AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

Consumer Legislation

CONSUMER LEGISLATION

By Barbara J. Clark

Parity prices for farmers has been one of the major food and agricultural issues in the second session of the 95th Congress.

H.R. 6782 was first introduced in the House by Rep. Krebs on April 29, 1977. The bill was originally designed to permit marketing orders, including paid advertisements, for raisins and to provide for the distribution among handlers of the pro rata costs of such promotion. The bill passed, amended by the House, by yea-nay vote of 396-7, on October 31, 1977.

Sen. Dole introduced *S. 2481* on February 2, 1978. This bill was a flexible parity price act that would have provided wheat, feed grain, and cotton producers the opportunity to receive parity prices for the 1978 crops. On March 16, *S. 2481* was reported by the Senate Committee on Agriculture as amended. On March 21, *S. 2481* was incorporated in *H.R. 6782* (the House "raisin bill").

Sen. Talmadge's bill *S. 2690* to pay farmers an average of $75 an acre in order to take a total of 31 million acres of land out of production was also included in *H.R. 6782.*

Sen. McGovern's amendment to raise the 1978 loan rates and target prices on corn, wheat, and cotton was also included in *H.R. 6782.*

The farmers' strike, highly visable at the time, was the major reason for incorporating these various bills and amendments that had already passed the House.

Sen. Dole's and Sen. Talmadge's bills and Sen. McGovern's amendments passed the Senate on March 21, with major changes by the three senators to become incorporated in *H.R. 6782*, and what became known as the "Emergency Agricultural Act."

The first proposed "Emergency Agricultural Act" conference bill was defeated on April 12 in the House by a 268 to 150 vote, after passing the Senate by a 49 to 41 vote on April 10. The bill was under a threat of veto by the President.

On April 24, the House disagreed to Senate amendments and asked for a conference. On April 25, the Senate agreed to further conference but insisted on its amendments. On April 26, the conference was held and the conferees agreed to file a Conference Report (the second one) on *H.R. 6782.*

On April 27 the House and Senate second conference on *H.R. 6782* agreed to give the Secretary of Agriculture authority to raise crop target prices when land diversions or set-aside programs are in effect, to set cotton loan prices at a guaranteed minimum per pound, and to increase the lending authority of the Commodity Credit Corporation to set a 1978 wheat target price.

On May 2, the Second Conference Report on *H.R. 6782* passed the Senate. On May 4 it passed the House, and on May 5, it was delivered to the President. On May 15, *H.R. 6782* was signed by President Carter and became Public Law 95-279.

Child Nutrition and WIC Legislation

Another major food issue now being debated is *H.R. 11688.* The bill was introduced by Rep. Perkins on March 21, and is entitled the National Child Nutrition Act of 1978. This is a bill to amend, revise, and consolidate the provisions of the child nutrition programs authorized by the National School Lunch Act (P.L. 95-166) as amended, and the Child Nutrition Act of 1966, as amended and for other purposes.

On April 12, Assistant Secretary of Agriculture Foreman presented the Administration proposal to the Subcommittee on Nutrition, the committee on Agriculture, Nutrition, and Forestry. Highlights of the proposal include: expansion of the Women, Infants, and Children program (WIC), expansion of the School Breakfast Program, making permanent the Child Care Food Program, the Special Milk Program, the State Administrative Expenses, Nutrition Education, and use of changing to a Wholesale Price Index for adjusting cash and commodities reimbursement rates.

On March 2, Sen. Humphrey introduced *S. 2630*, a bill to extend and modify the WIC program. Subcommittee Hearings were held on April 6 and 11 to amend the Child Nutrition Act of 1966 to direct the Secretary of Agriculture to provide the funds necessary to enable all States to operate or expand programs that provide supplemental nutrition and nutrition education to pregnant and breastfeeding women, infants, and children (WIC programs). Specifically, *S. 2630* would do the following:

- Require each State to publicize the availability of WIC program benefits, using bilingual material in areas where a substantial number of low-income households speak a language other than English. The bill authorizes the appropriation of specified amounts for WIC programs through fiscal

year 1982. Further, it states that 20 percent of the funds appropriated for WIC programs shall be made available for State and local agency operational costs.

• Require each State to submit annual plans describing how WIC program funds will be used, and require States to hold public hearings on such plans.

• Increaes the membership of the National Advisory Council on maternal, infant, and fetal nutrition from 15 to 20 members, and add representatives from specified groups, among them, Indian WIC programs and Migrant WIC programs.

