

2008 Cattle Industry Annual Convention & Trade Show

New Ag Secretary Addresses Cattle Industry

Ag secretary Ed Schafer discusses Farm Bill, USDA priorities.

Story & photo by **Troy Smith**

Making his first appearance before a national agricultural group as Secretary of Agriculture, former North Dakota governor Ed Schafer addressed cattle producers during Friday morning's general session at the 2008 Cattle Industry Annual Convention and NCBA Trade Show in Reno, Nev.

Though anxious to pursue the U.S. Department of Agriculture's (USDA's) mission, Schafer said he was distressed when, on his second day on the job, he was presented a video showing mishandling of cattle delivered to a harvest facility in California.

"It shows cattle being handled in ways that can only be described as shocking and disturbing," Schafer said, reporting that an immediate and full investigation was ordered.

"We suspended [that company] as a supplier to the federal food and nutrition programs," he added, saying further action to confirmed violations of humane handling will be delivered swiftly.

Schafer also said USDA's efforts to safeguard public confidence in food safety will be unyielding. Even in a tight budget

year, he said, the agency is boosting funding of food safety and inspection programs. That includes those for detecting *E. coli* O157:H7, which saw increased incidence during 2007.

With regard to trade negotiations, Schafer said a good deal has been done to reopen old markets and foster new avenues for exporting U.S. beef. He expressed belief that markets will continue to grow — and with increased momentum. He mentioned new markets in Russia and Asian countries, and progress at reopening South Korea as particular reasons for optimism.

"The President wants me to weigh in on trade issues," Schafer stated. "The

administration is committed to free trade. I can assure you we will be there and be engaged."

Talking about farm policy, Schafer said the administration doesn't believe subsidy payments should go to people who don't need them. The administration wants more support for conservation programs, but opposes funding them through higher taxes. Despite huge differences between House and Senate versions of the 2007 Farm Bill, Schafer said he's optimistic about finding middle ground and agreement between the Senate and House of Representatives.



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Secretary Schafer acknowledged that government policy promoting ethanol production has created high corn prices and increased costs for livestock producers. He said more biofuel production, while not the total answer, should help reduce U.S. dependence on foreign oil.

"That means corn prices will be higher than you want to see them," Schafer admitted, "but I believe we'll move more to cellulosic ethanol production as that technology develops. That should stop the distorting of prices for feed and spark production of new energy crops like switchgrass."

At a press conference following his speech, Schafer was asked if acres currently enrolled in the Conservation Reserve Program (CRP) would be released so they could be put into corn production. Schafer said no "early outs" would be allowed without penalty. Asked if rumors that Renewable Fuel Standards — government policy that mandates increased use of biofuels — might be relaxed, Schafer said it was not likely to happen.

Responding to questioning about policy allowing increased beef and cattle trade with Canada, Schafer admitted that his perspective has changed.

"I've moved away from being 'from North Dakota' to being a citizen of the United States," Schafer explained, noting that decisions made as governor differ from decisions facing the head of USDA. "I have to take a look at the broader picture and try to be honest and fair. Some people in my home state might not like it, but I think a long-term view shows it will be good for the country."

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