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H. CON. RES. 14

Expressing the sense of the Congress regarding the actions needed to address the disastrous decline in hog prices for American pork producers and to relieve the widespread economic hardship currently being suffered by these producers.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 1999

Ms. KAPTUR (for herself and Mr. LATHAM) submitted the following concurrent resolution; which was referred to the Committee on Agriculture

CONCURRENT RESOLUTION

Expressing the sense of the Congress regarding the actions needed to address the disastrous decline in hog prices for American pork producers and to relieve the widespread economic hardship currently being suffered by these producers.

Whereas the price of live hogs in United States markets had declined by 72 percent since July 1997;

Whereas on December 14, 1998, the price of live hogs dipped below \$10 per hundredweight for the first time since 1955, and American pork producers were losing between \$55 and \$70 on every pig they sold;

Whereas, adjusted for inflation, prices paid to American pork producers for live hogs had not been this low since the Great Depression;

Whereas, based on estimates calculated by the Department of Agriculture, American pork producers were losing approximately \$144,000,000 in equity per week and lost more than \$2,500,000,000 in 1998;

Whereas the decline in hog prices is threatening the livelihood of tens of thousands of farm families in the United States and the very existence of suppliers, equipment dealers, and main street businesses in rural communities all across America;

Whereas, while pork producers have faced declining prices for live hogs, average retail prices in the United States for pork and pork products remain roughly the same;

Whereas the export of American pork and pork products in 1998 increased by 28 percent despite the loss of markets in Asia and Russia;

Whereas a primary cause of the decline in hog prices in the United States is the increased supply of live hogs and increased hog exports from Canada to the United States and a reduction in domestic slaughter capacity;

Whereas the slaughter plant bottleneck has been exacerbated by the approximately 100,000 Canadian hogs that are being exported to the United States for slaughter each week, which represents a 37 percent increase in Canadian hog exports to the United States; and

Whereas, because of Canadian exports, the number of live hogs exceeded the 383,000 daily slaughter capacity of United States plants, thereby depriving American pork

producers of all leverage in bargaining for a fair price:
Now, therefore, be it

1 *Resolved by the House of Representatives (the Senate*
2 *concurring)*, That, while the President and the Secretary
3 of Agriculture are to be commended for their efforts to
4 aid American pork producers during a time of unprece-
5 dented low prices for live hogs, it is the sense of Congress
6 that further assistance is urgently needed as follows:

7 (1) The President should consider forwarding
8 to Congress an emergency supplemental appropria-
9 tions request to enable the Farm Service Agency to
10 provide additional direct and guaranteed farm own-
11 ership loans, additional direct and guaranteed farm
12 operating loans, and additional interest rate assist-
13 ance for pork producers in the United States.

14 (2) The Secretary of Agriculture should prepare
15 and present to Congress a report, by February 1,
16 1999, evaluating the feasibility and cost of imple-
17 menting a disaster assistance program for pork pro-
18 ducers in the United States adversely affected by
19 low prices for live hogs, which could include—

20 (A) economic assistance for pork produc-
21 ers, subject to the gross income limitations ap-
22 plicable to other assistance programs of the De-
23 partment of Agriculture;

1 (B) expanded loan and debt restructuring
2 programs; and

3 (C) compensation to producers for markets
4 lost as a result of the increased export of for-
5 eign hogs to the United States.

6 (3) The Secretary of Agriculture should con-
7 tinue to facilitate donation and distribution of
8 United States pork and pork products for humani-
9 tarian purposes.

10 (4) The United States Trade Representative
11 and other appropriate executive branch officials
12 should work with the Canadian Government to ad-
13 dress the numerous problems contributing to the in-
14 creased exports of Canadian pork and pork products
15 into the United States.

16 (5) The Secretary of Agriculture should take
17 appropriate steps to encourage increased utilization
18 and expansion of hog slaughter capacity in the
19 United States, including the establishment of addi-
20 tional processing facilities operated by small-business
21 concerns.

22 (6) The President should direct the Secretary
23 of Agriculture, the Attorney General, and the Sec-
24 retary of Commerce to investigate the noncompeti-

1 tive or antitrust practices in the hog slaughter in-
2 dustry.

3 (7) The Secretary of Agriculture should im-
4 prove price reporting in the domestic livestock indus-
5 try to ensure fair, open, and competitive markets for
6 American livestock producers.

7 (8) The President should ensure the immediate
8 implementation of the proposed rule set forth on
9 pages 51458–51488 of volume 63, number 186, of
10 the Federal Register (Friday, September 25, 1998),
11 which would, among other things, increase the avail-
12 ability of commercial credit for family size farmers
13 by streamlining the regulations governing the guar-
14 anteed farm loan programs of the Farm Service
15 Agency.

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