U.S. SENATOR PATRICK LEAHY

CONTACT: Office of Senator Leahy, 202-224-4242 VERMONT

Jeffords, Leahy Call on President To Protect Dairy Farmers in Trade Negotiations

.National Milk Producers Federation Says U.S.-Australian Free Trade Agreement

Could Cost America More Than 150,000 Dairy Industry Jobs

WASHINGTON (Wed., Jan. 21) - U.S. Senators Jim Jeffords, I-Vt., and Patrick J. Leahy, D-Vt., joined 29 other Senators today in a bipartisan effort urging the President to ensure that American dairy producers will not suffer undue hardships under a proposed U.S.-Australian Free Trade Agreement (FTA).

In the letter to the President, the Senators expressed their concern about the current trade negotiations with Australia. The letter states that the FTA "would have dire consequences for several of America's agricultural industries including the dairy industry, unless the administration exercises great caution in drafting the trading terms that would apply under the negotiated FTA."

Jeffords said: "For the past two years our farmers have struggled with historically low milk prices. The last thing we need right now is a flood of imported milk products that could drive prices even lower, perhaps permanently. I am concerned that if dairy is part of free trade, more family farms will disappear and the nation's largest dairy companies will spread their influence further."

Leahy said: "Our dairy farmers have enough to worry about domestically right now, the last thing they need is an influx of foreign dairy products. A trade agreement with Australia, that simply opens our markets to cheap Australian imports, with no safeguards for our American dairy farmers, could be disastrous for Vermont dairy producers, their families, and our state."

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The President The White House 1600 Pennsylvania Ave, NW Washington, DC 20500

Dear Mr. President:

We are writing to express our deep concern about the Free Trade Agreement (FTA) negotiations that are underway between the United States and Australia. These negotiations could have dire consequences for several of America's agricultural industries, including the dairy industry, unless your administration exercises great caution in drafting the trading terms that would apply under the negotiated FTA.

In particular, we want you to ensure that our dairy industry, especially dairy producers, will not suffer undue hardships if this agreement is put in place. Improper treatment of dairy in the U.S.-Australia FTA could concentrate Australia's exporting focus largely on the U.S., as we are one of the world's largest and most attractive markets for dairy products. If the U.S. gives Australia significantly increased access to our dairy market, this will greatly undermine milk prices, thwarting federal efforts to support dairy producers and their families.

The United States is home to thousands of dairy producers, with dairy farmers in every state in the Union. We ask that you take into account the livelihoods and families of the many dairy producers in our states during your negotiations. We will be following the U.S.-Australia FTA closely and want to make sure that the dairy industry's concerns are given the highest attention by your administration.

Sincerely,