

MARC Record Simple View

- Magrat... [Back](#) [redacted]

Title The Dairy Situation : highlights /

Mc Guire,

MMS ID 9951900980001701 Originating ILS system

Originating system ID 004879564-UMN01 Marlys...

Suppress from No publishing

Synchronize with No external system

Brief record No

Tools

LDR 00617nam 22001817a 4500

001 9951900980001701

005 20140811130116.0

008 061003s1957 mnu s00| | eng d

035 __|a (Aleph)004879564UMN01

035 __|a (OCoLC)73733961

040 __|a MnSU |c MnSU

099 _9|a MN 2000 MISC-1957

100 1_ |a Dankers, W. H.

245 14 |a The Dairy Situation : |b highlights / |c W.H. Dankers and F.L. Olson

260 __|a Saint Paul, Minn. : |b University of Minnesota, Agricultural Extension Service, |c 1957.

300 __|a 1 v. ; |c 28 cm.

700 1_ |a Olson, Fred L.

710 2_ |a University of Minnesota. |b Agricultural Extension Service.

Tools

[Back](#) [redacted]

This archival publication may not reflect current scientific knowledge or recommendations.
Current information available from University of Minnesota Extension: <http://www.extension.umn.edu>

The Dairy Situation - Highlights

W. H. Dankers, Extension Economist in Marketing
 F. L. Olson, Extension Marketing Assistant



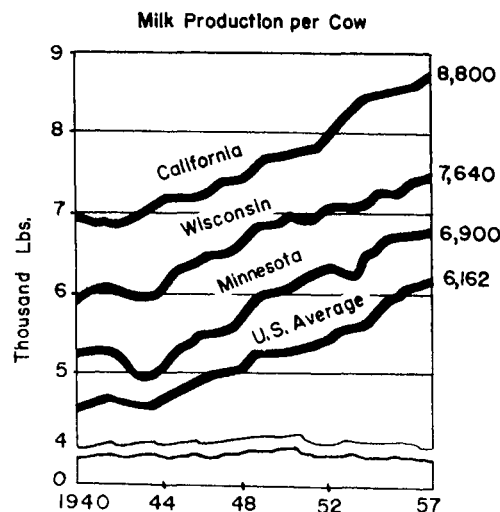
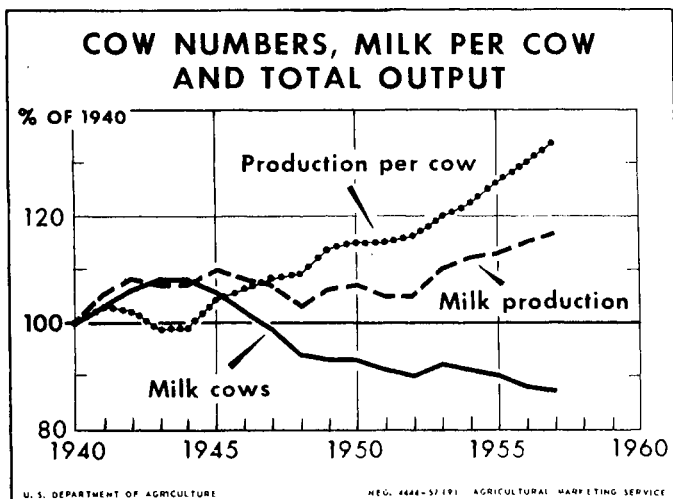
I. Production, Utilization, and Consumption of Milk and Milk Products

