



2007 Dairy Producer Survey

Cooperating with Wisconsin Department of Agriculture, Trade and Consumer Protection

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July 2007

Survey Methodology

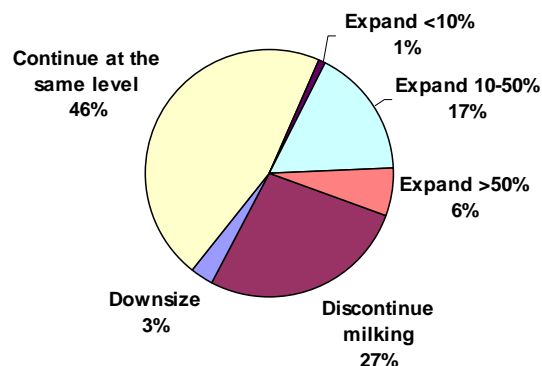
In April and May 2007, Wisconsin milk producers were asked to give input on their dairy operations. This was the third time in the last five years that dairy farmers were asked about current issues and the future of their operations.

A random sample of 3,000 dairy farms, stratified by six herd size categories, was selected. After two mailings, surveys were returned by 45 percent of these dairy farmers. Based on their herd size, data was expanded to account for all dairy operations in the state.

Future Plans and Investments

Nearly three quarters of current Wisconsin dairy farmers plan to be milking in 2012. Of the total milk producers, nearly half plan on keeping the same number of milk cows, while about a quarter will increase their herd size.

Dairy Producers' Plans for Next 5 Years, Wisconsin, 2007



Wisconsin dairy operations spent nearly one billion dollars on improving their dairy facilities over the last five years. (This amount does not include investments in cattle or land.) They plan on increasing their investments for new facilities and upgrades over the next five years by spending \$1.07 billion. Investments in dairy cow housing account for over half of the total for both time periods. The biggest increase in future investments versus past expenditures is in manure handling/storage facilities at \$222 million, up \$60.6 million. Herds with 100 or more milk cows plan on investing 84 percent of the total dollars in this category.

Investments in Dairy Facilities, by Herd Size, Wisconsin, 2003-2007

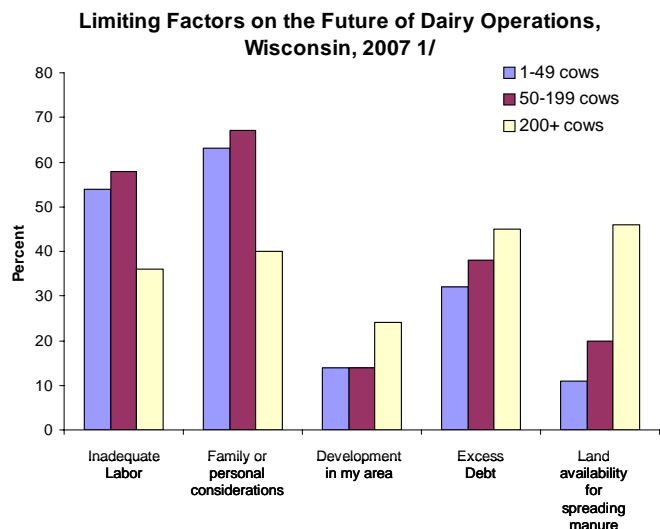
Herd size	Dairy cow housing	Feed handling/storage	Milking system	Manure handling/storage	Total
	1,000 Dollars				
1-29	6,500	4,210	2,090	2,410	15,210
30-49	13,740	20,740	14,810	13,580	62,870
50-99	86,300	44,890	31,390	31,210	193,790
100-199	119,270	30,580	48,080	26,080	224,010
200-499	125,800	25,440	43,320	25,260	219,820
500+	155,650	25,450	36,870	62,690	280,660
Total	507,260	151,310	176,560	161,230	996,360

Expected Investments in Dairy Facilities, by Herd Size, Wisconsin, 2008-2012

Herd size	Dairy cow housing	Feed handling/storage	Milking system	Manure handling/storage	Total
	1,000 Dollars				
1-29	2,210	1,620	1,220	1,370	6,420
30-49	30,390	8,560	4,950	6,680	50,580
50-99	64,800	26,420	29,540	26,950	147,710
100-199	70,980	30,160	38,080	34,300	173,520
200-499	178,400	28,780	55,250	66,030	328,460
500+	198,340	27,680	52,400	86,500	364,920
Total	545,120	123,220	181,440	221,830	1,071,610

About 3 percent of dairy operations with less than 100 cows produce organic milk. Another 1 percent, mainly in herds with fewer than 50 cows, plan on switching to organic milk production by 2012.

