THE COMMONWEALTH OF MASSACHUSETTS

FINAL REPORT

of the

GOVERNOR'S COMMISSION ON FOOD

IN SEARCH OF A FOOD POLICY

JUNE 25, 1974
FOREWORD

In October 1973, Governor Francis W. Sargent appointed a Commission on Food for the purpose of recommending programs and policies that would assure Massachusetts residents an adequate supply of food both now and in the future. The Commission included citizens of the Commonwealth who represented agriculture, labor, the food industry, education, government and consumers.

In order to complete its task, the Commission looked at every aspect of the food system including production, labor, transportation and storage, distribution, government institutions and consumer issues. The approach of the Commission was based upon the realization that constructive changes could occur only if the food problem was viewed as an interrelated, interdependent system and not as separate, independent parts; and that the system must be responsive to the changing needs of all consumers.

Figures 1 and 2 show the components of the food system in Massachusetts in terms of economic importance. Figure 3 shows the organization of the Governor's Commission on Food.

This report summarizes the major findings and recommendations of the Commission and reflects the broad perspective of all participants in the food system with special emphasis on consumer needs. Detailed information
that supports the findings and recommendations along with all matters discussed by the Task Forces are included in a separate publication.

In April, the Commission held four open forums throughout the State in order to obtain public response to the Preliminary Report. Most of the suggestions made at these hearings are included in the recommendations in this report. A summary of the suggestions made at the public forums is presented in the Appendix.

To our knowledge this represents the first attempt by a state to evaluate its food system as a total system and to recommend policies and programs that will improve the performance of that system in terms of meeting the food needs of all citizens. It is our hope that this effort will result in tangible benefits in Massachusetts and serve as a model for other states that wish to develop a food policy.

Ray A. Goldberg, Chairman
Governor's Commission on Food
MASSACHUSETTS FOOD AGRIBUSINESS

(1973 ESTIMATES OF SALES OR RETAIL VALUE OF FOOD CONSUMED)

5,787,000 CONSUMERS
$3,245,413,000 FOOD CONSUMPTION

ON THE FARM
$1,550,000

RETAILING & FOOD SERVICE
$3,215,000,000

PUBLIC INSTITUTIONS
$8,862,000

FOOD ASSISTANCE
$29,001,000

WHOLESAILING
$3,150,149,000

PROCESSING
$1,646,021,000

FARMING & FISHING
$190,642,000

FARMING
$142,590,000

FISHING
$48,052,000

FARM SUPPLY
$124,372,000

GOVERNOR'S EMERGENCY COMMISSION ON FOOD
OCTOBER, 1973

Figure 1

*Includes out-of-state supplies.
FOOD AGRIBUSINESS EMPLOYMENT IN MASSACHUSETTS
(1973 Estimated)

<table>
<thead>
<tr>
<th>Type of Business</th>
<th>No. of Firms*</th>
<th>No. of Workers*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Service</td>
<td>6,651</td>
<td>88,785</td>
</tr>
<tr>
<td>Retailing</td>
<td>3,068</td>
<td>62,528</td>
</tr>
<tr>
<td>Processing</td>
<td>716</td>
<td>33,721</td>
</tr>
<tr>
<td>Wholesaling</td>
<td>1,173</td>
<td>16,668</td>
</tr>
<tr>
<td>Farming</td>
<td>5,700</td>
<td>16,600</td>
</tr>
<tr>
<td>Fishing</td>
<td>2,996</td>
<td>7,900</td>
</tr>
<tr>
<td>Farm Supply</td>
<td>255</td>
<td>1,254</td>
</tr>
<tr>
<td><strong>Food Total</strong></td>
<td><strong>20,559</strong></td>
<td><strong>227,456</strong></td>
</tr>
</tbody>
</table>

STATE TOTAL        | 100,215       | 2,005,400**     |

FOOD AGRIBUSINESS  | 21%           | 11%             |
% of Total         |               |                 |

* Underestimated as numbers of firms and workers do not include major food related operations such as transportation, food handling equipment, packaging materials, food brokers and manufacturer's representatives.

** Excludes government workers.

Figure 2
Governor's Emergency Commission on Food

TASK FORCE AND EXECUTIVE STAFF ORGANIZATION

Food Production and Supply
Jonathan Davis, Ch.

Labor and Economic Incentives
Ralph A. Roberts, Ch.

Food Prices and Consumer Policies
Diane Fulman, Ch.

EXECUTIVE STAFF
Ray A. Goldberg - Chairman
Theodore W. Leed - Exec. Director
Warren Shepard - Exec. Assistant Resource Leaders

Government Institutions and Structures
Edward Gelsthorpe, Ch.

Transportation Distribution Storage and Logistics
Dean K. Webster, Ch.

Marketing
John M. Fox, Ch.
THE GOVERNOR'S COMMISSION ON FOOD

Gordon Cameron
Robert Cobb, Jr.
Jonathan Davis
Robert Eisenmenger
Mrs. Sharon Francis
John M. Fox
Mrs. Diane Fulman
Edward Gelsthorpe
Dr. Ray A. Goldberg, Chairman
Mrs. Eunice P. Howe
David Mann
Dr. George C. Matthiessen
Dr. Jean Mayer
Ms. Peg McConnell
Sidney R. Rabb
Ralph A. Roberts
Mrs. Conchita Rodriguez
Mrs. Barbara Skillin
Stephen Tavilla
William H. Tucker
Dean K. Webster

Ex Officio

Nathan Chandler
Charles H. W. Foster
Dr. Arless A. Spielman
Mrs. Mary B. Newman
John Verani
Dr. John Naegle
Jack Delaney

** ** ** **

Miss Deborah Borda
Special Assistant to the Governor
Dr. Theodore W. Leed
Executive Director
Warren Shepard
Executive Assistant
Mrs. Ruth E. Nelson
Executive Secretary
TASK FORCES

 GOVERNOR'S COMMISSION ON FOOD

Food Production and Supply

Chairman: Jonathan Davis
David Mann (after Jan. 1, 1974)

Resource Leader: Henry B. Arthur

Members: Robert Cobb, Jr.
Charles B. Dolan
Dr. Robert Eisenmenger
Mrs. Sharon Francis
Ms. Peg McConnell
Dr. George Matthiessen

Labor & Economic Incentives

Chairman: Ralph A. Roberts

Resource Leader: Robert H. Forste

Members: Gordon Cameron
Ms. Peg McConnell
Mrs. Mary Newman

Transportation, Distribution, Storage and Logistics

Chairman: Dean K. Webster

Resource Leader: Wilbert A. Pinkerton

Members: Charles B. Dolan
Mr. H. Wakefield McGorrill
Richard Nickless
Mike Padnos
Wesley Tucker
William H. Tucker

Marketing

Chairman: John M. Fox

Resource Leader: Leonard M. Wilson

Members: Gordon Bloom
Alfred Oppenheim
Sidney Rabb
Gary Rose
Barbara Skillin
Stephen Tavilla
Dr. Harry Wildasin
Dr. Albert L. Wrisley
Government Institutions & Structures

Chairman: Edward Gelsthorpe
Resource Leader: Ezra Merrill
Members: John D. Barrus
          Paul Gitlin
          David Mann
          Mrs. Patricia Plummer

Food Prices & Consumer Policies

Chairman: Ms. Diane Fulman
Resource Leader: Ms. Margot Kosberg
Members: Alan Ackerman
         Mrs. Annie Brown
         Mrs. Doris Curry
         Mrs. Eunice P. Howe
         Dr. Jean Mayer
         Ms. Conchita Rodriguez
         Jim Silverman
         Ms. Barbara Skillin
         Donald Stowbridge
THE FOOD PROBLEM

The World and United States Situation

The year 1973 marked a fundamental change in the food situation in the United States. We moved from a problem of chronic surpluses to temporary shortages and rapidly escalating food prices brought about by a combination of factors. Poor weather and harvests in many parts of the world, inflation, the increased purchasing power of other nations and the policy decision of our government to export large quantities of grain all contributed to the world and U. S. food problem. (Figure 4).

