of milk dealer default. 6/ Statute in place, but not enforced. 7/ Enforces butterfat testing law. 8/ Vendor fee which is returned to State's producers. In Maine, it is equal to $0.01-0.05 per cwt. Both the Maine and the Massachusetts programs were struck down by the courts after the spring of 1993. 9/ Set by the Federal milk marketing orders.
10/ Licenses milk dealers.

Appendix table 11--Commercial disappearance: Total milk, 1970-94 1/

Year	Production	Farm use	Marketings	Beginning commercial stocks	Imports	Total supply	Ending commercial stocks	Net removals	Commercial disappearance
					Billion pounds				
1970	117.0	4.0	113.0	3.7	1.9	118.5	3.6	6.0	108.9
1971	118.6	3.8	114.8	3.6	1.3	119.8	3.5	7.5	108.7
1972	120.0	3.5	116.5	3.5	1.7	121.6	3.4	5.7	112.6
1973	115.5	3.4	112.1	3.4	3.9	119.4	3.9	2.3	113.2
1974	115.6	3.2	112.4	3.9	2.9	119.2	5.4	1.4	112.4
1975	115.4	3.1	112.3	5.4	1.7	119.4	3.6	2.2	113.7
1976	120.2	3.0	117.2	3.6	1.9	122.7	5.1	1.3	116.3
1977	122.7	2.8	119.9	5.1	2.0	127.0	4.8	6.3	115.8
1978	121.5	2.7	118.8	4.8	2.3	125.9	4.3	2.9	118.6
1979	123.4	2.5	120.9	4.3	2.3	127.5	5.3	2.2	120.0
1980	128.4	2.3	126.1	5.3	2.1	133.5	5.6	9.0	118.8
1981	132.8	2.3	130.5	5.6	2.3	138.4	5.3	13.1	120.0
1982	135.5	2.4	133.1	5.3	2.5	140.9	4.5	14.5	121.9
1983	139.6	2.4	137.2	4.5	2.6	144.3	5.1	17.0	122.2
1984	135.4	2.9	132.5	5.1	2.7	140.3	4.8	8.7	126.7
1985	143.0	2.5	140.5	4.8	2.8	148.1	4.5	13.4	130.3
1986	143.1	2.4	140.7	4.5	2.7	147.9	4.1	10.8	133.0
1987	142.7	2.3	140.5	4.1	2.5	147.1	4.6	6.8	135.7
1988	145.2	2.2	142.9	4.6	2.4	149.9	4.3	9.1	136.5
1989	144.2	2.1	142.2	4.3	2.5	149.0	4.1	9.4	135.4
1990	148.3	2.0	146.3	4.1	2.7	153.1	5.1	9.0	138.9
1991	148.5	2.0	146.5	5.1	2.6	154.3	4.5	10.4	139.4
1992	151.6	1.9	149.7	4.5	2.5	156.7	4.7	10.0	142.1
1993	151.0	1.9	149.0	4.7	2.8	156.5	4.6	6.7	145.2
1994	153.6	1.9	151.7	4.6	2.9	159.1	4.3	4.8	150.1

1/ Milkfat basis. Totals may not add because of rounding.