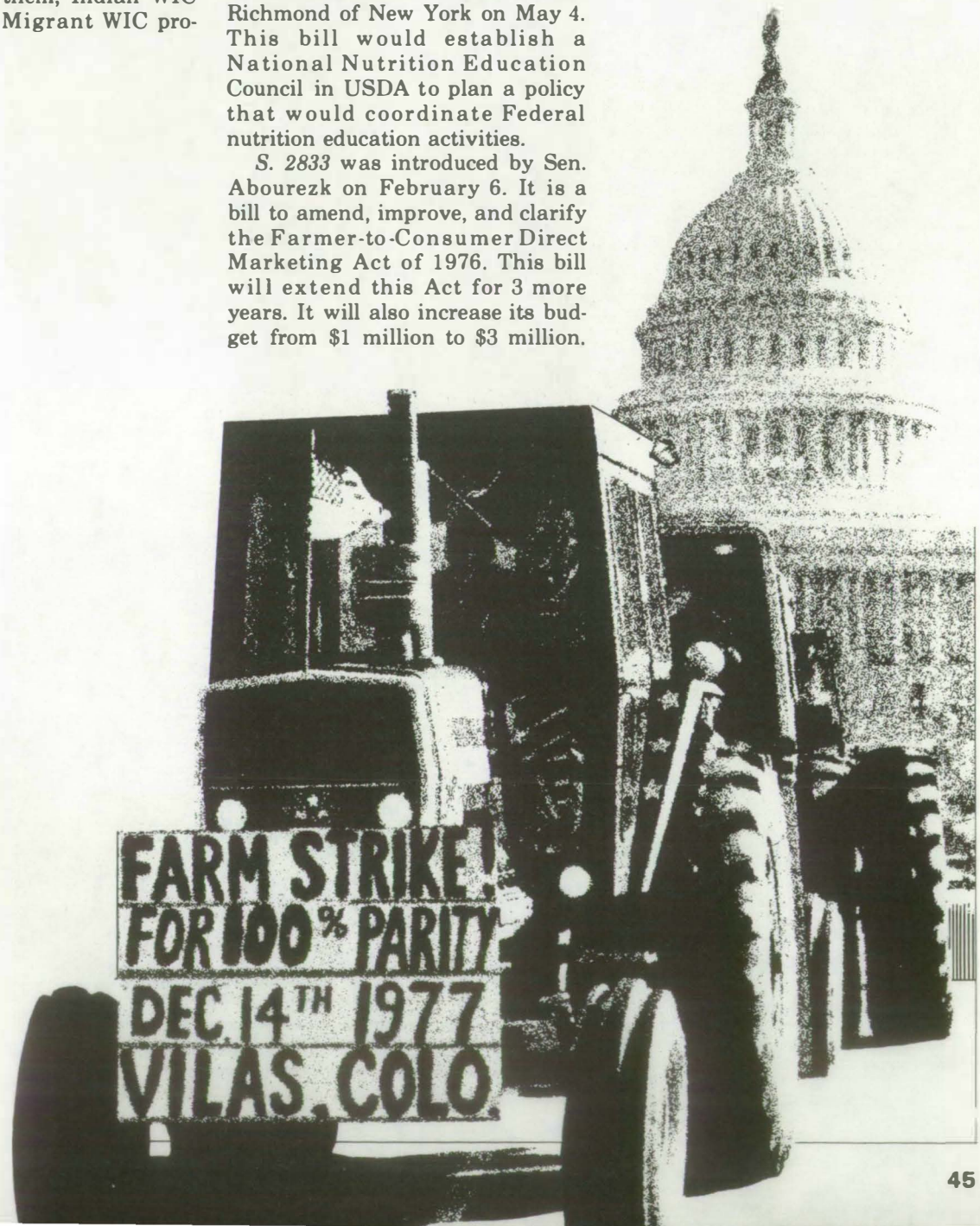
• Direct the Secretary to require all States receiving funds under this act to insure continuous availability of program benefits to eligible migrant agricultural workers as they move from State to State; and to require the Secretary to issue regulations to prevent the dual receipt of benefits under the WIC program and the Commodity Supplemental Food Program.

Nutrition Education

H.R. 12428 (formerly *H.R. 11761*) was reintroduced by Rep. Richmond of New York on May 4. This bill would establish a National Nutrition Education Council in USDA to plan a policy that would coordinate Federal nutrition education activities.

S. 2833 was introduced by Sen. Abourezk on February 6. It is a bill to amend, improve, and clarify the Farmer-to-Consumer Direct Marketing Act of 1976. This bill will extend this Act for 3 more years. It will also increase its budget from $1 million to $3 million. On April 10, *S. 2833* went before the Agricultural Committee.

H.R. 12101 was introduced in the House on April 12 by Rep. Perkins of Kentucky. This is a bill to amend the Farmer-to-Consumer Direct Marketing Act of 1976 for the purpose of directing the Secretary of Agriculture to make grants to assist persons in developing innovative methods of direct marketing and extending the authorization of appropriations of the Act, and for other purposes.



