



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

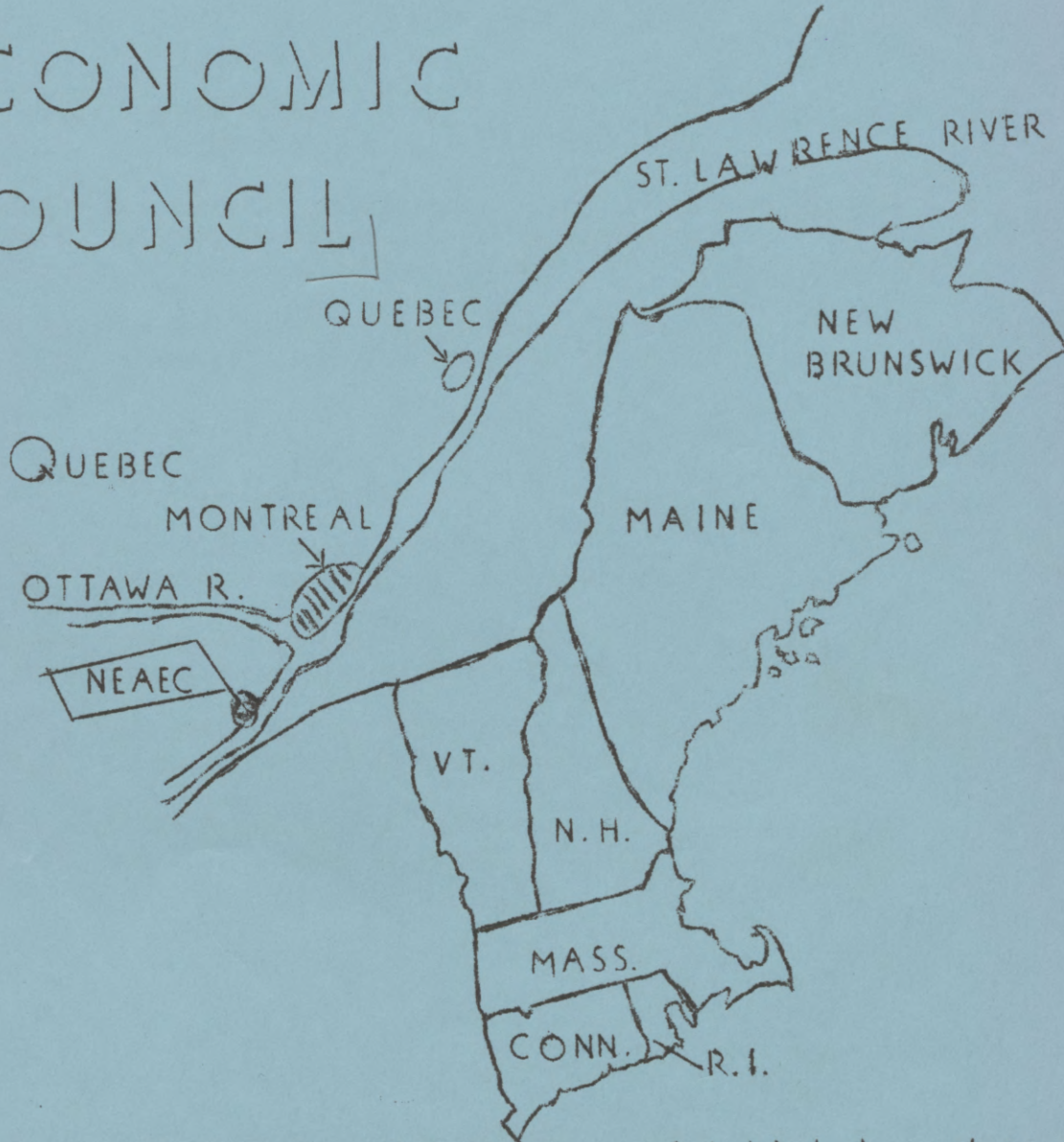
*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

0 2 a (pl)

