

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — JULY 10, 2024 — except where noted



**JAYNE SEBRIGHT**  
Executive Director, CDE  
717.346.0849  
jsebright@centerfordairyexcellence.org



**Understanding child labor laws:** Anyone who grew up on a dairy farm knows the value of developing a strong work ethic at an early age. When I was younger, I remember complaining because we had to get up before school to milk the cows or because we had to milk right after we got home. Looking back now, though, having the responsibility thrust upon you at such an early age teaches you a lot about delivering on your commitments. Employers know if they are hiring someone who grew up working on the farm that, for the most part, the employee will show up on time, work until the job is completed, and not call off work for minor reasons.

Unfortunately, who you employ on your farm can be a risk to your dairy operation, if you are not following the rules properly. In addition to being a safety risk, not following the rules can also lead to unwanted fines. Investigators within the Department of Labor at both the federal and state level have the authority to assess compliance with FLSA provisions. If an employer violates the youth employment provisions, they could be subject to civil money penalties (CMP) or fines. What can sometimes happen is a workplace injury can signal a concern that leads to an assessment conducted by DOL. CMP assessments or fines are often higher if a violation contributed to an injury of a young person on the farm.

The Federal Fair Labor Standards Act (FLSA) has provisions in it for employing youth on and off the farm. The provisions for those working in agriculture are different than the provisions for those working in non-farm jobs. FLSA also sets different provisions for youth employees depending on their age. FLSA laws cover any employees whose work involves production of agricultural goods leaving the state directly or indirectly and becoming a part of interstate commerce. Even if you are shipping your milk to a plant within Pennsylvania, if the product produced from the milk moves across state borders or money is exchanged for that product across state borders, it is considered part of interstate commerce. In addition, all employees of a farm are covered under the FLSA if the annual gross volume of business done by the enterprise that owns the farm is not less than \$500,000.

Youth ages 16 and above may work in any farm job at any time, according to FLSA provisions. Those who are ages 14 and 15 may work

on the farm outside of school hours in jobs not declared hazardous by the Secretary of Labor. Those young people aged 12 to 13 years old may work outside of school hours in non-hazardous jobs on farms that also employ one or more of their parents or if they have written consent from their parents. Youth under the age of 12 may work on a farm outside of school hours in non-hazardous jobs with parental consent, only if that farm is one that has no employees subject to FLSA's minimum wage requirements.

The FLSA law does allow for youth of any age to work on the farm at any time in any job if the farm is owned and operated by their parents. So, for any young people who like me may have threatened to turn their parents into Child Labor for making them work when they'd rather been sleeping, it would have been pointless to do so.

The tricky thing about the FLSA provisions is understanding what is considered a hazardous job on the farm. Operating a tractor of over 20 PTO horsepower, or connecting and disconnecting an implement or any of its parts to or from a tractor with more than 20 PTO horsepower, would be considered a hazardous job. Operating a combine, forage harvester, baler or any similar piece of equipment is considered hazardous. Working in a pen with a cow and newborn calf or on a ladder at a height above 20 feet is also considered hazardous. Handling or applying toxic agricultural chemicals identified with the words "danger," "poison" or with a skull warning on them would be hazardous, as well. Most milking equipment chemicals come with those labels. There are also many other hazardous jobs listed on the FLSA web page.

If you want help in understanding what the rules are around the FLSA and youth employment, the Penn State Center for Agricultural and Shale Law has a recording of a webinar about the Basics of the Fair Labor Standards Act on YouTube at <https://www.youtube.com/watch?v=Hb99obKdddA>

You can also find a wealth of information on the Department of Labor's website by searching "FLSA and Youth Employment in Agriculture." Here's a link to the Youth Rules published by the US Dept. of Labor: <https://www.dol.gov/agencies/whd/YouthRules/young-workers>

Prices change daily. This market information is an example for educational purposes. The market data shown below are compiled weekly by Farmshine, via CME & USDA reports.

