

W O R C

Western Organization of Resource Councils

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Livestock Producers Tell Congress to Reject Australia Agreement Trade Agreement Would Hurt Family Agriculture & Rural Communities

WASHINGTON, DC – Citing harm to family farmers and ranchers, WORC (Western Organization of Resource Councils) urged members of two Congressional committees and their House and Senate colleagues to reject a trade agreement with Australia.

In written comments to the Senate Finance Committee and House Ways and Means Committee, WORC said the United States-Australia Free Trade Agreement threatens family farming and ranching, concentrates market power, and was the result of an undemocratic process.

The proposed agreement would end or phase out tariffs for many Australian agricultural products, including beef, lamb, sheep, wool, wheat, and dairy products.

“The U.S.-Australia Free Trade Agreement is anything but free for America’s ranchers and rural communities,” said Reed Kelley, a rancher from Meeker, Colo., and WORC’s chair. “In fact, it will cost these communities greatly. The loss of U.S. domestic markets due to increased beef imports will result in lost income for ranchers. When ranchers are driven out of business, the communities they support also suffer. This trade agreement, in short, will outsource ranchers to Australia and eliminate jobs for workers reliant on the American ranching economy.”

Kelley told committee members that Australia is a net exporter of beef. “There is no opportunity for U.S. producers to develop an export market to Australia,” Kelley said.

Kelley said the 18-year phase out of quotas and tariffs on beef does not help U.S. producers. “Phase outs do not address the needs of family agricultural producers and only prolong the problems posed in this agreement,” he said.

Kelley said the agreement would further concentrate economic (market) power in multi-national corporations because many companies invest in both countries. “Multi-national corporations are global traders, whose only allegiance is to their profit. They exploit both importing and exporting countries at the cost of beef producers and consumers. In the case of beef, these corporations are expected to use international shipments of captive supplies, cattle owned or controlled by those companies, to manipulate the prices paid for both Australian and U.S. cattle.”

The trade treaty process limits participation by people affected by these agreements, Kelley said. “The very people these agreements impact the most, for all practical purposes, have no voice in this process,” he said.

Kelley said international trade policy should strengthen, not weaken, the public health, environment, food sovereignty, working conditions, labor rights, and transparent competitive market principles. “This trade agreement violates these principles,” he said.

The Senate Finance Committee conducted the hearing on implementing the Australia trade agreement on June 15, 2004. The next day, the House Ways and Means Committee held its hearing.

WORC’s comments are available at www.worc.org.

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WORC is a network of grassroots organizations from seven states that include 8,750 members and 49 local community groups. WORC helps its member groups succeed by providing training and by coordinating regional issue campaigns. Members are farmers, ranchers, and consumers.