

Confined Animal Feeding Operations

The United Food and Commercial Workers International Union represents 1.3 million workers in North America, primarily in the grocery, retail, and meatpacking industries.

There are significant community, industry, public health, and environmental problems caused by Confined Animal Feeding Operations (CAFOs). These range from decreased property values for the surrounding residents, to the potential creation of antibiotic-resistant bacteria and environmental degradation. These issues have been thoroughly studied and documented, including in recent reports released by the PEW Commission on Industrial Farm Animal Production and the Union of Concerned Scientists. These reports, *Putting Meat on the Table: Industrial Farm Animal Production in America* and *CAFOs Uncovered: The Untold Costs of Confined Animal Feeding Operations* were both released in April 2008.

Since the 1990s there has been a rapid trend in meat production in the U.S. towards concentration on fewer, but much larger, farms. In addition, the meat industry has, by and large, moved to a structure of vertical integration, whereby processors own or control production in addition to their own processing facilities. Companies control CAFO operations either directly or through contracts with animal producers.

CAFOs are one factor in increased productivity in the meat industry. For example, the U.S. Department of Agriculture (USDA) report, *The Changing Economics of Hog Production* states “the number of farms with hogs has declined by over 70 percent, as hog enterprises have grown larger” resulting in “substantial gains in efficiency for hog farms and lower production costs.” The report estimates a 30 percent reduction in hog costs due to the “scale of production and technological innovation.” We would note that increased productivity has not resulted in any increase in the wages of workers in this industry. Indeed, the continued restructuring of the industry has continued to put downward pressure on employee compensation. Also, this purported increased productivity does not account for social costs generated by CAFOs.

Producing meat on CAFOs generates numerous externalities and costs that are not borne by the vertically integrated meat processors. For example, these farms can have a negative effect on the environment for both water and air, as well as neighboring property values. In addition, they raise issues of public health (e.g., contributing to antibiotic resistance) and they sometimes rely on tax subsidies or other public monies (e.g., the Environmental Quality Incentives Program).

Regulations of CAFOs are widely viewed as lax. For instance, CAFOs are currently exempt from reporting releases of hazardous substances from animal waste into the air. Also, the Environmental Protection Agency (EPA) had originally required that all CAFOs obtain a National Pollution Discharge Elimination System (NPDES) permits, which govern wastewater discharges. However, a new rule proposed by the EPA on October 31, 2008, would require only CAFO facilities that actually discharge to obtain permits. Importantly, under this rule, it is the prerogative of the CAFO owner, not the EPA, to determine whether the facility is discharging or likely to discharge.



The UFCW is involved in this issue because of concern for the communities in which thousands of our members and their families live. Factory farms are often located in poor and lower income areas, and they have been associated with increased economic disparity when compared to neighboring communities. The costs associated with CAFOs have been externalized into the surrounding communities. These communities, often rural, poor, and also associated with meatpacking facilities, have absorbed these costs.

The UFCW is also concerned with the long-term health of the industry, and industrial farm animal production, at least as it is currently practiced, may not be a sustainable model. A plan, with input from workers, industry, and community, needs to be developed in order to address these systemic problems, and CAFOs are an appropriate area for governmental intervention. However, such government action should also weigh the potential impact on the thousands of workers in the industry.