As a result of world and domestic supply and demand conditions all food prices in the United States increased by 14.5 percent in 1973, about the same as the increase in Boston food prices (Figure 5). This was the largest annual increase in food prices in a quarter of a century. The prices of food purchases for home consumption increased by more than 15 percent while prices of food consumed away from home increased by about 8 percent.

The percentage of consumer income spent for food increased slightly from 15.7 percent in 1972 to 15.8 percent in 1973, reversing a 20 year downward trend. In addition, the actual quantity of food consumed per person declined slightly due mostly to a reduction in the amounts of red meat and poultry consumed. Thus, it cost the average family in the
U.S. AGRICULTURAL EXPORTS: COMMERCIAL AND UNDER GOVERNMENT PROGRAMS

Year ending June 30

Figure 4
Retail Prices for All Food in Boston and the U.S., 1968 to 1973, Annual Averages

Source: Bureau of Labor Statistics

Figure 5
nation over $200 more for food in 1973 than in 1972, and both the quantity and quality of the family diet was lower in 1973.

**Retail Food Prices in the Consumer Price Index**

1967 = 100

**Recent Changes**

<table>
<thead>
<tr>
<th>Month</th>
<th>Price Index</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1972</td>
<td>122.4</td>
<td></td>
</tr>
<tr>
<td>December 1972</td>
<td>126.0</td>
<td>+ 2.94%</td>
</tr>
<tr>
<td>April 1973</td>
<td>136.0</td>
<td></td>
</tr>
<tr>
<td>December 1973</td>
<td>136.5</td>
<td>+ 8.33%</td>
</tr>
<tr>
<td>April 1974</td>
<td>158.6</td>
<td></td>
</tr>
<tr>
<td>December 1973</td>
<td>153.7</td>
<td>+ 3.1%</td>
</tr>
</tbody>
</table>

Early 1974 saw food prices continue to rise but at a slower rate than in 1973 due to optimism for new crop production in spite of higher marketing costs. As of June 1974, bumper crops in the United States have been projected and raw agricultural product prices have declined which resulted in a slight reduction in over-all food prices in early spring. The reduction did not reflect the total drop in farm commodity prices because of offsetting increases in fuel, transportation, credit, packaging and labor costs as well as margins in the handling and marketing of food. Concern over the Russian wheat crop, and late seeding of the U. S. corn crop and spring wheat crop could put pressure on commodity prices again.

The high cost of fuel has forced some nations to restrict food imports in order to purchase fuel and fertilizer which has temporarily reduced the international demand for food. At the same time farmers are demanding catch-up prices in 1974 for commodities that were contracted at agreed upon prices in 1973 before the prices of alternative commodities had risen. For example, contract prices for
fruits and vegetables used for processing are much higher in 1974 than in 1973 because farmers and processors renegotiated contract prices at a much higher level in 1974 based upon the alternative of producing grain crops at a higher return for farmers. Higher contract prices will be reflected in higher retail prices for some processed fruits and vegetables in 1974.

In 1974 we can also expect higher transportation and packaging costs due to the effect of high petroleum prices on the energy-intensive food industry. Labor costs will also increase throughout the food industry in 1974 as workers attempt to offset the effects of inflation by demanding higher wages and benefits.

The net effect of these domestic and world-wide conditions will be higher average food prices in 1974 than in 1973 although the extent of the increase depends upon U. S. and world crop production coupled with commercial world demand. In addition, our limited resources and the unlimited needs of depressed areas such as India and Africa will place constant moral, if not economic, pressure on our food system.

The White House Conference on Food and Nutrition in June, and the World Food Conference in November will include discussion of many of these U. S. and international issues that relate to the supply of and demand for food as well as the political implications of our policies.
The Food Problem in Massachusetts

Although the availability and prices of food in Massachusetts are determined largely by national and world conditions, the Commission was primarily concerned with identifying problems and opportunities that were actionable at the state and regional levels. Secondly, the Commission identified problems and opportunities that may be common to all states and the region that are actionable through the initiative of Massachusetts in cooperation with others.

In order to recommend actions necessary to assure all Massachusetts consumers an adequate food supply the Commission addressed the following questions:

1. **What is the role of state government in the food system and how effectively is this role performed?**

State government plays an important role in the food system in Massachusetts since most of the executive offices have some responsibilities that relate to the production, distribution, or consumption of food in the Commonwealth.* However, there is no central focus in state government for the coordination and implementation of policies and programs necessary for the food system to operate efficiently and equitably.

*These responsibilities are given to a variety of government agencies such as the Milk Market Administrator, the State Department of Agriculture, Food and Drug Division, Department of Public Health, Attorney General's Office, Cooperative Extension Service, Consumer Affairs Office, Weights and Measures Office, and the Interstate Commerce Commission. These agencies affect the packaging, transportation, quality, standards and prices of all the foods that are produced, imported, processed, packaged, and distributed in and from the State of Massachusetts.
in providing a wholesome and dependable supply of food to Massachusetts consumers.

Central coordination in government is needed not only to assure that consumers will receive the greatest benefit from the food system, but also to assure that the food system continues to be an important and viable part of the state's economy.

Without central coordination there is no provision for implementing and monitoring the recommendations of the Commission and it is likely that this report will be ineffective. We want this central coordination to be in the main stream of practical and political decision-making in both the executive and legislative branches of state government.

We recommend the establishment of an office of Food Policy in the Office of the Governor that will be responsible for planning, evaluating and coordinating and recommending policies and programs necessary for the food system to operate efficiently and equitably in providing a wholesome and dependable supply of food to Massachusetts consumers. The Office shall submit an annual report to the Governor and to the Clerk of the Senate and the Clerk of the House of Representatives. Currently (June 1974), Senate Bill 1740 has been passed by a Senate Committee placing this function in the Office of Consumer Affairs with the cooperation of other related government agencies. The establishment of the
Office of Food Policy is critical to the carrying out of all the other recommendations in this report. We have purposely limited the life of this office to two years in order for the Legislature and the Governor to evaluate whether or not it has proven to be practical. We do not want to add another layer of government red tape; our intentions are to organize a focal and coordinating mechanism in the existing government structure with the addition of only one person. Obviously the person selected will be critical as to whether or not such coordination and monitoring of food policy in the State takes place. (See Solutions 1 and 37.)

2. Do Massachusetts consumers pay more for food?

It appears that food costs are higher in Massachusetts than in most other states. Budget data show that a low-cost food budget for a four person family in Boston is 6 percent above the U. S. average and a retired couple in Boston must pay 7 percent more for a low-cost food budget than the U. S. average (Figure 6). The cost of an intermediate or higher food budget for either a four-person family or retired couple in Boston is from 7 to 10 percent higher than the U. S. average. Boston is one of the four highest of 38 metropolitan areas in the U. S. with respect to food costs.
Comparisons of a Low-Cost Food Budget for a 4-Person Family and a Retired Couple, Highest and Lowest Metropolitan Areas and Boston

In % above or below the U.S. Average Urban Costs

% above or below U.S. average

4 - Person Family

New York Northeastern N.J.

