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Dairy



Employee Juan Cortez prepares cows for milking at Knott Run Dairy in Buhl, Idaho, on Sept. 3. A new report commissioned by the National Milk Producers Federation shows a growing reliance on foreign-born workers at U.S. dairies.

Study looks at impact of immigrant labor on industry

By CAROL RYAN DUMAS
Capital Press

Immigration reform has been a high priority for U.S. agriculture for several years, but legislative resolve to ease the farm labor crisis has continued to elude Congress. That's a major concern for U.S. dairy farmers, many of whom rely heavily on immigrant labor. Lack of progress on the issue — exacerbated by political rhetoric fueled by the 2016 presidential campaign — is part of the reason for this week's release of a report showing the serious economic consequences of stalled re-

form, said Chris Galen, senior vice president of communications for National Milk Producers Federation. The report, produced for NMPF by Texas AgriLife Research at Texas A&M University, shows the damage to U.S. dairy farms and the broader economy if dairymen lose part or all of the immigrant work force, which accounts for 51 percent of their employees. One-third of all U.S. dairy farms, producing 80 percent of the country's milk, employ foreign-born workers, according to the report. A loss of all that immigrant labor could lead to a loss of 1 in 6 dairy farms and 208,000 jobs

nationwide. That represents \$32.1 billion in economic output, and a 90 percent increase in the price of retail milk, the researchers stated. The total loss of immigrant labor on U.S. dairy farms, nearly 80,000 employees, would reduce both the size of the U.S. dairy herd and the nation's milk production by nearly 25 percent and shutter more than 7,000 dairies, they reported. "This report reinforces the urgent need for Congress to address this issue," NMPF President and CEO Jim Mulhern said in a press release on Wednesday. The report, which includes

the results of a December 2014 nationwide survey of dairy farmers, also shows that U.S. dairymen are becoming more reliant on immigrant labor. A comparison with a 2009 survey shows the number of immigrant workers increased by 35 percent, or nearly 20,000, and the portion of milk supply from farms with immigrant labor increased by 27 percent. It also showed that the majority of dairymen had low or medium levels of confidence in employment documents of their immigrant workers and were concerned about such actions as immigration raids or employee audits.

Animal Ag Alliance gets sneak peek at activists' agenda

By CAROL RYAN DUMAS
Capital Press

The Animal Rights National Conference boasted 1,650 attendees at this year's conference, which was July 30 through Aug. 2 in Washington, D.C. Two of those attendees were interns with the Animal Agriculture Alliance, an industry coalition working to educate the public and food industry stakeholders about modern animal agriculture. The Alliance has sent representatives to the conference for the past 10 years to better understand activists' intentions and strategies, Alliance President and CEO Kay Johnson Smith said. "By attending these events, we can more effectively counter their misleading campaigns against animal agriculture," she said. The tone and the ultimate agenda targeting animal agriculture has remained the same over the years, but the tactics used to convince people to stop eating meat, milk and cheese have changed, she said. There's more focus on using technology and social platforms and manipulating the media to get the message across and convince people that animals are equal to humans. Therefore, they argue that humans don't have the right to raise animals for food or in any way to enhance quality of life, she said. There is also a lot of focus on legislation, with the mindset that if society won't change to a vegan lifestyle, activists will work to enact laws to force that change, she said. Speakers at this year's conference also stressed the impor-

tance of focusing on incremental changes toward veganism by pressuring food companies and convincing consumers to gradually make the switch, she said. "They have learned that most people aren't vegan and don't want to be vegan," she said. The strategy now appears to be to start with smaller, incremental steps to try to move the needle to support their agenda. Pushing for embargoes of animal products hasn't worked. About 97 percent of Americans regularly eat meat, milk and eggs, she said. The concern for animal agriculture is not so much that people will stop eating those products but that activists are using sophisticated, high-pressure campaigns on food companies to force them to make policy changes that affect their suppliers — farmers and ranchers, she said. Their agenda is to increase costs for livestock and poultry producers so they'll either go out of business or to increase the cost of animal products beyond what consumers can afford, she said. Attendance at the conference also allows the Alliance to get the inside scoop on unethical tactics and the true intentions of some activist groups that claim one objective in public and another in private, she said. A lot of misinformation was presented at the conference to paint farmers and ranchers in a bad light. And those in attendance were encouraged to use questionable means to convince the public of ills in animal agriculture and sway them toward veganism, she said.