NEW ENGLAND AGRICULTURAL ECONOMIC COUNCIL

GIANNINI FOUNDATION OF
AGRICULTURAL ECONOMICS
LIBRARY

JUL 18 1961



PROCEEDINGS, JUNE 1960

AT
MACDONALD COLLEGE - MCGILL UNIVERSITY
STE. ANNE DE BELLEVUE, MONTREAL, QUEBEC, CANADA

EXTENSION APPROACH IN DAIRY HOUSING PROBLEMS

L. M. Vaughan
Federal Extension Service, USDA

I would like to discuss this subject by addressing my remarks to three major questions:

- I. What is the situation facing dairy farmers that makes housing a key economic problem?
- II. What are some characteristics of the situation that should be considered in an educational approach to the problem?
- III. What are the steps that Extension should take in developing a comprehensive and effective program to meet the situation?

I.

Situation Facing Dairymen

The dairy industry of the Northeast is located in close proximity to an expanding market. With this growing nearby market and an economy supported by federal marketing orders, producer bargaining associations, cooperatively owned farm supply firms, and ample credit facilities you have a comparatively stable and attractive business environment for the individual producer. Much progress has been made over the years in creating conditions favorable to the maintenance of the family owned and operated dairy farm.

This does not mean that there are no marketing problems. There have been plenty and there will be more -- particularly concerning price and supply relations between markets and between regions. We can have assurance, however, that through the structure and procedure set up for meeting such problems, satisfactory solutions will be developed.

The point I wish to make is that dairying is one of the few farming enterprises in which the individual producer, without a contract, knows reasonably well what his product will sell for, and that he will have a market for what he produces as long as he meets the market requirements. As an individual he can concentrate on being an efficient producer.

In spite of this relatively high degree of market security and individual freedom, most dairymen of the Northeast feel anything but secure. To them, the situation looks like an endless struggle for survival. The price of most items that go into production has been rising constantly. The costs of living for farm families have been increasing the same as for other families. The price paid to the farmer for milk, however, has remained comparatively constant for over a decade. Dairymen are well aware of what economists refer to as a cost-price squeeze.

What makes the matter worse for some dairymen is the fact that it has been possible for other dairymen to make adjustments in their farming operations which have more than offset the rising costs. The past decade has been a period of great potential for adjustment through mechanization and new technology. When combined with the necessity for adjustment because of rising costs, a situation of unusually rapid change and intense competition between individuals has been created.

In response to these conditions many dairymen have produced more forage of better quality, mechanized their harvesting operations, modernized their barns, installed labor saving equipment, improved the quality of animals, and added to the number of cows milked and acres farmed.

At that same time, other dairymen have reduced their farming operations and supplemented income from off-farm sources, or have left the farm entirely for non-farm employment. Fewer farmers are now producing more milk at essentially the same price in spite of rising costs.

The situation facing the farmer has been and will continue to be one of constant adjustment to continuously changing conditions. It is not possible to stand still in this race for survival. You either meet the conditions of larger volume, higher rates of production, and greater efficiency or you move out. The price of milk is not likely to change very much as long as the potential for adjustment exists and farmers are free to make the changes which will result in a more profitable business and provide all the milk the market needs.

It is generally accepted that the small dairy farm, of less than 20 to 25 cows for example, has little chance of surviving unless an operator is willing to accept a low standard of living, or can supplement his farm earnings with income from other sources.

It is also understandable that as automation continues on the larger, more productive, and better located farms there will be other farms where distance from market, soil productivity, and condition of buildings are such as to make them relatively less profitable to operate in the years ahead.

It will not be easy for many dairymen to decide whether they should make the investment to stay in business and compete on whatever terms seem to be required; or whether to do only what is necessary to cover cash operating costs and not worry about the future; or whether to quit farming now and turn to some other occupation. A decision as to which of these courses will be taken is basic to all others.

For those who decide on expansion to meet the conditions of the future, buildings become a key item in determining the size and efficiency of the entire business.

A high percentage of the work on a dairy farm in the Northeast is performed in an around buildings. It will be even higher on the dairy farm of the future. On many of these farms the efficiencies in milking and caring for a dairy herd are not on a par with the efficiencies that have been developed in the cropping program.

This is the setting in which we approach the building problem. It is not something that can be considered without relationship to the rest of the business or without regard to the future of the farm. What is done with the buildings, however, becomes such a vital factor in the future success of the business that it warrants specific attention. Buildings have actually become the "governor" that determines the volume and efficiency of the business.

