2015 Chicago Data Users Meeting National Agricultural Statistics Service, United States Department of Agriculture (USDA) October 28, 2015

Introductions and Opening Remarks from agency representatives within USDA

Agricultural Marketing Service (AMS)
Economic Research Service (ERS)
Foreign Agricultural Service (FAS)
National Agricultural Statistics Service (NASS)
World Agricultural Outlook Board (WAOB)
U.S. Census Bureau (Census), Department of Commerce

Questions & Answers

Attendee: Is there a database of the county yields being used for ARC calculations and is it public?

PSA: Our new ARC PLC program collects a lot of data for the first time because we are basing payments on county yields. In previous programs payments were based on prices. In this Farm Bill we are required to use county yields. We have had to develop yields from 2008 to 2014. Our first source of this information is NASS county yields, we use planted yields and make some adjustments for wheat and corn relative to grazing and silage. Where NASS county level data is not available we are using crop insurance data, then NASS district yields, then FSA state committee to determine county level yields. Sometime later this week or early next week we are planning on publishing all of the

yields we are using for 21 commodities.

Attendee: Given the changes we have been seeing on the placements of heavier cattle on the Cattle on Feed report what would be the chances of adding additional weight classes, 3 more

breakouts up to 10 and up?

NASS: We will look into that, we will need to explore if respondents can report in those

breakouts and if enough data would be available to publish. Also we would need to

determine if this is a continuing trend.

Attendee: This is more of a comment than a question and applies to all agencies. In July, the format

for the WASDE report was cleaned up and it throw off my data scrub. There is now a notice posted that covers this change in the October report. You did the same thing by adding a look back in the spreadsheet. If you could notify users prior to a format change

that would be very helpful.

WAOB: We will go back and check. We have not been made aware of any issue that it caused.

For the July issues there was a return or space that caused the issue. We apologize for that, after we were notified of the issue we placed the notification of the change and that it would be made permanent. There is not anything in the data that is incorrect it is just

the xml formatting.

Attendee: The new industrial reports for the corn grind and the fats and oils, when will the World

Board start incorporating into their estimates in the WASDE report?

WAOB: We are looking at those NASS reports already. NASS released the first numbers in

February and we started incorporating them in the WASDE report in March.

Attendee:

Inspections reported are currently port inspections is it possible for you to pass along rail inspections because of the amount of corn going out of the US by rail into Mexico and Canada. You can get the numbers but you have to look in several different places and I think this would provide transparency and be a tremendous improvement.

AMS:

Thank you for the question, that data actually comes from Federal Grain Inspection. I will have to talk with them and find out if we can get that number to add to the report.

Attendee:

I have looked back at the last 25 years of supply and demand estimates for soybeans. For the majority of those 25 years the USDA has underestimated the total demand for the year because the stocks are estimated high, due to exports being off. Have you taken a look at your models that predict demand because we are consistently underestimating?

WOAB:

We are aware of this trend and we are always evaluating to see if we can make improvements.

Attendee:

Could you clarify if you are only looking at farmer reported data in yield estimates and are there plans to release more details from the objective yield survey so that we can understand where the yield is derived from?

NASS:

We take a look at the farmer reported information, the objective measurement information, the FSA acreage, satellite information; the board considers all available information when we make our forecasts on a monthly basis.

Attendee:

Is there going to be a move to release the certified acres data at a consistent time preferably during Washington D.C. office hours?

FSA:

We have a consistent time now, it is 6:00 am EST. We are going to work on changing those hours so that we will have support available when released.

Attendee:

In the cattle sector there has been a change in the number of Holstein bull calves now being feed and a sharp drop in the "Bob"veal calf slaughter as these are being added into feedlots. Would it be possible to add information to the 6-month cattle inventory to get some idea of the mix of cattle in fed lots of dairy breeds, beef breeds, etc?

NASS:

That is an interesting question and I don't know that I can answer it right now. We have reviewed this request and found that it would be very difficult to collect this information from the feedlots. It would require feedlots to report what each animal is classified as they come into the feedlots. For example, how would the feedlot know if a calf was originally going to veal and now being fed for slaughter? Although this is an interesting topic, it would put undue burden on the feedlot respondent. Putting this question on the July Cattle questionnaire would be a point in time estimate only and would not provide any type of trend information on what is happening in the industry.

Attendee:

Why is California being added to the state data for hogs?