STATISTICAL APPENDIX

The data presented in the statistical tables which follow were developed using the 1974 Department of Labor Consumer Expenditure Summary (CES). The tables were prepared by Donald A. West. A descriptive summary of these data is presented elsewhere in this issue.

APPENDIX TABLE 1. AVERAGE WEEKLY EXPENDITURES PER HOUSEHOLD BY FOOD GROUP: FOOD STAMP PARTICIPANTS AND NONPARTICIPANTS

Food group	Participants		Nonparticipants		
	Amount spent	% of food-at-home	Amount spent	% of food-at-home	Difference Significant?[1]
	Dollars	*Percent*	*Dollars*	*Percent*	
All food	29.71		35.96		Yes
Food away from home	2.31		9.84		Yes
Food at home	27.40	100	26.12	100	No
Cereal and bakery products:					
Breakfast cereals	.46	1.7	.34	1.3	Yes
Flour products	.44	1.6	.26	1.0	Yes
Other cereals	.53	1.9	.24	.9	Yes
Bakery products	2.12	7.7	2.28	8.7	No
Total	3.55[2]	12.9	3.12	11.9	
Meats, poultry and fish:					
Beef steak	0.96	3.5	1.42	5.4	Yes
Other beef and veal	2.37	8.7	2.62	10.0	No
Pork	2.95	10.8	2.28	8.7	Yes
Other meats	1.21	4.4	1.22	4.7	No
Poultry	1.74	6.4	1.25	4.8	Yes
Fish	.75	2.8	.72	2.7	No
Total	9.991	36.5	9.500	36.3	
Eggs	.97	3.5	.69	2.6	Yes
Dairy products:					
Fresh whole milk	2.08	7.6	1.51	5.8	Yes
Other milk	.79	2.9	.79	3.0	No
Cheese	.52	1.9	.76	2.9	Yes
Yogurt and ice cream	.24	0.9	.37	1.4	Yes
Butter	.14	0.5	.16	0.6	No
Total	3.77	13.8	3.59	13.7	
Fruits:					
Fresh fruit	.84	3.1	.96	3.7	Yes
Processed fruit	.66	2.4	.74	2.8	Yes
Total	1.49	5.5	1.71	6.5	
Vegetables:					
White potatoes	.33	1.2	.29	1.1	No
Cabbage, carrots, corn	.16	0.6	.13	0.5	No
Green veg., tomatoes, etc.	.71	2.6	.76	2.9	No
Processed vegetables	1.05	3.8	.83	3.2	Yes
Total	2.25	8.2	2.00	7.7	
Sugar and sweets	.75	2.7	.77	3.0	No
Fats and oils	.91	3.3	.77	3.0	Yes
Nonalcoholic beverages	1.95	7.1	1.88	7.2	No
Other foods:					
Misc. prepared foods	.94	3.4	1.06	4.1	No
Snacks	.18	0.6	.40	1.5	Yes
Baby food	.17	0.6	.14	0.5	No
Condiments	.51	1.9	.53	2.0	No
Total	1.80	6.5	2.12	8.1	
Household (consuming unit) size	3.2		2.8		

[1] t-test for significant difference among means of dollar amounts, 5% level. [2] Amounts and percentages may not sum to totals because of rounding. Source: BLS Consumer Expenditure Survey, 1973-74 Diary data.