New York Northeastern N.J.

Boston

Orlando

Retired Couple

Boston

Orlando

Source: Bureau of Labor Statistics
3. **Who is hurt the most by higher food prices?**

The burden of rapidly increasing food prices and relatively high food costs falls most heavily upon those with relatively fixed incomes or whose income is simply inadequate to provide for a decent level of living. In Massachusetts the burden of high food costs is especially serious among the young (under 25), the elderly (over 65), the Black and the Spanish speaking residents (Figure 7).

The Commission made recommendations that will help not only disadvantaged consumers, but all consumers obtain a wholesome and adequate diet in the face of rising food prices (See Solutions 6-16).

4. **Why does food cost more in Massachusetts?**

The cost of marketing services represents about 55% to 60% of the price that the consumer pays for food. Labor, packaging and transportation are the largest marketing cost components (Figure 8).

With the exception of transportation costs, marketing services do not appear to cost more in Massachusetts than elsewhere in the U. S. Transportation costs are higher in Massachusetts and New England for several reasons. First of all, we are highly dependent upon outside sources for about 84 percent of our food supply. Many of these sources are distant and require a relatively high cost of transportation because of distance alone (Figures 9-11).
Number and Percent of Massachusetts Residents
Below Poverty Level of Income, By Race and Age, 1969

<table>
<thead>
<tr>
<th>Race and Age Group</th>
<th>Total Population</th>
<th>Number</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25</td>
<td>2,264,696</td>
<td>160,739</td>
<td>7.1</td>
</tr>
<tr>
<td>25-44</td>
<td>1,148,528</td>
<td>52,217</td>
<td>4.5</td>
</tr>
<tr>
<td>45-64</td>
<td>1,038,954</td>
<td>29,393</td>
<td>2.8</td>
</tr>
<tr>
<td>65+</td>
<td>405,497</td>
<td>35,928</td>
<td>8.9</td>
</tr>
<tr>
<td>Total</td>
<td>4,857,675</td>
<td>278,277</td>
<td>5.7</td>
</tr>
<tr>
<td>Negro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25</td>
<td>87,965</td>
<td>26,856</td>
<td>30.5</td>
</tr>
<tr>
<td>25-44</td>
<td>36,510</td>
<td>6,694</td>
<td>18.3</td>
</tr>
<tr>
<td>45-64</td>
<td>18,200</td>
<td>1,814</td>
<td>10.0</td>
</tr>
<tr>
<td>65+</td>
<td>5,218</td>
<td>685</td>
<td>13.1</td>
</tr>
<tr>
<td>Total</td>
<td>147,893</td>
<td>36,049</td>
<td>24.4</td>
</tr>
<tr>
<td>Spanish</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25</td>
<td>35,994</td>
<td>9,893</td>
<td>27.5</td>
</tr>
<tr>
<td>25-44</td>
<td>15,920</td>
<td>2,429</td>
<td>15.3</td>
</tr>
<tr>
<td>45-64</td>
<td>5,548</td>
<td>706</td>
<td>12.7</td>
</tr>
<tr>
<td>65+</td>
<td>1,743</td>
<td>223</td>
<td>12.8</td>
</tr>
<tr>
<td>Total</td>
<td>59,205</td>
<td>13,251</td>
<td>22.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25</td>
<td>2,388,655</td>
<td>197,488</td>
<td>8.3</td>
</tr>
<tr>
<td>25-44</td>
<td>1,200,958</td>
<td>61,340</td>
<td>5.1</td>
</tr>
<tr>
<td>45-64</td>
<td>1,062,702</td>
<td>31,913</td>
<td>3.0</td>
</tr>
<tr>
<td>65+</td>
<td>412,458</td>
<td>36,836</td>
<td>8.9</td>
</tr>
<tr>
<td></td>
<td>5,064,773</td>
<td>327,577</td>
<td>6.5</td>
</tr>
</tbody>
</table>

Source: Table #207 - U.S. Census of Population, 1970
COMPONENTS OF BILL FOR MARKETING FARM FOODS, 1972

- 10%
- 12%
- 48%

*RESIDUAL INCLUDES SUCH COSTS AS UTILITIES, FUEL, PROMOTION, LOCAL FOR-HIRE TRANSPORTATION, INSURANCE.
OBVIOUSLY TAXES.  †INTERCITY RAIL AND TRUCK.  PRELIMINARY DATA.

Figure 8
RAIL SHIPMENTS OF FRESH AND PROCESSED MEAT PRODUCTS
AND LIVESTOCK TO MASSACHUSETTS in 1972
(In number of cars based upon 1% sample of waybills)

Source: U. S. Dept. of Transportation
RAIL SHIPMENTS OF FRESH AND PROCESSED FRUIT AND VEGETABLE PRODUCTS TO MASSACHUSETTS IN 1972

(In number of cars based upon 1% sample of waybills)

Source: U. S. Dept. of Transportation

Figure 10
RAIL SHIPMENTS OF GRAIN MILL PRODUCTS TO MASSACHUSETTS IN 1972
(In number of cars based upon 1% sample of waybills)

Source: U.S. Dept. of Transportation
An increasing proportion of our food imports from distant states is by truck which is more costly than rail transportation (Figures 12 and 13). In both cases higher fuel costs affect food prices in Massachusetts and New England more than in other states and regions.

The insufficient availability and use of special volume rail rates by receivers of feed and food in Massachusetts also contributes to higher transportation costs.

Higher transportation costs are reflected in food production costs as well as in the cost of finished food products. The discriminatory differential in the transportation rate for midwestern corn used for poultry feed amounts to an annual disadvantage to New England producers of $300,000, and $50,000 to Massachusetts producers compared with Southern broiler producers. The disadvantage on egg production is $2 million for New England producers and $335,000 for producers in Massachusetts.

The Commission believes that appropriate state and regional action can eliminate some of the competitive disadvantages in the transportation system that lead to higher food prices in Massachusetts and New England. In addition, recommendations are made that will help to alleviate marketing costs and, consequently, food prices even though the problems are not unique to Massachusetts or New England. (See Solutions 1,2, and 17-24.)
### Origins of Major Fruit and Vegetable Commodities

**Received in Boston, 1972**  
*(Percent of Total)*

<table>
<thead>
<tr>
<th>Origin</th>
<th>% of Fresh Fruit and Vegetable Unloads in Boston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>3.3</td>
</tr>
<tr>
<td>California</td>
<td>28.2</td>
</tr>
<tr>
<td>Florida</td>
<td>17.1</td>
</tr>
<tr>
<td>Idaho</td>
<td>1.7</td>
</tr>
<tr>
<td>Maine</td>
<td>10.2</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>5.2</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>1.2</td>
</tr>
<tr>
<td>New Jersey</td>
<td>4.0</td>
</tr>
<tr>
<td>New York</td>
<td>6.0</td>
</tr>
<tr>
<td>North Carolina</td>
<td>1.6</td>
</tr>
<tr>
<td>Oregon</td>
<td>1.2</td>
</tr>
<tr>
<td>South Carolina</td>
<td>2.0</td>
</tr>
<tr>
<td>Texas</td>
<td>3.1</td>
</tr>
<tr>
<td>Virginia</td>
<td>1.1</td>
</tr>
<tr>
<td>Washington</td>
<td>1.9</td>
</tr>
<tr>
<td>Other States and Territories</td>
<td>7.5</td>
</tr>
<tr>
<td>Foreign Nations</td>
<td>4.7</td>
</tr>
</tbody>
</table>

**Total**  
100.0

### Source

**U.S.D.A., Market News Service**

**Figure 12**
Line-Haul Transportation Cost as a % of Retail Price, Truck and Rail, California Tomatoes, Lettuce and Potatoes

% of Retail Price

- Pound of fresh Tomatoes @ .53¢
- Head of Iceberg Lettuce @ .49¢
- 5 lbs. Potatoes @ $1.09

Figure 13
5. _In what other ways does our dependency upon distant sources for food affect the supply and price of food in Massachusetts?_

The high degree of dependency makes us highly vulnerable to sudden changes in the supply-side or demand-side of the national and international food economy. Our lack of feed and food inventories can result in food emergencies whenever the usual pattern of distribution is disrupted. The truck strike in 1973 and its effect upon the supply and price of fresh produce and meat is a typical example of our vulnerability. In addition, the very nature of our domestic and world food economy makes us more dependent on fewer large scale operations and vulnerable to any disruption in the interrelated world food system.