A. Trends in milk production - U. S.

Year	Number of cows and heifers kept for milk, January 1		Heifers 1/		Production per milk cow		Milk production on farms		Milk consumption
	Milk cows	1-2 years old	Calves under 1 yr. old	Milk	Milkfat	Total	Per capita	per capita	
1925-29 av.	22.4	4.2	4.6	4,437	174	94.7	797	798	
1930-34 av.	24.9	5.1	5.4	4,497	169	102.6	823	812	
1935-39 av.	25.0	4.9	5.5	4,403	174	103.7	803	791	
1940-44 av.	26.3	5.9	6.6	4,653	185	115.4	854	782	
1945-49 av.	25.7	5.7	6.3	4,999	198	116.6	809	750	
1950-54 av.	23.6	5.7	6.4	5,444	213	117.7	749	710	
1955	23.5	5.8	6.1	5,810	224	123.1	745	707	
1956	23.2	5.5	6.0	6,004	230	125.5	746	707	
1957	22.9	5.4	6.0	6,162	236	126.4	738	695	
1958	22.4	5.3	5.9						

1/ Being raised for milk production

- Note: 1. The number of cows on farms declined from 1945 to 1952 then increased until 1954. Since 1954 there has been a steady decline in the number of milk cows kept for milk and on January 1, 1958 it was the lowest since 1928.
2. The number of heifers 1-2 years old being raised for milk production has decreased in the last three years. The number of heifer calves under one year old was the same in 1957 as in 1956 but was down slightly by January 1, 1958.
3. The constant increase in total milk production was largely due to a steady increase in production per cow. In 1957 it was again nearly one billion pounds larger than in 1956 and more than three billion pounds larger in 1955.
4. Although there has been a steady increase in milk production per cow, the average is still much too low for efficient milk production.



B. Trends in utilization of milkfat - U. S.

Year	Fluid milk	Fluid cream	Butter	All wholemilk cheese	Evaporated and condensed milk	Ice cream	Other prod. (dried wholemilk, dried cream, etc.)	Total
Percent of the total milkfat in milk used in each product								
1925-29	33.8	8.5	44.9	5.8	3.3	3.0	0.7	100.0
1935-39	33.4	8.3	42.6	7.0	4.6	3.2	0.9	100.0
1940-44	37.5	7.8	36.8	7.0	5.0	4.2	1.7	100.0
1945-49	41.3	8.2	28.0	9.1	5.6	6.3	1.5	100.0
1950-54	42.2	7.1	25.9	10.6	5.5	6.6	2.1	100.0
1955	43.1	6.6	25.3	11.0	5.0	6.9	2.1	100.0
1956	43.6	6.6	24.4	11.2	4.8	7.0	2.4	100.0
1957	43.9	6.6	24.6	11.3	4.8	6.9	1.9	100.0

- Note: 1. The figures in this table are based on milkfat in milk. Consequently, this table does not indicate the trends in the utilization of nonfat solids in such products as cottage cheese and fluid and dry nonfat milk.
2. There have been substantial increases over a period of years in the percent of the total supply of milkfat used in ice cream, cheese, and fluid milk.
3. There has been a drastic decline in the percent of total milkfat used in butter, to a low point of less than 25 percent during the last two years.

C. Trends in per capita consumption of milk products - U. S.

Year	Fluid milk	Cream	Evap. and cond. milk	Dry whole-milk	Dry nonfat milk	Frozen dairy prod. (milk equiv.)	Cheese	Butter	Marga-rine
pounds									
1935-39 av.	264	10.5	16.7	0.1	1.9	24.9	5.5	17.0	2.9
1940-44 av.	293	10.7	18.1	0.2	2.9	33.4	5.5	14.5	3.1
1945-49 av.	311	9.9	19.4	0.5	2.9	47.7	6.8	10.6	4.9
1950-54 av.	299	8.0	18.1	0.3	4.3	46.5	7.5	9.3	7.4
1954	301	7.5	16.8	0.2	5.1*	47.1	7.9*	8.9*	8.5
1955	305	7.5	16.2	0.2	5.6*	48.6	7.9*	9.0*	8.1
1956	308	7.5	15.6	0.3	5.1*	49.6	8.1*	8.7*	8.2
1957	309	7.5	15.8	0.2	5.3*	48.6	8.0*	8.5*	8.6

* When domestic donations are excluded, the totals are:

	Dry Nonfat Milk	Cheese	Butter
1954	4.8	7.5	8.3
1955	5.1	7.4	8.3
1956	4.3	7.4	8.0
1957	4.6	7.4	8.1

- Note: 1. The per capita consumption of fluid milk was low during 1935-39. It reached a peak during 1945-49, but since 1950 has remained near 300 pounds, with a slight increase since 1954.
2. There has been a long period of decline in per capita consumption of butter and in 1957 it was 8.5 pounds. When domestic donations, resulting from the "give away" program of butter to public institutions, are excluded, the per capita consumption was only 8.0 pounds in 1956 and 8.1 in 1957.

