

Jan. 18, 2002

Volume 2, Issue 3

"Ag Notes"

A SUMMARY OF NEWS, EVENTS AND FACTS FROM USDA

President Bush, Veneman barnstorm Midwest, South for Bipartisan Farm Bill, Increased Trade

In whirlwind visits to Illinois, Missouri and New Orleans, President Bush this week pressed home the need for a bipartisan farm bill and trade policy that will help farmers and strengthen the nation's economy. Secretary Veneman joined the President on the trips to Illinois and Missouri.

"I understand how important agriculture is, not only for America, but how important it is for international trade..." President Bush said. "There's some smart things we can do to stimulate the economy. And there's some smart things we will do to make sure that we've got a good farm bill." The President encouraged bipartisanship in delivering a farm bill that, "is generous and affordable; provides a safety net for farmers without encouraging over-production and depressing prices; supports our commitment to trade; offers conservation incentives on working lands and creates farm savings accounts." The President added, "These are sound principles, which will enable the American farmer to plan, to think ahead, to be able to survive in the down time, and thrive when markets get good."

Echoing those sentiments in a farm radio interview from Air Force One, Veneman said the trip allows us to "talk about the importance of the productive capacity of our economy, manufacturers like at John Deere and to talk about the importance of shipping that product to the world. Those who grow the food and those who help farmers harvest that food are incredibly important to the future of our country."

On trade, the President reiterated a familiar theme to local farmers, "If you're the best in the world at what you do - which we are in farming - then it seems like to me we ought to encourage that product to be sold not only here in America, but level the playing field so it can be sold all across the world."

Veneman Calls for Quick Resolution to Farm Bill when Congress Returns

Secretary Veneman traveled to Florida this week to address the National Association of Wheat Growers. Veneman said, "this Administration remains committed to working with Congress to complete a farm bill quickly," and reiterated that it should be a bipartisan bill that, "will provide agriculture some certainty and ensure that our farmers and ranchers have the assistance they need." Veneman said the approach offered by farm-state veterans Senators Thad Cochran and Pat Roberts, would provide a strong safety net, strengthen conservation programs and help farmers manage risk through farm savings accounts.

Veneman also explained why Trade Promotion Authority (TPA) is needed to increase U.S. markets for America's farmers. "If you order a burger and fries in Santiago,

Chile, odds are that it may not be U.S. wheat in your hamburger bun, or French fries made from Idaho potatoes." The wheat is far more likely to be Canadian because a free trade agreement between the two countries allows Canada to sell Chilean wheat without the tariffs imposed on U.S. wheat. "That's simply unacceptable. President Bush and this administration are going to change that so our farmers aren't left behind...but we need the appropriate tools."

Veneman also addressed homeland security and protecting against the threat of devastating diseases like Karnal bunt and foot-and-mouth disease, "Those situations could have been disastrous to our farmers and ranchers...but we were vigilant, we kept up our guard, and we remain steadfast today

The full text of Veneman's speech can be found at: www.usda.gov.

President Bush with John Deere CEO Bob Lane, USDA Secretary Ann M. Veneman and Commerce Secretary Don Evans



Daily updates, radio feeds and sound bites are available from USDA's Radio Newline at www.usda.gov.

Some 1.8 million acres of Conservation Reserve Program (CRP) land can be re-enrolled for one year.

The sign-ups to renew contracts that will expire September 30, 2002 began on Jan. 14 and ends May 31. "This action will help ensure the continued safeguarding of this sensitive land as a new farm bill is developed."

-- Secretary Veneman
1/11/02

Quotables...

"I'm so happy that people in my administration understand the importance of the farmer to our country, starting with our Secretary of Agriculture, Ann Veneman."

President Bush talking to farmers in Missouri, 1/14/02

U.S. Trade Rep. Robert B. Zoellick on extending investigation on Canadian wheat –

"Promoting American agriculture is a key goal of this Administration. Extending the investigation will enable us to thoroughly review and analyze all the information received."



Secretary Veneman meeting with FFA leaders in Missouri, 1/14/02

4-H Centennial—

President Bush and Secretary Veneman kicked-off the 100th anniversary of 4-H at a White House ceremony on Jan. 17. "As a former member of 4-H, I know first-hand the value of this outstanding youth development program," Veneman said. She also announced a \$1.4 million grant for the National 4-H Council. The group has 6.8 million members.

VENEMAN CALLS ON JAPAN TO LIFT POULTRY IMPORT BAN

Secretary Veneman is calling on Japan to lift an import ban on U.S. poultry and poultry products, which was imposed due to the confirmation of a low-pathogenic avian influenza virus in a small number of chickens in Pennsylvania. In a letter to Japanese agriculture officials Veneman said, "...we see no justification for this action. I urge you to immediately remove this unnecessary import restriction."

Veneman says that the import ban is causing serious economic damage to U.S. poultry and egg producers in many regions of the United States. Veneman added that the USDA responded fully and immediately last week to Japanese agriculture ministry's request for information on the avian influenza outbreak. "We now expect Japan to comply with its international obligations and immediately lift the import ban," she said.

WHY INFRASTRUCTURE MATTERS....

In the debate about a new farm policy, Agriculture Secretary Ann M. Veneman has urged policy-makers and farmers to broaden their thinking about a "safety net" for agriculture to include myriad programs, people and facilities that keep the food supply safe.

The Foot and Mouth Disease (FMD) outbreak last year in the United Kingdom (UK) and the tragic events of September 11 brought home the need to bolster this sector of the agricultural economy.

Until now no one has put a price tag on the disaster USDA successfully prevented. But in a speech to the Des Moines Agri-Business Council on Jan. 9, USDA Chief Economist Keith Collins estimated that an outbreak of FMD in the U.S. of the same scale as the one in the UK last year would be a "\$10 billion" event. That doesn't include the ripple effects from consumers and importers who might shun red meat to a fall off in demand for feed. Tourism also would suffer. In the UK, children could not go to school.

The U.S. Animal Health Association President Maxwell Lea, Jr. this week thanked the Secretary and USDA for the "attention, concern, and importance you have shown for the country's animal agriculture over the past year. Animal health officials, indeed all stakeholders, have risen to the occasion to provide the protection needed for our industry. These efforts would not have been possible without the genuine and sincere concern and the hard work of you and your department," Lea said.

Budget Previews --

Administration officials revealed last week that the FY2003 budget will seek to allow legal immigrants to participate in the food stamp program after residing in the U.S. for five years. The proposal will cost more than \$2 billion over 10 years and help feed 363,000 legal immigrants.

In his weekly radio address, President Bush said his budget also will greatly increase funding for the highly successful Women, Infants and Children (WIC) feeding program. WIC provides counseling and food basics, like formula and milk, to low-income parents. "I will propose an increase of \$364 million for the WIC program," the President said. "This will be enough to serve nearly 8 million women and children each month. The budget also includes a \$150 million contingency fund. This is the second straight year that the Administration has proposed increases in WIC funding.