



# Idaho Dairy

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IDAHO DAIRYMEN'S ASSOCIATION

*focus*

*The Idaho Dairymen's Association (IDA) was established to continue to develop and sustain an economically viable Idaho Dairy Industry that works together to achieve success in the domestic and global marketplace in meeting the needs of the Idaho dairy farm families.*

October 2010

## View from the Board Room by Mike Roth

There are many issues that are critical for the future success of all dairy producers. This month's Idaho Dairy Focus is "Focused" on two of those issues, the future of milk pricing and national immigration policy.

If the current milk production growth in Idaho and nationally coupled, with the Class III futures market for the first six (6) months of 2011 is used as an indicator, we have troubled waters in front of us. As dairy producers we have the right, but obviously not an obligation to identify avenues in which we can work together to secure a future for ourselves and future generations in the dairy industry. Both of these issues require ...no demands... your involvement if we are going to identify a solution that satisfies the majority of those who are impacted by legislation in both areas.

Many programs have been developed that try to identify supply control mechanisms, all of them are accompanied by the dreaded word "mandatory" which means greater government involvement in our industry. A conclusion few of us in Idaho can embrace, but the alternative; allow the market to

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## One Dairyman's Opinion

By Adrian Boer

As we enter the fall months of the year it appears that we finally have milk pricing that would put us in the black once again, but how long will it last? We are already seeing the Class III market on the CME fall below the cost of production for the first 6 months of 2011.

Beginning in 2009 we have endured unprecedented losses, for approximately 10 months we experienced losses averaging \$5.00/cwt, which was followed by another 8 months of less than break even prices. We have seen our cow loans stretched to the maximum, our feed loans out of compliance, our property values falling below desirable levels and our cow values falling as well. Think for a moment if you wanted to sell, how many buyers would we have in this kind of environment. On top of all this we have a growing heifer population and as we have seen in the last couple of months a growing milk supply. Where do you think milk pricing is headed under this scenario?

Our rising milk supply is not a surprise because as "individuals" we need to create as much cash flow as possible just to try and pay our bills. As a nation of producers we are the best in the world at producing milk when it is needed, unfortunately we have no mechanism to slow that supply down when it is not needed other than attrition.

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"heal itself", while government operates the present dairy programs that have also failed miserably in late 2008 through all of 2009.

It has become abundantly clear, in our discussion with the Idaho Congressional Delegation along with other Congressional Members, that any changes in dairy policy in the 2012 farm bill will need to be supported by National Milk Producers Federation (NMPF), a federation of dairy cooperatives. In Idaho, 67% of the milk produced is not marketed through a dairy cooperative, however as demonstrated by the multiple visits to Idaho by NMPF President and CEO Jerry Kozak the opinions of Idaho producers are important and valued. The IDA, as an Associate Member of NMPF, maintains an open dialogue with NMPF staff on areas of agreement and in areas where we disagree on milk policy issues. I encourage you to gain a greater understanding of the NMPF proposed "Foundation for the Future". If we want changes we need to be engaged now so that we have a united industry in 2011 when the next Farm Bill will be crafted. Please take the time to read Adrian Boers article "One Dairyman's Opinion" beginning on page 1 and the NMPF article on "The Foundation for the Future" found on page 3.

Immigration is another word that most of us want to run and hide from, but we can't, nor should we if we care about our employees, our industry and the moral fiber of our country. The leadership of IDA and the United Dairywomen of Idaho has put numerous resources to work in an attempt to bring the immigration debate both at the state and national levels to a solution. We are charter members and financial supporters of the Idaho Business Coalition for Immigration Reform. We maintain membership at the Executive Committee level of the Agriculture Coalition for Immigration Reform (ACIR). We have provided additional funding for NMPF's immigration efforts. We have participated in national congressional staff briefings and we have commissioned two studies at the University of Idaho that quantify the social and economic impact to Idaho by the foreign born labor force.

In this issue of the Focus we have three articles pertaining to immigration, the first is titled "Immigration and Dairies – Prospects for Reform" by Craig Regelbrugge, Co-Chairman of ACIR (below). The next is reprinted from the DFA Leader that article is found on page 6 and is titled "Help Wanted". The article is a firsthand account of dairy producer's experiences with Immigration Customs Enforcement better known as "ICE", an accurate acronym, as the stories indicate. The last article found on page 9 is titled "Colberts Reminder: Immigration a Moral Issue" was written for and published by CNN. Its author is Galen Carey the director of government affairs for the National Association of Evangelicals.

We will definitely be addressing the immigration issue in the 2011 Idaho legislative session, and like the dairy industry in milk pricing the Republican and Democratic parties will have difficulty coming to a consensus on immigration. With the changing political climate some fear that it will be 2013 before there is a real attempt to change national immigration policy. It is your and my obligation to make sure the politicians, both at the state and national levels of government hear our voices, **we need a workable immigration policy**. There is nothing disgraceful about developing a solution through compromise but it is immoral to play politics with the immigration issue.