APPENDIX TABLE 2. AVERAGE WEEKLY EXPENDITURES PER ADULT EQUIVALENT: FOOD STAMP PARTICIPANTS AND NONPARTICIPANTS

Food group	Participants		Nonparticipants		
	Amount spent	% of food-at-home	Amount spent	% of food-at-home	Difference Significant?[1]
	Dollars	*Percent*	*Dollars*	*Percent*	
All food	12.86		15.84		Yes
Food away from home	1.18		4.78		Yes
Food at home	11.68	100	11.09	100	No
Cereal and bakery products:					
Breakfast cereals	.17	1.5	.13	1.2	Yes
Flour products	.17	1.5	.10	.9	Yes
Other cereals	.19	1.6	.09	.9	Yes
Bakery products	.82	7.1	.91	8.2	Yes
Total	1.35[2]	11.7[2]	1.24	11.2	
Meats, poultry and fish:					
Beef steak	.49	4.2	.64	5.8	Yes
Other beef and veal	1.06	9.1	1.15	10.3	No
Pork	1.42	12.2	1.03	9.3	Yes
Other meats	.54	4.7	.54	4.9	No
Poultry	.86	7.4	.57	5.1	Yes
Fish	.36	3.1	.33	3.0	No
Total	4.74	40.6	4.26	38.4	
Eggs	.41	3.5	.30	2.7	Yes
Dairy products:					
Fresh whole milk	.63	5.4	.52	4.7	Yes
Other milk	.30	2.6	.29	2.6	No
Cheese	.21	1.8	.30	2.7	Yes
Yogurt and ice cream	.08	0.6	.13	1.2	Yes
Butter	.05	0.5	.07	0.6	No
Total	1.26	10.8	1.31	11.8	
Fruits:					
Fresh fruit	.37	3.2	.41	3.7	No
Processed fruit	.28	2.4	.32	2.9	Yes
Total	.65	5.6	.73	6.6	
Vegetables:					
White potatoes	.14	1.2	.13	1.2	No
Cabbage, carrots, corn	.09	0.7	.06	0.5	Yes
Green veg., tomatoes, etc.	.35	3.0	.36	3.2	No
Processed vegetables	.47	4.0	.37	3.4	Yes
Total	1.04	8.9	.91	8.2	
Sugar and sweets	.32	2.7	.33	2.9	No
Fats and oils	.37	3.2	.33	3.0	Yes
Nonalcoholic beverages	.88	7.5	.81	7.3	No
Other foods:					
Misc. prepared foods	.41	3.5	.46	4.2	No
Snacks	.07	0.6	.16	1.4	Yes
Baby food	.05	0.5	.05	0.5	No
Condiments	.22	1.8	.22	2.0	No
Total	.76	6.5	.89	8.1	

[1] t-test for significant difference among means of dollar amounts, 5% level. [2] Amounts and percentages may not sum to totals because of rounding. Source: BLS Consumer Expenditure Survey, 1973-74 Diary data.

APPENDIX TABLE 3. AVERAGE WEEKLY EXPENDITURES PER HOUSEHOLD BY FOOD GROUP: FOOD STAMP PARTICIPANTS AND NONPARTICIPANTS

Food group	Participants		Nonparticipants		Difference Significant?[1]
	Amount spent	% of food-at-home	Amount spent	% of food-at-home	
	Dollars	*Percent*	*Dollars*	*Percent*	
All food	29.71		24.81		Yes
Food away from home	2.31		4.40		Yes
Food at home	27.40	100	20.41	100	Yes
Cereal and bakery products:					
Breakfast cereals	.46	1.7	.32	1.6	Yes
Flour products	.44	1.6	.29	1.4	Yes
Other cereals	.53	1.9	.24	1.2	Yes
Bakery products	2.12	7.7	1.79	8.8	Yes
Total	3.55[2]	12.9[2]	2.64	12.9	
Meats, poultry and fish:					
Beef steak	0.96	3.5	.76	3.7	Yes
Other beef and veal	2.37	8.7	1.88	9.2	Yes
Pork	2.95	10.8	1.85	9.0	Yes
Other meats	1.21	4.4	.96	4.7	Yes
Poultry	1.74	6.4	1.15	5.6	Yes
Fish	.75	2.8	.56	2.7	Yes
Total	9.991	36.5	7.14	35.0	
Eggs	.97	3.5	.66	3.2	Yes
Dairy products:					
Fresh whole milk	2.08	7.6	1.38	6.8	Yes
Other milk	.79	2.9	.60	2.9	Yes
Cheese	.52	1.9	.53	2.6	No
Yogurt and ice cream	.24	0.9	.25	1.2	No
Butter	.14	0.5	.12	0.6	No
Total	3.77	13.8	2.89	14.1	
Fruits:					
Fresh fruit	.84	3.1	.74	3.6	No
Processed fruit	.66	2.4	.53	2.6	Yes
Total	1.49	5.5	1.27	6.2	
Vegetables:					
White potatoes	.33	1.2	.28	1.4	No
Cabbage, carrots, corn	.16	0.6	.11	0.5	Yes
Green veg., tomatoes, etc.	.71	2.6	.58	2.8	Yes
Processed vegetables	1.05	3.8	.70	3.4	Yes
Total	2.25	8.2	1.67	8.2	
Sugar and sweets	.75	2.7	.62	3.0	Yes
Fats and oils	.91	3.3	.66	3.2	Yes
Nonalcoholic beverages	1.95	7.1	1.42	7.0	Yes
Other foods:					
Misc. prepared foods	.95	3.4	.79	3.9	Yes
Snacks	.18	0.6	.21	1.0	No
Baby food	.17	0.6	.13	0.6	No
Condiments	.52	1.9	.35	1.7	Yes
Total	1.80	6.5	1.48	7.2	
Household (consuming unit) size	3.2				

[1] t-test for significant difference among means of dollar amounts, 5% level. [2] Amounts and percentages may not sum to totals because of rounding. Source: BLS Consumer Expenditure Survey, 1973-74 Diary data.