As it is not the purpose of this paper to go into details, or into subject matter as such, I will now turn to a consideration of my second general question -- What are some characteristics of the situation that should be considered in an educational approach to the problem?

II

Some Educational Considerations

It has always seemed important to me, in sizing up what can be done through an educational approach to any problem, that you carefully consider the nature of the problem, the purpose to be accomplished through education, and the kind of subject matter needed. I will comment briefly on five points that are particularly appropriate in connection with dairy housing.

1. Conditions are rapidly changing. There probably never was an area in which changes are taking place any more rapidly than in the dairy housing picture. It is difficult enough to evaluate alternatives on the basis of what is now known, but in the case of housing you need to give equal thought to what is likely to develop within a very few years.

While a dairyman cannot delay making changes now, he should be looking ahead to the probability of further change because of new developments in equipment and technology that are sure to come.

From an educational standpoint this introduces an element of caution in dealing with what we have to offer. We should openly admit that what looks best today may look quite different tomorrow. We need to stress flexibility as a key item in a farmer's plans. Wherever possible he should leave the door open for further expansion or adjustment at a minimum cost, and avoid construction that limits his future opportunities for change. It becomes questionable as to whether a building that will last 50 years or more is any longer an asset. Some of the values attributed to durability, appearance, and length of life, are being challenged by the values resulting from greater operating efficiency, lower investment, flexibility in use, and ease of conversion or expansion.

2. Building adjustments involve large capital outlay. In a sense, when you make a major investment in new buildings on a farm it is like buying the farm all over again. It usually requires long-time financing that must be paid out of annual earnings over a period of years. The investment is seldom limited to the building itself. The primary purpose of the improvement is to permit an enlargement of the business, and so the money needed for additional livestock and equipment must be considered at the same time and as a part of the same adjustment.

One of the first requirements, therefore, in an educational approach is to recognize that buildings are but a means to an end. They must be planned in accordance with the needs of the business and the ability of the business to pay for them. We have plenty of examples in the Northeast where outmoded buildings are real handicaps to successful farm operation. We also have plenty of examples where expensively constructed buildings have placed a financial burden on the business above what it can carry.

Likewise, any proposal for automation in a dairy barn must be considered in conjunction with the other adjustments necessary to make it pay. Because of the inability to reduce the regular labor force on dairy farms, very few of the mechanical innovations installed will pay, unless the labor saved is used to enlarge the business. Some individuals may justify such expenditures because it makes the work easier, holds a good hired man, or interests a son in becoming a business partner. These are worthy objectives, but even in these situations the price being paid for such gains should be recognized.

3. Guidance is needed more than motivation. During the past decade, large sums of money have been invested by farmers in attempts to mechanize their dairy operations. Mechanical gutter cleaners, silo unloaders, bulk milk tanks, and pipe line milkers are examples of some of the more important. Along with equipment of this kind for conventional barns have come major changes in the whole dairy housing and milking system. Loose housing, milking parlors, trench silos, and forage bunkers now constitute an entirely new system of housing and handling dairy cows on many farms.

The situation has changed so fast, and the innovations have been so revolutionary that many dairymen are confused as to how to evaluate their alternatives. But this has not kept them from making changes. They are being made rapidly and many on the basis of limited knowledge, initiated by the pressures that dictate change in order to stay in business, stimulated by a desire to keep up with what others are doing, and encouraged by the abilities of a good salesman.

The point I wish to make from an educational standpoint is that guidance in this situation is much more important than motivation. Farmers are on the move and we should be trying to help them arrive at sound decisions. It is not a situation in which a specialist (whether in engineering, dairy, or farm management) should be concerned about promoting anything, and thereby "improving his percentage of accepted ideas." He should take more seriously, however, his role in "developing a fuller and better understanding of choices." In this latter area lies our best chance for taking leadership in serving farmers on their housing problems.

4. Every farm situation will be different. In a problem of this kind there is a limit to what can be done through the mass media of publications, meetings, magazine articles, field trips, etc. Or perhaps it would be more accurate to say that after all is done to get the latest information to farmers, the job will not be complete until some way is found to apply such information to the individual farm.

