

# W O R C

*Western Organization of Resource Councils*

**For Immediate Release:** July 14, 2004

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## **House Trade Agreement Vote Outsources Agricultural Sectors Ranchers urge Senate to reject trade agreement**

BILLINGS, MONT. – Approval of the U.S. – Australia Free Trade Agreement by the U.S. House of Representatives today threatens the livelihoods of family farmers and ranchers, WORC (Western Organization of Resource Councils) said today.

“The House has just voted to outsource more U.S. jobs and this time they are outsourcing the American Cowboy,” said Gilles Stockton, Chair of WORC’s Trade Team and rancher from Grass Range, Mont.

The House approved the agreement today by a 314 to 109 margin. The agreement would immediately end or phase out tariffs for many agricultural products, including beef, lamb, sheep, wool, wheat, and dairy products.

“The agreement clears the way for Australia to flood U.S. markets with these products and undercut American farmers and ranchers,” Stockton said.

According to Stockton, the agreement compromises democracy and U.S. agriculture. “The negotiation and ratification process is blatantly undemocratic,” he said. “This trade agreement will put many family livestock producers out of business and it gives more economic power to multi-national corporations.”

Stockton said U.S. farmers and ranchers have suffered for ten years under what he called unfair trade policies, the North American Free Trade Agreement and the World Trade Organization. “Agricultural imports into the U.S. increased significantly, while agricultural exports have stayed at the same growth level since 1994,” he said. “The balance of ag trade has fallen 62 percent. More important though is the loss of nearly 86,500 farmers between 1997 and 2002.”

“The Senate should stop this decline by rejecting this agreement,” Stockton said.

Karen Englehart, a Bison, S.D., rancher and a member of the WORC Trade Team, said, “U.S.-based Swift and Co. and Cargill have become dominating forces in Australia’s beef industry. They use cattle they own and control to manipulate the market. This is not just a U.S. problem but an Australian problem, depressing prices to ranchers in both countries.”

Three meat packers control and pack more than 80 percent of all beef in this country. Swift and Co. is the largest meat packer in Australia and the second largest U.S. meat packer and beef procurer.

On June 23, the Republican leadership in the Senate Finance Committee refused to adopt a provisions introduced by Senator Kent Conrad (D-N.D.) that would have protected the U.S. cattle industry from increases in imports when U.S. prices were depressed. The amendment would have required the House Ways and Means Committee and the Senate Finance Committee to vote before safeguards could be waived. However, the amendment, which would have given elected representatives a voice in protecting U.S. cattle producers, was left out of the legislation the House voted on today.

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**NOTE:** The U.S. Senate is expected to vote on the U.S.-Australia Free Trade Agreement within the next two days. WORC spokespersons will be available to comment after the Senate vote. To arrange an interview, contact Kevin Dowling, 406-252-9672, or Jeri Lynn Bakken, 701-376-7077. WORC will also issue a statement after the vote.

WORC is a network of grassroots organizations from seven states that include 8,750 members and 50 local community groups. WORC helps its members succeed by providing training and by coordinating regional issue campaigns. WORC represents farmers and ranchers in Wyoming, Montana, South Dakota, North Dakota, Colorado, Idaho, and Oregon.

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