Appendix table 12--Retail price indexes, for all urban consumers, 1978-93

Year	Consumer Price Index	All food	All dairy products	Fluid milk and cream	Whole milk	Other fluid items	Manufactured dairy products	Cheese	Frozen desserts	Other manufactured
					1982-84=100					
1978	65.2	72.0	74.2	76.8	77.0	76.4	70.8	71.8	68.2	71.4
1979	72.6	79.9	82.8	85.6	85.9	85.0	79.1	80.6	76.2	79.2
1980	82.4	86.8	90.9	93.2	93.5	92.3	88.1	88.7	86.4	88.4
1981	90.9	93.6	97.4	98.6	98.8	98.3	95.8	96.1	95.9	95.3
1982	96.5	97.4	98.8	99.3	99.3	99.1	98.2	98.5	97.9	97.8
1983	99.6	99.4	100.0	99.9	100.0	100.0	100.0	100.2	99.7	99.8
1984	103.9	103.2	101.3	100.8	100.7	100.9	101.9	101.3	102.4	102.4
1985	107.6	105.6	103.2	102.3	102.3	102.3	104.4	103.2	105.8	105.1
1986	109.6	109.0	103.3	101.8	101.7	101.9	105.4	103.5	107.4	107.1
1987	113.6	113.5	105.9	104.0	103.6	104.5	108.2	105.9	111.1	109.6
1988	118.3	118.2	108.3	106.4	106.0	106.7	110.8	109.2	113.3	110.8
1989	124.0	125.1	115.6	114.4	114.3	114.6	117.3	117.6	118.8	112.8
1990	130.7	132.4	126.5	126.5	126.7	126.1	127.1	131.2	126.8	113.6
1991	136.2	136.2	125.1	122.4	122.4	122.2	128.5	132.8	128.5	113.7
1992	140.3	137.9	128.5	127.0	126.4	127.8	130.5	135.5	130.9	113.6
1993	144.5	140.9	129.4	128.7	127.9	129.8	130.6	135.3	131.7	113.2

U.S. Department of Agriculture
Economic Research Service

SUMMARY OF REPORT #AER-714

The 1995 Farm Bill

Planting Flexibility and Acreage Idling Are Key Issues for Feed Grains

April 1995

Contact: William Lin (202) 219-0848

Key issues to be addressed in the feed grains portion of this year's farm legislation deliberations include planting flexibility and acreage idling under both the Conservation Reserve Program (CRP) and the Acreage Reduction Program (ARP). These and other policy matters are discussed in detail in ***Feed Grains: Background for 1995 Farm Legislation***, a new report from USDA's Economic Research Service.

Policy options in regard to the planting flexibility issue include (1) expanding the normal flex acreage beyond the current 15 percent, (2) combining all crop acreage base into a farm program base and allowing complete planting flexibility within the base, and (3) implementing a normal crop acreage concept, such as the one under the 1977 Farm Act.

Options for the CRP include extending the current program for another 10-15 years but under more critical criteria to reduce soil and wind erosion and to preserve water quality and other environmental benefits.

Policy decisions that continue to hold land out of production will be critical given expectations for continued growth in both domestic use and exports. However, the program cost is likely to be the dominant criterion for legislation.

Producers benefit from participating in the government feed grains program directly through support prices and direct payments and indirectly through higher market prices. U.S. feed grain farmers have received program payments since 1961. During 1991-93, direct payments as a percentage of annual gross income were in ranges of 12-17 percent for corn, 19-22 percent for sorghum, 24-31 percent for barley, and 18-25 percent for oats. These percentages were well under those much of the 1980's. In 1986-88, for example, direct payments were 25-37 percent of annual gross income from corn production. Deficiency payments averaged $5.5 billion for feed grain producers during that late-1980's period, compared with $2.8 billion during 1991-93.

During 1991-93, returns over cash expenses for corn producers averaged $0.66 per bushel (in 1987 dollars), compared with $0.71 in 1985 and $0.86 in 1990. However, returns over cash expenses for corn producers were still the highest among feed grain producers on a per acre basis. Overall, returns over cash expenses are expected to improve considerably in 1994/95 because of record yields, greater domestic and export demands, and higher deficiency payments.

The U.S. Feed Grain Industry. U.S. feed grain production has trended upward since the 1930's, reaching a record 285 million metric tons in 1994/95. Much of the increase was due to yield improvements, especially for corn. Corn production increased from 5.8 billion bushels in 1975 to 10.1 billion bushels in 1994. However, acres planted to sorghum, barley, and oats have declined.

To Order This Report...

The information presented here is excerpted from ***Feed Grains: Background for 1995 Farm Legislation,*** AER-714, by William Lin, Peter Riley, and Sam Evans. The cost is $12.00.

To order, dial **1-800-999-6779** (toll free in the United States and Canada) and ask for the report by title.

Please add 25 percent to foreign addresses (including Canada). Charge to VISA or MasterCard. Or send a check (made payable to ERS-NASS) to:

ERS-NASS
341 Victory Drive
Herndon, VA 22070.

U.S. Department of Agriculture
Economic Research Service
1301 New York Avenue, NW.
Washington, DC 20005-4788