



# NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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## DOLE FAULTS USDA ON BEEF PRICES

WASHINGTON, D.C. 3/9/74 -- In a letter to the Secretary of Agriculture today, Senator Bob Dole **strongly** criticized a Department report which he says has kept retail prices high and depressed the live cattle market.

"When cattlemen are losing over \$100 a steer on cattle leaving the feedlot," Dole **said** **said**, "this kind of action is equivalent to gross meddling in a vital industry which is already having severe problems."

Dole quoted from USDA's most recent "Summary of the Livestock and Meat Situation" which stated that "Livestock prices in the first half of 1974 will continue strong and remain above those of early 1973." The report also said, "Thus, with continuing strong inflationary pressures, higher fed cattle prices are in prospect." These forecasts, Dole said, have encouraged beef retailers to keep prices high in expectation that live cattle prices would go up, increasing the overhead for retailers and decreasing their profits.

The Senator added that high retail prices have led to smaller purchases by consumers and lower volumes of beef being sold. The low level of beef consumption has led to lower prices for fed cattle and a back-up of numbers in feedlots.

"Cattlemen are calling me every day to describe the severe financial straits they are in," the Senator said, "and some feeders have already gone bankrupt. If this trend continues, the livestock industry in Kansas and across the nation could be badly damaged." With a three year cycle necessary to build up cattle numbers, consumers could suffer a long shortage of beef, he added.

Dole branded the USDA report as being "out of touch with reality" and asked for an immediate remedy to the situation.

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