## IMMIGRATION AND DAIRIES – PROSPECTS FOR REFORM

By Craig J. Regelbrugge, Co-chairman  
Agriculture Coalition for Immigration Reform

Federal immigration reform that would serve the needs of agricultural employers, including dairies, is within reach. Yet, the way forward is clouded by the simple fact that both political parties continue to play politics with the issue. Let's take a look at the near-term and longer-term outlook for reform, and what dairy operators can do to help.

### Some Historical Perspective

Farms, including dairies, have always faced unique challenges finding qualified and motivated employees to perform difficult manual and sometimes seasonal labor. The labor situation has become more difficult over the years, as the native-born American population has become older, better educated, and more urban. Lots of farm kids have left the farm to pursue other dreams. And, our immigration system has done little to help farmers meet labor needs that go unfilled by native-born Americans.

Major legislation passed by Congress in 1986 and signed into law by President Reagan paired a legalization of unauthorized immigrants with new employer sanctions. But, nothing was done to address future labor needs, and the paper-based employer sanctions system didn't work as planned. Over the years, diligent employers checked workers' documents, but many of those documents weren't real. Immigrants filled jobs left vacant by American workers, and became the backbone of the workforce. The reality now is that upwards of 75% of hired farm workers are believed to lack proper immigration status! Estimates in dairy are somewhat lower, but still hover around 50%.

In the mid-1990's, as Congress considered harsh, anti-employer immigration law changes, leaders in agriculture worked to fix the antiquated H-2A seasonal agricultural worker program. That effort failed when it drew the fierce opposition of both union-supporting Democrats (unions have historically opposed guest worker program expansion) as well as anti-immigrant Republicans (who don't want

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[www.idahodairymen.org](http://www.idahodairymen.org)

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We have had three (3) downturns in the last eight (8) years, 2002-2003, 2006, and 2009-2010, the last one the worst of all. The CWT program (herd retirement and export assistance) was born in 2003 and credited each time to a rebound in milk prices; CWT has made a difference in stabilizing our prices. Unfortunately the program has only been supported by about 67% of our nations milk supply. With that lack of support I believe the herd retirement portion will come to an end. Where does that leave us?

We can go back to the old way of doing business, survival of the fittest, or we can collectively put our heads together and manage our milk supply in such a way to have a sufficient margin to remain a vibrant industry. What can this do for us? With a profitable industry our cow values would return to a reasonable level (allowing sales & growth), our property values would stabilize and attract those dairymen who are looking to expand their operations. By managing our milk supply, the wall of heifers that we face can be used for herd improvement rather than just herd expansion.

All of us need to ask ourselves are we happy with the events of the last two (2) years or are we ready and willing to affect our future together as an industry; can we come together to truly affect our future? **The current state of the industry is our problem, and it should be up to us to solve that problem.** There have been many programs proposed in the last two (2) years that are worth looking at. Having served on the board of directors of Darigold for many years, I have been appointed to serve on the National Milk Producers Federation (NMPF) board of directors; I have been part of a team effort which has developed a program called Foundation for the Future and I'm excited about the opportunity all of us have for working together to make a difference.

*Note: For more information on the NMPF program go to NMPF – "Foundation for the Future" found below.*

## NMPF Launches Foundation for the Future Website

ARLINGTON, VA – The National Milk Producers Federation (NMPF) announced the launch of its Foundation for the Future website: [www.FutureForDairy.com](http://www.FutureForDairy.com). The website equips dairy producers and industry stakeholders with interactive tools and resources, including a margin protection calculator that will educate them about the dairy policy reforms and programs proposed in the Foundation for the Future plan.

[FutureForDairy.com](http://FutureForDairy.com) features a news and resources section with the latest dairy policy articles and downloadable materials about Foundation for the Future, including the complete plan narrative and frequently asked questions (FAQs). The FAQs section offers a library of common questions associated with Foundation for the Future, and allows visitors to submit questions to be answered by policy experts.

"We're excited to introduce [FutureForDairy.com](http://FutureForDairy.com) [2] to members of the dairy industry, as we feel it offers more details about Foundation for the Future and helps people with some of the concepts they might not have previously understood. The margin protection calculator especially helps dairy producers visualize the impact the Dairy Producer Margin Protection Program will have on their individual operations in terms of coverage options," said Jerry Kozak, NMPF President and CEO. "We truly believe Foundation for the Future addresses the industry's challenges and lays the groundwork for the changes needed to secure a more prosperous future. We want dairy producers and industry stakeholders to have a keen awareness and understanding of these opportunities."