NASS:

After the Census of Agriculture is conducted we do a review of each program. We look at the proportion each state contributes to the U.S. level inventory. If a state contributes at least one percent of total inventory it is included in the quarterly program. We also look at the proportion of the total inventory that will be represented by those states in the quarterly program. This twofold process guarantees that we have the correct allotment of

states in a program. During the review for hogs NASS added California to the states that conduct a survey quarterly. No state was removed from the quarterly program.

Attendee:

Cattle are being sorted out based on production practices, Antibiotic Free (ABF) cattle, gestation free hogs, etc. It is gaining more traction as the end users are pushing for greater supply information on these categories.

NASS:

If we are going to ask for that type of information we would need the support of the industry. When we go to OMB for questionnaire approval one of the first questions is what is the purpose of these questions and what are you trying to obtain. Until we get enough demand from the industry, and support in the budget NASS will not be pursuing.

Attendee:

On the weekly retail series that you mentioned, would it be possible to get an all beef or all pork price connected with the data?

AMS:

That is something that currently I don't think we can do but it is something that in the future we are hoping to be able to tie back to. Right now the data is collected and stored differently. As we move to everyone using the same methods and storage systems it helps but we are still transitioning everything into the new system. Once it is operational you will be able to tie the information back to almost anything of interest.

Attendee:

What do you mean when you say the industry has to ask for something?

NASS:

Anytime a new question is added to a survey there has to be some reason. We cannot just add a question because we have oversight by OMB to ensure we are making good use of tax payer dollars and that we are not burdening the respondent by asking for information they cannot provide. Some of the questions are added in order to fulfill our mission if an industry would like additional questions asked they would need to prepare a letter to NASS. At that point we would evaluate if the producers would be able to provide the information and determine what we would be able to publish, seek budgetary authority and OMB approval.

Attendee:

In the past you have talked about response rates. Have the response rates gone down and can you provide some insight into how much for crops and livestock?

NASS:

It is an area of concern for us. We have recently put together a task force to study the issue. We know that in certain sectors we have very high response rates and coverage. What we general say at this meeting is that any of you that use the data and have direct contact with producer organizations please speak to how you use this information and explain what value the information provides to you. We have a very positive relationship with producers for the most part but we can always use your support to sustain or increase response rates.

Attendee:

The corn crush data is very helpful is there a point at which the sorghum crush data will not be withheld?

NASS:

I know our friends at World Board would also like to see that information. We have disclosure issues that must be addressed before publication can occur. That is a very small piece of the crushing's report and we would like to publish it but not at a cost of disclosure to an individual operation.

Attendee: The industry arrives at an oil yield based on crushings and oil productions. Does your

survey ask about oil yields?

NASS: No, our survey asks about tons of beans crushed and 1,000 pounds of crude oil produced.

Attendee: Oil stocks as described in the report include crude on hand at the end of the month and

once refined on hand. Are there other categories that would add to this total such as oil at

bio diesel plants?

NASS: The survey does not ask further refined oil and bio diesel plants are not included in the

NASS surveys.

Attendee: Are the same questions being asked that were asked by the Census Bureau?

NASS: No, the Census Bureau had different items such as margarine. We worked with the

industry to standardize the questions so that each respondent had a clear definition of

what was being asked and could report in a more homogeneous way.

Attendee: In the past there was a spread between the Census data and the NOPA data based on what

was collected on the Census. Now the questions are a little different and there are no

questions asked about stocks on hand at a Bio Diesel plant. Is that correct?

NASS: Yes that is correct. When we collect information about bio diesel we ask about once

refined. Stocks stored at a bio diesel plant are further along than the once refined that we collect with the survey. In reference to NOPA, NASS includes all known companies that are crushing. NOPA doesn't include all companies. The majority of the time we are above NOPA numbers. We are working with the industry to make sure the data we

publish is reported accurately.

Attendee: I think NASS should stop doing crop condition ratings. I think we are having some

issues that with crop genetics these days that a road side look is not an accurate reflection of the crops condition. Specifically I think they are going too long in the season. In the October 5 release Minnesota was at 69 percent complete with bean harvest and my good

to excellent rating went up 3 points.

NASS: The policy we follow is that we will rate conditions until 50 percent of the crop is

harvested. As far as how people report we have always noted it is a subjective report based on guidelines we provide to reporters. One item to remember is that we use the same reporters each week and for a large part year to year. The numbers themselves are subjective but there is a lot of information in the week to week change, the previous

season, 5-year averages, etc.

Attendee: Would it be possible to only use the largest states and discontinue when they reach 50

percent? I think going down from 50 to 40 is a great idea.

