
Some Aspects of Central Oklahoma's Changing Dairy Industry

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INTRODUCTION

The years immediately following the termination of World War II marked the beginning of an important change in central Oklahoma's dairy industry. The small, dispersed, prewar activity consisting primarily of family-sized operations began a gradual shift to a more highly mechanized and more rigidly organized enterprise. This transition, which is still progressing slowly, involves trends which are not necessarily unique to Oklahoma nor to the dairy industry, but in many instances are typical of modern American agriculture in various areas of the United States. On the other hand, part of the basis for the present conditions, while not wholly unlike other areas of the country, might be said to be Oklahoma's own.

It is the purpose of this paper to point out and to analyze some of the factors associated with this change and the effect they have had on the dairy industry in the Oklahoma City milkshed. The area under consideration is difficult to delimit; however, a generalization can be made by stating that the milkshed constitutes that area from which Oklahoma City draws its fresh milk supply, and it can be arbitrarily bounded by the location and distribution of dairy farmers who are members of the Central Oklahoma Milk Producers Association (see Fig. 1).

THE PHYSICAL SETTING

The elements of the physical environment create the setting for the industry and exert a certain limiting influence over many aspects of dairying within the region. First, the distribution of dairy farms within the milkshed is partially in response to the spatial variations of soil, vegetation, topographic, and climatic patterns. The Oklahoma City milkshed is situated in a part of the United States where dairying is not the dominant agricultural activity and, so, the competition for land is much greater than in areas where dairying occupies a higher status in the economic hierarchy. Therefore, dairying in the Oklahoma City milkshed is delegated, almost exclusively, the poorer land which is not suitable for cultivation.

The variation of these physical factors from place to place has contributed significantly to the development of two differently oriented areas. The southeast, with its broken topography, poor soils, humid climate, and comparatively lush vegetation, provides a combination of conditions which are economically more suitable for dairying than other types of agriculture in the milkshed. This area—locally called the "Blackjack region"—is the area of heaviest dairy farm concentration, whereas the more level land, better soils, and more limited amount of rainfall in the northwest section of the milkshed provide conditions economically more feasible for raising wheat. For dairying to exist on the better land, it must be able to produce enough milk in relation to the fixed investment to displace the

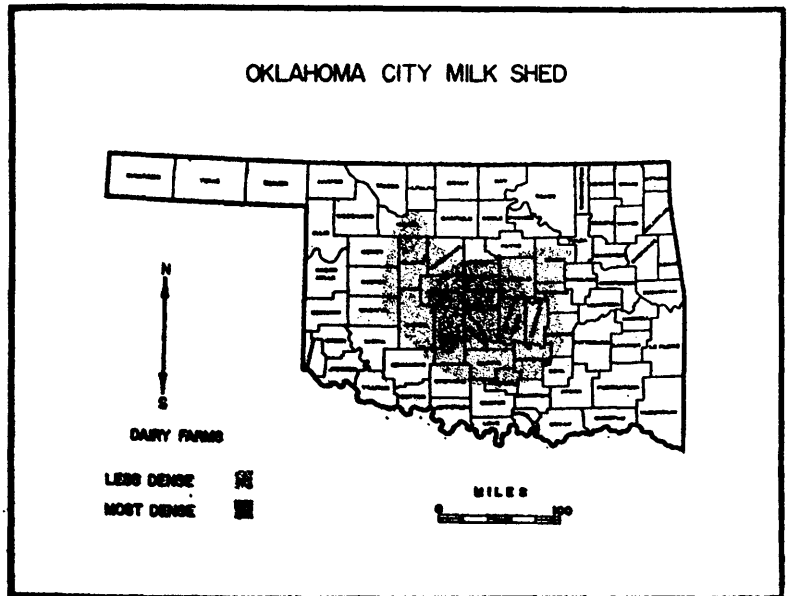


Figure 1

ucrative cash grain crops. As a result, many of the dairy farms in this section of the milkshed are, for the most part, concentrated in and around Oklahoma City where proximity to market permits competition with grain farming.

THE CENTRAL OKLAHOMA MILK PRODUCERS ASSOCIATION (COMPA)

Working within this pattern of spatial variation of dairying has been the Central Oklahoma Milk Producers Association (COMPA). This cooperative, which came into existence following World War II, has contributed a great deal toward stabilizing and shaping the growth of the dairy industry, which is expanding in response to the increasing urban population.

Prior to the war, the dairy industry in Central Oklahoma was small, and widely dispersed. Moreover, it was unorganized and provided a somewhat chaotic supply system with alternating periods of surpluses and deficiencies. Prices rose and fell in response to these fluctuations, and the processors could not always guarantee the farmer a market for his milk. To further complicate matters, farms which specialized in milk production were not numerous and large quantities of milk sold on the market came from mixed farms where milk was only one of many products produced.

Following the successful organization of a producer's cooperative, these problems and others which plagued the dairy industry were eliminated. Specifically, COMPA gave the dairy farmers a means of collectively meeting and solving their problems. It provided a medium for representing the farmer's interests, particularly in their relations with the processors.

The Cooperative has taken on the responsibility of guaranteeing its members a market even in times of surplus production. This has been accomplished mainly by trucking the excess milk to markets outside the milkshed.

Moreover, organization has expedited the modernization of the dairy industry through mechanization, improved techniques and specialization. In addition, membership also provides such benefits as allocations from the revolving fund, feed for livestock acquired by COMPA from outside the state in times of feed shortages, and bank loans. Also, the farmer has reaped the profits of an increasing production and a larger income as a result of improvements made in his operation.

