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Federal Meat Inspectors Spread Thin as Recalls Rise

The federal regulator of meat, poultry, and egg products, the Food Safety and Inspection Service (FSIS), faces resource limitations that make it more difficult for the agency to ensure the safety of the food supply. Although the agency's budget has risen since it was created, staffing levels have dropped steadily. Widespread vacancies in the agency have spread FSIS's inspection force too thin. Meanwhile, the number of meat, poultry, and egg product recalls has risen, and a recent recall of 143 million pounds of beef is the largest in the nation's history.

The U.S. Department of Agriculture created FSIS in 1981. Federal law requires the agency to monitor the slaughter, processing, and labeling of all meat and poultry and to inspect meat and poultry to ensure products are not contaminated or adulterated. Egg products also fall under the agency's jurisdiction. The agency is responsible for ensuring the safety and wholesomeness of the billions of pounds of meat, poultry, and egg products that enter the market each year.

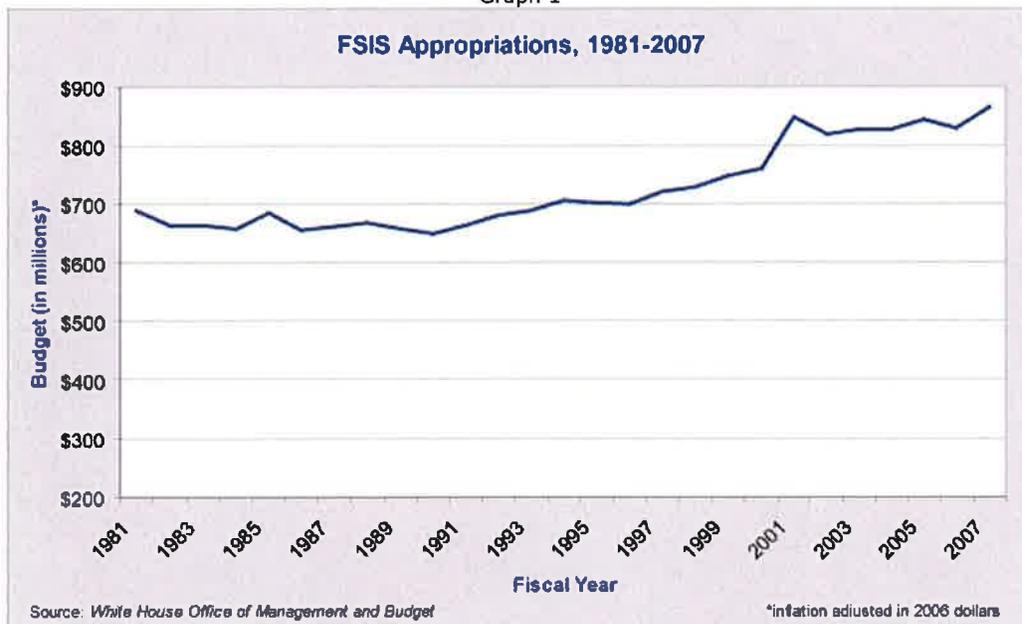


series titled *Bankrupting Government: How a Decades-Long Campaign against Federal Spending Has Undermined Public Protections*. [Click here](#) for previous articles and more information.

Budget Increases Fail to Keep Pace with Size of Mandate

Unlike many other federal regulatory agencies, the budget for FSIS has seen a marked increase since its inception. From FY 1981 to FY 2007, appropriated funds for the agency increased 25 percent when adjusted for inflation. The bulk of that growth has occurred in the last 12 years. (See Graph 1.)

Graph 1



In particular, the agency has enjoyed significant budget increases over the past three fiscal years. In FY 2006, FSIS was appropriated \$830 million; in FY 2007, \$890 million; and in FY 2008, \$930 million — a two-year increase of 7.5 percent when adjusted for inflation. President Bush's proposed FY 2009

