



NEW YORK STATE SENATOR

Catharine Young

Dairy Farmers Plea for Support From Legislative Leaders

CATHARINE YOUNG October 19, 2009

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ALBANY – Dairy farmers and industry leaders from across the state gave testimony at the State Capitol today to offer solutions regarding the ongoing milk crisis which has been described as a “Depression” for farmers.

Senator Catharine Young (R,I,C – Olean), ranking member of the Senate’s Agriculture Committee, said, “Our farmers came to Albany today to make a desperate plea to help stop this massive hemorrhaging. If we don’t act now and provide some sort of support system, more farms will go out of business and this dairy crisis will continue to escalate - driving a stake into the heart of upstate’s struggling economy.”

State Senator John Bonacic said, "Upstate New York is in an economic crisis. The loss of more farms costs jobs, increases property costs on local communities because those farms are often developed into residential subdivisions, and diminishes New York State's open space. Losing farms raises the price of food and puts New Yorkers out of work. State agricultural leaders need to become far more aggressive in trying to help the agricultural community. Adopting the legislation sponsored by Senator Young and I to help the dairy industry would be a good first step."

State Senator George Winner (R-C-I, Elmira) said, "We're looking at a disaster-in-waiting throughout many rural, upstate communities already under enormous pressure. Dairy farming is a mainstay of upstate New York's culture and economy, and we can't risk devastating losses within this critical industry."

Senator James L. Seward (R/C/I-Oneonta) said, "Repairing New York's number one industry, agriculture, will pay dividends across our upstate economic landscape. We need to keep the pressure on both Washington and Albany so our hard-working farmers can breathe easier and continue their time honored work of providing our nation with food and protecting our land."

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.

Tunis Sweetman, owner of Sweetman Dairy Farm in Warwick, NY said, "The situation was a crisis eight months, it is now a full blown depression. I came to Albany today to highlight the desperate nature of this situation and the urgency that some kind of action is needed. Dairy is the upstate economy and I think legislative leaders fail to realize the impact this industry has. We cannot expect an economic recovery without a recovery of the dairy industry."

Tom Sleight, Executive Director New York Farm Viability Institute, said, "The New York Farm Viability Institute is pleased to participate in this Dairy Forum. Bringing good minds together to explore the array of near and longer term solutions to help New York farmers to cope with and recover from this downturn in price has been a top priority for the Institute. This forum will add momentum to the growing statewide and national discussions on the critical issues facing the dairy Industry."

Eric Ooms, Vice President of New York Farm Bureau and a dairy farmer from Columbia County, said, "Dairy farmers are going through an extraordinary pricing downturn, the worst in three decades. New York Farm Bureau is committed to exploring any and all short and long term options to help our

dairy farm families through this crisis."

Fred Croscut, Chautauqua County Legislator and owner of Pleasant View Dairy Farm, said, "Anything that can be done to stimulate and aid our farmers and dairy industry in the short term would be extremely helpful, but we also have to get the price of milk up at the federal level in order for the dairy industry to fully recover."

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, which has sponsors from both sides of the aisle, is modeled after a successful effort in 2007 that was sponsored and passed by Senator Young when she was Senate Agriculture Chair.

Bruce W. Krupke, Executive Vice President of Northeast Dairy Foods Association, Inc., a trade group representing processors, manufacturers and distributors supports Senator Young's call for Governor Paterson and or the NY State Legislature to act immediately to allocate emergency funding for dairy farmers. He said "Our state has historically held the dairy production industry as a cornerstone and essential for the economy. At a time when raw milk prices are very low and emergency assistance is greatly needed, action is necessary to ensure dairy producers survival until when prices recover." He continued, "processors need to know an adequate supply of farm milk is available in the region, without a consistent supply, milk, cheese and ice cream plants might be forced to move to areas of the country where enough raw milk is generated to conduct business."

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.

"It's terrible for farmers to work so hard, only to see their livelihoods destroyed by volatile milk prices. The Dairy Investment Act has support from both Republicans and Democrats and 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.

New York is the nation's third-largest dairy state, generating \$2.3 billion annually, over half of the state's total agricultural receipts. New York's 6,200 dairy farmers produce 1.4

billion gallons of milk annually. The average dairy farm in New York state is family owned and consists of 100 cows, producing an average of 19,303 pounds of milk per cow per year.

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