The mission of Foundation for the Future, as envisioned by NMPF, is to provide the dairy industry with policy programs that dramatically improve the historical approach embodied by current programs, and foster a more economically-viable and secure future for dairy producers, milk processors, and other industry stakeholders.

### NMPF Releases A Farmer-Friendly Tool to Assist Dairy Producers in Developing Oil SPCC Plans

ROSEMONT, IL – The National Milk Producers Federation (NMPF) has completed the development of a self-certification template tool to assist dairy producers in developing Spill Prevention, Control, and Countermeasure (SPCC) plans that covers all fuel and oil storage on the farm. The template, developed with assistance from the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS), is available on the [NMPF website](http://NMPF website).

The goal of the SPCC program is to prevent oil spills into waters of the United States and adjoining shorelines. A key element of the program calls for farmers and other facilities to have an oil spill prevention plan, called an SPCC plan. The SPCC plans are required for farms which have an aggregate storage capacity of oil products of 1320 gallons, or more, counting every storage container larger than 55 gallons. A farm with less than 10,000 gallons of total storage capacity and no single storage greater than 5,000 gallons can self-certify its SPCC plan.

Farms that do not meet this exemption must have a plan certified by a professional engineer. In August, EPA proposed to extend the compliance deadline for the bulk milk storage requirements until the SPCC exemption for bulk milk storage is finalized. Dairy producers are still required to comply with SPCC regulations for all other fuel and oil storage.

## About ACIR

IDA serves at the Executive Committee level of The Agriculture Coalition for Immigration Reform (ACIR) which is a broad national coalition representing over 300 national, regional, and state organizations whose members produce fruit and vegetables, dairy, nursery and greenhouse crops, poultry, livestock, and Christmas trees.

### Immigration note from ACIR:

Sen. Leahy and others have introduced long-promised legislation that would grant the dairy industry access to the H-2A agricultural guest worker program. Leahy has long seen dairy's inability to turn to H-2A as a safety net as a fairness issue, and worked to get dairy defined within the program during the Bush rewrite. So in that respect it's an act of consistency, regardless of whether there is any expectation of it going somewhere or not.

What would the amendment mean if it did move? On the positive side, it would provide at least a bit of a safety net for dairy operations that are subjected to ICE enforcement actions and have no other choice. On the less-positive side, this means access to a program that has already struggling. In August alone, \$95 million in northeastern apples were put in jeopardy as the Jamaican H-2A program was practically stalled out. Leahy understands these problems first-hand.

Finally, some have expressed the concern that passage of such an amendment would create the political misperception that "dairy's problem has been solved." Fortunately, Leahy himself makes it clear that isn't the case, that passage of AgJOBS is his goal.

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foreign workers here either). Lesson learned: you cannot attract the Congressional support needed to actually pass a bill unless you can "find the middle" and build a coalition that includes many Democrats and Republicans. Creation or reform of a guest worker program, alone, is not politically viable.

By 2000, employer and worker advocates came to understand that either side could stop the other side's proposals, but both were threatened by the status quo. They began to negotiate, and eventually reached a unique legislative agreement known as AgJOBS, the Agricultural Job Opportunity, Benefits, and Security Act. AgJOBS was negotiated during a Republican-controlled Congress, which gave the employer side good negotiating leverage on fixing H-2A. Sen. Larry Craig played a key role in the effort. AgJOBS passed the Senate as part of a broader bill in 2006, but the House refused to act. AgJOBS was included in the bill that President Bush supported in 2007, but the larger measure lacked political consensus and stalled.

AgJOBS is a two-part bill. It would overhaul the broken H-2A seasonal worker program, providing current H-2A users with relief from worsening regulatory abuse, and others like dairy with access to a stable, legal workforce in the future. H-2A reforms of AgJOBS streamline the application process, bring legal and wage relief, and housing flexibility. The other part of AgJOBS deals with the trained and experienced farm workforce that is believed to lack proper status. AgJOBS would offer experienced and otherwise law-abiding immigrants already employed on American farms and dairies to earn temporary legal status subject to strict conditions. Workers who meet all the program's requirements would eventually earn the right to apply for residency.

The dairy industry's needs would be well-addressed by AgJOBS. First, dairies could keep their current, experienced workforce. I have heard over and over, meeting with dairy operators from Vermont to Florida to Idaho to California, that this is the single most important goal for the industry. Secondly, AgJOBS provides access to future workers through the H-2A program. Dairies would have

unique treatment under AgJOBS that essentially allows for multi-year, year-round visas.

### Where We Are, Where We're Headed

Many believe that "comprehensive immigration reform" that fixes our whole immigration system at once is the best way forward. Yet after the health care debate, more and more people are wondering whether "comprehensive *anything*" is such a good idea. Moreover, the very term has become a tool for each party to "mobilize its base" but for opposite reasons! For Democrats, it's a rallying cry to appeal to Hispanics, now the nation's largest and fastest growing minority. For Republicans, "comprehensive immigration reform" has become synonymous with "amnesty" and is used to stoke fears that our very culture is at risk.

