



Indiana Dairy Producers

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Indiana Dairy Farmers represent nearly 70% of the milk produced in Indiana. Upcoming votes on the Farm Bill and its dairy policy will have large and potentially long-lasting effects on Indiana dairy farm families. Recently, we conducted a poll of our members on topics related to the Dairy Security Act, as well as amendments offered in the Senate by Senator Gillibrand and in the House by Representatives Goodlatte and Scott. These are the key findings of our survey.

Characteristics of Respondents. Of the 61 survey responses obtained, 49 (80%) were dairy farmer members of IDP, 7 (11%) were employees of member farms and sponsors, and 5 (8%) were non-member dairy farmers. Invitations were sent to our entire electronic mailing list. Respondents were asked to describe their level of familiarity with dairy policy. A majority of respondents, 35 (57%) reported “understanding a little of dairy policy, but having a lot to learn”, while 16 (26%) “studied and understand the issues reasonably well”. Another 10 (16%) felt they “probably should be more knowledgeable but are simply too busy to deal with it”. A solid majority (83%) of respondents were either very (43%) or somewhat (40%) concerned about federal dairy policy proposed in the farm bill. Other respondents were not very concerned (5%) or did not know (5%).

Key points:

- Response rate was moderately strong.
- Many dairy producers are well versed in dairy policy, but some are simply too busy to be proactive.
- Most dairy producers are somewhat or very concerned about Farm Bill dairy policy.

Supply Management. Supply management was opposed by 34 (55%) of respondents, with 34% being directly “opposed” and a further 21% responding that it was “a dangerous precedent”. Some producers (20%) indicated they were willing to try supply management although they had concerns. Only 6 (10%) thought it was necessary; and 4 (7%) supported it. Written comments supported pros and cons of supply management.

Key points: -A majority of respondents opposed supply management.

Margin Insurance. Much ambiguity surrounds the concept of margin insurance. To the question, “How do you feel about margin insurance?”, a majority, 31 (52%), were unsure. Margin insurance was supported by 18 (30%) of the respondents and opposed by 10 (17%) of respondents. Written comments indicated lack of understanding of the proposed margin insurance program.

Key points:

- Most dairy producers were unsure of whether to support margin insurance, likely because they do not feel they completely understand the proposed program.

Federal Order Reform. While not included in recent versions the Dairy Security Act, requiring the Secretary of Agriculture to conduct hearings to consider reform of the Federal Milk Market Orders has been proposed. Respondents to this survey strongly supported (48 or 79%) Federal Milk Market Order reform. Only 3 (5%) opposed it, while 10 (16%) were unsure.

Key points: -A vast majority of respondents supported consideration of reforming Federal Milk Market Orders.

Margin Insurance without Supply Management. While not mentioning the amendment by name in the survey (Goodlatte/Scott Amendment), respondents were asked if they supported some margin insurance protection without supply management. There were 19 respondents (31%) who were unsure and 14 (23%) who were opposed to it. However, 23 or 38% supported the amendment, with another 5 (8%) who liked the idea but didn't think it had a chance of becoming law.

Key points: *-Most respondents were supportive of margin insurance without supply management, but nearly 1/3 were unsure.*

Exempting small farms from Supply Management. A proposal was suggested that would exempt a producer's first 4 million pounds of production annually from supply management but still provide margin insurance (Gillibrand amendment). Many respondents (28 or 47%) did not support eliminating small farms from a supply management requirement. The concept was supported by 15 (25% of respondents; while 17 (28%) did not know. Written comments, even from self-identified small producers, strongly argued for maintaining the same policy for farms of all sizes.

Key points: *-Many respondents did not support an exemption for small farms from supply management.*

In short, we believe that Indiana Dairy farmers do not support the Dairy Security Act in its present form. Supply management is not supported by most Indiana dairy farmers, and while margin protection has more support, we fear that it is not well enough understood by dairy farmers to know whether it is supported. It is clear that a large majority of Indiana dairy farmers support reform of the Federal Milk Market Orders and milk price establishment. We were surprised at how strongly comments supported a milk pricing structure program that does not discriminate dairy farms by size.

Sincerely,



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