

Livestock Identification — The PSA Perspective

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We are pleased to be here and participate in this livestock identification symposium. The issues concerning livestock identification are important to our Agency and the programs we administer. Packers and Stockyards Programs in the new Grain Inspection, Packers and Stockyards Administration is responsible for administering the provisions of the Packers and Stockyards Act.

The P&S Act is a fair trade practices law which may properly be characterized as economic regulation of the market place. P&S's mission is to assure fair competition and fair trade practices in the marketing of livestock, meats, and poultry. Under the provisions of the P&S Act any unfair, deceptive, or unjustly discriminatory practice is unlawful.

What is P&S's interest in animal identification? Almost all transactions subject to the P&S Act require some level of identification for proper accounting to the livestock seller. In all agency transactions the agent must maintain sufficient identification to provide the necessary accounting to the seller and/or buyer. This includes all auction market and commission firm transactions as well as all order buying transactions. Packers must also maintain sufficient identification to provide accounting and payment to sellers for livestock purchased on a carcass basis. In addition, the ability to identify and trace livestock is a critical part of most investigations-especially those involving fraud.

The P&S Act contains record keeping requirements that apply to all firms and individuals who are subject to the provisions of the act. Specifically, records must be sufficient to fully and correctly disclose the details of each transaction and to disclose the true ownership of the business. When it is determined that a firm's records are not adequate, the act provides authority to prescribe the records to be kept and the manner and form in which they are to be kept. Who is subject to these record keeping requirements? Every packer, stockyard owner, market agency (auction markets, commission firms, order buyers), and dealer.

In addition, the P&S Act contains criminal penalties for anyone who creates or causes false records in the books of a person or firm subject to the act.

P&S has always had an interest in animal identification and trace back issues and has cooperated with other agencies on these issues for many years. In 1984, P&S began cooperation with FSIS in a drug identification and certification program for baby calves. In that program, P&S and FSIS met jointly with auction markets and packers who handled baby calves

going to slaughter to implement a voluntary certification and trace back program. We encouraged the auction markets to identify baby calves sold at their markets and to obtain certification from the consignors that calves either had not been treated or that the calves had met the required withdrawal period. While false certifications were a problem, the program was very successful in raising the level of awareness of livestock producers to the problem.

Our P&S offices continue to work with and assist other agencies with animal identification and traceback problems.

We appreciate the opportunity to participate in this important livestock identification symposium and look forward to helping find some solutions to the many questions and problems.