Despite these benefits of organization, there is also a negative side from the farmer's point of view. The biggest complaint of the individual farmer is that he has essentially been forced by the Cooperative to invest in modern machinery and to practice improved technology in order to meet the demands of a growing market and to remain a member of COMPA. Membership in the Cooperative is not required, but the individual farmer cannot afford to remain a nonmember. Nonmembers can have their milk picked up by COMPA trucks at fixed distance rates, but since the Association will handle only bulk tank milk, he might just as well be a member since most of the farmers' objections to belonging to COMPA stem from the capital outlay for modernizing their operation. True, the farmer may haul his own milk to market, but it requires time and necessitates the use of the old-fashioned milk can. The use of the can limits his market. Most of the processing plants refuse to handle the can at all and even those that will tend to rely on COMPA as their first source of supply, thus leaving the nonmember without a market during periods of surpluses.

MODERNIZATION

One of the problems faced by the Oklahoma dairy farmer has been the need to increase the efficiency and modernize his operation through

increased mechanization. This has been accomplished in part by the use of the bulk tank which has, in many cases, been forced on the dairy farmer by COMPA.

The introduction of the bulk storage tank is probably, to date, the biggest step toward increasing efficiency in dairying through mechanization within the Oklahoma City milkshed. It not only saves time and labor, but it also insures better quality milk by reducing chances of spoilage.

The first bulk storage tanks were installed in the Oklahoma City milkshed in the Spring of 1955. Since that time, the use of the bulk tank by dairymen in that area has increased rapidly. Early in 1961 it was reported that bulk tank ownership has been extended to 100% of the membership. This would mean that nearly all the commercial milk producers in the region now own bulk tanks.

By accepting only tank-stored milk, the Association hopes to insure the installation of bulk tanks by all dairymen. In this sense, COMPA is forcing the installation of the bulk tank and to many dairy farmers the initial cost of installation is a heavy financial burden. However, in the long run, the farmer profits because it is less expensive than hauling his own milk to market.

Some farmers are adopting the pipeline milker in conjunction with the bulk tank. This method has some obvious sanitary advantages and conserves a great deal of time and energy, but it also requires additional investment. The installation of this mechanism is strictly a choice of the individual farmer. Therefore, the number of pipeline milkers that have been installed are few.

LABOR

Labor plays a very significant role in the Central Oklahoma dairying industry. Labor is instrumental in determining to what extent a dairyman can expand and, at the present time, the labor factor is keeping many from growing in size as they would wish. The hours on a dairy farm are long and arduous, and this is one of the many drawbacks which makes competition for labor difficult on Oklahoma dairy farms. Dairying is a seven-day-a-week occupation, with long working days beginning in the early morning and stretching well into the evening. Most men prefer to find a job which requires them to work only an eight-hour day or a forty-hour week rather than to be "tied down" as a dairyhand. This is especially true of the younger, single men who desire a great deal of free time, especially at those times when they would be most needed. "Good hours" on the dairy farm are not possible under existing conditions, and the closer the farm is to a large industrial center, the more difficult it becomes to acquire sufficient labor since more attractive jobs are available in industry.

The average wage paid to the hired hand by the Oklahoma dairy farmer is not high, averaging very close to the Federal minimum wage on an hourly basis, and annually takes into account the value of housing and other benefits provided. Housing and board are sometimes furnished by the farmer on the larger farms. Thus, the wage paid to the dairyhand is not an outstanding attraction. But there may be a solution to the labor problem, depending on the attitude of the dairy farmer himself.

Several years ago, the Dairy Department of Oklahoma State University proposed a program for training dairyhands which could have answered many of the farmer's labor problems. The program was to consist of a short, three-week course on dairying, followed by a period of internship on a large, efficient dairy farm. However, the program has not worked out as anticipated.

The main obstacle to the program is the attitude of the dairy farmers toward hired help. First, the dairymen are very suspicious of any type of hired help and are very hesitant about employing a man. Second, they are not adjusted to the idea of permitting trainees, in the process of learning the business, to serve an internship on their farms. Third, most farmers indicate a desire to maintain a family operation rather than to expand by taking a chance with hired labor. Finally, the main objection to trained help is that such trained employees would think of themselves as specialists. The farmer wants an all-purpose man to work with the cows, to work in the fields, and to do any other type of work necessary around the place. Thus, the idea of hiring a specialist who would work only with milk production on the farm seems unacceptable to most Oklahoma dairymen.

The amount of hired labor employed in the Oklahoma City milkshed is not really extensive. The writer estimates that, at most, about 20% of the farms in the milkshed employ labor in addition to that supplied by the family. It may be some time before labor conditions change on Central Oklahoma dairy farms; the present problems of labor do present a challenge that the ambitious dairyman must solve. In dairying, as in so many other types of economic activity, remaining small may well be fighting progress.

TRENDS

Despite the labor problems, the number of dairy farms is decreasing, and the remaining farms are growing larger. Many of the "little fellows" are being forced out of dairying, but they are finding that they can fill a new role, that of supplying feed to the dairy specialists. Even the land utilization practices on dairy farms are changing. Farmers have already started to discard such practices as the raising of their own feed grains, silage crops, and replacements for the dairy herd in favor of specialized milk production. This trend is now only in the initial stages and not very widespread. The farmer in Central Oklahoma is not going so far as to eliminate all of his secondary land uses abruptly. He may discontinue them one at a time as the necessity for increased milk production arises. It is conceivable that in the future many of the larger, more efficient dairy farm operators will be concerned exclusively with milk production and will rely on others to supply their necessities.

Thus, a trend toward specialized milk production is evident, but it will be a long time before the majority of the dairy farms in the milkshed are producing only milk. However, dairying in Central Oklahoma is becoming a more important part of the rural economy of the region, but it is not likely that it will very soon replace grain cultivation as the predominant agricultural pursuit. It may be expected to continue to grow, however, and to make its presence more strongly felt in the agricultural picture of Central Oklahoma.