The Commission believes that steps can and should be taken at the state, regional and national levels that will make us less vulnerable to sudden changes in the national and international food economy. (See Solutions 1, 2, 3 and 17).

6. _What are our food production resources in Massachusetts and how effectively are they being utilized?_

Milk, eggs, fruits, vegetables and seafood represent the most important sources of income for Massachusetts food producers (Figure 14).

Although we are dependent upon outside sources for most of our food, the local production of some
CASH RECEIPTS FROM FARMING AND FISHING IN MASSACHUSETTS, 1972

Source: Massachusetts Department of Agriculture and National Marine Fisheries Service

Figure 14
commodities constitutes an important proportion of our consumption, especially cranberries, sweet corn, strawberries, apples, eggs and fish and shellfish. The other New England states are also dependent upon outside sources for most of their food needs but the production of some commodities approaches or exceeds consumption. (Figure 15). In Massachusetts, the retail value of all food produced is about 16 percent of the retail value of all food consumed. In New England, the retail value of food produced is about 28 percent of the retail value of food consumed.

The number of farms and acreage in farms in Massachusetts has declined greatly since 1945 (Figure 16). There are presently 700,000 acres in farms in Massachusetts of which about one-fourth is in cropland. The average size of farms in Massachusetts is 123 acres compared with an average U. S. farm size of 378 acres.

The acres of cropland per person in Massachusetts is far less than in New England as a region or in the United States (Figure 17).

There were nearly one million acres of land suitable for food production in Massachusetts in 1967 and 29 percent of it was in cropland (Figure 18). However, agricultural and open land is being converted to other
### Production as a Percentage of Consumption of Major Food Commodities in New England, 1972

<table>
<thead>
<tr>
<th>Food Commodity</th>
<th>State</th>
<th>Connecticut (Production as a % of Consumption)</th>
<th>Maine</th>
<th>Massachusetts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Meat</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beef and Veal</td>
<td>4.1</td>
<td>13.7</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>Lamb and Mutton</td>
<td>1.3</td>
<td>12.2</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>Pork</td>
<td>0.9</td>
<td>2.4</td>
<td>3.6</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2.9</td>
<td>9.7</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td><strong>Poultry</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicken</td>
<td>8.9</td>
<td>41.3</td>
<td>2.9</td>
<td></td>
</tr>
<tr>
<td>Turkey</td>
<td>3.9</td>
<td>11.0</td>
<td>5.1</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8.1</td>
<td>34.3</td>
<td>3.3</td>
<td></td>
</tr>
<tr>
<td><strong>Fish and Shellfish</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.3</td>
<td>298.5</td>
<td>88.1</td>
<td></td>
</tr>
<tr>
<td><strong>Eggs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>97.8</td>
<td>444.2</td>
<td>30.1</td>
<td></td>
</tr>
<tr>
<td><strong>Dairy Products</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fluid Milk Equivalent</td>
<td>35.8</td>
<td>106.8</td>
<td>19.4</td>
<td></td>
</tr>
<tr>
<td><strong>Fruit (fresh)</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Apples</td>
<td>41.3</td>
<td>226.7</td>
<td>92.8</td>
<td></td>
</tr>
<tr>
<td>Peaches</td>
<td>12.6</td>
<td>1.5</td>
<td>8.1</td>
<td></td>
</tr>
<tr>
<td>Pears</td>
<td>23.2</td>
<td>NA</td>
<td>10.3</td>
<td></td>
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<tr>
<td>Strawberries</td>
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<td>NA</td>
<td>96.0</td>
<td></td>
</tr>
<tr>
<td>Cranberries</td>
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<td>-</td>
<td>1288.2</td>
<td></td>
</tr>
<tr>
<td><strong>Vegetables (fresh)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tomatoes</td>
<td>5.1</td>
<td>1.3</td>
<td>20.3</td>
<td></td>
</tr>
<tr>
<td>Lettuce</td>
<td>4.7</td>
<td>0.5</td>
<td>4.1</td>
<td></td>
</tr>
<tr>
<td>Sweet Corn</td>
<td>81.1</td>
<td>35.0</td>
<td>127.9</td>
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<td>Asparagus</td>
<td></td>
<td>4.9</td>
<td>41.5</td>
<td></td>
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<tr>
<td>Snap Beans</td>
<td>42.1</td>
<td>354.2</td>
<td>25.4</td>
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</tr>
<tr>
<td>Cabbage</td>
<td>11.0</td>
<td>153.3</td>
<td>32.9</td>
<td></td>
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<tr>
<td><strong>Potatoes (fresh and processed)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>21.6</td>
<td>2332.2</td>
<td>8.6</td>
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</tr>
<tr>
<td><strong>Cereal Grains</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>

* Less than 0.1%

Figure 15
Production as a Percentage of Consumption of Major Food Commodities (continued)

<table>
<thead>
<tr>
<th>Food Commodity</th>
<th>New Hampshire</th>
<th>Rhode Island</th>
<th>Vermont</th>
<th>New England</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Meat</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beef and Veal</td>
<td>7.7</td>
<td>0.7</td>
<td>72.0</td>
<td>6.6</td>
</tr>
<tr>
<td>Lamb and Mutton</td>
<td>0.6</td>
<td>1.2</td>
<td>10.6</td>
<td>1.7</td>
</tr>
<tr>
<td>Pork</td>
<td>4.8</td>
<td>3.0</td>
<td>3.8</td>
<td>2.9</td>
</tr>
<tr>
<td>Total</td>
<td>5.9</td>
<td>1.5</td>
<td>46.6</td>
<td>5.2</td>
</tr>
<tr>
<td><strong>Poultry</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicken</td>
<td>13.1</td>
<td>3.0</td>
<td>7.2</td>
<td>8.1</td>
</tr>
<tr>
<td>Turkey</td>
<td>51.5</td>
<td>1.7</td>
<td>5.0</td>
<td>6.7</td>
</tr>
<tr>
<td>Total</td>
<td>19.8</td>
<td>2.8</td>
<td>6.8</td>
<td>7.9</td>
</tr>
<tr>
<td><strong>Fish and Shellfish</strong></td>
<td>3.8</td>
<td>182.5</td>
<td>-</td>
<td>83.1</td>
</tr>
<tr>
<td><strong>Eggs</strong></td>
<td>128.9</td>
<td>19.1</td>
<td>80.0</td>
<td>89.9</td>
</tr>
<tr>
<td><strong>Dairy Products</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Fluid milk equivalent</td>
<td>76.4</td>
<td>11.8</td>
<td>756.2</td>
<td>64.5</td>
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<tr>
<td><strong>Fruit (fresh)</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apples</td>
<td>235.7</td>
<td>17.4</td>
<td>255.7</td>
<td>79.7</td>
</tr>
<tr>
<td>Peaches</td>
<td>7.8</td>
<td>1.8</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Pears</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Strawberries</td>
<td>NA</td>
<td>NA</td>
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<td>NA</td>
</tr>
<tr>
<td>Cranberries</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>615.1</td>
</tr>
<tr>
<td><strong>Vegetables (fresh)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tomatoes</td>
<td>6.1</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Lettuce</td>
<td>8.9</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Sweet Corn</td>
<td>103.0</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
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<tr>
<td>Asparagus</td>
<td>5.0</td>
<td>NA</td>
<td>20.7</td>
<td>NA</td>
</tr>
<tr>
<td>Snap Beans</td>
<td>26.0</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Cabbage</td>
<td>137.4</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Potatoes (fresh and processed)</strong></td>
<td>13.9</td>
<td>-</td>
<td>26.9</td>
<td>209.4</td>
</tr>
<tr>
<td><strong>Cereal Grains</strong></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

