

## Economist forecasts \$22 milk

By CAROL RYAN DUMAS  
Capital Press

The stage is set for strong milk prices in 2022, but that doesn't guarantee healthy profit margins for dairy farmers.

Cost of production could temper the prospect for profitability, said Mark Stephenson, director of dairy policy at the University of Wisconsin's Center for Dairy Profitability. "I'm really looking at something that would be a pretty substantial increase from where we were last year," he said in the latest "Dairy Livestream" podcast.

He's forecasting an average all-milk price of about \$22 per hundredweight, compared to about \$19 in 2021.

"It could be a good milk price as long as your costs of production are not that high. So if you've got adequate feed in the bunk that you have produced and harvested already, it might be a decent year," he said.

But margins could be particularly thin in parts of the country where dairy farmers buy more of their feed inputs. That would make it more difficult to make the decision to produce more milk, he said.

In places where farmers have lots of feed and quality is relatively good, it's going to be attractive to produce more milk, he said.

"We will find some farms that will have pretty good margins as long as they keep all their other costs, input costs, relatively low," he said.

With high fertilizer costs, producers could draw on the banked fertility in the soil and not put as much fertilizer on crops. They might also switch back to feeding a little more alfalfa and a little less corn silage, a more fertilizer-intense crop, he said.

Input costs aside, market fundamentals are supportive of good milk prices.

"We've had good domestic demand. There's been some product shifting, but demand has basically been good," he said.

It's a little lackluster right now, but there's been strong demand even through a hard year. Domestic supply of dairy products is a little tight, particularly in the West, he said.

In addition, export demand has been really strong across all product categories, he said.

"The world is tight on supplies, and I think that there's going to be opportunity to sell more product out here," he said.

Milk production in both the European Union and New Zealand is below year-earlier levels. There's been some friction for U.S. exports, but port congestion is getting better and U.S. prices are competitive in world markets, he said.

"I think that we should pick up share because of this over this next year," he said.

Inflation is the big unknown, however, and producers should be cautious with investments, he said.

"I think it's going to be a good year for milk prices but continue to look at risk-management options," he said.

Class III milk prices were recently at \$22 per hundredweight. Producers should put a floor under some of those opportunities as they appear and always look to control their variable costs of production, he said.

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# High court tosses vaccination order

By DON JENKINS  
Capital Press

The Biden administration overreached when it mandated COVID vaccinations for 84.2 million private-sector workers, failing to distinguish between the risks faced by lifeguards and meatpackers, the U.S. Supreme Court ruled Jan. 13.

The 6-3 decision stayed a rule that would have required workers at businesses with more than 100 employees to be vaccinated. As an alternative, companies could have let workers stay on, but only if they wore masks and were tested weekly.

In an unsigned opinion, the court's majority said the rule was a "blunt instrument."

"Most lifeguards and linemen face the same regulations as do medics and meatpackers," the court wrote.

The rule would not have applied to employees who work "exclusively outdoors," potentially excluding some farmworkers. The court, however, said the exemption was

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— John Stuhlmiller, Washington Farm Bureau CEO

"largely illusory."

The Labor Secretary estimated only 9% of landscapers and groundskeepers qualified for exemption, according to the court.

Washington Farm Bureau CEO John Stuhlmiller said he was pleased with the ruling. If the court had supported the rule, it could have been extended to farms with fewer than 10 workers, he said.

"If the court approved it, why not 50, 25, 10?" he said. "The enemy of business is uncertainty, especially with agriculture. We already have too much uncertainty."

In a separate ruling Thursday, the court, in a 5-4 decision, upheld

a Biden administration rule that will withhold Medicare and Medicaid payments from health-care services that don't require their employees to be vaccinated.

In a written statement, President Biden said he was happy about the health-care ruling.

"At the same time, I am disappointed that the Supreme Court has chosen to block common-sense life-saving requirements for employees at large businesses that were grounded squarely in both science and the law," he said.

Justices Stephen Breyer, Sonia Sotomayor and Elena Kagan dissented from staying the vaccination

mandate for large employers.

They called COVID an "unparalleled threat" and said that the Occupational Safety and Health Administration had authority to protect workers from "grave dangers."

They accused the majority of displacing the "judgments of government officials" and "experts" and claimed the rule didn't actually require vaccinations.

"And, of course, the standard does not impose a vaccine mandate; it allows employers to require only masking and testing instead," according to their dissenting opinion.

The majority noted that employers were not required to test and mask as an option to vaccinations.

In a concurring opinion to court's ruling, Justice Neil Gorsuch wrote that if an administrative agency seeks to regulate the daily lives of millions of Americans, it must have clear congressional authority.

Congress can't just hand off power to agencies, wrote Gorsuch in an opinion joined by Justices Clarence Thomas and Samuel Alito.

## Dara named director of OSU's N. Willamette research center

By GEORGE PLAVERN  
Capital Press

AURORA, Ore. — Oregon State University has chosen a new director for the North Willamette Research and Extension Center.

Surendra Dara will lead the agricultural experiment station following the retirement of longtime former NWREC director Mike Bondi. His first day is Jan. 18.

Dara comes to OSU from the University of California Cooperative Extension program in San Luis Obispo. He brings 25 years of experience in research and extension, and is recognized for his work in sustainable crop production — including integrated pest management, microbial control and biological soil amendments.

Research stations play



OSU  
**Oregon State University has named Surendra Dara director of the North Willamette Research and Extension Center.**

a critical role in the local economy and contributing to farmers' success, Dara said. He was drawn to NWREC by its location in the heart of Oregon's diverse specialty crops, and proximity to Portland, a

major urban center.

"So much about this position, the station and the college align with my values and goals," Dara said in a statement released by OSU. "I am eager to get started and take this opportunity to make

a meaningful difference."

Nearly 40% of Oregon's \$5.7 billion of farm gate value is produced within a 50-mile radius of NWREC. That includes nursery crops, hazelnuts, berries, Christmas trees and specialty seed, among other agricultural commodities.

Established in 1957, NWREC primarily serves growers in Clackamas, Marion, Polk, Yamhill, Washington, Multnomah and Columbia counties. Its original three research pillars were greenhouse and nursery, berries and commercial vegetable production.

That has since expanded to 10 programmatic areas, more than any other OSU station. With 35 full-time faculty members, researchers focus on crops such as Christmas trees and hazelnuts, as well as new crops not yet commercially grown

in the Willamette Valley such as olives and almonds.

Four programs also cut across these different cropping systems — including small farms, organic production, pesticide research and a new project studying agrivoltaics, called the Statera Center, expected to begin later this summer.

Alan Sams, dean of the College of Agriculture at OSU, said Dara's "expertise in innovative agricultural production and his passion for connecting with people from all backgrounds is critical to a region that relies on agricultural production for its economic and social vitality."

"We are excited to have Surendra join the team and take on the leadership role at one of the most agriculturally diverse experiment stations in the state," Sams said.

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