

## Future Dairy Policy in the United States

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Many trends experienced in the U.S. dairy industry are expected to continue in the FAPRI baseline. First, table one shows that milk cow numbers are expected to continue to decline over the next several years. The rate of decline is expected to be slight as the industry has made **milk production** adjustments to account for the decline in government intervention.

**Table 1. Outlook for the U.S. Dairy Industry**

	1991-1994	1995-1998	1999-2002	2003-2006
Milk Production		(Thousand Metric Tons)		
California	10,394	12,062	14,755	16,689
Wisconsin	10,531	10,265	10,631	11,074
Pennsylvania	4,631	4,817	4,900	4,934
Minnesota	4,385	4,234	4,353	4,484
Idaho	1,479	2,257	3,325	4,213
New Mexico	1,155	1,785	2,340	2,859
United States	68,359	70,628	75,171	78,679
Milk Cow Inventory	9,647	9,312	9,087	8,944
Milk Production per Cow	7,088	7,586	8,274	8,784
Milk Farm Price	28.24	31.03	29.27	28.83

Source: Food and Agricultural Policy Research Institute

The regional shift in dairy production in the U.S. is expected to continue. California, New Mexico and **Idaho** are expected to continue their year over year increases in **milk production**