For now, and for at least the next two years, "comprehensive immigration reform" is dead. There is no consensus for action this year. In the next Congress, retiring moderates who have supported comprehensive reform will be replaced by newcomers with no interest or appetite for tackling immigration. And if the House switches to Republican control, immigration restrictionist Lamar Smith (R-TX) will chair the Judiciary Committee, which has oversight for immigration policy. Smith and his ilk leave no room for compromise. Their stance is simple: "raise wages, hire Americans, mechanize, or go out of business." Beware those who suggest that a "better deal" for agriculture awaits next Congress. They haven't thought through what expected changes will mean on this issue.

Meanwhile, the situation on the ground is deteriorating fast. Employer immigration audits are happening at a record pace. Dairies in the East and the West have been hit, with devastating results. The H-2A program – generally unavailable to dairies because both the job and the worker must be seasonal – has been rewritten by the Obama Administration's Department of Labor, and is descending into chaos. And it isn't just the DOL. Recent actions by US Citizenship and Immigration Services, which issues the actual H-2A visas, nearly crippled the sheep industry in the West, and the apple

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industry in the Northeast.

Right now, dairy has virtually no access to H-2A, and some have advocated that the simple fix is just to define dairies as eligible to use the program. But, again, beware! Even if such a solution had political traction (unlikely), dairy would only be gaining access to a program that is collapsing for those now trying to use it. And, this solution does nothing for trained and experienced workers now employed in America's dairies.

Is anything possible this year? Action in this dysfunctional environment is a longshot. That said, the last best chance for action on AgJOBS this year may come in a "lame duck" session. Several key Republicans who are retiring from the Senate want to see the job done. A few promising new Republican candidates for office, who will represent important agricultural states with industries ranging from dairy to apples to citrus and vegetables, want to see the problem addressed before it becomes an albatross around their own necks.

The costs of inaction will be untenable. Each farm worker job in the U.S. (there are about 1.6 million of them) is estimated by economists to sustain at least 3 jobs in the upstream and downstream economy. So as we lose farming sectors that are starved for legal labor, we will import more and more food, and export more and more U.S. jobs. Already, production of many labor-intensive crops is shifting. Much of southern Arizona's winter lettuce industry has moved to Mexico. Greenhouse vegetable production that used to be a major economic engine in places like northwestern Ohio has moved to Canada. Florida citrus and tomatoes have begun a migration to Brazil and Mexico.

It is time to get beyond the notion that immigration reform needs to be comprehensive, or not at all. Agriculture offers a chance for a breakthrough, and a pilot program for how broader reform might work. In a high-unemployment economy, agriculture still needs the workers. Other sectors don't have the same urgent need. Politically, agriculture is a safer place to start. Most Americans don't aspire for their kids to become farm workers.

Where are Idaho's politicians? Rep. Minnick has been a friend on the issue, and hopefully will be in Congress to help whether this year or in the future. Sen. Risch has been considering the issue, and has the chance to embrace the solutions-oriented attitude of his predecessor Larry Craig. Sen. Crapo and Rep. Simpson know there is a problem, and would at least support a guest worker program. But without a path to success, their support for one piece of the puzzle doesn't mean much in the milking parlor. They can help by privately committing to our lead supporters, Sen. Richard Lugar (R-IN) and Dianne Feinstein (D-CA), that they will vote for AgJOBS if it comes up this year.

Rep. Simpson and Sen. Crapo have each expressed concerns with any reform bill that has a "path to citizenship." This is a tricky issue, and much misunderstood. From a business owner's standpoint, the eventual right to attain citizenship really isn't an issue. The quest for a legal and stable workforce is much more central. Most farm workers, for their part, don't aspire to be citizens, they just want to

work with legal status. Yet, we also know from past debates that worker advocates will attack solutions that prohibit the possibility of eventual citizenship as creating a permanent underclass, or "Apartheid in America." That's also not something most business owners want to own.

Let's delve into the issue a little more deeply. First, AgJOBS does not create an "automatic path" to citizenship. It does not guarantee eventual citizenship, nor does it prohibit the eventual possibility. It is, in essence, silent on the issue. It does, however, provide a path to earning legal residency over a period of years for those who meet all the conditions. Citizenship, for those who might want it, would require a years-longer wait, demonstrated proficiency in the English language, American history, and good character.

Let's bring this emotional topic to the level of real people. Last time I was in Twin Falls for a meeting with the Idaho dairy industry, several operators pulled me aside and told stories of lead herdsman, key employees, who had been here for years, were making good money, had homes and families in school, and were living exemplary lives in every respect. Yet, they were afraid to drive, because their papers were not so good. They had come to the U.S. the only way they could – without permission – years earlier.

