



June 1, 2018

Farmers Share of the retail dollar hits a new low



For every dollar consumers spend on food, the farmer receives just 14.8 cents, according to the U.S. Department of Agriculture (USDA). The figure represents a 5 percent decrease from the previous year's data and the lowest "farm share" since USDA began reporting the figures in 1993.

National Farmers Union (NFU) reports monthly on the "[Farmer's Share of the Retail Food Dollar](#)," which tracks USDA's farm share for 15 popular food items. The latest NFU [Farmer's Share](#) shows that beef producers receive just \$2.01 for 1 lb. of beef that costs \$8.99 at the supermarket and dairy producers receive only \$1.34 from a \$4.49 gallon of fat free milk.

Senate Agriculture Committee Expected to Markup Farm Bill Next Week



The Senate Agriculture Committee is expected to consider its version of the farm bill next week. The House Agriculture Committee passed farm bill directed program benefits to dairy operations with 5 million pounds of milk production per year or 230 cows or less while the average herd size in

California now totals over 1200 cows. The Senate Agriculture committee is expected to consider a similar dairy title for the farm bill so it is critical that lawmakers hear from dairy producers to call for a farm bill that will work for California.

California Dairy Campaign and California Farmers Union are urging lawmakers to establish an inventory management program that provides incentives for dairy producers to manage milk production. **Contact California Senators to Urge them to call on members of the Senate Agriculture Committee to establish a nationwide incentive based inventory management program in the next farm bill.**

Contact Information:

Senator Kamala Harris Phone: 202-224-3553

Staff: Andy Vargas Email: andy_vargas@harris.senate.gov

Call Senator Dianne Feinstein Phone: 202-224-3841

Staff: Joe Petrzela Email: joe_petrzelka@feinstein.senate.gov

In letters to California Senators Feinstein and Harris, California Dairy Campaign and California Farmers Union stated, "According to the California Department of Food and Agriculture (CDFA), more than 60 California dairies closed in 2017 and more dairy sales will continue unless action is taken to establish a nationwide incentive based inventory management system to stabilize milk prices. **According to CDFA, the last reported Overbase milk price totaled just \$13.66 per hundredweight (cwt) in April of 2018 while the latest CDFA cost study concluded that the**

average cost of production in California totaled \$18.11 per cwt. Dairy producers across California are paid almost \$5 per cwt less than the average cost of production creating a dairy crisis. The Overbase price has averaged \$13.40 per cwt since it dropped last December and has not exceeded the average cost of production since November 2014."

The letter went on to state, "The next farm bill presents an opportunity to provide relief to California dairy producers by establishing a framework so that dairy producers are incentivized nationwide to manage their milk inventories based on market demand. **The inventory management system that exists in Canada creates stability and certainty for dairy farmers who are paid on average \$27 per cwt fostering a successful milk pricing system that is self-sustaining. Typically Canadian consumers pay \$3.26 per gallon of milk and \$2.40 to \$3.20 per lb. of butter which are comparable to prices paid in the U.S.**"

Tell Congress to Strengthen the Farm Bill



The Senate is expected to markup its own version of the Farm Bill on June 6, and the House will likely vote again on its bill on June 22. Before they do, they need to hear from you that the Farm Bill is important to you.

Here's how you can take action:

- If you haven't already, please sign and share our Change.org petition with your friends and family!
- Call or write your legislators and let them know why they should support a stronger Farm Bill. If you're new to advocacy and not sure where to start, you can find easy, step-by-step guides and background information at 2018farmbill.org.
- Tweet your support. Let your followers that you support a strong Farm Bill, and encourage them to advocate for one too.

California Dairy Campaign - California Farmers Union
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