The Milk Check

TOM JURCHAK County Agent



YEAR'S END

Now that most of the statistics are in for 1980, we can examine what happened and why

You may not think it's worth much to look back, but it's one way of finding out where we re headed So, if we don't like what we see, we still have time to make some changes

The important characteristics of 1980 were record high milk production, a reverse in a steady 40 year trend of declining numbers of dairy cows, very favorable milk price-feed price ratios and price support program purchases the highest in 18 years

We'll try to take a closer look at each of these to see what we can expect this year so you can decide individually as well as collectively through your cooperatives and organizations what strategies you should adopt for the future

MILK FLOOD

The record high production of more than 128 billion pounds last year broke the previous high of 127 billion set back in 1964. It was the result of a larger number of cows. a record high production per cow and a feed price that was good in relation to the milk price

The increase in cow numbers started in March 1980 and is already larger than the 1978 herd By March of 1981 it is expected to be higher than the 1977 figure The one percent increase in 1980 added nearly 100,000 cows and the end isn tin sight

Added to the number of cows is the increasing number of heifers As of January 1, there were a record high 40 heifers in waiting for every 100 cows in the milking

The only steady trend you have left is increasing production per cow It has averaged two percent a year for the last 14 years. But now vour annual increases are up to three percent and last year averaged nearly 12,000 pounds per

Part of the reason was that favorable milk price-feed price ratio This is the number of pounds of 16 percent dairy ration you could buy with the price of one pound of milk Back in 1977 it was down to 12 But in the last two years, it has averaged about 15 with early 1980 coming close to 16 before grain prices started to rise faster than milk prices

REACTION

As a result of the increasing milk production and legislation passed in 1977 that required a dairy price support at 80 percent of parity, the Commodity Credit Corporation started buying increasing amounts of butter, skim powder and cheese ın late 1979

That year they spent \$250 million and bought the equivalent of about one billion pounds of milk or less than one percent of the total milk production However, in 1980 largely because of increasing milk production CCC bought \$1.3 billion worth of dairy products equal to more than eight billion pounds of milk or about 6 5 percent of all the milk produced

Nothing in the year end statistics indicates that any of these trends started in the last two yeras is going to change Another record year of milk production is expected in 1981 with increasing cow numbers and production per cow Higher feed prices may slow down the increase, but unless there's another severe drought they won't

The present price support legislation doesn't expire until September 30 so CCC purchases are expected to continue at present high levels to strive for a support price at 80 percent of parity

What happens after that depends on this session of Congress where the present price support legislation may be extended, amended or ended

Chester Extension offers workshops

WEST CHESTER - The Chester County Cooperative Extension Service of The Pennsylvania State University is offering classes in rug hooking and quilting

The rug hooking classes will be held on Wednesdays, March 4, 11, 18, 25, April 1, 8, 15, 22 from 9 30 to 11 30 a m

The series of eight classes will teach the skill of rug hooking Everyone will be provided with wool, burlap, and rug hook to do this traditional craft You will make a traditional and contemporary design the size of a chair seat or wall hanging The frame you need may be an oval or round embroidery hoop, old picture frame or 4 strips of wood about 14"x16" to form an oblong

The Quilting Course will be held on Mondays, March 16, 23, 30, April 6 from 9 30 to 11 30 a m The series of four meetings will cover basic techniques for handquilting The instruction will include making a pattern, use of applique, and patchwork, and creating a pillow top Instruction on how to make a quilting frame will be demonstrated

There is a small fee for each of these courses The courses will be held at the Extension Meeting Room, 235 W Market Street, 3rd floor, West Chester For further information call 696-3500

Microwave Cooking Course

The Chester County Cooperative Extension Service will conduct a Microwave Cooking Course on Tuesdays, March 17, 24, 31, April 7 from 1 00 to 3 00 pm and 7 00 to 9 00 pm The same course will be offered at two different times Classes will be held at the Extension Service Meeting Room, 235 W Market Street (3rd floor), West Chester

The series of four meetings will include basic cooking principles, actual meal preparation, discussion and demonstrations to show how every member of the family can prepare food in the microwave

A variety of microwave ovens will be used through the cooperation of Gilbert's Appliance, 128 W Market St, West Chester The instructor will be Linda Z Butler There will be a small fee for the course Registration will be due by Monday, March 9, 1981

For further information call or write the Chester County Extension Service, Paul B Dague Bldg, 235 W Market Street (3rd floor), West Chester, PA 19380

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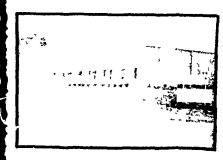
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