They came for the same reasons my own father came from the tiny nation of Belgium, at 18 years of age, with \$20 to his name. The only difference being, as a northern European my father had doors open to his legal entry that the Mexican dairy workers did not. At the end of the day, if the dairy herdsman with a strong work ethic and equally strong family values develops a love for his new land and aspires to U.S. citizenship, is that really such a bad thing? I am beginning to wonder if the politicians who draw an absolute line in the sand live in fear of the future rather than embracing it.

### How Can You Help?

Congress will not act simply because we wish they would. The dairy industry needs to make this issue its top priority in the coming weeks. Meet with your elected Senators and Representatives. Organize the grassroots letters and calls to push for action on S.1038 and H.R.2414, AgJOBS. Hold them accountable for supporting the only solution that has any prospect of crossing the finish line, now and for the foreseeable future. Don't accept empty promises that "we'll solve the problem next year." Those promises have been made, and broken, time after time over the last 15 years. It's high time our leaders act to secure the future of American agriculture, and take action on AgJOBS, this year.

**The Agriculture Coalition for Immigration Reform is the coalition of labor-intensive agricultural industries working to secure Congressional passage of meaningful immigration reform for the sector. ACIR is comprised of roughly 300 farm groups whose members produce fruit, vegetables, livestock, dairy products, nursery and greenhouse plants, and Christmas trees from coast to coast.**

## Help Wanted

By Marjie Knust, Editor of the DFA Leader.

*A broken system finds dairy farmers and their employees at the forefront of the immigration debate and desperately searching for solutions.*

*Throughout the country, on dairy farms large and small, farm laborers are dedicating their days to caring for America's dairy cows. Many of these workers are from outside the United States, a large percentage entering America from neighboring Mexico. Some are here legally; others illegally. For dairy producers who hire foreign-born workers, increasing raids and audits by immigration officials have left them in a state of fear, despite their best efforts to comply with employment laws.*

*The debate on immigration has raged for years. It's an issue that produces strong emotions on both sides and deeply divides this country. In the dairy industry, it's a reality that must be dealt with. Dairy Farmers of America, Inc. has consistently worked with lawmakers to develop and support immigration legislation that is fair to dairy producers — those who utilize foreign-born workers and those who don't. As this year's congressional session winds down, action on the issue looks unlikely. The debate rages on, and farm owners remain victims of a broken system. These are some of their stories.*

Dairy producers who employ Hispanic laborers will tell you that they live in a constant state of fear. The possibility of immigration officials charging their farms, guns drawn, handcuffing employees isn't necessarily what scares them. Rather, it's a piece of paper that is more likely to send chills down producers' spines.

"They handed me a subpoena that demanded my state unemployment tax records, names and Social Security numbers for all of my current employees and all the employees I've had for the past three years," says Bonnie\*, a DFA member in the western region of the United States. "They also wanted all of the I-9 documents that go with them — originals, not copies. I was told those were their forms, not mine."

For a producer with foreign-born workers — even one like Bonnie, who keeps detailed records — a subpoena can mean losing half of your workforce, or defending yourself against a felony charge of harboring illegal aliens.

### **Culture of fear**

Dairy farmers say hiring foreign-born workers can be a Catch-22. With American workers rejecting agricultural jobs, dairy producers hire from the labor pool available, which typically consists of Hispanic workers. Farmers work to comply with labor laws, requiring documentation from workers that proves they are legally permitted to work in this country. But, even when proper documentation appears to be presented at the time of employees' hiring, it is extremely difficult for employers to verify that the documentation is authentic.

"Right now, the Obama administration has key agencies like Immigration and Customs Enforcement (ICE) and the Labor Department's Wage and Hour Division investigating employers at a record pace," says Craig Regelbrugge, co-chair of the Agriculture Coalition for Immigration Reform (ACIR), which advocates for immigration policy reform and of which DFA is an active member. "The results can be harrowing, even for good employers who are crossing their t's and dotting their i's."

The fear of unknowingly being out of compliance with the law is so persistent, that all of the dairy producers mentioned in this story requested their names be changed to avoid unwanted attention from the Immigration and Customs Enforcement Agency.

"The laws and regulations have built this culture of fear," says Dan\*, a DFA producer in the Midwest. "We're all afraid that we're not in compliance, despite the fact that we've taken all of the proper steps and done everything we can to stay legal."

Dan is currently facing a lawsuit from federal agencies that are accusing him of harboring illegal ailiens.

"The problem is that verifying a worker's documentation is difficult," he says. "It's frustrating because the system is working against us."