Respondents were asked about the most limiting factors on the future of their dairy operations. Results varied by herd size. Family and labor concerns were cited as the main limiting factors for the small (1-49 cows) and mid-size (50-199 cows) farms. The principle limiting factors for large herds (200 or more cows) were land availability for spreading manure and excess debt.



1/ Each respondent chose up to 3 factors.

Employment/Labor Issues

Dairy farmers were asked to report the number of hired workers, excluding family members and partners, employed on their farms during the past week. The question was asked in early spring to avoid including seasonal farm workers. There were a total of 12,680 hired workers on Wisconsin dairy farms during this period. On average, farms with 500 or more milk cows employed 14 workers, for a state total of 3,130 workers. The smallest farms, those with fewer than 200 milk cows, had an average of less than 1 worker per farm, for a state total of 6,150 workers. Mid-sized farms averaged 5 workers per farm, for a state total of 3,400 workers.

Survey responses indicated that milkers and general farm laborers received similar wages, depending on their level of experience. As expected, experienced workers earned more than their inexperienced counterparts. On average, relief milkers earned more than both regular milkers and general farm laborers.

Wage Rates for Farm Laborers on Dairy Farms, Wisconsin, 2007

Type of worker	Range of wages 1/	State averages
\$ per hour		
Milker		
Experienced	7.25-12.50	9.60
Inexperienced	6.00 - 9.50	7.75
General farm laborer		
Experienced	7.00-13.50	9.80
Inexperienced	6.00-10.00	7.80
Relief milker	7.25-20.00	11.35

1/Range includes 95 percent of values.

As herd sizes on Wisconsin farms continue to grow, dairy managers have become an important resource on which farm operators can rely. Most managers, including general dairy managers, parlor managers, herd managers, assistant herd managers, and lead feeders, worked between 54 and 57 hours per week. Calf managers averaged 44 hours per week. It was a fairly even split over whether managers were salaried or paid hourly. Herd managers had the highest average wages, while calf managers were generally the lowest paid managers.

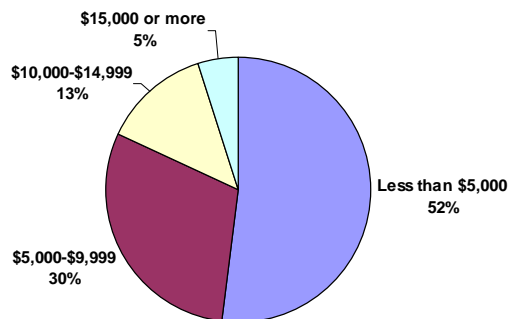
Wage Rates for Managers on Dairy Farms, Wisconsin, 2007

Type of manager	Range of wages 1/	Level of experience	
		< 5 years	5+ years
Dollars			
Salaried Managers			
\$ per year			
General dairy mgr.	22,000-70,000	37,600	42,180
Parlor manager	20,000-55,000	33,570	33,670
Herd manager	25,000-64,000	40,920	43,650
Assist. herd mgr.	18,000-45,000	31,170	35,110
Lead feeder	20,500-50,000	32,190	38,640
Calf manager	15,500-42,000	29,107	2/
Hourly Managers			
\$ per hour			
General dairy mgr.	7.00-16.50	10.65	11.35
Parlor manager	8.00-14.50	10.30	11.55
Herd manager	11.00-24.00	12.25	15.00
Assist. herd mgr.	8.00-13.75	10.70	11.30
Lead feeder	8.00-15.00	11.30	11.75
Calf manager	7.00-13.00	9.45	11.50

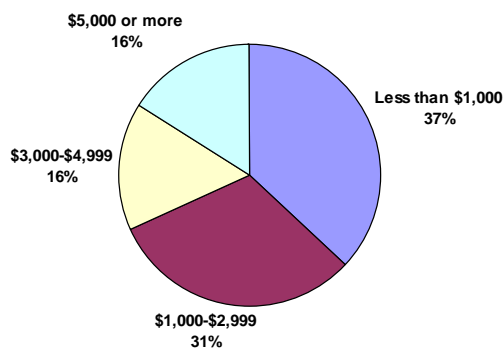
1/Range includes 95% of values. 2/5+ years of experience combined with < 5 years to avoid disclosing individual data.