* Less than 0.1%

Figure 15 cont.
Number of Farms and Acreage in Farms in Massachusetts, 1945 to 1969

**Number of Farms**

- 30,000
- 20,000
- 10,000
- 0

**Number of Acres**

- 2,000,000
- 1,500,000
- 1,000,000
- 500,000
- 0

Source: Census of Agriculture
Acres of Cropland for each Person in the Population, 1969
Averages for Massachusetts, New England and the U.S.

Source: U.S. Census

Figure 17
Use of Agricultural Land in Massachusetts, 1967
Capability Classes I, II and III

Forest (54%)
494,000 acres

Cropland (29%)
259,000 acres

Pasture (8%)
54,000 acres

Other (11%)
99,000 acres

Total Acres = 906,000

Source: Cooperative Extension Service and Soil Conservation Service

Figure 18
uses at a rapid rate as indicated by aerial surveys of Massachusetts in 1951 and 1971 (Figure 19).

Agriculture may continue to decline in Massachusetts as indicated by projections of the U. S. Department of agriculture for the production of major commodities through 1985 (Figure 20).

Seafood is one of our most important food resources in Massachusetts. Because of overfishing and the inefficiency of our fishing fleet compared with those of foreign nations the annual catch of Atlantic groundfish is declining (Figure 21). Without more effective control and management of our offshore fishery, several important species of finfish face extinction.

Even though the land devoted to agriculture in Massachusetts has declined rapidly over the years, the Commission does not believe that this trend must continue. The Commission believes that the state and its citizens can find ways to stem the disappearance of good agricultural land and recommends actions to accomplish this task as well as to make more productive use of our land. Likewise the Commission believes that we need to protect our dwindling Atlantic offshore fishery and explore means for utilizing our water resources for greater food production. (See Solutions 4, 5 and 25-36.)
Changes in Land Use in Seven Eastern Massachusetts Counties, 1951 to 1971

Source: Department of Forestry and Wildlife Management, University of Massachusetts

Figure 19
<table>
<thead>
<tr>
<th>Commodity</th>
<th>1,000 units</th>
<th>Actual</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silage, Corn</td>
<td>ton</td>
<td>512</td>
<td>544</td>
</tr>
<tr>
<td>Non-citrus Fruit &amp; Nuts</td>
<td>ton (1968-70 average 91.6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Vegetables</td>
<td>cwt. (1968-70 average 1524.8)</td>
<td>1,696.1</td>
<td>1,650.5</td>
</tr>
<tr>
<td>All Hay</td>
<td>ton</td>
<td>239</td>
<td>241</td>
</tr>
<tr>
<td>Tobacco</td>
<td>lbs.</td>
<td>3,562</td>
<td>2,879</td>
</tr>
<tr>
<td>Irish Potatoes</td>
<td>cwt.</td>
<td>1,046</td>
<td>987</td>
</tr>
<tr>
<td>Cattle &amp; Calves</td>
<td>lbs.</td>
<td>22,430</td>
<td>23,175</td>
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<tr>
<td>Hogs</td>
<td>lbs.</td>
<td>19,139</td>
<td>19,746</td>
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<tr>
<td>Sheep &amp; Lambs</td>
<td>lbs.</td>
<td>356</td>
<td>365</td>
</tr>
<tr>
<td>Chickens</td>
<td>lbs.</td>
<td></td>
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</tr>
<tr>
<td>Broilers</td>
<td>lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turkeys</td>
<td>lbs.</td>
<td>4,525</td>
<td>3,840</td>
</tr>
<tr>
<td>Eggs</td>
<td>1000 eggs</td>
<td>521</td>
<td>513</td>
</tr>
<tr>
<td>Milk</td>
<td>1000 lbs.</td>
<td>658</td>
<td>658</td>
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</table>

Source: Economic Research Service, USDA.
Landings of Fresh Fish at Massachusetts

Ports, 1961 to 1972

<table>
<thead>
<tr>
<th>Year</th>
<th>Boston</th>
<th>Gloucester</th>
<th>New Bedford</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td>117,029</td>
<td>163,059</td>
<td>100,465</td>
<td>380,553</td>
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<tr>
<td>1962</td>
<td>117,592</td>
<td>167,219</td>
<td>119,766</td>
<td>404,577</td>
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<tr>
<td>1963</td>
<td>107,155</td>
<td>139,476</td>
<td>135,149</td>
<td>381,780</td>
</tr>
<tr>
<td>1964</td>
<td>107,536</td>
<td>124,202</td>
<td>135,722</td>
<td>367,460</td>
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<tr>
<td>1965</td>
<td>103,630</td>
<td>121,365</td>
<td>147,316</td>
<td>372,311</td>
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<tr>
<td>1966</td>
<td>89,695</td>
<td>116,484</td>
<td>133,497</td>
<td>339,676</td>
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<tr>
<td>1967</td>
<td>77,926</td>
<td>83,342</td>
<td>117,842</td>
<td>279,110</td>
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<tr>
<td>1968</td>
<td>59,986</td>
<td>98,035</td>
<td>126,099</td>
<td>284,120</td>
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<tr>
<td>1969</td>
<td>46,144</td>
<td>69,544</td>
<td>108,215</td>
<td>223,903</td>
</tr>
<tr>
<td>1970</td>
<td>32,250</td>
<td>92,374</td>
<td>111,282</td>
<td>235,906</td>
</tr>
<tr>
<td>1971</td>
<td>31,956</td>
<td>111,179</td>
<td>73,694</td>
<td>216,829</td>
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<tr>
<td>1972</td>
<td>24,080</td>
<td>112,389</td>
<td>60,844</td>
<td>197,313</td>
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</table>

(Thousands of pounds)


Figure 21
RECOMMENDATIONS FOR IMMEDIATE ACTION

BY THE GOVERNOR AND THE LEGISLATURE

Problem: How can we make government more responsive to the needs of all consumers and more effective in shaping the food system in order to meet consumer needs?

Solution 1: Establish an office of Food Policy in the Office of the Governor that will be responsible for planning, evaluating and coordinating and recommending policies and programs necessary for the food system to operate efficiently and equitably in providing a wholesome and dependable supply of food to Massachusetts consumers. The Office shall submit an annual report to the Governor and to the Clerk of the Senate and the Clerk of the House of Representatives.

The Commission has submitted a bill (Senate 1740) that would establish a Food Policy Office in the Executive Office of the Governor. We are not concerned about the location of the Food Policy Office within state government but are concerned about meeting the need for the formulation and focus for a food policy for the state. As stated on Page 16 of this report, we purposely limited the life of this Food Policy
Office to two years in order for the Legislature and Governor to evaluate its effectiveness. We also limited the budget of such an office to the hiring of one person to head it up. Such a person must be non-partisan and well qualified.