## CME DAILY FUTURES & OPTIONS TRADING — JULY 10, 2024 AT THE CLOSE

	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	TREND												
<b>CLASS III MILK FUTURES (\$/CWT) vs. wk ago:</b> Jul-Nov24 up \$0.45-0.65; Dec24-Feb25 up \$0.05-0.20; Mar-Jun25 down \$0.10-0.20. 12-Month Avg. 19.36 ↑↑	19.91	20.25	20.70	20.62	20.16	19.52	18.77	18.57	18.51	18.48	18.45	18.42	MIXED												
<b>CLASS IV MILK FUTURES (\$/CWT) vs. wk ago:</b> Jul-Sep24 weak-\$0.10 lower; Oct-Dec24 up \$0.05-0.10; Jan-Feb25 firm; Mar-Jun25 dn \$0.20. 12-Month Avg. 21.06 ↓↓	21.41	21.56	21.60	21.66	21.49	21.00	20.72	20.80	20.78	20.77	20.54	20.41	MIXED												
<b>MILK BASIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST &amp; MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY</b>																									
Mailbox	18.65	18.35	18.62	18.41	19.27	18.75	20.20	19.76	20.58	20.17	20.25	19.64	19.22	18.75	18.82	18.25	18.96	18.48	18.64	18.27	18.52	18.15	18.68	18.38	
Class III	18.16	18.16	17.59	17.59	17.60	17.60	18.72	18.72	19.07	19.07	17.30	17.30	16.81	16.81	16.03	16.03	16.98	16.98	17.31	17.31	17.33	17.33	17.33	18.16	18.16
BASIS	0.49	0.19	1.03	0.82	1.67	1.15	1.48	1.04	1.51	1.10	2.95	2.34	2.41	1.94	2.79	2.22	1.98	1.50	1.33	0.96	1.19	0.82	0.52	0.22	

	SEP-24	DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	DEC-26	JUL-27	TREND					
<b>CORN FUTURES (\$/BU)</b>	3.990	4.094	4.232	4.332	4.412	4.424	4.482	4.584	4.640	4.690	4.446	N/A	↓↓					
<b>SOYMEAL FUTURES (\$/TON)</b>	377.4	339.5	321.4	314.0	316.7	318.0	319.6	322.7	325.6	324.0	N/A	N/A	↓↓					
<b>U.S. AVG PREMIUM ALFALFA &amp; ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report</b>																		
MAR-23	277.00	290.00	292.86	244.27	254.92	243.50	238.50	217.82	240.41	231.70	254.85	224.50	205.02	220.17	175.00	*JUN-24	*211.69	↑↑

DMC	JAN-23	FEB-23	MAR-23	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	*JUN-24
<b>DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa &amp; Ill. soybean, feed for ALL CLASSES of dairy cattle on farm) Updated with NEW prem. alfalfa feed cost</b>	7.94	6.19	6.08	5.84	4.83	3.65	3.52	6.46	8.44	9.44	9.58	8.44	8.48	9.44	9.65	9.60	*10.52	↑↑
ALL MILK	23.10	21.60	21.10	20.70	19.30	17.90	17.40	19.70	21.00	21.60	21.70	20.60	20.10	20.60	20.70	20.50	22.00	↑↑
FEED \$	14.94	15.16	15.41	15.02	14.86	14.47	14.25	13.88	13.24	12.56	12.16	12.12	12.16	11.62	11.16	10.90	11.48	↑↑

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 07/02/24	U.S. CME SPOT DAILY (\$/LB) 07/10/24	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 7/06/24*
<b>Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB</b>	<b>Mon-Wed Lds</b>	<b>FMMO PROD MIL. LBS WTED AVG \$</b>
NEXT GDT AUCTION 07/16/24	Spot price	NDPSR
SKIM POWDER (SMP) 1.1733 ↓↓ 6.1%	1.1800 ↑↑ 1.1808 ↑↑	9.4 1.2007 ↑↑
BUTTER 2.9700 ↓↓ 10.2%	3.1050 ↓↓ 3.1250 ↓↓	1.9 3.1365 ↑↑
ALL-PRODUCT INDEX 1.7160 ↓↓ 6.9%	CHEDDAR-40 4 1.9700 ↑↑ 1.9658 ↑↑	9.5 1.9341 ↑↑
MILKFAT (AMF) 2.9569 ↓↓ 10.7%	CHEDDAR-500 17 1.9400 ↑↑ 1.9400 ↑↑	11.3 1.9879 ↓↓
BUTTERMILK POWDER 1.2123 ↓↓ 5.1%	DRY WHEY 3 0.4900 NC 0.4883 ↓↓	3.7 0.4340 ↓↓
MOZZARELLA (BULK) N/A		
WHOLE POWDER (WMP) 1.4601 ↓↓ 4.3%		
LACTOSE 0.3648 ↑↑ 0.6%		

