Wisconsin Dairy Alliance: Welcome back to Wisconsin, Mr. President. we need your help!

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CHILTON, WIS. – Many of you have read articles, heard news stories or have friends in the Dairy Community. The crisis in the Dairy Community is real!

This is why Cindy Leitner, President of the Wisconsin Dairy Alliance (WDA) spoke on behalf of all Wisconsin CAFO owners at Congressman Bryan Steil's field hearing in Burlington, WI that was held yesterday, April 25th, 2019.

"Congress needs to swiftly take up the agreement and vote to pass the USMCA. Free trade agreements like the USMCA that open markets and lower trade barriers are crucial to continuing the trend of growing U.S. dairy exports, which leads to jobs and income for Americans," said Leitner.

Overall, the impact of the trade war on exports has taken more than 10 percent — or $1.78 per hundredweight — from already depressed US milk prices. For reference, Class III milk prices in 2014 averaged $22.34 per hundredweight. Today, the for the foreseeable future, it shows an average of $16.03 (a 33% decrease). Leitner stated, "I can guarantee the cost of doing business has not matched the decline in revenue."

As a result, dairies of all sizes — some that have been in families for five generations or more — are buckling under the weight, and finally calling it quits.

Without an equitable resolution to the trade wars, Texas A&M AgriLife Extension Service projects U.S. dairy producers will lose $3.4 billion annually and nearly 16,000 jobs over the next five years.

What does this mean to the US economy? The stakes could not be higher. The U.S. dairy products industry supports nearly 3 million workers, generates more than $39 billion in direct wages and has an overall economic impact of more than $628 billion, according to the International Dairy Foods Association. The dairy industry provides not just jobs at Dairy Farms, but at feed mills, dairy manufacturing plants, construction companies, genetic companies, milk haulers, dairy plants plus much, much more.

The Trump Administration has reached a new North American deal with Mexico and Canada in November, it has remained unratified and retaliatory tariffs are still choking off commerce by destroying the dairy industry. Every day that critical trade pacts remain unsigned, foreign markets close their doors — often permanently — to U.S. dairy producers.

To understand the magnitude of exports impact on the U.S. dairy industry, the U.S. exported $5.4 billion in 2017, with Mexico alone accounting for $1.4 billion of that business, about ¼ of U.S. Dairy Exports.

Tom Vilsack, president and CEO of the U.S. Dairy Export Council, said “Without a trade treaty with Mexico in place, the dairy industry would be hard pressed to maintain and expand these sales, as our competitors in Europe are expected to implement a lucrative new trade arrangement with Mexico by next year. Moreover, without USMCA we lose out on the new rules this deal puts in place such as key reforms to Canada’s dairy system. Congress must pass USMCA to shore up our market in Mexico and harness the gains made in other areas through USMCA.” Wisconsin Dairy Alliance agrees with that statement.

“We will not see gains in the future milk prices without resolution of this USMCA agreement. The retaliatory tariffs and market uncertainty need to be resolved quickly in order to bring relief to the dairy industry and ensure long-term growth for our dairy economy,” stated Leitner.

Time is not “running out” for the U.S. Dairy Industry – it already has. The ratification needs to be done now. We need your help, Mr. President to push Congress to act!