Problem: How can we reduce the cost of food for Massachusetts consumers?

Solution 2: The construction of a grain and food receiving and storage facility in Massachusetts under the auspices of a State Food Authority.

This solution would put pressure on the transportation system to provide rates that are more competitive with other regions, including special volume rates. Reductions in feed costs for locally produced products alone could result in combined savings of about $4 million on poultry, eggs and milk for Massachusetts consumers.

The construction of such facilities may also encourage the development of processing such as soybean processing for the feed industry which, in turn, would provide a viable alternative crop for local farmers if new varieties are agronomically and economically competitive.
The facility would also provide additional storage capacity which would help to alleviate short-term pressures such as transportation strikes. In addition, its very presence would act as a countervailing power to competitors who might whip-lash the market to the disadvantage of Massachusetts.

**Solution 3:** The development of more local food processing through the encouragement of private action or the State Food Authority.

Flour milling is a specific example whereby the difference of fifty cents per CWT in transportation costs for wheat versus flour into Massachusetts makes it economically feasible for private or public flour milling in the state. The savings available to Massachusetts consumers in the cost of bread would be about $3 million annually.

Another example is the fabrication of retail cuts of meat from carcasses in local plants rather than cutting the carcass in the Midwest and then again in the food store. Pilot projects are already under way in New England on the central preparation of retail cuts of fresh meat.

A third possibility is the local canning, bottling or labelling of some fruit and vegetable
products in distribution centers in Massachusetts. This facility would result in transportation savings when the final ingredients such as water and sugar could be added locally rather than at the distant points of production. Also, small processors could utilize a common facility for canning, bottling or labeling their products as compared with each one having their own facility and equipment.

Private industry should be encouraged to proceed with more local processing. The Food Authority should assist private industry or take the initiative if necessary.

Solution 4: The development of home and community gardens.

There is a substantial amount of good agricultural land owned by the state and towns and cities that is not being used for food production. If this land is made available to individuals and groups for gardens, it would help many consumers to supplement their food supply and reduce their cost of food. It would also provide an opportunity for old and young alike to engage in enjoyable and healthy activity.

The Department of Agriculture should be given the authority to issue permits for the use of state surplus land for home and community gardening.
Cities and towns should be encouraged to make idle land available to residents for gardening and to provide a pool of equipment, seeds, fertilizer and technical advice free of charge. The resources of the Cooperative Extension Service should be utilized in providing technical information on gardening to households and groups that become involved in garden projects.

Problem: What can be done to prevent the rapid conversion of our best agricultural land to other uses and to put more land into food production?

Solution 5: The development of a comprehensive land use plan for Massachusetts that incorporates the agricultural preserve concept and provides tax benefits for maintaining land in agriculture and tax penalties for changing land from agricultural to urban use.

In order to accomplish the solution, a cabinet level land-use policy council should be created with the responsibility for developing a comprehensive land-use plan for the Commonwealth within three years. In the meantime, conservation district boards of supervisors should be requested to place top priority on the preparation of county
agricultural land use capability maps so that we can consider the agricultural capability in any proposed change in land use, and so that we can devise programs for preserving a prescribed percentage of our best agricultural land in a way that will protect the equity of landowners.

Problem: How can we provide an opportunity for consumers with insufficient financial resources to obtain an adequate diet?

Solution 6: Make certain that all eligible consumers are given the opportunity of participating in the Food Stamp Program as soon as possible.

The federal commodity distribution program terminates on June 30, 1974, and the Food Stamp Program will become the only major program that will enable many low-income consumers to obtain an adequate diet. The changeover from surplus foods to food stamps will require outreach to inform those who are eligible and certification of non-public assistance recipients.

The Commission urges the appropriation of adequate funds required to implement the program, the establishment of a state and local advisory boards, and steps to assure that those who are not certified by June 30 will be provided with adequate diets until they can participate in the Food Stamp Program.
Problem: How can consumers in low-income areas be provided the opportunity to obtain the food they need at reasonable prices?

Solution 7: Use the Food Stamp Program or other sources of financial aid to subsidize private supermarkets and consumer food cooperatives that locate in these areas.

Consumers in low-income areas must often pay higher prices for food than consumers in other areas because they do not have the opportunity to buy in large supermarkets where prices are lower. Supermarkets experience higher operating expenses and much lower profits in low-income areas and, consequently, operate very few stores in these areas. By subsidizing supermarkets and consumer food buying cooperatives this problem can be alleviated.

Solution 8: Develop secure shopping centers in low-income areas where adequate security can be provided.

Another serious problem that discourages the location of large food stores in low-income areas is that of crime including pilferage and burglary. Public and private cooperation is needed to find ways of grouping businesses in surroundings where security can be improved.
MAJOR RECOMMENDATIONS FOR ACTION BY THE
GOVERNOR AND PUBLIC AND PRIVATE AGENCIES

Problem:  How can all Massachusetts consumers make well-informed buying decisions and obtain an adequate, wholesome diet at reasonable cost?

Solution 9:  Develop and disseminate more timely and effective consumer information with respect to food prices and the use of food buying aids including nutritional labeling and unit pricing. Expand the role of the Cooperative Extension Service, the Consumers' Council and the Department of Agriculture in consumer education and make more effective use of radio and television public service time. Establish a "hot line" in the Department of Agriculture where consumers can obtain timely food price and quality information.

Solution 10:  Provide more extensive and effective nutritional education through designation of the Massachusetts Consumers' Council to collect and analyze data concerning the nutritional needs of consumers, coordinate nutritional education efforts and obtain the cooperation of public agencies, the food industry and advertisers in promoting better nutrition for the public.
Solution 11: Increase the fines for deliberate short weights and sanitary code violations and require the publication of lists of violators. Provide for a judicial education program to stress the importance of maximum enforcement of weights and measures and public health regulations.

Solution 12: Provide authority for the enforcement of unit pricing regulations to local sealers of weights and measures in addition to the Division of Standards. Chapter 254 of Acts of 1974 was submitted in November of 1973 and the Governor approved it on May 23, 1974 and will go into effect in 90 days.

Solution 13: Reclassify or upgrade certain positions in state government where necessary to hire professionally qualified personnel for food-related programs.

Solution 14: Regulations by the Department of Public Health to require retailers to use the Uniform Retail Identity Standards for cutting and labeling fresh meat.
Solution 15: Develop and enforce more stringent quality specifications for the School Lunch Program meals and utilize central kitchens for meal preparation when practical.

Solution 16: Request changes in federal guidelines for Title VII funds to supplement diets of the needy elderly through efforts of congressmen and state officials and request the Elder Affairs Department to establish eligibility requirements for the Meals on Wheels program.

Problem: How can we assure that the costs of marketing food in Massachusetts are competitive and equitable and that consumers are protected against food shortages and abnormally high prices?

Solution 17: Support of the New England governors and congressmen for a national export and contingency reserve policy to assure the maintenance of minimum feed grain and basic food reserves with strategic storage locations in each region. These reserves should be related to an international food reserve system.
Solution 18: Efforts by the Governor and the appropriate state agencies to do everything within their power before the Interstate Commerce Commission and other federal bodies to insure the retention of competitive rail systems both in New England and in routes leading to New England. Also, a careful review of the economic impact of the abandonments proposed by the Department of Transportation in the reorganization of the Northeast rail system.

Solution 19: Endorsement and support of a national rail car fleet by the New England governors and transportation officials. The state should maintain feeder lines even if the Federal Government does not.

