

National Farmers Union Board Resolution on the Farm Economy

Whereas family farms and ranches are the economic backbone – of rural America and contribute greatly to America’s culture, sovereignty and food security;

Whereas the farm economy has significantly worsened and family farmers and ranchers are struggling to pay their bills and provide for their families, the impacts of which reverberate through the entire economy;

Whereas the prices of major agricultural commodities have fallen dramatically over the last three years and input costs have either marginally shifted downwards or remained flat;

Whereas net farm income is forecast to be \$54.8 billion in 2016, down three percent from 2015, and would be the lowest net farm income since 2002;

Whereas average net farm income in Kansas dropped from \$129,000 in 2014 to \$4,500 in 2015 and average net farm income in North Dakota dropped from \$76,404 in 2014 to \$28,600 in 2015, a drop of 97% and 63%, respectively;

Whereas milk prices are in the \$12-\$14 per cwt. range, a 50% drop from 2014 levels and, the average cost of production is above \$17 per cwt.;

Whereas negative net farm income places significant stress on families that farm and ranch -;

Whereas low farm prices are predicted to continue for the next several years, presenting challenges to the survival of farmers and rural communities;

Whereas banks have restricted lending, creating barriers to accessing credit for operating the farm;

Whereas when family farmers are unable to make a livable income, it puts the farm in jeopardy and leads to greater consolidation in farmland and rural depopulation;

Whereas the worsening farm economy has already spurred the talks of mergers for five of the “Big 6” agricultural input companies and greater consolidation is expected;

Whereas the current state of the farm economy highlights the critical role of an effective farm safety net that keeps farmers on the land and supports farmers when times are tough;

Whereas socially disadvantaged and beginning farmers and ranchers will face even greater hurdles to either entry or continuation of family farming and ranching;

Therefore be it resolved:

Family farmers and ranchers who provide the food, fuel and fiber for the country deserve financial security and a farm safety net that enables them to remain on the farm and pass it on to future generations.

Family farmers and ranchers call on public officials and candidates for office at the local, state, and national to be aware of and responsive to the economic problems facing our nation's family farmers, ranchers, and rural communities.

Farm programs should minimize the farm income drop. We call for a corrective action and evaluation of price support levels including an increase in price supports or economic disaster declaration so that farm programs serve their purpose to stabilize farm income in low commodity price circles.