### **A maze of paperwork**

When hiring workers, employers must fill out an I-9 form for each hire. The form includes spaces for basic information like name, address and date of birth. Employees must fill out this information and include their employment status: U.S. citizen, legal permanent resident or an alien authorized to work until a given date.

The form also includes a list of 10 acceptable documents employees may provide employers to verify employees' identities and employment authorization. As long as employees produce documentation from the list that "a reasonable person would not suspect as fraud," employers have complied with the law. However, if that documentation is later found to be fraudulent, employers are held accountable.

When Bonnie was audited, enforcement officials found that more than 70 percent of her employees had documents that were suspect. Bonnie gave those employees two weeks to produce valid documentation.

"Fifty percent of those I asked for additional documentation from didn't show up for work the next day," she says.

There is a federal program available to employers to verify workers' employment eligibility called Electronic Verification, or E-verify for short. E-verify is a free, online program that allows employers to instantly verify that a worker is legally permitted to work in the United States. However, to use the program, employers must use it for all of their employees and, according to a 2010 audit by Westat, the program fails to identify undocumented workers 54 percent of the time.

"E-verify is flawed," Bonnie says. "It doesn't work. There is no reliable way to verify that documents we receive are authentic."

After ICE officials audited her employment records, Bonnie lost more than a third of her total workforce overnight.

"What do you do when you have animals that need to be milked and fed and taken care of and your workers don't show up?" she asks. "It becomes an animal welfare issue."

The day after the ICE audit on her farm, more than half of the 32

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calves born on her dairy that day died because there weren't enough experienced workers to take care of them. Having a reliable workforce is crucial on a dairy where every cow has to be fed, milked and cared for every single day. "I switched to hiring immigrant workers a number of years ago because I couldn't get anyone in the area to do the work," says Lori\*, a DFA member with a small operation in the Northeast. "Most of the non-immigrant workers wouldn't stay for even a month, or they just wouldn't show up for work. That means someone is doing double the work or your cows are suffering because you can't find enough people to help take care of them."

### Hard work, good wage

Anti-immigration groups often claim that the agricultural industry uses foreign-born labor because of poor working conditions and low pay.

A 2009 study by National Milk Producers Federation (NMPF) found that an average dairy worker's salary is \$31,521 per year.

"They all get a good wage," Bonnie says. "None of my guys are on welfare or at the bars creating havoc. They are just working hard at a job that no one else wants to do."

Bonnie says her longtime, highly skilled employees make much more than the national average, and she provides English classes and on-the-job training for her workers — training that sometimes takes years to complete.

"To get workers who can work in hospital pens or the maternity pens and who do things the right way and the way that they should be done, it can take 10 or 15 years to train the kind of guys we need," she says. "We make a huge investment in our employees and to have them taken away overnight really hurts our business."

### Policies that work against producers

The dairy industry is in desperate need of a stable, reliable workforce, says Brandon Mallory, president of Agri-Placement Services, a company that places workers on farms and provides ongoing bilingual support and assistance with labor law compliance.

"There is no visa program for permanent agricultural workers," he says. "There are several visa programs for seasonal operations, but those don't work for dairy because dairies are year-round."

Immigration reform has been on Congress' to-do list for years, but bipartisan politics and the gravity of reform needed has ultimately stalled any legislation proposed. However, the issue is gaining attention from the public and legislators, and many are hopeful that reform will happen this year or next.

One bill that has gained support, including DFA's, throughout the agricultural sector is the Agricultural Job Opportunities, Benefits and Security Act (AgJOBS). AgJOBS would provide a program that would enable many undocumented farm workers to earn temporary immigration status with the possibility of becoming permanent residents by continuing to work in agriculture and meeting additional requirements. The legislation would also revise the existing H-2A visa program, which allows seasonal agricultural workers to gain admittance to the United States.

"One of the most important components of AgJOBS is that it allows the current workforce to remain in the country through a series of processes," Mallory says. "That's important because as an industry, we can't afford to lose the workforce we already have. Farms everywhere are struggling to find labor."

According to the NMPF study, 41 percent of the dairy industry's workforce is foreign-born. If just half of those workers were lost due to revised immigration policies, it would result in an economic loss of \$11 billion.

"In the absence of smart reform, more and more producers will find themselves on the brink," Regelbrugge says. "More and more children in the next generation will leave the farm, seeing no future there."

Immigration reform is at the top of DFA's legislative priorities, says Jackie Klippenstein, DFA vice president of industry and legislative affairs.

"The current system sets dairy producers up for failure by not providing their workers with a viable visa program," she says. "Within the current system, a producer can be in compliance with the law and still lose a substantial part of their workforce and/or face hefty penalties. Long term, this will put the U.S. at risk of needing to import dairy products from other countries, which may not have a robust food safety regime in place."

