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Family Farmers Urge Administration to Finalize Livestock Rules On Anniversary of Release of GIPSA Proposed Reforms

BILLINGS, MONT. - On the one-year anniversary of the release of the proposed Grain Inspection, Packers and Stockyards Administration (GIPSA) rule, and three years after passage of the Farm Bill directing the U.S. Department of Agriculture to develop the rule, family farm groups hosted a tele-press conference and issued the following statements. Paired with the tele-press conference, thousands of farmers and ranchers are calling the White House this week to urge action to enable family farmers and ranchers the opportunity to compete in open and fair livestock and poultry markets.

An audio recording of the tele-press conference is available at www.worc.org/rc/Rules-Audio-6-2011.html.

Statement of Roger Johnson, president of the National Farmers Union, Washington, D.C.

“The Obama Administration needs to act now to implement and enforce the GIPSA rule. Farmers and ranchers need a fair marketplace now more than ever. We have waited long enough.

“It has been one year since the GIPSA rule was proposed. Since then, more than 60,000 comments were submitted to the U.S. Department of Agriculture (USDA) regarding the rule. It has been more than three years since the 2008 Farm Bill was passed with a mandate to put forward protections for farmers and ranchers. It is long past time to implement these reforms to protect family farmers and ranchers.

“The GIPSA rule will prevent packers from engaging in unfair and deceptive practices to harm livestock producers. Under the rule, farmers and ranchers would no longer have to prove that the abusive business practices employed by a processor against a farmer or rancher caused competitive injury to the entire livestock marketplace. The proposed rule would now require the producer simply to prove that the abuses damaged his or her operation. Doing so would return the industry to the position USDA has supported through both Republican and Democratic administrations and would simply reverse the 2006 judicial rulings against family farmers and ranchers.

“Opponents of the rule have demanded at every turn that USDA delay the rule as much as possible. To slow the process further, last week the U.S. House of Representatives, at the behest of packer-producer organizations, defunded the implementation of the rule. The rulemaking process should not take this long. The GIPSA rule should be finalized and enforced before next year’s appropriations bill is signed into law.

“The economic impact on rural America stemming from the lack of competition in livestock markets and the resulting loss of farmers and ranchers is clear. Thirty years ago there were 1.3 million beef cattle operations. Today there are only 740,000. In 1980, there were 660,000 hog farms. Today there are only 67,000. Last year alone, 2,300 hog producers went out of business.

“It is time for USDA to act in implementing the GIPSA rule, to give America’s family farmers and ranchers an opportunity to compete in an open and fair marketplace.”

Statement of Mabel Dobbs, beef producer, Western Organization of Resource Councils, Weiser, Idaho.

“I came into this fight for fair prices as a banker and rancher’s wife running a thousand head of cattle. Today, I am in this fight as a grandmother, still wanting fair prices so my twin granddaughters can hopefully continue to ranch. That dream was ripped out from under us when unfair practices by the meat packers created volatility in the market and contributed to the loss of our ranches. We came back, on a smaller scale and with the help of an off-ranch income. Twenty plus years later, there is still no fair cattle market in which to participate. As a candidate, Barack Obama said he would fight for America's family farmers and ranchers. As president, Obama now has an opportunity to keep that promise. It's time for livestock producers and consumers to speak up for this rule and ensure President Obama acts now to implement it.”

Statement of Mike Weaver, president, Contract Poultry Growers Association of the Virginias, Fort Seybert, West Virginia.

“Poultry growers have suffered under suppressive contracts with little or no input from growers for over twenty years now. Growers were making more per pound for their chicken in 1975 than today. When you pay more than \$1.50 for chicken at the store the farmer who raised that chicken get 5 cents of that price. Poultry growers have no security in our contracts. They typically are flock to flock. We are forced to make tens and hundreds of thousands of dollars in upgrades to our poultry facilities in which we already have hundreds of thousands and millions of dollars invested. The GIPSA rules were released a year ago now and President Obama needs to get the rules finalized. We need these rules now.”

Statement Darwyn Bach, Boyd, Minn., raises corn and soybeans on 400 acres and has a 150 sow farrowing operation.

“I’m trying to decide if I’m going to remain in hog farming. If I’m going to remain in the business, I need to be confident that I have market access for my hogs and I’m competing on a level playing field with other producers. The proposed GIPSA rule addresses many of my concerns and the concerns of other independent hog producers. It provides for greater price transparency and price discovery and prohibits packers from giving preferential treatment to certain producers. It’s been a year since the release of the proposed GIPSA rule and seven months since the comment period ended. It’s now time to enact the rule. President Obama and Secretary Vilsack need to make a decision: are they on the side of Smithfield, JBS and NPPC, or are they on the side of the majority of livestock producers who live and work in rural America?”

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