3. There has been a relatively large increase in per capita consumption of dry nonfat milk. Nevertheless, during the last several years the available supply has been nearly double the amount used for human consumption.

D. Trends in the total per capita consumption of milkfat and nonfat solids

Year	Consumption of milkfat	Consumption of nonfat milk solids	Consumption of total milk solids
 pounds per capita		
1925-29 av.	31.3	37.7	69.0
1935-39 av.	31.7	39.6	71.3
1945-49 av.	29.9	47.8	77.7
1950-54 av.	27.5	47.3	74.8
1955	27.3	47.9	75.2
1956	27.2	47.8	75.0
1957	27.1	48.1	75.2
1957 compared with the 1935-39 period	-4.6	+8.5	+3.9
1957 compared with the 1945-49 period	-2.8	+0.3	-2.5

- Note: 1. There was a continuous decrease in the total per capita consumption of milkfat (milkfat consumed in all dairy products) to a low point in 1953, then an increase in 1954 and 1955 and a further slight decrease in 1956 and 1957. The consumption of milkfat during the last few years has probably been affected by "Government give away" programs.
2. There was a rapid upswing in per capita consumption of nonfat milk solids until it reached the peak of 50.3 pounds in 1946. It dropped sharply during the next few years. Since the early 50's it has been rising slowly. With the substantial and continued shift from the sale of cream to the sale of wholemilk from farms during the last several years, the supply of total nonfat milk solids has been considerably in excess of the volume required for domestic human consumption.
 3. The consumption of total milk solids (fat and nonfat) is considerably higher than in earlier periods, lower than in the immediate post-war period, and has remained just about the same during the last several years.

II. Government Price Support Operations

Since 1952 the supply of milk and milk products has exceeded the effective demand at the prevailing prices. The "surplus" of milkfat has varied between four and eight per cent of total production. The "surplus" of nonfat solids has been considerably more. Prices have been supported by government purchases through the Commodity Credit Corporation (CCC) of storable dairy products, such as butter, cheddar cheese, and dry nonfat milk.

A. Government purchases of milk products

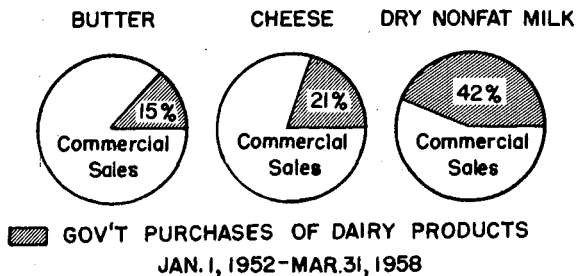
Year	UNITED STATES			MINNESOTA			:Minn. - % of	
	Production	CCC purchases		Production	CCC purchases		:U. S. total	
		Quantity	Percent of production		Quantity	Percent of production	:Pro-duction	CCC pur-chases
	million pounds		percent	million pounds		percent	:	percent
BUTTER								
1952	1,188	16	1	247.7	3.2	1	:	21
1953	1,412	359	25	267.7	80.9	30	:	19
1954	1,449	325 ^{1/}	22	272.1	68.9	25	:	19
1955	1,383	162	12	281.2	39.4	14	:	20
1956	1,410	165	12	306.1	48.4	16	:	22
1957	1,422	174	12	317.0			:	22
1958 ^{2/}	358	81	23				:	
Total to date	8,622	1,281	15				:	
CHEDDAR CHEESE								
1952	851	3	0	47.4	1.0	2	:	6
1953	1,022	291	28	63.5	36.7	58	:	6
1954	1,045	361 ^{1/}	35	63.3	31.7	50	:	6
1955	1,005	150	15	53.3	18.8	35	:	5
1956	994	188	19	48.3	7.6	16	:	5
1957	1,023	242	24	47.2			:	5
1958 ^{2/}	214	55	26				:	
Total to date	6,154	1,290	21				:	
DRY NONFAT MILK								
1952	863	51	6	187.7	29.2	16	:	22
1953	1,214	587	48	246.6	164.3	67	:	20
1954	1,402	651	46	268.3	194.9	73	:	19
1955	1,404	556	40	303.4	193.7	64	:	22
1956	1,545	754	51	382.6	283.8	74	:	25
1957	1,693	765 ^{3/}	45				:	
1958 ^{2/}	438	238	54				:	
Total to date	8,559	3,602	42				:	