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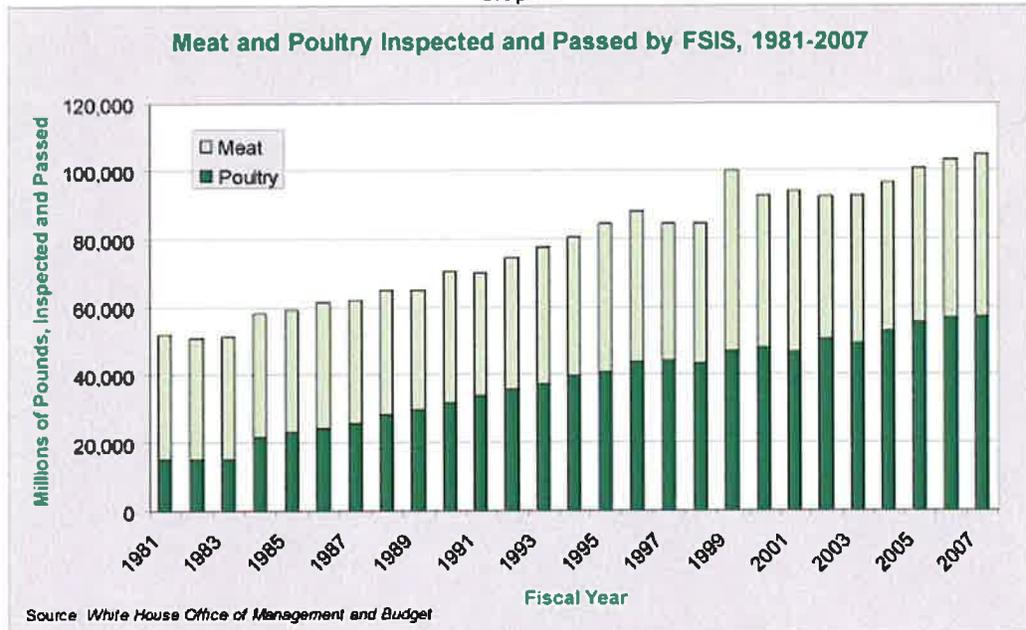




budget calls for another increase of \$22 million, to \$952 million. When adjusting for inflation, the proposed increase will likely be negligible — holding funding for FSIS level.

Meanwhile, meat and poultry consumption in the U.S. has increased sharply. Since FSIS began operations, pounds of slaughtered meat and poultry inspected and approved by the agency have doubled — from about 52 billion pounds in 1981 to about 104 billion pounds in 2007. Much of the increase is due to the expanding U.S. poultry market. Pounds of poultry approved by FSIS nearly quadrupled during that time. (See Graph 2.)

Graph 2



Because of the increase in production, FSIS staff and resources become increasingly smaller when compared to the scope of the industry it regulates. Even though FSIS's budget has increased, the growth is dwarfed by the expansion of the meat and poultry industry. Of its appropriated funds, in FY 1981, FSIS spent \$13.22 per thousand pounds of meat and poultry inspected and passed. By FY 2007, the figure had fallen to \$8.26 per thousand pounds — a drop of almost 40 percent.

Spending on FSIS Workers Slows

While Congress has appropriated significantly more money since the early 1980s, the agency has not spent proportionally for personnel. In the early 1980s, FSIS spent about 69 percent of its appropriated funds to pay its employees. However, the percentage has steadily dropped. By FY 2007, the agency only spent 57 percent on employee compensation. (See Graph 3.) And correlated with this decline is a drop in the number of agency workers.