Solution 20: Request revision of volume rail rate requirements by carriers and the Interstate Commerce Commission and encourage the use of volume rates by Massachusetts receivers of feed and food.

Solution 21: Support the efforts of the New England Feed Grain Council to obtain the approval of a more equitable rate structure from the Interstate Commerce Commission for feed grains shipped into New England.
Solution 22: Adequate fuel allocation for all food haulers and strict enforcement of price controls for fuel.

Solution 23: A comprehensive food service educational program to improve the skills of managers and employees, especially in public institutions.

Solution 24: The construction of regional solid waste disposal plants already authorized by legislation in Massachusetts.

Problem: How can we preserve our food production capability and utilize our resources more fully in producing food with a minimum use of energy?

Solution 25: Revision of state tax laws to permit an investment credit for individuals and partnerships engaged in agricultural production, to allow Sub–chapter "S" Agricultural Corporations to pass income through to shareholders without the income being subjected to a prior corporate tax; and, the option of income averaging for farmers and fishermen.
Solution 26: Federal legislation to create a National Labor Relations Act for agriculture to provide machinery for orderly collective bargaining between farm workers and farmers.

Solution 27: The use of federal manpower training funds to train workers for employment in agriculture in Massachusetts.

Solution 28: Request the Pesticide Board of the Department of Public Health to develop plans for registering certain pesticides for use in the State.

Solution 29: Encourage public and private agencies to adopt the University of Massachusetts plan for fertilizer use based on priorities.

Solution 30: Request the Massachusetts Agricultural Experiment Station to undertake research to develop food crops with a higher nutritional content.

Solution 31: Regional support of the Studds-Magnuson bill to extend U.S. territorial jurisdiction of Atlantic fishing grounds to 200 miles.

Solution 32: State programs that will increase the gross stock of Massachusetts fishing vessels.
Solution 33: Establish a Marine Research Station on the South Shore to engage in research and development and pilot projects on the propagation and marketing of shellfish and other types of fish.

Solution 34: Regulations by the Department of Public Health to establish definitions and standards for organically grown foods.

Solution 35: Encourage the development of less energy-intensive forms of fertilizers including the greater use of organic waste.

Solution 36: Encourage the development of less energy-intensive methods of agriculture.

Problem: How can we make government more effective in order to best meet consumer needs for food?

Solution 37: We urge all of the food-oriented government agencies in the state to develop objectives and programs and coordinate with the Office of Food Policy.
APPENDIX

SUMMARY OF RECOMMENDATIONS PRESENTED AT PUBLIC FORUMS OF
THE GOVERNOR'S COMMISSION ON FOOD, BOSTON, BARNSTABLE,
PITTSFIELD, AND WEST SPRINGFIELD, MASSACHUSETTS, April 1974.

1. Establish standards of identity for organically grown
foods to protect growers and consumers.

2. Provide interest free loans and seed money for the develop-
ment of food buying cooperatives, especially in low-income
areas.

3. Develop land use policies to control the use of land and
stem the decline in farm land.

4. Develop methods for more effective utilization of organic
wastes in view of the energy crisis.

5. Use state surplus and town lands for home and community
gardens and encourage town support of home and community
food production through pools of equipment and supplies.

6. Improve food quality, especially the nutrient content of
grains.

7. Expand consumer education, especially in nutrition, and
provide a toll free telephone number in order to provide
current information on pricing, nutrition, etc. to the
general public.

8. Include SSI people in the Food Stamp Program.

9. Provide retroactive food stamps for those denied commodity
foods.

10. Develop steps to make certain that Western Massachusetts
families are certified in time to participate in the
Food Stamp Program by July 1, 1974.

11. Provide incentives to maintain a viable dairy industry in
Massachusetts.

12. Eliminate the duplication of regulations and regulations
that are so unreasonable that they force small farmers
out of business.
13. Change the state inheritance tax structure in order to keep more land in farming.

14. Establish a vocational training school in Hampden County which will include vocational agriculture.

15. Establish a soft drink tax in Massachusetts to provide revenues for nutrition education and other food assistance programs.

16. Provide for better communications between consumers and other groups involved in the food system.

17. Stricter control by the state of pesticide use on fresh vegetables.

18. Control conglomerate and corporate agriculture in order to eliminate monopoly power and reduce food prices.

19. Develop less capital intensive forms of agriculture in order to reduce unemployment.

June 19, 1974

Ray A. Goldberg, Chairman
Governor's Food Commission
Harvard Business School
16 North Harvard Street
Cambridge, Ma 02163

Dear Ray:

As per our last Commission meeting, I am forwarding to you for inclusion in the final report a minority report pointing up some areas of disagreement that I still have with the final report.

Thank you so much for the opportunity to participate.

Sincerely yours,

David Mann

DM:mfg
A MINORITY REPORT ON THE GOVERNOR'S COMMISSION ON FOOD

David E. Mann

The Governor's Commission on Food was appointed for the purpose of suggesting policy needed to insure an adequate supply of food for Massachusetts's citizens.

Adequate food has been the goal of man since civilizations inception, and is the one problem that had to be solved before society could advance beyond the stage of everyone digging for edible roots. The accomplishments of a society must be a measure of the success of its' food policy, because as the labor needed to produce food decreases, time and assets are made available for other purposes.

This Food Commission report appears to ignore the fact that our present policy of allowing competitive private enterprise to function has enabled our food system to become the most highly developed one in history. Instead, we assume our present policy is no policy, hence perceived the Commission's duty to go "In Search of a Food Policy." My participation in the search has just strengthened my confidence in our present policy of allowing private enterprise to function, and has pointed up the need of teaching how the private enterprise system operates to transmit it to the next generation before we do lose it.

If Massachusetts was a rural state the Commission could have confined most of its efforts to trying to increase agricultural production by listing problems caused farmers by public policy and then suggesting legislative solutions to correct them. This would hopefully then keep farmers in the business of producing more food.

However, Massachusetts is an urban state that imports most of its food. For this reason the major thrust of the report concerned itself with subjects such as transportation, labor, and national legislation that will affect food production. However, no matter what aspect of our food system we discuss
the same basic economic principal of supply and demand will prevail. Our citizens are primarily consumers not producers, for our citizens are concentrated in cities. Probably because of this they have come to look to the government for solutions to their problems, as evidenced by the abundance of consumer oriented social action governmental programs spawned in this urban environment.

The Commission's report places special emphasis on consumer needs. Who is the "consumer" everyone is trying to speak for, appeal to, represent, and protect? We are all consumers, so it would appear to me our elected officials are already representing the consumer.

Only recently with the word profit connotating evil, with the crusade being mounted against large corporations, with a proposed Consumer Protection Agency, with Nader's Raiders, etc. has the word consumer come to connotate an ignorant oppressed minority incapable of making a proper decision about even buying a box of cereal or a toy. The consumer is assumed to be incapable of spending her own money, hence needing the government to protect her from herself and profit making corporations. I think consumerism is a shield self serving groups are hiding behind to advance their own socialistic philosophies.

Some specific areas of disagreement with the report's recommendations are:

1. Promote an expanded food stamp program.

   I think the average working man, paying taxes, wants to care for those truly in need; but he is feeling now that too much of his money is being used in one way or another for public support of many undeserving individuals at a standard of living equalling his. I would not advocate actively working to expand this program.

2. Establish a Food Policy Office in the Department of Consumer Affairs to provide central accountability for the food system in Massachusetts.

