

CALIFORNIA DAIRY CAMPAIGN

Dairymen working for Dairymen



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CDFA Issues Annual Dairy Statistics Report: Today the California Department of Food and Agriculture (CDFA) published its "California Dairy Statistics Annual" report which stated that total milk production in California was down 429.6 million pounds in 2016 compared to 2015, totaling 40.4 billion pounds. According to the CDFA report, at the end of 2016 there were 1392 dairies in California and the average herd size totaled 1249 cows. The average price paid to dairy producers in California totaled \$15.03 per cwt in 2016, and the report pointed out that the lowest prices occurred in May at \$12.89 per cwt while the highest price was paid in December at \$17.55 per cwt. Compared to five years ago the number of dairies has decreased by 276 dairies and the average herd size has increased by 148 cows. The average price paid five years ago in 2011 totaled \$18.52, more than 20 percent higher than prices paid in 2016. *California Dairy Campaign is calling for California to join the federal order system to bring California prices in line with the rest of the country and reforms in the next farm bill that will provide incentives for dairy producers to manage inventories, take into account milk production costs and other reforms.*

President's Budget Shuns Rural America with Deep Cuts to Agriculture, Programs Serving Rural America - (March 16, 2017) – President Donald J. Trump issued his fiscal year 2018 federal budget blueprint today, calling for a drastic reduction in spending on agriculture and rural related agencies and programs. Lamenting further cuts being proposed for agriculture, National Farmers Union President Roger Johnson issued the following statement: "Family farmers and ranchers are currently enduring the worst farm economy in well over a decade and an inadequate safety net that is hamstrung by \$23 billion in budget cuts. The last thing our members need right now is more cuts to agencies and programs that provide incredibly important work, especially in the midst of the current farm crisis. These cuts and the message they send to rural America are deeply disappointing. President Trump's budget blueprint calls for a \$4.7 billion cut to USDA, which equates to a 21 percent drop for programs that serve rural and farming communities across the U.S. This huge cut to discretionary spending will put rural development, food safety, conservation and research programs on the chopping block. The President's blueprint also provides for a \$2.6 billion cut to EPA funding. This 31 percent drop guts the agency's ability to provide very important environmental services and pesticide approval. It even limits the administration's ability to rewrite or remove the unnecessary regulations that the President promised to address. Regulatory relief comes from having a system that works. To this point, the president has put the needs of rural America and agriculture on the backburner, and, in many cases, on the chopping block. We call on Congress to reject these budget cuts and adopt funding levels that ensure the success and vibrancy of farming communities and rural America."

Farm Bill and Trade Top Priorities at NFU Convention: When California Dairy Campaign and California Farmers Union leaders participated in the NFU Annual Convention earlier this month, special orders of business were passed to prioritize federal dairy policy, farm policy and trade policy reforms. The special orders stated: 2017 is expected to be another year of declining farm incomes and worsening economic conditions. The U.S. Department of Agriculture (USDA) has projected net farm income to decline by 8.7 percent this year, marking a 50 percent decline from 2013. The primary objectives of national agricultural policy are to enable farmers to protect net farm income in troubling times, improve the quality of rural life, and increase the number of family farmers, so that family farmers may continue to provide a reliable supply of food, fuel and fiber and serve as stewards of our nation's resources. **Trade** - Each year for the past forty years, the United States has amassed a huge trade deficit. Every \$1 billion increase in imports causes loss of over 4,500 jobs. In 2016, the total trade deficit totaled \$502.3 billion. Eliminating the trade deficit could create as many as 2.3 million new jobs across the United States. Agricultural typically accounts for 7-10% of total U.S. exports, and the surplus in agricultural trade helps reduce the trade deficit. Negotiators often use agriculture as bait to achieve favorable trade agreements for other sectors of the economy. However, our deeply flawed trade agenda has opened domestic markets to cheap, often low-quality food, fuel and fiber products. The agricultural trade balance dropped over \$26 billion from 2011 to 2016.

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