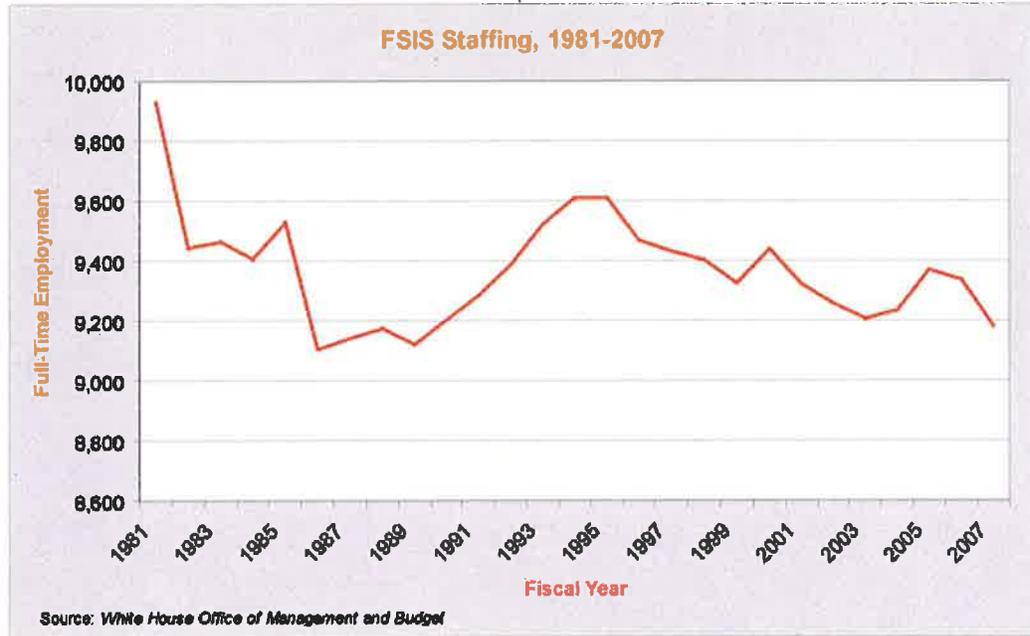
Graph 3





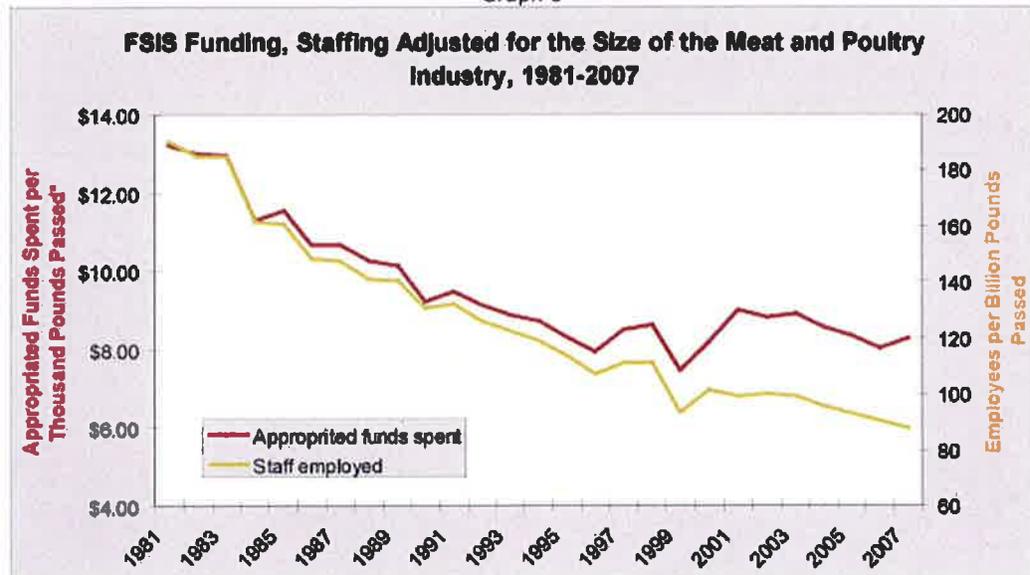
From FY 1981 to FY 2007, the number of full-time employees at FSIS fell from 9,932 to 9,184 — a 7.5 percent drop. Despite robust funding increases in the 2000s, FSIS's staffing level has dropped nearly three percent during this time. FSIS's staffing is now at its lowest level since FY 1989. (See Graph 4.)

Graph 4



The situation appears even worse when comparing the size of the meat and poultry industry to the size of FSIS's workforce. In FY 1981, FSIS employed about 190 workers per billion pounds of meat and poultry inspected and passed. By FY 2007, FSIS employed fewer than 88 workers per billion pounds, a 54 percent drop. (See Graph 5.)

Graph 5



Fiscal Year

Source: White House Office of Management and Budget

*inflation adjusted in 2006 dollars

Where's the Inspector?

For FSIS and consumers, the consequences are real. The increasing disparity between the size of FSIS and the size of the regulated community means FSIS inspectors face difficulty performing their duties and fulfilling the mission of the agency.

Other agencies that focus on product inspection, such as the Consumer Product Safety Commission or the food division of the Food and Drug Administration, conduct risk-based inspections. In risk-based inspection, managers, analysts, and field officers focus on those products or firms that they determine pose the greatest risk to consumers.

Under federal law, FSIS must inspect all meat, poultry, and egg products intended for commercial use. According to the FSIS website, "Slaughter facilities cannot operate if FSIS inspection personnel are not present," and, "Only Federally inspected establishments can produce products that are destined to enter commerce." Theoretically, FSIS's comprehensive inspection regime means that the physical presence of inspectors is essential to both plant operations and product safety.

In reality, inspection activity manifests itself differently. Recent media accounts have reported that slaughterhouse and processing plant employees use radios to signal the comings and goings of FSIS inspectors. According to *The Los Angeles Times*, "They even assign the pretty talkative woman to work next to the inspector to distract him from his mission to safeguard the nation's food supply."

The ability of processors and manufacturers to circumvent the FSIS inspection process is aided by widespread inspector shortages. According to *The Baltimore Sun*, "inspectors interviewed said that because of vacancies in the ranks, inspectors are often forced to do the work of two or three staff members, making it all the more difficult for them to catch signs of disease either in animals before slaughter, or in meat that has been butchered."

In multiple media accounts, FSIS officials claim the agency employs more than 7,000 inspectors nationwide. However, FSIS's inspection force has an average national vacancy rate of at least ten percent. In June 2007, the rate spiked to 12.2 percent. Three of the agency's 15 districts — Denver, Dallas, and Chicago — consistently carried vacancy rates of about 15 percent. One district, Albany, consistently carried a vacancy rate of more than 20 percent. These high vacancy rates continue to erode the ability of FSIS to properly carry out a robust inspection regime of the nation's beef, poultry, and egg stocks.

