

ASITIS

US Agriculture Department to Target High Food Costs, Increase Competition

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The U.S. Department of Agriculture (USDA) says it aims to lower food prices and increase competition among agricultural businesses.

The department plans to work with 31 states and the District of Colombia to target unfair price-setting activities. It also plans to act against anticompetitive behavior in the food and agriculture **sectors**.

On Wednesday, the USDA said it would work with a group of **attorneys** from both political parties. It aims to enforce laws on price fixing and the **consolidation** of businesses.

The government says farmers have been unhappy about low prices for their products and unfair contracts with the biggest buyers and processors in the agriculture industry.

Months of rising food prices have some farm groups and lawmakers wondering if companies were unfairly raising prices. Recent reports, however, show that food prices are easing.

In a statement, Agriculture Secretary Tom Vilsack said: "We can ensure a more **robust** and competitive agricultural sector."

The partnership will bring attention to anticompetitive activities including price fixing and gouging. Price gouging happens when a seller demands unfairly high prices from buyers during periods of increased demand.

The department also said it wants to create new research programs to study the problem.

In the coming months, USDA will also <u>complete</u> new rules under the Packers and Stockyards Act. A top administration official spoke about the changes in a call with reporters. The Packers and Stockyards Act is a law meant to protect members of the livestock, meat and poultry industries from unfair trade and businesses that have too much influence over markets known as monopolies.

The USDA says it has already proposed two of the three expected rules.

The department will also give money to expand the meat and poultry industries. The goal is to increase the number of processing choices available to farmers who raise animals.

Vilsack said the new effort is linked to President Joe Biden's executive order this month supporting competition in the American economy. The order calls for a "whole-of-government" competition policy.

I'm Gregory Stachel.

Leah Douglas reported this story for Reuters. Gregory Stachel adapted it with additional materials for VOA Learning English.

Words in This Story

sector – *n.* an area of an economy

attorney – n. lawyer

consolidate – *v.* to join or combine together into one thing

artificially - adj. not happening or existing naturally

robust – *adj.* strong and healthy

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