^{1/} Includes 5,137,000 pounds of butter and 83,083,000 pounds of cheese purchased in March for resale in April.

^{2/} January 1 - March 31, 1958

^{3/} Does not include 50.9 million pounds of dry nonfat milk purchased directly with Section 32 funds.

Note: CCC purchases of butter, cheese, and dry nonfat milk constituted a smaller percent of total production in 1955 than in the two earlier years. However, there has been a slight increase in government purchases since 1955, both in volume of products purchased and in percent of total production.



B. Disposal of milk products purchased under the price support program

Year beginning April 1	CCC purchases during the year	Disposal during the year.			Uncommitted supply at the end of year.	
		Domestic	Foreign:	Total	Quantity	Percent of year's purchases

..... million pounds

<u>BUTTER</u>						
1952	143.5	20.9	-	:	20.9	122.6 85
1953	380.1 <u>1/</u>	90.9	45.8	:	136.7	366.0 96
1954	210.5	169.3 <u>1/</u>	170.5	:	339.8	236.7 112
1955	177.6	150.6	263.7	:	414.3	0.0 0
1956	154.4	100.5	31.6	:	132.1	22.3 14
1957	215.3	152.3	21.3	:	173.6	64.0 30
Total to date	1,281.4 <u>1/</u>	684.5	532.9	:	1,217.4	
<u>CHEDDAR CHEESE</u>						
1952	75.2	1.1	-	:	1.1	74.1 99
1953	456.0 <u>1/</u>	31.7	22.6	:	54.3	475.8 106
1954	153.4	209.8 <u>1/</u>	90.8	:	300.6	328.6 214
1955	157.4	92.5	165.3	:	257.8	228.2 145
1956	197.2	120.3	169.2	:	289.5	135.9 69
1957	250.8	102.2	169.2	:	271.4	115.3 46
Total to date	1,290.0	557.6	617.1	:	1,174.7	
<u>DRY NONFAT MILK</u>						
1952	210.4	20.5	47.4	:	67.9	142.5 80
1953	665.9	11.8	199.0	:	210.8	597.6 90
1954	523.2	659.6	374.2	:	1,033.8	87.0 16
1955	623.8	106.2	558.1	:	664.3	46.5 7
1956	798.5	190.8	597.2	:	788.0	57.0 5
1957	780.2 <u>2/</u>	64.8	686.0	:	750.8	86.4 11
Total to date	3,602.0	1,053.7	2,461.9	:	3,515.6	

1/ Includes 5,137,000 pounds of butter and 83,083,000 pounds of cheese purchased in March for resale in April.

2/ Does not include 50.9 million pounds of dry nonfat milk purchased directly with Section 32 funds.

- Note: 1. The major portion of the 1954 CCC supply of dry nonfat milk was moved into animal feed channels.
2. The disposal of cheese did not keep pace with the purchase under the price support program in the earlier years. The uncommitted supplies at the end of 1954 and 1955 amounted to over one-fifth of a year's production of cheese. Then, in 1954, 1955, 1956, and 1957 disposals exceeded purchases.

