

# Milk production, markets confuse economists

By CAROL RYAN DUMAS  
Capital Press

A spike in U.S. milk production and the yo-yoing cheese market have dairy economists at the University of Wisconsin scratching their heads.

“I’m about as confused by the direction of a lot of these numbers as I’ve ever been,” Mark Stephenson, a dairy economist with the university, said in the latest “Dairy Situation and Outlook” podcast on Monday.

Nationwide, milk production was up 1.3% in September compared to 2018 after showing flat to negative gains all year.

In addition, cash cheese prices on the Chicago Mercantile Exchange have made some big movements in the past several weeks, and blocks jumped more than 10 cents a pound from Friday

to Monday.

Cow numbers were down 53,000 from a year earlier in September, but milk production per cow increased 1.8%.

It was stronger than anticipated, a little surprising given reports of quality problems with alfalfa hay and corn silage, wet weather and late plantings, Bob Cropp, a fellow economist with the university, said.

Dairy farmers might be feeding some good-quality feed they have left from last year, he said.

“But I can’t imagine we would not see some impact on that forage quality as we move into winter and next spring on production per cow,” he said.

Total milk production was up in 17 of the 24 reporting states, with some notable increases. Production was up 3.6% in Idaho,



Cows are milked at a California dairy. Milk production is up, casting a shadow over prices.

3.8% in Michigan, 5.4% in South Dakota, 5.6% in Colorado and 9.3% in Texas, according to USDA’s

National Agricultural Statistics Service.

“In some ways I’m not too surprised because we

have improved milk prices,” Stephenson said.

“I think that producers are going to try to get as much milk as they can to take advantage of that to just try to get some cash flowing on those dairies,” he said.

But he is surprised they were able to increase production per cow as much as they did as opposed to holding onto more cows, he said.

Cheese markets have also been confusing, lacking direction for quite a period of time. The cash price went way up, dropped a bunch, came back up quite a ways and dropped a bit, he said.

The price spread between blocks and barrels has also been unusual, with blocks as much as 30 cents a pound higher. But the barrel price was actually above the block price on Friday, he said.

Then on Monday, blocks jumped 10.5 cents a pound

— a big movement — to \$2.07. With barrels at \$2.05, the spread is now 2 cents a pound rather than 30 cents, Cropp said.

“Maybe the market’s settling up a bit between blocks and barrels, but it’s been crazy,” he said.

Some of the day-to-day movement could be buyers purchasing ahead for the holidays thinking prices will go higher, then thinking maybe they won’t and stopping, he said.

Another factor could be that stocks were tightening then production jumped, Stephenson said.

Both economists have been expecting higher milk prices in the fourth quarter, and it looks like it’s going to happen, Cropp said.

Futures prices for Class III milk for November hit \$19 per hundredweight on Monday, he said.

# Idaho resists destroying wolf and elk collar data

## 9th Circuit hears arguments in copter controversy

By MATEUSZ PERKOWSKI  
Capital Press

PORTLAND — Idaho wildlife officials want to overturn a federal judge’s order to destroy data collected from wolf and elk collars that he determined were attached unlawfully.

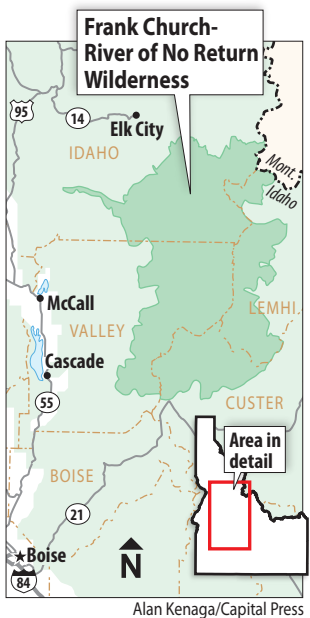
In 2017, Chief U.S. District Judge Lynn Winmill ruled that a U.S. Forest Service permit allowing Idaho officials to use helicopters to collar elk had been authorized contrary to federal environmental and wilderness laws.

By the time the judge had reached that conclusion, however, the Idaho Department of Fish and Game had already collared 57 elk — as well as four wolves that had been “opportunistic” tranquilized during the helicopter flights.

As a remedy for violations of the National Environmental Policy Act and Wilderness Act, Winmill ordered Idaho officials to destroy the collar data collected from the elk and wolves.

The judge said it was the “rare or extreme case where a mandatory injunction is required” because IDFG “collected data in violation of federal law and intends to use that data to seek approvals in the future for more helicopter landings” in the Frank Church-River of No Return Wilderness Area.

The state agency, joined



by the federal government, is now asking the 9th U.S. Circuit Court of Appeals to dissolve that injunction because the judge had abused his discretion by ordering Idaho to destroy its own property.

Idaho has a sovereign interest in managing its wildlife and once the helicopters flights had ended, the National Environmental Policy Act doesn’t control the state’s ability to collect and possess the collar data, according to the state agency.

“There is no ongoing violation of federal law,” said Owen Moroney, IDFG’s attorney, during Oct. 22 oral arguments before the 9th Circuit in Portland, Ore.

While collaring wolves contrary to the federal permit was a “mistake” that was “frankly embarrassing to the agency,” Idaho shouldn’t be required to destroy the associated telemetry information, Moroney said. “It’s still valid data.”

Idaho’s arguments were

backed up by an attorney for the Forest Service, who claimed the judge should have issued a more “narrowly tailored” injunction order rather than one requiring the data’s destruction.

“The remedy is divorced from the alleged harms that flow from the permit,” said Thekla Hansen-Young, attorney for the federal government.

The environmental groups that initially filed a lawsuit opposing the helicopter permit — Wilderness Watch, Friends of the Clearwater and Western Watersheds Project — argued the injunction was appropriate.

“The data is only in their hands because federal law was violated,” said Timothy Preso, attorney for the organizations.

Since the Forest Service is the “gatekeeper” that allowed the state to carry out the helicopter mission, it’s necessary for the data to be destroyed to provide “relief” for the federal government’s violations, he said.

“The appellants don’t dispute that they violated the law,” Preso said. “They’re just here to tell you the federal courts can’t do anything about it.”

Idaho’s possession of the collar data remains a threat to three wolfpacks that would face elimination to boost elk numbers in the wilderness area, he said.

“The district court was worried there would be further harm to the wilderness by killing the wolves,” Preso said. “It’s obviously a big leg up in carrying out that plan.”

# McMorris Rodgers listens to ranchers

By MATTHEW WEAVER  
Capital Press

AIRWAY HEIGHTS, Wash. — U.S. Rep. Cathy McMorris Rodgers wanted to hear directly from ranchers about their top worries during last weekend’s Cattle Producers of Washington annual meeting.

Ranchers cited concerns over alleged market manipulation by national beef packers.

R-CALF CEO Bill Bullard, who was at the meeting, pointed to record beef demand, but said ranchers are experiencing “seriously depressed” prices because packers can source cheaper beef from Canada and Mexico under a U.S. label.

Bullard called for increased enforcement of antitrust laws, and said Agriculture Secretary Sonny Perdue withdrew important rules under the Packers and Stockyards Act that would have protected individual producers.

“The meat packers and to some extent the feeders the packers own, their main

purpose in life is to see how cheap they can buy their raw product,” Laurier, Wash., rancher Len McIrvine said. “Our purpose in life is to see how much we can get out of our calves. ... There’s no way in the world we are ever going to be able to speak the same language.”

Phone messages seeking comment from several packers were not returned by deadline.

Another concern was the Global Roundtable for Sustainable Beef, a global initiative designed to improve sustainability in the beef supply chain.

The chief architect is the environmental group World Wildlife Fund, which has a stated goal of reducing red meat consumption in high-income and developed countries, Bullard said.

“That is like five nails in our coffin,” rancher Ted Wislon told McMorris Rodgers. “We talk about regulatory things now — if that is enacted, you can say goodbye to this room. Smaller family operations like ours would not survive a global

### INFORMATION

Global Roundtable for Sustainable Beef: <https://grsbeef.org/>

sustainable beef production.”

“We’re battling in Congress right now, and to a certain degree, I feel like we are battling for America,” McMorris Rodgers said, referring to the turmoil surrounding impeachment hearings in the House and other efforts to quash President Trump’s initiatives, including regulatory reform and trade talks.

“I just feel like we are battling for freedom, the American way, free markets and capitalism and freedom-loving people being able to take their God-given creative ideas and being able to do something with them to improve lives and our way of life. That’s really what’s at stake right now,” she said.

McMorris Rodgers said she was proud of lifting regulatory burdens on agriculture implemented by the Obama administration. It means more decision making being made at the local level, she said.



Rep. Cathy McMorris Rodgers

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