   I do not believe another governmental structure with limited power to act in the all encompassing food system could accomplish anything. Further, I do
not believe one governmental agency should have the power to intervene in any area affecting the food system which this office might think necessary. There is adequate evidence in Cuba and other regimented societies that agricultural stagnation and failure occurs with centralized control. These societies end up looking to private enterprise agriculture to feed their people.

3. Establish food reserves and export policy to protect consumers against food shortages and abnormally high prices.

I believe high prices are the best protection against high prices, for they generate production, which in turn brings prices down. In a free economy there is a direct inverse relationship between price and supply. (See attached sheet). The beef crisis of last year, which was one of the motivators for the initiation of this commission, is still in a state of turmoil because of last years government intervention in the market system. Over time, the free market system works. The time required is a lot less than is required for governmental decisions and action, and the market solutions of economic problems are a lot sounder than political ones. Government held reserves cannot be insulated from the market. Consumers may like the price depressing effect these reserves may have short range; but if the producer cannot expect a profit there will be no production long range. I am sure that if the level of food prices was to be determined politically there would not be sufficient profit for the producer. Do you want low prices and empty shelves or slightly higher prices and abundant food supplies? The market will determine the right price if it is allowed to function.

4. An important area touched upon was our vulnerability to transportation strikes with no recommended action. Labor unions appear to be the one major segment that has escaped government regulation. Labor is the largest contributor to the retail price of food. While farm prices have dropped from 20% to 40% for various commodities from January 1974 to May 1974, retail prices have not shown a similar decline -- primarily because of labor costs in food marketing. Labor accounted for 43.4% of the total food marketing bill in 1973. Labor unions are exempt.
from anti-trust legislation, their political clout has been reflected by favorable
government policies on labor-management relations, the proposed federal Consumer
Protection Agency specifically exempts labor from their otherwise all inclusive
meddling power. Legislation is needed to insure prompt settlement of transporta-
tion strikes. As long as the other productive segments of our society are oper-
ating under strict governmental controls, labor presently has an unfair advantage.
This should be corrected by either curbing labor union power or giving other seg-
ments more freedom.

5. Inflation is the greatest threat facing this nation, especially for the poor
and those on fixed incomes. It is caused primarily by governmental deficit
spending. We should insist governments live within their budgets. If new pro-
grams are enacted, taxes should also be levied to support them. Our elected official-
cials must do a better job of managing our state and national fiscal affairs.
The governments monetary and fiscal policies have reduced employer resistance to
union demands by creating inflationary expectations. We must stop expecting a
free lunch from the government. It has been this attitude, plus the responsiveness of the politicians to do something for the people, that has contributed to fiscal difficulties. Political solutions to economic problems have ended up
doing something to us not for us.

If the market system is allowed to operate it will continue to provide
the best answers to our citizens needs. Our system needs a minimal amount of
government control. Increased productivity from every segment of our society is
the only way to lower or stabilize costs while supplying all the food needs and
desires of our citizens at reasonable prices. The government's role should be
to create an atmosphere which will stimulate individual productivity, not to
assume responsibility for the infinite number of decisions necessary to make the
food system operate.
FRUIT PRODUCTION AND PRICES

*Includes production of all citrus and 16 noncitrus fruit, production weighted, by price and price weighted by production, 1960 data.

°Season average price to growers. A Preliminary

U. S. Department of Agriculture NEG. ERS 320 73(8) Economic Research Serv.

NONCITRUS FRUIT PRODUCTION AND PRICES

*16 Important Fruits. °Season Average Price Growers. A Preliminary
Production weighted by price and price weighted by producton 1960 data.

U. S. Department of Agriculture Neg. ERS 8485 73 (8) Econ. Research Serv.
Mr. David Mann, President
Massachusetts Farm Bureau Federation, Inc.
Eighty-Five Central Street
Waltham, Massachusetts 02154

Dear David:

Thank you so much for your letter of June 19 and your willingness to provide us a Minority Report on the Governor's Commission on Food so that we might include it in the report. I am taking the liberty of also including my letter in response to your Minority Report as I feel that statements that are made in the Minority Report are not really differences of opinion, but rather differences of language.

Your first comment is that the Food Commission Report ignores the value of competitive private enterprise. Quite the contrary—the report endorses our using the price mechanism as much as possible to provide the incentives for producers to produce and the signals from the consumer to the producer as to which items the consumer prefers and when the consumer can no longer afford to pay for certain items as well. What the Commission Report does say is that in times of extreme shortages we would like to have a stand-by shock absorber of a government reserve to ease the pressure on the consumer, both in this country and overseas. It also says that in times of extreme gluts we would like a shock absorber to soften the blow on the producer, so that he does not lose his incentive to produce or lose his ability to be a part of the commercial food system. We recommend that the spread between the safeguard to the producer and the safeguard to the consumer be as wide as possible to allow the free market system to work. For the last postwar period in this country, we have had high price supports, government controls, subsidized storage, concessional export shipments, marketing orders and agreements which have covered practically every crop in this state and in this nation. We did this in order to provide a reasonable income to the producer. The by-products of that policy turned out to be supplies that by chance we needed in times of emergencies. This report does not advocate going back to such policies, but rather establishing instead a reserve that is insulated from the market system and used only in times of emergency rather than use perpetually. Just as the cooperative that you belong to has acreage restrictions along with its marketing orders, in order to provide a mechanism to deal with
responses and changes in demand and supply, so presumably the country as a whole is entitled to some mechanism for both its producers and its consumers. Last week in Washington the members of the Panel on Food Availability in the United States, including farmer members, agreed unanimously that we should have such a reserve and agreed unanimously that it should be insulated from the market system to allow the market system to work. Our report in Massachusetts does not disagree with it and, therefore, I felt it necessary in this letter to you, which will be attached to your Minority Report, to clarify what is free enterprise.

Secondly, I would like to remind you that there is no free market in the world today, that we have a combination of price support programs, export subsidies and import controls, all of which we have to respond to. I prefer the free market mechanism, but in a world that doesn't have it we cannot ignore the other trading nations in the world, especially when we supply 40% of the world grain.

The other point that I would like to respond to is the Office of Food Policy. Really this is nothing more than a coordinating mechanism and adds only one man to public life. In addition, this office is not an additional level of red tape, but rather must be part of a means of coordinating the existing offices that affect every aspect of our food production, distribution and consumption policy in the state. We purposely put a termination of this office after two years, so that both the legislature and the governor will have to see whether this is a practical measure and is accomplishing what we set out to have it accomplish or not. This, I think, is not like other government programs that work on a perpetual basis with no feedback whatsoever.

Finally, there is one thing about our report and the people who have been active in it that is not reflected in your minority statement and that is this: This group was made up of labor, farmers, processors, retailers, wholesalers and consumers. What we did recognize in preparing this report is that none of these groups are enemies of the other; that we need each other very much because we are part of an interdependent, interrelated food economy, both in this country and overseas. Because of this interrelated nature, we must make certain that our policies, too, are also coordinated. It is also important to realize that any interruption in the network of the food system penalizes everybody in that system.

We certainly do appreciate all of your constructive inputs into the report. I feel that on balance we attempted to cover the problems and opportunities facing each segment in the food system and in the process tried to find ways of enabling that system to work in a more effective, efficient and coordinated way, making maximum use of the traditional price-making mechanism, and at the same time providing the shock absorbers so that no one group, whether that group be producers or consumers, is adversely affected by any major change in the system. Fundamentally, I can't help
but feel that you agree with this philosophy. I know that the overwhelming majority of the producers and consumers in this country do.

Thanks again for your Minority Report.

Sincerely,

Ray A. Goldberg

RAG: tcs