C. Donations - A substantial proportion of CCC supplies was given away

Year beginning April 1	Total CCC disposal million pounds	Total donations (domestic and foreign) pounds	Percent donations were of total CCC disposal		
			Domestic	Foreign	Total
<u>BUTTER</u>					
1952	20.9	0.0	0	0	: 0
1953	136.7	45.8	0	34	: 34
1954	339.8	246.7	33	40	: 73
1955	414.3	327.5	29	50	: 79
1956	132.1	69.6	51	2	: 53
1957	173.6	113.0	65	0	: 65
Total to date	1,217.4	802.6	33	33	: 66
<u>CHEDDAR CHEESE</u>					
1952	1.1	0.0	0	0	: 0
1953	54.3	22.1	0	41	: 41
1954	300.6	171.3	28	29	: 57
1955	257.8	221.2	34	52	: 86
1956	289.5	241.0	40	43	: 83
1957	271.4	247.2	35	56	: 91
Total to date	1,174.7	902.8	32	45	: 77
<u>DRY NONFAT MILK</u>					
1952	67.9	0.0	0	0	: 0
1953	210.8	90.9	0	43	: 43
1954	1,033.8	332.1	7	25	: 32
1955	664.3	457.1	13	56	: 69
1956	778.0	558.0	17	55	: 72
1957	750.8	547.4	5	68	: 73
Total to date	3,515.6	1,985.5	9	47	: 56

Note: 1. The amounts listed in the table above only "total give away."
Other CCC supplies were sold under the "two price plan" at a price to foreign buyers considerably below the government support prices.

2. About two-thirds of the butter, four-fifths of the cheese, and over one-half of the dry nonfat milk which was disposed of by CCC during the period of 1952-57 was donated to domestic and foreign groups.

D. Dry nonfat milk for animal feed

Year beginning April 1	Domestic disposal		Percent of total for domestic animal feed percent
	Total	For animal feed	
million pounds			
1952	20.5	5.2	25
1953	11.8	2.1	18
1954	659.6	581.4	88
1955	106.2	18.4	17
1956	109.8	20.1	11
1957	64.8	27.6	43
Total to date	1,053.7	654.8	62

Note: Almost two-thirds of all the CCC dry nonfat milk which was disposed of domestically from 1952 to date went into animal feed.

E. Disposal of milk products purchased by CCC during the total period of Jan. 1, 1952-March 1, 1958

Total production	Total CCC purchases	DISPOSAL				Inventory March 31, 1958
		Resale in market channels	Donations	Sales for animal feed		
		Domestic	Foreign	Domestic	Foreign	

BUTTER

..... million pounds

Jan. 1, 1952-								
March 31, 1958	8,622.0	1,281.4	271.9 ^{1/}	142.9	412.6	390.0	0.0	64.0
Percent of total CCC purchases		100.0	21.2	11.2	32.3	30.4	0.0	4.9
Percent of total prod.	100.0	14.9	3.2	1.7	4.8	4.5	0.0	0.7

CHEDDAR CHEESE

..... million pounds

Jan. 1, 1952-								
March 31, 1958	6,154.0	1,290.0	172.5 ^{1/}	99.4	384.9	517.9	0.0	115.3
Percent of total CCC purchases		100.0	13.3	7.7	29.9	40.2	0.0	8.9
Percent of total prod.	100.0	21.0	2.8	1.6	6.3	8.4	0.0	1.9