NASS: We do it state by state so it's a question of which state is at what level. If your state is at

51 percent we no longer measure or ask that condition rating question but we continue with the states that are not at 50 percent. The table will continue to be in the report until

the national total is at 50 percent. The 40 percent is something we can take a look at.

Attendee: Did I understand correctly that even though the crop reporters go through training they

have flexibility in how the data is collected and who they collect it from?

NASS: We have a standard set of definitions that should be applied by all crop reporters equally.

As far as individual reporters, some may be driving the entire county for the week and basing their assessment on what they saw while others may not have been out of the

office and base their report based on what producers have told them.

Attendee: Is it correct that NASS doesn't use the crop condition rating in the crop estimate?

NASS: That is correct.

Attendee: Could you explain the non-disclosure rule that was reference earlier?

AMS: You need to have 3 participants provide data at least 50 percent of the time over the past

60 days. No single entity can provide more than 70 percent of the data and no single entity can be the sole provider of data more than 20 percent of the time. The same as

with NASS we are obligated to protect the confidentiality of those reporting.

Attendee: Doesn't NASS reference crop conditions multiple times in the crop production report and

isn't NASS looking at a lot of things not just farmer reported data and objective yield

data?

Attendee:

NASS: We use condition and progress information in how we interpret survey data. Farmer data

and objective yield data are the primary items used for forecasting but we have to use the crop conditions and ratings to interpret this data compared to last year. The survey data

is the primary source; however the other information helps to interpret the survey data.

In the 2012 Census the beginning farmer question along with spousal relationship were added. What additional items may be added in the 2017 Census and can we expect a

relationship variable between the 3 operators?

NASS: We expect to capture some additional information on veterans and also the expanded role

of women in agriculture. We also anticipate some additional questions related to farm

structure/operator arrangement types.

Attendee: This year the condition rating for corn fell to the upper 60s and stayed in the 67 to 69

percent range for the rest of the year. There were a couple of months where the weather was up and down but the ratings didn't change. Do you think producers really know what the condition of their crop is or could they just be relying on what the news media is

saying the condition is?

NASS: Early in the year we rely more heavily on what the producers tell us because for the

objective yield information you are just counting plants. As the year progresses and crops mature that you have ears that can be sent to the lab. We do include the number of objective yield samples that were processed through the lab to give some idea of how useful that information is. This also leads into an early topic about how we use the crop condition to help us determine how to weight some of the information. Knowing how far along the crop is helps us to interpret the objective yield information and how it compares to previous crops. There are some generalities to how much weight each piece of information is given but it all depends on the specific year and the weather impacts of the

growing season.

Attendee: The release date for the FSA data is the first of the month? How can you use the

information for the report if it is not released until after the report?

FSA: The FSA data is released 3 days after the crop report.

NASS: We access the information on a weekly basis from FSA. We track this all through the

growing season. NASS has a policy that says for rice, peanuts, cotton that the September Crop Report is when we will look at that data along with all survey data and determine if we need to make any planted acres changes. October 1 is when we look at Corn,

Soybeans, etc. When we looked at corn in October we were using FSA data from October. The data is not a month old that we are using it just has not been released by

FSA at the time of the crop report.

Attendee: Is there a set rule of how you use the FSA data in the WASDE report? A couple of years

ago you had a big revision based on FSA data and last year people were looking for

something similar based on the FSA data.

NASS: The FSA data is one piece of many that we evaluate when estimating acres. When all of

that data aligns you would see what appears as NASS following FSA numbers very closely because you don't see all of the other survey information that we look at. Some years it doesn't always align and point to the same level. An example of this was last year when you saw more deviation between the certified acres and the NASS forecast. Our survey information was providing us with details that didn't support the historic

relationship.

Attendee: When NASS receives the FSA data is that on a particular day of the week?

NASS: Generally speaking it is a fixed schedule, but we have the ability to get the data when we

need it. We typically sit down at the start of the year and create a schedule for accessing it. We want to be able to track it over time and having a schedule allows for comparisons

to previous years also.

Attendee: How does NASS in the objective yield survey handle zero yield plots? For example

when you get heavy rains and 20 percent of the field floods but the rest of the field looks

great.

NASS: The first thing we do is map out the field and we ask the producer if there is any area that

you don't plan to harvest. If 10 percent is flooded and the producer is accounting for it in his harvested acres, we would include that area (or zero yield) if it was located in the sample plot. If it was already defined as not being harvested then that area would be

excluded from the sample.