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT) NASS ALL-MILK	CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW
<b>CL I ADV ↑↑ *CL II ↑↑ *CL III ↑↑ *CL IV ↑↑ ALL-MILK-U.S. ALL-MILK-PA</b>	<b>WEIGHTED AVG. 4-WK JUNE 3-29, 2024</b>
21.11(JUL) *21.60(JUN) *19.87(JUN) *21.08(JUN) 22.00(MAY) ↓↓ 22.50(MAY) ↑↑	PRODUCT VALUE MAKE ALLOW NET
MONTH AGO	*CHEESE 1.9962 0.2003 1.7959 ↑↑ *PROT 2.0546 ↑↑
20.08 21.50 18.55 20.50 20.50 4.15F 21.80 4.17F	*BUTTER 3.0983 0.1715 2.9268 ↑↑ *B.FAT 3.5444 ↑↑
YEAR AGO	*NFDM 1.1770 0.1678 1.0092 ↑↑ *N.FAT 0.9991 ↑↑
17.32 18.83 14.91 18.26 19.10 4.06F 20.40 4.05F	*DRYWHEY 0.4249 0.1991 0.2258 ↑↑ *OTHER 0.2326 ↑↑

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report	U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report
MAY-23 JUN-23 JUL-23 AUG-23 SEP-23 OCT-23 NOV-23 DEC-23 JAN-24 FEB-24 MAR-24 APR-24 MAY-24 *JUN-24	MAY-23 JUN-23 JUL-23 AUG-23 SEP-23 OCT-23 NOV-23 DEC-23 JAN-24 FEB-24 MAR-24 APR-24 MAY-24 *JUN-24
1400 1559 1502 1540 1500 1741 2108 N/A 1635 N/A N/A N/A 2115 *2016 ↓↓	1469 1792 1615 1634 1643 1830 1988 N/A 1792 N/A N/A 2120 2254 *1624 ↓↓

CATTLE - DAIRY PURPOSES (\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of June 28, 2024								
<b>MILK COWS (NASS) U.S. Avg.</b>	<b>HEIFERS FRESH</b>	<b>Springing</b>	<b>Bred</b>	<b>Beef x</b>	<b>OPEN: 300-600 lbs Beef X</b>	<b>600-900 lbs Beef X</b>	<b>900-1100 lbs</b>	<b>BULLS (800-1300 lbs)</b>
\$2120 APR-24 ↑↑ \$1890 JAN-24	2900	2500	1900	2200	900	1500	1550	1800
\$1720 APR-23 NC \$1720 JAN-23	1500	1750	1475	1000	575	N/A	925	N/A
1050	1050	925	1050	925	1050	925	1050	925

PA Auction Markets July 4-9, 2024	CULL MARKET COWS (\$/CWT LIVELWEIGHT)	FED STEERS (\$/CWT LIVE)	BULL CALVES: No. 1 & 2, 90-130 lbs
Premium White Breakers Boners Lean	139.75 ↑↑ 128.50 ↓↓ 115.85 ↓↓	Choice & Prime 1250-1550 lb 177.10 ↑↑ 186.85 ↑↑	70-85 lbs 745.00 ↑↑ 1075.00 ↑↑
WEEK AGO	138.00 129.35 119.00	YEAR AGO	675.00 ↑↑ 975.00 NC
YEAR AGO	N/A 104.35 92.75 83.25		635.00 975.00

brought to you by: