

"FOOD AND FARM OUTLOOK FROM THE HILL"

REMARKS OF SENATOR BOB DOLE

25TH ANNUAL CONFERENCE
FOODSERVICE ORGANIZATION OF DISTRIBUTORS (FOOD)
TUESDAY, OCTOBER 18, 1977

MAYFLOWER HOTEL, WASHINGTON, D.C.

I APPRECIATE THE OPPORTUNITY TO PARTICIPATE IN THE 25TH ANNUAL MEETING OF THIS DISTINGUISHED BODY. IN EARLIER SESSIONS OF THE CONFERENCE YOU'VE HEARD FROM OUTSTANDING SPEAKERS ON A NUMBER OF TOPICS. TOPICS NOT ONLY OF PARTICULAR INTEREST TO YOUR INDUSTRY BUT TOPICS WHICH HAVE BEEN THE FOCUS OF HEARING TESTIMONY, COMMITTEE DELIBERATIONS, AND FLOOR DEBATE ON THE HILL IN RECENT WEEKS. AMONG THEM: THE EFFECT OF CASH OR COMMODITIES ON SCHOOL MEAL QUALITY, WEATHER AND FOOD MARKETING, FOOD EXPORT AND FOOD MARKETING, ENERGY CONSERVATION, AND SO FORTH.

TODAY I WILL REVIEW SOME RECENT LEGISLATIVE ACTIVITIES WHICH SHOULD INTEREST THIS MEMBERSHIP, THE FOOD-AWAY-FROM-HOME INDUSTRY WHICH DISTRIBUTES FOOD AND SUPPLIES TO FEEDING INSTITUTIONS LIKE RESTAURANTS, HOSPITALS, NURSING HOMES, HOTELS, AND SCHOOLS.

-2-

U.S. DIETARY GOALS REPORT

SOME HAVE BEEN CONCERNED AS TO WHETHER THE DIETARY GOALS REPORT ISSUED EARLIER THIS YEAR BY THE STAFF OF THE SENATE SELECT COMMITTEE ON NUTRITION WILL RESULT INTO A NATIONAL NUTRITION POLICY. THE ANSWER TO THIS QUESTION IS NO. BUT LET'S LOOK AT HOW ONE DEFINES A "NATIONAL NUTRITION POLICY."

IF WE'RE TALKING ABOUT THE REPORT AS A DOCUMENT TO DICTATE WHAT AND HOW MUCH AMERICANS SHOULD EAT, THEN I WOULD SAY THE REPORT WILL NOT RESULT IN A NATIONAL POLICY. IF WE ARE TALKING ABOUT THE REPORT AS A REMINDER THAT MAYBE AMERICANS NEED A SANER AND MORE RATIONAL APPROACH TO OUR EATING HABITS, THEN I WOULD SAY THE REPORT CAN HAVE A SIGNIFICANT PURPOSE.

I AM SURE YOUR INDUSTRY IS AS DESIROUS OF ACHIEVING MORE NUTRITIOUS DIETS AS ANYONE, AND WOULD URGE YOU TO WORK WITH HEALTH PROFESSIONALS, INCLUDING THE NUTRITIONAL SCIENTISTS IN A COOPERATIVE VENTURE TO CONVERT THE REPORT INTO A WORKABLE DOCUMENT THAT WILL BENEFIT ALL PEOPLE IN THIS COUNTRY.

-3-

1977 FARM AND FOOD BILL

THE RECENTLY PASSED FARM BILL REFLECTS THE GROWING TREND IN THE CONGRESS TOWARD EXPANDING THE FEDERAL ROLE TO ENCOMPASS THE ENTIRE FOOD SPECTRUM -- FROM AGRICULTURAL PRODUCTION THROUGH FOOD CONSUMPTION. THIS YEAR'S FARM BILL RECOGNIZES FOR THE FIRST TIME THAT NUTRITION AND HEALTH CONSIDERATIONS ARE IMPORTANT TO U.S. AGRICULTURE POLICY. AND THAT IT'S COUNTER-PRODUCTIVE TO SEPARATE FARM POLICY FROM FOOD POLICY. ACTIVITIES CONCERNING OUR FOOD SUPPLY MUST EQUALLY AND FAIRLY REPRESENT ALL MEMBERS OF THE FOOD PRODUCTION, FOOD DISTRIBUTION, AND FOOD CONSUMPTION SYSTEM.

FOOD STAMP REFORM

A SIGNIFICANT SECTION OF THE FARM BILL ADDRESSES A REVISED FOOD STAMP PROGRAM. THIS YEAR WE WORKED HARD IN CONGRESS FOR PROVISIONS TO BRING INTO THE PROGRAM MORE OF THE TRULY NEEDY. RECENT LEGISLATIVE CHANGES INCLUDE PROVISIONS TO TIGHTEN UP PROGRAM ADMINISTRATION, AND ASSURE THAT MORE OF THE ELDERLY AND THE POOR IN NEED RECEIVE THIS EXTENDED FOOD PURCHASING POWER. I WORKED TO ELIMINATE THE PURCHASE REQUIREMENT, AND TIGHTEN UP MANY ADMINISTRATIVE LOOPHOLES TO ACHIEVE THIS END.

-4-

IN AN EFFORT TO FURTHER ASSURE THAT FOOD COUPONS BRING MORE WHOLESOME FOOD TO THE RECIPIENT HOUSEHOLDS, MORE NUTRITION EDUCATION LANGUAGE THAN EVER BEFORE APPEARS IN THIS YEAR'S LAW. IT REQUIRES THAT NUTRITION EDUCATION POSTERS, PAMPHLETS, AND THE LIKE BE MADE AVAILABLE TO RECIPIENTS FROM FOOD STAMP AND PUBLIC ASSISTANCE OFFICES. THESE MATERIALS ARE TO CONTAIN INFORMATION ON PLANNING AND SHOPPING FOR NUTRITIOUS MEALS, AND UNDERSTANDING THE RELATIONSHIP BETWEEN DIET AND HEALTH.

WHEAT RESEARCH AND NUTRITION EDUCATION

ALSO UNDER THE FARM BILL, THE SENATE PROPOSED AND ESTABLISHED A NEW PROGRAM WHEREBY WHEAT PRODUCERS, PROCESSORS, END PRODUCT MANUFACTURERS, AND CONSUMERS OF WHEAT FOODS CAN WORK TOGETHER ON A WHEAT INDUSTRY COUNCIL.

THE AIM -- A COORDINATED PROGRAM OF RESEARCH AND EDUCATION, TO PROMOTE AND IMPROVE HUMAN NUTRITION THROUGH THE USE OF WHEAT AND WHEAT FOODS. THE PROGRAM WILL BE SUPPORTED BY AN ANNUAL ASSESSMENT ON END PRODUCT MANUFACTURERS. I'M SURE YOU WILL BE HEARING MORE ABOUT THE WORKINGS OF THIS COUNCIL BEFORE TOO LONG.

-5-

SCHOOL MEALS AND COMMODITIES

THE CONFERENCE REPORT COVERING THE CHILD NUTRITION PROGRAMS WAS INTRODUCED TO THE HOUSE LAST WEEK AND SHOULD GET TO THE FULL SENATE SOME TIME THIS WEEK. THERE ARE SEVERAL PROVISIONS OF THIS BILL WHICH I SOUGHT TO RETAIN IN CONFERENCE. AND WE WERE SUCCESSFUL.

ONE EXAMPLE OF CONGRESS' INCREASING EFFORTS TO ASSESS THE MOST FEASIBLE METHODS OF ADMINISTERING FEDERALLY SUPPORTED PROGRAMS LIKE SCHOOL LUNCH AND SCHOOL BREAKFAST IS THE PILOT PROJECTS ADOPTED BY THE CONFEREES. IN THE BILL WE ASK THE SECRETARY OF AGRICULTURE TO DETERMINE THE MORE EFFICIENT, HEALTHFUL, ECONOMICAL, AND RELIABLE METHODS OF OPERATING THE SCHOOL LUNCH, BREAKFAST, AND SUMMER MEAL PROGRAMS, USING CASH OR COMMODITY SUPPLEMENTS. STUDY FINDINGS DUE BACK TO THE CONGRESS WITHIN 18 MONTHS WILL BETTER ADVISE US ON THE NUTRITIONAL AND ADMINISTRATIVE BENEFITS OF CASH AND/OR COMMODITIES IN SCHOOL MEALS.

COMPETITIVE FOOD AMENDMENT

IN SUBCOMMITTEE HEARINGS ON THIS YEAR'S CHILD NUTRITION LEGISLATION, I INTRODUCED THE PROVISION TO RESTORE TO THE SECRETARY OF AGRICULTURE THE AUTHORITY TO REGULATE SALES OF FOODS SOLD IN COMPETITION WITH

-6-

SCHOOL MEALS. MANY HAVE TRIED TO LEAD THE PUBLIC TO BELIEVE THAT THAT AMENDMENT WAS ANTI-PARTICULAR FOODS, ANTI-VENDING, AND ANTI-SCHOOL REVENUE. BUT THAT IS NOT THE CASE.

I JUST COULDN'T SEE THE AMERICAN TAXPAYER WORKING HARD TO PROVIDE A WELL-BALANCED MEAL TO OVER 25 MILLION SCHOOL CHILDREN DAILY, AND AT THE SAME TIME SIT BACK AND ALLOW AN UNCONTROLLABLE DUAL SYSTEM OF FOOD SALES, TOO OFTEN OFFERING LESS NUTRITIOUS FOODS. THE SCHOOL LUNCH PROGRAM DURING THE LAST FISCAL YEAR AMOUNTED TO \$587 MILLION. I FEEL THAT EVERY EFFORT POSSIBLE MUST BE MADE BY CONGRESS TO SUPPORT THE NUTRITIONAL INTEGRITY OF THIS PROGRAM. GO BACK SOME THIRTY-ONE YEARS TO 1946, WHEN THE NATIONAL SCHOOL LUNCH ACT WAS ENACTED. THE LAW STILL MAINTAINS THE TWO-FOLD PURPOSE: TO SAFEGUARD THE HEALTH AND WELL-BEING OF THE NATION'S CHILDREN, AND TO ENCOURAGE THE DOMESTIC CONSUMPTION OF NUTRITIOUS AGRICULTURAL COMMODITIES AND OTHER FOODS. WE STILL HAVE AN OBLIGATION TO PROTECT THE HEALTH AND WELL-BEING OF THE CHILDREN.

TRAINING AND NUTRITION EDUCATION

HOUSE AND SENATE CONFEREES AGREED ON A SENATE PROPOSAL FOR NUTRITION EDUCATION OF TEACHERS AND STUDENTS, AND FOODSERVICE MANAGEMENT TRAINING FOR SCHOOL CAFETERIA PERSONNEL. YOU SHOULD BE INTERESTED

-7-

IN THAT ASPECT WHICH MAKES FUNDS AVAILABLE FOR SCHOOL CAFETERIA WORKERS (OVER 40,000 OF THEM) TO UPGRADE THEIR FOOD PREPARATION AND SERVICE SKILLS.

MUCH OF THE "UNDER PARTICIPATION" IN THE LUNCHROOM AND "PLATE WASTE" GOING TO THE GARBAGE CANS IS DUE TO THE POOR QUALITY FOOD ON THE PLATE. LET'S FACE IT. WE WOULD HOPE THAT MORE TRAINING OF CAFETERIA WORKERS, AND THE TIGHTER ADMINISTRATIVE PROVISIONS WILL DO MUCH TO IMPROVE THE QUALITY OF MEALS SERVED IN SCHOOLS.

BEFORE CONCLUDING, I WOULD LIKE TO SHARE WITH YOU THREE OTHER PIECES OF LEGISLATION PERTAINING TO WAGES AND ENERGY -- TWO VERY HOT TOPICS OF LATE ON CAPITOL HILL.

MINIMUM WAGE LEGISLATION

I WAS IN FAVOR OF THE BILL BEFORE THE SENATE TO AMEND THE FAIR LABOR STANDARDS ACT, BUT I WOULD SAY THAT SEVERAL PROPOSED CHANGES IN THE PRESENT LAW CONCERN ME. I OPPOSED THE INDEXING OF WAGES, MINIMUM OR OTHERWISE, BECAUSE OF THEIR INFLATIONARY IMPLICATIONS. THIS IS JUST ANOTHER EXAMPLE OF CONGRESSIONAL ABDICATION OF RESPONSIBILITY TO BUREAUCRATS IN THE EXECUTIVE AGENCIES.

I WOULD HOPE THAT IF THE MINIMUM WAGE ISSUE IS EVER BROUGHT UP AGAIN, CONGRESS WOULD FACE UP TO ITS RESPONSIBILITY AND ENACT THE NECESSARY LEGISLATION. TO BUILD THE INDEX ON THE MANUFACTURING

-8-

WAGE WILL NOT NECESSARILY BE A RELEVANT INDICATION OF GENERAL WAGE TRENDS IN THE INDEFINITE FUTURE.

YOUR ORGANIZATION IS MADE UP OF PRIMARILY SMALL BUSINESSMEN WHO NO DOUBT AREN'T ENCOURAGED WITH THE SMALL BUSINESS EXEMPTION UNDER THE MINIMUM WAGE LAW. PRESENTLY BUSINESSES WITH ANNUAL GROSS SALES OF \$250,000 ARE EXEMPTED FROM THE LAW. I HAVE NO DOUBT THAT THIS FEDERAL LEVEL MUST BE RAISED. \$250,000 IS GROSSLY UNFAIR TO SMALL BUSINESSES. IT MUST BE UPDATED OR ELSE WE DRIVE OUT OF BUSINESS THOUSANDS OF SMALL BUSINESSMEN AND ADD GREATLY TO THE UNEMPLOYMENT ROLLS. ALTHOUGH THE TOWER AMENDMENT, WHICH WOULD HAVE SET THE SMALL BUSINESS EXEMPTION AT \$1,000,000, HAS BEEN CHANGED TO A SMALLER INCREASE OF \$275, 000 IN 1978 AND \$325,000 IN 1980,* I BELIEVE THE SENATE HAS TAKEN A STEP IN THE RIGHT DIRECTION IN ADDRESSING A SERIOUS PROBLEM EXPERIENCED BY THE SMALL BUSINESSES OF OUR COUNTRY.

NATURAL GAS LEGISLATION

IN THE EVENT OF A RATIONING EMERGENCY ON NATURAL GAS, MANY INDUSTRIES HAVE REQUESTED PRIORITIES. YOUR INDUSTRY INCLUDED. IT HAS BEEN A DIFFICULT PROCESS IN THE SENATE COMING TO A DECISION ON NATURAL GAS POLICY.

*CONFEREES HAVE AGREED ON THE ABOVE SMALL BUSINESS EXEMPTION INCREASES, AND ALSO AN INCREASE TO \$365,500 IN 1982.

-9-

A PROPER CONCERN OF YOURS AND MINE IS THAT THE PRIORITY ON NATURAL GAS SHOULD BE CAREFULLY SET AND PROTECTED.

THE LEGISLATION PROHIBITS CURTAILMENT OF NATURAL GAS FOR ESSENTIAL FOOD PROCESSING AND FOOD PACKAGING PURPOSES FOR WHICH NATURAL GAS IS NECESSARY. UNFORTUNATELY, THE HOUSE PASSED BILL DOES NOT INCLUDE THIS PROVISION. THE AGRICULTURAL PRIORITY, ALSO INCLUDES SUCH THINGS AS IRRIGATION PUMPING, CROP DRYING, THE USE OF NATURAL GAS AS RAW MATERIAL FEEDSTOCK OR PROCESS FUEL IN PRODUCING FERTILIZER AND ESSENTIAL AGRICULTURAL CHEMICALS.

THE PURPOSE OF THIS AGRICULTURAL PRIORITY, IS TO INSURE THAT THE AMERICAN PEOPLE AND THE MILLIONS OF PEOPLE THROUGHOUT THE WORLD WHO DEPEND ON UNITED STATES FARMERS FOR FOOD WILL NOT BE IN SHORT SUPPLY DUE TO INADEQUATE NATURAL GAS AVAILABLE FOR FARMERS AND FARM ACTIVITIES. IT WILL HELP INSURE THAT FOOD AND AGRICULTURAL COMMODITIES REMAIN AVAILABLE AT THE LOWEST POSSIBLE COST.

ENERGY TAX IMPLICATIONS

THE SENATE FINANCE COMMITTEE, OF WHICH I AM A MEMBER, HAS TAKEN FINAL ACTION ON THE ADMINISTRATION'S NATIONAL ENERGY PLAN. THE PRESIDENT'S PLAN WAS DESIGNED TO ARTIFICIALLY FORCE UP FUEL PRICES

-10-

BY PUNATIVELY TAXING ITS USE. I KNOW THAT YOUR SURVIVAL AND PROSPERITY DEPENDS ON AMPLE SUPPLIES OF GASOLINE AND OTHER MOTOR FUELS. THE SENATE HAS RECOGNIZED THAT AND SUBSTITUTED ITS VIEWS.

LAST WEEK WE HEARD THE PRESIDENT STATE THAT HE WAS CONSIDERING OIL TARIFFS AND GAS RATIONING. THIS POLICY WILL NOT SOLVE OUR ENERGY PROBLEM BUT ONLY DEAL A CRIPPLING BLOW TO THE ECONOMY. I HOPE THAT WE CAN WORK IN THE FEW REMAINING WEEKS OF THE CONGRESS TO ENACT AN ENERGY POLICY THAT PROVIDES ENERGY TO ALL WHO NEED IT.

IT'S BEEN A PLEASURE SHARING THESE VIEWS FROM THE HILL WITH YOU TODAY.

#####