DFA members and staff have been active in speaking with their legislators about immigration reform, traveling to Washington, D.C., and hosting lawmakers on farms. In addition, DFA offers resources to members who have questions about employment regulations.

### Not soon enough

Although her operation is back at full staff today, Bonnie says she knows federal agencies continue to monitor her.

"We're just trying to run our business," she says. "I've always had a paper trail for everything, and we're at full staff now, but the cows have paid the price and that's wrong."

For now, Bonnie, Lori and Dan say they are just doing their best to stay in compliance with the law, but immigration reform can't come soon enough.

"We just need a program that works for our industry," Dan says. "We can work with a system, just give us a program that works and we'll figure it out."

*\*Names have been changed.*

Dairy Farmers of America, Inc. is a milk marketing cooperative owned by and focused on nearly 17,000 members throughout the country. The Cooperative's core business is to market members' milk, pay them a competitive price, deliver value and be a leader in the industry. Learn more at [www.dfamilk.com](http://www.dfamilk.com).



*www.downesoneill.com - www.dairy.nu*  
Cheese Exports on Solid Footing  
By Eric M. Meyer

It all started back in late 2006 when U.S. milk prices were historically low. Drought hit Oceania and caused milk production to plummet, forcing prices there to skyrocket and sending global buyers elsewhere for cheaper product. Once throwaway commodities (or purchased by the government), U.S. dry whey and nonfat dry milk prices soared in 2007, lifting cheese prices due to falling U.S. Cheddar production and strong domestic demand.

In late 2007 and the first half of 2008, global buyers also began to see the value in purchasing cheese from the states and U.S. manufacturers shipped record amounts of cheese overseas, up 32 percent from 2007 and 85 percent higher than 2006. Cheddar exports percentages were even higher, up 267 percent vs. 2007 and up a staggering 549 percent from 2006. Oceania drought and an extremely weak U.S. dollar were the main reasons for such record numbers and once production recovered in that region and the U.S. dollar corrected, many analysts assumed U.S. dairy exports would taper off dramatically. While total cheese export numbers did drop off substantially in the second half 2008, 2009 exports hung in there and by the end of the year finished 1.8 percent higher than 2008.

2009 export totals fell dramatically in other dairy commodities such as nonfat dry milk, dry whey and butter as both Oceania and Europe had relatively stronger production seasons last year. But higher powder prices toward the end of last year have led export totals back on the upswing across all commodities into 2010. And while the United States has been called the "balancing plant to the rest of world," it doesn't appear to be the case when it comes to cheeses. The past four months have each set new monthly export records on total cheese (March-June 2010) and both May and June 2010 Cheddar exports were new monthly records. One cannot blame record low U.S. dollar levels or Oceania drought entirely for this year's impressive cheese export totals.

Seizing the opportunity in 2007, many progressive U.S. cheese companies began to cut export deals with assistance from the U.S. Dairy Export Council and Cooperatives Working Together (CWT) and have not looked back. Some manufacturers even slashed prices to remain competitive in order to maintain long-term relationships with their new global partners. As a result, cheese exports as a percent of U.S. production is on the rise. Only representing 2.4 percent of total cheese production in June 2009, exports were up to 4.3 percent of production this June. Cheddar cheese is on the same path, accounting for 0.8 percent of June 2009 exports and 3.2 percent this year.

Even with strong exports, U.S. cheese prices have endured the sharpest roller coaster ride in its history during 2008-2009 as the industry struggled with striking the correct supply/demand balance to keep prices stable. With new fundamental factors such as burgeoning export demand, evolving CWT programs, Mexican tariffs, Russian Import ban, 2012 Farm Bill, etc. to wade through, price volatility in the dairy industry is likely here to stay.

As developing countries have bounced back faster than the United States from the Great Recession, global dairy consumption is on the rise and the trend for strong exports looks promising for years to come. While this may be positive news for the dairy industry, dairy producers in Idaho and across the country need to be proactive and manage price volatility that comes with the growing pains of being part of the global marketplace. Successful dairymen and women will do just that.

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## Colbert's reminder: Immigration a moral issue by Galen Carey, Special to CNN

*Editor's note: This news item was provide by ACIR. Last week comedian Stephen Colbert appeared at a U.S. House hearing on Immigration. Meanwhile, despite the controversy generated, it is indisputable that Colbert's appearance brought unimaginable attention to this issue. Note that as of today, the official CSPAN hearing transcript has had almost 207,000 views; one of the Youtube postings of Colbert's testimony now has over 806,000 views.*

*Galen Carey, the author of the article below, is the director of government affairs for the National Association of Evangelicals and a native of Iowa. Carey served 26 years and in five countries for World Relief, the NAE's humanitarian arm, and spent 13 years directing immigration and refugee service programs in the U.S. He is a founder and past president of the Illinois Coalition for Immigrant and Refugee Rights. On October 13, he will speak at a free panel discussion in Washington, D.C., co-sponsored by the [NAE](#), on "Immigration and the Workforce."*

*This is a partial reprint of the full article which can be found at: <http://edition.cnn.com/2010/OPINION/09/29/carey.colbert.immigration/>*

September 29, 2010

Comedian Stephen Colbert used his signature humor last week to focus the nation's attention on a very serious issue: the treatment of the hardworking people who produce our nation's food supply.

