

U.S. milk production cash costs and returns, per cwt, 1993-1999

Item	1993	1994	1995	1996	1997	1998	1999
Dollars per cwt							
Gross value of production:							
Milk	12.78	12.99	12.80	14.78	13.43	15.51	14.39
Cattle	1.08	1.00	0.87	0.78	0.85	0.83	0.90
Other income 1/	0.49	0.51	0.60	0.61	0.59	0.55	0.54
Total, gross value of production	14.35	14.50	14.27	16.17	14.87	16.89	15.83
Cash expenses:							
Feed—							
Concentrates	3.58	3.69	3.51	4.09	4.42	4.00	3.70
By-products	0.21	0.21	0.21	0.21	0.23	0.23	0.23
Liquid whey	0.10	0.11	0.12	0.13	0.13	0.14	0.10
Hay	1.59	1.63	1.45	1.60	1.82	1.60	1.43
Stilage	1.43	1.41	1.25	1.37	1.68	1.43	1.27
Pasture and other forage	0.11	0.12	0.12	0.13	0.12	0.11	0.10
Total feed costs	7.02	7.17	6.96	7.53	8.40	7.51	6.83
Other—							
Hauling	0.40	0.45	0.46	0.44	0.45	0.45	0.48
Artificial insemination	0.13	0.15	0.15	0.14	0.15	0.15	0.15
Veterinary and medicine	0.34	0.38	0.38	0.36	0.39	0.38	0.40
Bedding and litter	0.20	0.23	0.24	0.23	0.25	0.25	0.25
Marketing	0.33	0.37	0.38	0.36	0.37	0.37	0.38
Custom services and supplies	0.39	0.43	0.43	0.42	0.43	0.43	0.44
Fuel, lube, and electricity	0.50	0.49	0.49	0.53	0.53	0.49	0.49
Repairs	0.71	0.76	0.78	0.76	0.83	0.85	0.87
Hired labor	0.59	0.67	0.64	0.82	0.59	0.57	0.55
DHIA fees	0.07	0.08	0.08	0.07	0.08	0.08	0.08
Dairy assessment 1/	0.14	0.17	0.16	0.03	0.00	0.00	0.00
Total, variable cash expenses	10.91	11.35	10.85	11.49	12.47	11.54	10.90
General farm overhead	0.47	0.52	0.54	0.53	0.60	0.62	0.60
Taxes and insurance	0.26	0.28	0.29	0.33	0.32	0.36	0.31
Interest	0.72	0.74	0.63	0.85	0.83	0.95	0.96
Total, fixed cash expenses	1.45	1.55	1.56	1.71	1.75	1.93	1.86
Total, cash expenses	12.38	12.90	12.51	13.20	14.22	13.47	12.79
Gross value of production less cash expenses	1.99	1.60	1.76	2.97	0.65	3.42	3.04

U.S. milk production economic costs and returns, per cwt, 1993-2000

Item	1993	1994	1995	1996	1997	1998	1999
Dollars per cwt							
Gross value of production:							
Milk	12.78	12.99	12.80	14.78	13.43	15.51	14.39
Cattle	1.08	1.00	0.87	0.78	0.85	0.83	0.90
Other income 1/	0.49	0.51	0.60	0.61	0.59	0.55	0.54
Total, gross value of production	14.35	14.50	14.27	16.17	14.87	16.89	15.83
Economic (full ownership) costs:							
Variable cash expenses	10.91	11.35	10.85	11.49	12.47	11.54	10.90
General farm overhead	0.47	0.52	0.54	0.53	0.60	0.62	0.60
Taxes and insurance	0.26	0.28	0.29	0.33	0.32	0.36	0.31
Capital replacement	1.84	2.03	2.07	2.01	2.15	2.10	2.16
Operating capital	0.06	0.08	0.10	0.10	0.11	0.10	0.09
Other nonland capital	0.86	0.92	0.94	0.87	0.99	0.87	0.85
Land	0.01	0.00	0.01	0.00	0.00	0.01	0.01
Unpaid labor	1.27	1.29	1.85	1.80	1.73	1.85	1.59
Total, economic costs	15.76	16.49	16.55	17.13	18.37	17.25	16.53
Residual returns to management and risk	-1.43	-1.99	-2.38	-0.96	-3.50	-0.35	-0.70

1/ Includes the dairy's share of receipts from cooperative patronage dividends, assessment refunds, renting or leasing of dairy animals, the value of manure as a fertilizer, and insurance indemnity payments.