Conference highlights innovation occurring in U.S. dairy industry

By SEAN ELLIS
Capital Press

BOISE — National and global dairy industry experts discussed the latest innovations and advancements in dairy technology occurring within the industry Sept. 10 during the inaugural U.S. Dairy Innovation Conference. John Wright, a dairy producer from Wendell, Idaho, said he was impressed with the innovations discussed during the day-long conference. "Some of the stuff I've heard here is really encouraging to me," said Wright, one of a handful of Idaho dairymen who attended the event. "There probably should have been more dairymen here." The event included dairy industry leaders, experts, analysts and food scientists, who discussed the marketplace and the latest innovations and advancements in dairy technology. "We've got some of the smartest minds in dairy foods research here in Boise today," said United Dairymen of Idaho CEO Karianne Fallow. "It's a pretty exciting day." The event was co-hosted by UDI and the U.S. Dairy Export Council. Many of the presentations focused on the latest research showing the unique nutritional benefits of whey and other



Attendees participate in the interactive presentation "The Wide World of Cheddar Cheese Flavor" at the U.S. Dairy Innovation Conference presented by the U.S. Dairy Export Council in cooperation with the United Dairymen of Idaho on Sept. 10 at the Boise Centre in Boise, Idaho.

dairy proteins and how manufacturers are finding new ways to pull these ingredients from milk, which is helping them manage costs. One of the more unique areas dairy experts have been focusing on is a co-product of whey called "permeate," which is high in lactose and essential minerals, said Vikki Nicholson, USDEC's senior vice president of global mar-

keting. "They have some very unique properties and combinations that can help reduce the amount of salt in foods," she said. Because at times there are limited world supplies of lactose, she added, permeates could also replace other dairy ingredients, such as sweet whey, when their inventories are tight.

"The innovations going on in the dairy industry are tremendous," Nicholson said. "There's a lot of excitement (here) about being able to show off what the U.S. industry has been working on for years." There is also a lot of innovation going on in the cheese industry, Fallow said, including the development of unique cheese profiles.

Cheese prices squeezed, but butter soaring

Dairy Markets
Lee Mielke



By LEE MIELKE
For the Capital Press

U.S. cheese prices are under pressure as traders anticipate Friday's August Milk

Production report. While CME block Cheddar held the Labor Day-shortened week at \$1.6950 per pound, 65 1/2-cents below a year ago, the barrels dropped 8 cents, to \$1.59, 74 1/2-cents below a year ago. Five cars of barrel was all that traded hands last week.

through the end of summer. The dip in cheese production that normally occurs in late August through September has yet to materialize fully.

The blocks were unchanged Monday and Tuesday but the barrels lost three-quarters Monday and dropped 3 1/4-cents Tuesday, slipping to \$1.55, the lowest barrel price since March 27, and an unsustainable 14 1/2-cents below the blocks. The blocks will either fall or the barrels recover and the twain shall meet somewhere between. Twelve cars of barrel traded hands on Tuesday and more product may be headed to Chicago. "Adequate milk supplies continue to flow into cheese vats," says Dairy Market News. "Cheese production is steady. Some processors report a little lull in sales. Industry contacts note there is plenty of cheese available. Although inventory levels are a little higher, they have not concerned many cheese makers because of the anticipated increase in cheese demand from football season, school meal programs and the upcoming Fourth Quarter holidays." Western contacts report that cheese is readily available but regular customer demand is steady, and cheese production has remained relatively strong

Spot butter repeated the previous week's 11 1/4-cent high jump, closing Friday at \$2.5650 per pound, still 43 1/2-cents below a year ago when the spot price made history, jumping 15 1/2-cents and hit \$3 per pound. The spot price was unchanged Monday but tacked on 3 cents Tuesday, hitting \$2.5950 per pound. Only six cars were sold at the CME last week. DMN says Central butter production is slowing as butterfat components decline alongside farm milk intakes. Western output is steady and still somewhat dictated by the availability of or demand for cream. Butter demand has been firm. Cash Grade A nonfat dry milk closed Friday at 87 cents per pound, down 3 cents on the week and 46 cents below a year ago. The powder inched a half-cent lower Monday but gained 3 1/4-cents Tuesday, climbing to 89 3/4-cents per pound. Fifteen cars were sold last week at the CME.

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