The real need for many farmers is on-the-farm educational assistance of a personal nature. There will be differences in age of operator, managerial ability, financial position, family labor, condition of buildings, quality of the land, and many other similar factors. No general recommendations can be made, but through an intensive personal type of assistance a great deal of help can be given to a farmer, -- in sizing up his situation with a fuller understanding of what is involved, -- in considering various alternatives, and what each has to offer, -- and in making a decision that seems best for the business and the family.

If we lose status as a source for counseling on business decisions it will be a real set back to effective Extension work.

5. A wide variety of technical and economic information must be related and applied. An application of all pertinent subject matter related to a specific problem makes sense to the man who has the problem. Our usual approach in Extension, however, is to provide it in segments centered around the professional nature of the material, -- namely, publications that have to do with the construction of farm buildings, by engineers; publications on milking systems and housing arrangements, by dairy technologists; publications on the operating costs of a new piece of equipment, by economists; and publications on alternative methods of harvesting and storing hay, by agronomists.

When a dairyman has decided what to do and is looking for information on how to do it, these technical publications prepared within a disciplinary area are probably what he wants. Even these could be improved by more consultation between disciplines, and more working together across State lines.

For the dairyman who has not yet decided what he should do and is looking for information on why and when and how much, there is a real void in our educational materials. It is in this area in particular that the engineer, dairy technologist, and economist need to get together and clear their thinking on how to be of more assistance.

III

Developing a Program

The third general question raised was "what are the steps that Extension should take in developing a comprehensive and effective program to meet the situation?" This is a matter for administrative decision by each State extension service and not one on which I can speak authoritatively for anyone. It may be helpful, however, to point out a few of the key elements of such a program that are being considered by the States, and comment on some activities that are under way on a regional basis in the Northeast.

1. Getting together on the basic facts and interpretations. The starting point of any educational program is to have the best and most complete information available, thoroughly understand what it means, and be able to interpret it to those who need it. The strength of any program lies in the soundness and completeness of the subject matter being used.

By getting together I mean that engineers, dairy specialists, and economists need to clear and talk over more of their findings and conclusions with each other. And there could be more exchange of ideas between States in the preparation stage of publications.

The housing problems of a dairyman in Vermont are not greatly different from those in other parts of New England or up-State New York; or the problems of a "southern tier" dairyman in New York from those of a "northern tier" dairyman in Pennsylvania. We should capitalize on the research available from several institutions and the experience of a larger number of farmers operating under slightly different conditions. Any attempt to prepare publications that can be used in a number of States has value in itself, because it forces agreement on controversial points and recognizes obvious differences in conditions.

It was this need for a better coordination and interpretation of basic facts that prompted the Northeast Directors of Extension to appoint a regional dairy housing and milk handling committee in August, 1958. The stated purpose of this committee is "... to bring together and coordinate the information and techniques available in the several disciplines concerned with dairy housing and milk handling and help extension workers interpret them so they can be of greatest assistance to dairymen."

At present, the committee is active in clearing information with the States for a series of four publications covering stanchion barns, loose housing, milking systems, and young-stock housing. These publications will be reviewed by all States and published by one State for purchase at cost by the other States. Bulletins used in any State may carry their own State identification, if desired.

The committee also hopes to develop a regional publication that will go into the why, when and how much aspects of the dairy housing problem. This may be developed for use with county agents, or it may take on a popular style for use by farmers, or both.

A third body of educational material, being developed for regional use, is that of the Hood Dairy Foundation, based on the work they have done in New England under their dairy housing project. The Foundation is now preparing a set of slides showing some of the recent housing installations, with notes to explain the reasoning back of each. A brochure on loose housing which documents their experience and the reactions of farmers will also be made available, along with plans and layouts for different arrangements. These educational materials will enable county agents and specialists to take actual farmer experience to groups of farmers in all parts of the Northeast.

2. Organizing a local educational service for individual dairymen. One of the major decisions faced by each State extension service is what to do and how far to go in counseling with individual farmers. Much is already being done along this line as a part of the over-all management assistance provided by county agents. But apparently this is not meeting the needs of many dairymen faced with immediate problems of a specific nature.