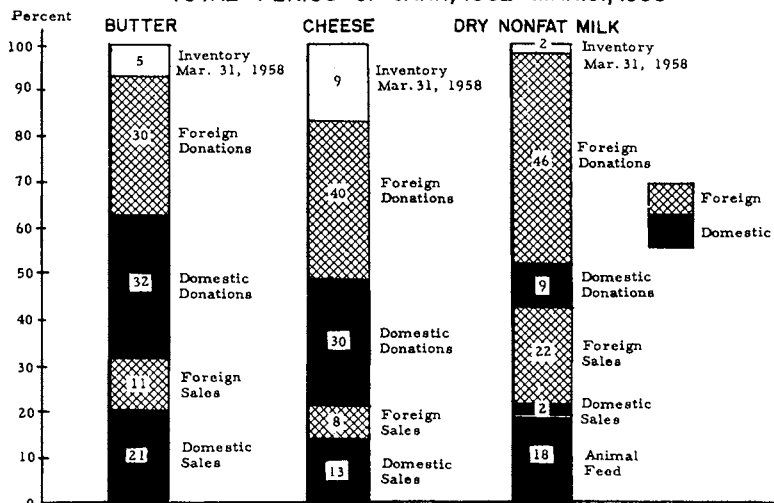
DRY NONFAT MILK

..... million pounds

Jan. 1, 1952-								
March 31, 1958	8,559.0	3,602.0	71.7	803.6	327.2	1,658.3	654.8	86.4
Percent of total CCC purchases		100.0	2.0	22.3	9.1	46.0	18.2	2.4
Percent of total prod.	100.0	42.1	0.8	9.4	3.8	19.4	7.7	1.0

^{1/} Includes 5,170,000 pounds of butter and 83,083,000 pounds of cheese purchased in March, 1954 for resale in April.

DISPOSAL OF MILK PRODUCTS BY CCC FOR THE TOTAL PERIOD OF JAN.1, 1952-MAR.31, 1958



Note: 1. This table gives a complete summary of the disposal of dairy products purchased by CCC from 1952 through March 31, 1958.

2. Resale in market channels has amounted to about 1/3 of total CCC purchases of butter and less than 1/4 of total CCC purchases of cheese, and dry nonfat milk even when a large part of the supplies were sold under the "two price plan".

III. Competition of Milkfat and Vegetable Oils

A. Butter and margarine - consumption and prices

Year	Per capita consumption - U. S.				Retail prices - U. S.		
	Butter	Marga- rine	Butter and marga- rine	Ratio of butter and margarine consumption	Butter	Marga- rine	Ratio of butter & margarine prices
	pounds				cents.		
1925-29 av.	17.7	2.4	20.1	7.38	55.5	28.6	1.94
1930-39 av.	17.0	2.9	19.9	5.86	36.7	18.1	2.03
1940-49 av.	10.6	4.9	15.5	2.16	72.3	33.1	2.18
1950-54 av.	9.3	7.4	16.7	1.26	78.3	31.2	2.51
1953	8.5*	8.1	16.6	1.05	79.0	29.4	2.69
1954	8.9*	8.5	17.4	1.05	72.4	29.9	2.42
1955	9.0*	8.1	17.1	1.11	70.9	28.9	2.45
1956	8.7*	8.2	16.9	1.06	72.1	28.9	2.49
1957	8.5*	8.6	17.1	0.99	74.3	29.9	2.48

* When domestic donations are excluded, the totals in 1953, 1954, 1955, 1956, and 1957 were 8.2, 8.3, 8.3, 8.0, and 8.1 pounds respectively.

Note: 1. The milkfat problem is largely the result of changes in the pattern of fat consumption. The total per capita consumption of butter and margarine has remained fairly constant over a considerable period of time, however, the proportion of margarine consumed has increased.

2. The per capita consumption of margarine is now slightly greater than butter.

3. In the earlier years the ratio of butter and margarine prices was very close to 2 to 1. In the early 50's the ratio started rising, and reached an all time high in 1952.

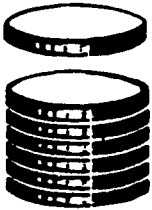
In 1953, butter consumption dropped

to an all time low. There was a drop in the price ratio from 1953 to 1954 and 1955, and a slight increase in the consumption of butter, even when the government sales at reduced prices and donations to public institutions are excluded. In 1956 there was a slight increase in the ratio of butter and margarine prices and a corresponding decrease in the ratio of butter and margarine consumption.

AVERAGE RETAIL PRICE

U.S. 1957

74.3 ¢/lb.



Butter

29.9 ¢/lb.