Beyond wages and salaries, benefits constitute a valuable part of a worker's compensation. Almost half of managers had a benefit package valued at over \$5,000. The most common benefits given to managers were paid time off, bonuses, and health insurance. Two-thirds of the non-managers who were paid benefits received a package valued at \$1,000 or more. Non-managers most commonly received bonuses, paid time off, and housing. The value of benefits excludes government programs such as Social Security.

Average Value of Benefits Offered to Managers on Dairy Farms, Wisconsin, 2007



Average Value of Benefits Offered to Non-Managers on Dairy Farms, Wisconsin, 2007



Spanish-Speaking Employees

Workers who are native speakers of Spanish are becoming a large part of the workforce on many dairy farms. As of spring 2007, Spanish speakers made up one-third of the hired workers on Wisconsin's dairies. Of these workers, 45 percent spoke almost no English. It is, therefore, no surprise that 47 percent of their employers indicated that they would like to have English classes available for these workers. Immigration issues were also of concern, as 62 percent of employers of Spanish speakers reported the need for help in this area. Just over one-quarter, 26 percent, indicated the need for interpreters, and 26 percent also desired Spanish classes for employers.

Number of Spanish-Speaking Employees on Dairy Farms, by Herd Size, Wisconsin, 2007

Herd size	Total	Speak almost no English	Speak some English	Speak English well
1-199	900	51	37	12
200-499	1,400	37	43	20
500+	1,920	48	33	19
Total	4,220	45	37	18

Wiring and Energy Issues

Dairy producers selected for the survey were asked about electrical issues, including the age of wiring on their farms. To help detect and solve electrical issues on their operations, some farmers have participated in stray voltage testing, the Rewiring or Safety First Programs, and/or energy audits.

Age of Wiring on Dairy Farms, by Herd Size, Wisconsin, 2007

Herd size	0-9 years	10-19 years	20-29 years	30 or more years
1-29	11	19	34	36
30-49	10	21	28	41
50-99	15	26	30	29
100-199	27	28	33	12
200-499	53	28	13	6
500+	64	34	2	0
Total	18	25	29	28

When asked about their knowledge of services available to dairy farmers, 79 percent of the respondents said they were aware of the availability of stray voltage testing. This was followed by 64 percent of Wisconsin dairy producers who knew that Rewiring or Safety First Programs were available. The awareness rate for energy audit availability was 61 percent. Producers in the larger size groups tended to be more aware of these programs.

There were 14 percent of Wisconsin dairy producers who participated in a Rewiring or Safety First Program. Of these participants, 88 percent were satisfied with the program and recommended actions. Of the ten percent of Wisconsin dairy producers who reported having an energy audit, 85 percent were satisfied with the audit and recommended actions.

Stray Voltage Concern and Testing on Dairy Farms,
by Herd Size, Wisconsin, 2007

Herd size	Producers concerned about stray voltage	Farms tested for stray voltage in last 5 yrs
	Percent	
1-29	56	50
30-49	55	44
50-99	61	53
100-199	70	69
200-499	70	74
500+	69	87
Total	61	55

Stray voltage continues to be a concern on Wisconsin dairy farms. Respondents were asked questions on their concern, testing schedules, and results of recent stray voltage tests. Producers with larger herds tested more often for stray voltage.

Stray Voltage Test Schedules on Dairy Farms, by Herd Size, Wisconsin, 2007

Herd size	At least once every 2 years	Once every 3 to 5 years	As needed	Never tested
	Percent			
1-29	0	6	36	58
30-49	7	6	49	38
50-99	8	15	48	29
100-199	13	24	44	19
200-499	19	23	45	13
500+	47	19	24	10
Total	9	13	46	32

Thank you to all the milk producers who answered this survey. Your input is vital to show policy makers and industry people the current concerns of Wisconsin dairy farmers.

Additional results can be found on our website:
<http://www.nass.usda.gov/wi/>

Stray Voltage Test Results on Dairy Farms, by Herd Size, Wisconsin, 2007 1/

Herd size	Stray voltage or other electrical system problems detected	Satisfied with test results and recommended actions	Satisfied with services received based on stray voltage test
	Percent		
1-29	27	100	100
30-49	28	80	71
50-99	32	81	82
100-199	30	86	84
200-499	35	75	77
500+	40	75	70
Total	31	82	80

1/For those who had their electric company perform a stray voltage test in the last 5 years.