There is keen interest expressed by farmers in New England in wanting to know about the loose housing system. Trips are being made by dairymen to observe recent installations and to talk with farmers about their experiences. This will inevitably lead to requests for what some may consider a personal service. For example, a dairyman will want someone from Extension to come out and study his problem, help him decide what he ought to do on his farm and actually work out a plan for making the changes needed, at least to the point where such a plan can be used with a credit agency or a local contractor, or both.

This type of service can be an educational experience for a farmer, depending on how you go about it and where you draw the line. The real problem of Extension is how to train and equip persons competent to provide the assistance needed, and how to adjust its workload to find time for it.

We must admit that our present "department-county" approach, with specific subject-matter interests dominating State programs and a wide diversity of interests dominating local programs, doesn't fit the situation. Specialization is necessary -- not in a specific area of subject matter, nor in an intimate knowledge of local conditions, but in the problem itself of dairy housing. A competent person to work intensively with dairymen on their housing problems would be one who can look at the problem not just from an engineering, or technical, or economic point of view, but from the point of view of a farmer who is making a major business decision that involves all these considerations -- a person who specializes in dairy housing, and stays close enough to it so that he can become qualified to assist top farmers.

Such a person could be an experienced county agent whose services should be made available across county lines; or it might be a specialist who has worked closely with the several departments involved, and who can be made available to work across subject-matter lines on a problem area basis. I don't know the answer, but I sense the need of moving in this direction if we are to maintain status in the minds of farmers.

3. Working with and encouraging commercial planning and construction services in the dairy housing field. As a publicly supported educational agency we cannot stop with the two functions of providing information to farmers, and applying it to individual situations. It has always been one of the educational responsibilities of the extension services to help establish local facilities and services needed to carry out desirable adjustments in farming. The dairy housing field is a wide open area for an expansion of such facilities and services, as the number of local firms in a position to contract with farmers for the needed assistance is limited.

One example of this on a regional basis is the Dairy Automation Service recently established by the Cooperative G.L.F. Exchange, Inc. of Ithaca, New York. Through consultation with a local G.L.F. man, arrangements can be made for a technician to visit the farm. He can answer specific questions, make rough sketches and give approximate costs for making the changes desired. If the farmer decides to go ahead, G.L.F. will draw up detailed layouts and make a bid offer for the complete job. There are similar services available from implement companies, building supply firms, and local contractors.

An important phase of Extension's dairy housing program, therefore, should be to work closely, in an educational way, with the servicemen of such firms, in the same way that we have worked on a farmer's financial problems with credit representatives, tax consultants, insurance agents, and legal profession.

In some cases, it may be necessary to help develop the needed local contracting services in the dairy housing field before you have a group with whom to work.

4. Keeping professionally competent through a continuous study of research findings and farmer experience. New information that has a bearing on the dairy housing problem is becoming available daily -- from agricultural experiment stations, from the research laboratories of commercial firms, and from the experience of leading farmers. Any effective extension program, particularly in a fast-moving situation like dairy housing, must provide the time and means for keeping its personnel informed as to what is going on.

Opportunity to read and interpret new literature on the subject, attendance at meetings of commercial concerns, follow-up contacts concerning specific developments, organized surveys of what farmers are doing and how it is working out, personal visits to farmers who are taking leadership in trying out new things, and State and regional workshops of the professional people concerned, are all essential parts of the program.

The only point in mentioning this specifically is because it is vital to maintain a proper balance between the functions of assembling facts and using them. Service research, as some prefer to call it to distinguish it from basic research, is a definite part of extension work. It is particularly significant in the dairy housing field, and time must be provided for it if one is to remain professionally competent.

Summary

If I were asked to compress into one sentence what I have tried to say about Extension's approach in dairy housing problems, it might read like this:

The State extension services of the Northeast, based on a careful analysis of the situation facing dairymen, and a recognition that conditions are changing rapidly, that building adjustments involve large capital outlay, that each farm situation will be unique, and that guidance is needed more than motivation, have made a start toward strengthening their approach (1) by getting together on the basic facts and interpretations, (2) by placing more emphasis on local assistance to individual dairymen, (3) by encouraging the development of commercial services in the housing field, and (4) by making the studies necessary to keep Extension in a position of leadership.