



NEW YORK STATE SENATOR

Catharine Young

SEN. YOUNG TO HOST DAIRY ROUNDTABLE IN ALBANY ON OCT. 19th

CATHARINE YOUNG October 14, 2009

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ALBANY - Trying to spur Albany into action, Senator Catharine Young, (R,I,C-Olean) is hosting a public forum on extremely low milk prices to draw attention to farmers' plights and gain support for a solution.

“Albany has been dragging its feet while our \$2.4 billion dairy industry is going down the drain. Farms are going under every day, delivering blow after blow to Upstate’s already shaky economy, but nothing is being done. We need action and results,” said Senator Young, who is Ranking Member of the Senate Agriculture Committee.

In August, Senator Young introduced the 2009 Dairy Investment Act, which would provide \$60 million of direct emergency relief to struggling dairy farmers. The program is modeled after a successful effort in 2007 that was sponsored and passed by Senator Young when she was Senate Agriculture Chair.

“The terrible prices that farmers are paid per hundredweight are similar to those around 2007. The big difference is that those low prices were in place for six months. The latest crisis is far worse, because the awful milk prices have gone on for over a year. It’s worse than a depression for the farmers, and they can’t afford to stay in business much longer,” she said.

Dairy farmers in New York received an average of \$12.50 per hundredweight of milk sold during September, up 50 cents from August but \$6.50 less than September a year ago. A study by Cornell University estimated that farmers need to be paid at least \$17.00 per hundredweight in order to meet their production costs.

“It’s terrible for farmers to work so hard, only to see their livelihoods destroyed by volatile milk prices. The Dairy Investment Act would give emergency payments to farmers, who in turn, put the money right back into the economy to pay for feed, supplies and equipment. Not only are the farmers suffering, but all of the related small businesses are on the brink of disaster, too. We need to give them a boost, or they will be lost from our economy forever,” Senator Young said.

“The recent federal initiative to give \$290 million to dairy farmers is appreciated, but it is only a drop in the bucket when you spread it across 50 states,” Senator Young said. “We need to do more if we want to make a difference.”

Senator Young said that New York will be receiving more federal stimulus money through the American Recovery and Reinvestment Act (ARRA) that should be used toward the program. If the money isn’t invested in dairy farms and they continue to go out of business, it will make the state’s fiscal crisis and budget shortfall even worse.

“The only way New York State is going to recover from the recession is to make wise choices that will actually revitalize the economy. Agriculture is the top industry in the state. The Governor and the Legislature should roll up their sleeves and tackle this issue head on,”

she said.

Senator Young said the Dairy Investment Act is a short-term fix, but a longer-term solution to stabilize milk prices at a fair level needs to be found.

“Milk prices are too volatile because they are tied to the Chicago Mercantile Exchange. Policies and the formula need to be changed, and I also am urging processors, farmers and retailers to come together to come up with a plan,” she said.

Invitees to the Albany forum were chosen for their ability to clearly outline the problem and articulate solutions, Senator Young said.

The invited guest list includes farmers Dale Anderson, Fred Croscut, Tunis Sweetman, Earl Myers; NYS Farm Viability Institute Director Thomas Sleight; NYS Center for Dairy Excellence Director Mark Kenville; Agrimark Chairman Neil Rea and Senior Economist Robert Wellington; Dairylea President Clyde Rutherford and Economist Edward Gallagher; Upstate Farms Cooperative President Dan Wolf and representative Tim Harner; NYS Dairy Foods representative Bruce Krupke; New York State Farm Bureau President Dean Norton, Vice President Eric Ooms, and Director of Public Policy Julie Suarez; Northeast Dairy Producers Association Executive Director Caroline Potter; Kraft Foods representative John Boltz; Cornell University Department of Applied Economics and Management Chair Lore Tauer, PhD; Food Industry Alliance of NYS President and CEO James Rogers and Board Chairman Nicholas D’Agostino; New York Cheese Manufacturers Association President Tom Eastham and Vice President Jay Snedeker.

The forum will be held on Monday, October 19 from 10 a.m. to 1 p.m. in Room 124, State Capitol, Albany.

For more information, call 518-455-3563.

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