Recalls and Right to Know

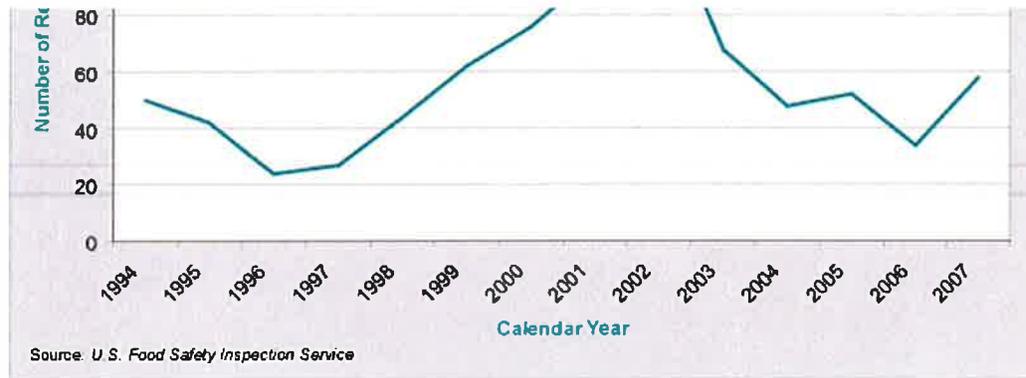
Less thorough inspections raise the chance that processors may have to conduct recalls. Although recalls present an opportunity for FSIS and processors to keep tainted meat, poultry, or egg products away from consumers, recalls are far less effective in protecting public health than proper inspections, which keep those products from entering the market in the first place.

First, all recalls are conducted by manufacturers or distributors and are completely voluntary. FSIS may request a recall, but it cannot force a recall. (FSIS does have the authority to seize products in commerce.) Second, manufacturers and distributors frequently recover only a small fraction of the product for which the recall was announced. Lastly, and most importantly, FSIS does not release the names or locations of retail outlets where tainted products may end up, stripping consumers of their ability to make informed decisions and their right to protect themselves and their families.

Meat, poultry, and egg product recalls have spiked in the 2000s. In 2001, FSIS announced 95 recalls of the products under its jurisdiction. In 2002, the agency announced 123 recalls. (See Graph 6.)

Graph 6





Although the number of recalls has declined since 2002, their severity has increased. Two of the three biggest meat recalls in U.S. history have occurred in the past four months. In October 2007, Topps Meat Co. announced the recall of 21.7 million pounds of ground beef used for frozen hamburgers due to *E. coli* contamination. At the time, the Topps recall was the second largest in U.S. history. The *E. coli*-contaminated meat sickened at least 40 people in eight states.

On Feb. 17, Hallmark/Westland Meat Packing Co. announced the recall of more than 143 million pounds of beef, the largest recall in U.S. history. The company announced the recall after an investigation by the Humane Society of the United States showed that nonambulatory (or "downer") cows were slaughtered and allowed into the market. Federal regulations prohibit companies from processing and selling meat from downer cows without explicit FSIS inspector approval because downer cows have a higher probability of being infected with mad cow disease. However, USDA officials say the health risks posed by the Hallmark/Westland beef are low.

Outlook

In 2005, FSIS began considering switching to risk-based inspection practices. FSIS says it would move additional inspectors to processing plants determined to have a high risk. The agency has also proposed virtual inspection — a process by which cameras would monitor facilities' compliance with food safety regulations — for lower-risk plants, according to sources familiar with the issue. FSIS hopes to finalize the switch before the end of the Bush administration.

Critics believe the transition to a risk-based inspection model is directly tied to agency resources. According to a report by the nonprofit group Food and Water Watch, "Far from a minor adjustment intended to maximize food safety, this plan is really being used as a way to reduce the USDA's budget." The report adds, "The changes in the way inspectors are assigned to meat and poultry plants would make current inspector shortages permanent, effectively shrinking the size of the agency's frontline inspection workforce."

Recent failures of the meat inspection regime have provided the public and Congress a window into the breakdown of FSIS's ability to safeguard a large part of the nation's food supply. And although resource allocation within the agency may be open to criticism, it is clear that Congress has failed to maintain funding levels for FSIS comparable to the size of the meat, poultry, and egg industries. Restoring and enhancing FSIS's capacity to protect consumers is not restricted to a single-dimension policy change, but it does require that Congress provide adequate levels of funding that would allow FSIS to keep up with its responsibilities and fulfill its mission.

Endnotes:

All budget and staffing data for Fiscal Years 1981-2007 are from the Budget of the U.S. Government appendices, Fiscal Years 1981-2009. These volumes are the president's request to Congress and contain final budget numbers and program data from two fiscal years prior.

* All inflation-adjusted figures are expressed in 2006 dollars. Inflation adjusting is based on the Bureau of Labor Statistics Consumer Price Index, available at: <ftp://bls.gov/pub/special.requests/cpi/cpiiai.txt>

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