Margarine

B. Composition of margarine - U. S. Production

Year	Animal fat	Foreign oil (mostly coconut)	Cottonseed oil	Soybean oil	Other	Total of all fats and oils
. p e r c e n t						
1925-29	34.1	52.9	11.1	-	1.8	100.0
1930-34	17.2	68.4	12.3	0.2	1.8	100.0
1935-39	7.2	39.0	41.0	11.4	1.4	100.0
1940-44	8.7	5.0	47.8	35.7	2.8	100.0
1945-49	2.0	1.5	55.0	38.7	2.8	100.0
1950-54	1.5	0.3	37.0	58.7	2.5	100.0
1955	2.0	0.6	25.9	69.3	2.2	100.0
1956	3.3	0.7	25.4	67.8	2.8	100.0
1957	2.6	0.4	20.2	74.4	2.4	100.0

- Note: 1. Nearly all of the fat and oil now used in margarine comes from domestic sources and 97 percent comes from vegetable oils
2. Margarine did not contain any soybean oil in the early period of 1925-29. In 1956 over two-thirds of the total ingredients in margarine was soybean oil. The mid-west states have become the main sources of supply for the production of margarine.

C. Soybean production - U. S. and Minnesota

Year	United States		Minnesota	Percent of U. S. total produced in Minnesota	Index of production (1945-49 = 100)	
	million bushels	million bushels			United States	Minnesota
1935-39 av.	56.1	0.2	0.4	27	2	
1940-44 av.	151.0	2.6	1.7	72	21	
1945-49 av.	208.9	12.3	5.9	100	100	
1950-54 av.	298.0	25.7	8.6	143	209	
1955	373.5	43.9	11.8	179	357	
1956	455.9	52.5	11.5	218	427	
1957	480.0	56.0	11.7	230	455	

- Note: 1. There has been a substantial increase in the production of soybeans in the United States and especially in the middle west since the early 40's. U. S. production in 1957 was 130 percent higher than the average annual production during 1945-49. For the same period, Minnesota had an increase of 355 percent in soybean production.
2. Illinois is the top ranking state in soybean production followed by Iowa, Minnesota, Indiana, Missouri, and Ohio.
3. The percent of the total United States supply of soybeans produced in Minnesota has increased substantially. During the last few years it has been over 11 percent of total U. S. production.

D. Soybean oil and milkfat production - U. S. and Minnesota

Year	Milk production	Milkfat production	Soybean oil production	Ratio of	
				soybean oil to milkfat	
. . . . million pounds					
<u>UNITED STATES</u>					
1935-39 av.	103,656	4,094	617	:	.15
1940-44 av.	115,415	4,585	1,661	:	.36
1945-49 av.	116,623	4,631	2,298	:	.50
1950-54 av.	117,654	4,595	3,278	:	.71
1955	123,128	4,742	4,108	:	.87
1956	125,474	4,823	5,015	:	1.04
1957	126,381	4,840	5,280	:	1.09
<u>MINNESOTA</u>					
1935-39 av.	7,822	293	2	:	.01
1940-44 av.	8,685	313	29	:	.09
1945-49 av.	8,402	303	135	:	.44
1950-54 av.	8,260	295	283	:	.96
1955	8,833	314	483	:	1.54
1956	9,376	333	578	:	1.74
1957	9,500	337	616	:	1.83

- Note: 1. The total production of soybean oil was calculated at a rate of 11 pounds of oil per bushel of beans.
2. During 1935-39 about $1\frac{1}{2}$ pounds of soybean oil was produced in the United States for each 10 pounds of milkfat. In 1957 it was over 10 pounds of soybean oil for each 10 pounds of milkfat.
3. During 1935-39 less than 1 pound of soybean oil was produced in Minnesota for each 10 pounds of milkfat. In 1957 it was over 18 pounds of soybean oil for each 10 pounds of milkfat.
4. A large percent of the total supply of soybean oil is used in food products. Because soybean production has increased greatly, Minnesota now moves a large volume of soybean oil into food channels.