Some members of Congress complained that Colbert's testimony before the House Immigration Subcommittee was undignified; others took issue with his invocation of Christian values.

Colbert's deadpan humor may have been slightly irreverent, but he did the country a service by highlighting congressional inaction on immigration reform and pointedly referencing the issue's moral dimension.

Responding to a question from California Democratic Rep. Judy Chu about his interest in migrant workers, Colbert became uncharacteristically serious, even invoking the words of Jesus, who said that "whatsoever you did for the least of my brothers, you did it to me" (Matthew 25:40). Colbert, who is a practicing Catholic, noted that in today's troubled economy, there are many "least brothers." He added, "I don't want to take anyone's hardship away from them or diminish it or anything like that. But migrant workers suffer, and have no rights."

These were not idle comments. Christians take Jesus' words as a call to show justice and mercy to those at the very bottom of the social hierarchy. It is a call that Jesus embodied in his own life, as he engaged with Samaritans, lepers, prostitutes, tax collectors and others treated as outcasts in society. Jesus summarized his mission as bringing good news to the poor, freedom for prisoners, recovery of sight for the blind and release for the oppressed (Luke 4:18-19). Caring for migrant farmworkers is one way that Christians today -- including Christian lawmakers -- should follow Jesus' example.

In 2009, the National Association of Evangelicals, which represents some 45,000 churches with millions of constituents, issued a call for

immigration reform. In the past year, we have held numerous meetings with members of Congress and with White House officials, and we have conducted forums, news conferences and other public events. In one of those events, veteran evangelical civil rights leader John Perkins called immigration reform "the civil rights struggle of our day." Why? While some agricultural operations have become highly mechanized, growing fruits and vegetables is still labor intensive. For decades, farmers have relied on migrant workers, primarily immigrants, to do this difficult but essential work. Despite this massive and predictable need, our immigration laws make little provision for the legal entry of immigrant farmworkers. Still, the crops must be picked: Our economy and food security depend on it. So each year, growers hire tens of thousands of undocumented workers to do some of the most backbreaking jobs in America. As a result, Americans enjoy an abundant supply of affordable produce and our economy enjoys a substantial boost.

As testimony by Colbert and others pointed out, there is a dark side to this story. Undocumented farmworkers are poorly paid, enjoy few rights and live in fear of deportation. Full disclosure: I descend from generations of farmers and am married to the daughter of a migrant farmworker. I know that farmers face losses from potential labor shortages during critical periods and risk hefty fines for hiring workers without employment visas.

State and local governments educate the children of migrants but don't reap the benefits of their investment because the graduates are not allowed to work legally and become taxpaying citizens. (Undocumented immigrants, of course, pay sales taxes, and many pay Social Security and income taxes, though they are ineligible for most public benefits.)

None of this is new information to the representatives who gathered in the Immigration Subcommittee hearing last week to listen to testimony on the proposed AgJOBS legislation. Immigration reform has been debated for years.

The basic elements needed to fix our broken immigration system are clear. They include securing our borders, fixing our broken legal immigration system and providing an equitable pathway to earned legal status for the currently undocumented.

Business, agriculture, labor, faith and immigrant advocate groups are in broad agreement on the solutions. It is an issue on which President Obama and former President Bush, and many leaders in both parties, have agreed. And yet, after 21 months on the job, the 111th Congress has failed even to seriously debate the issues. No bill has come to a vote at even the subcommittee level.

Politicians may resent Colbert's jokes, but they can scarcely blame the comedian if their constituents are exasperated by congressional inaction on this and other critical issues, despite the many promises on the campaign trail.

By mischaracterizing immigration reform as amnesty and open borders (nothing could be further from the truth), pandering to voters' fears and prejudices, and putting short-term political gain ahead of the national interest, they have lost legitimacy in the minds of many. If a slightly irreverent comedian can help to prick the nation's conscience and move us to finally rectify this long-standing injustice, then we welcome his intervention.

Members of Congress should smile, swallow their medicine and do what they know is right.



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## Upcoming Meetings

Oct. 21 Industry Relations and IDEAL Meeting—Twin Falls

Oct 26-28 National Milk and DMI Annual Meeting—Reno, NV

Nov. 9 UDI Board Meeting—Boise

Nov. 10-11 UDI Annual Meeting—Boise

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