PROBLEMS OF MIDWEST PRODUCERS IN INTER-STATE SHIPMENT OF MILK*

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The problems which have arisen relative to interstate shipment of milk have become the subject of a tremendous amount of discussion throughout the nation. We can pick up, almost any dairy trade journal and find not one, but several articles or reports dealing with some phase of this subject.

Due to the nature of and the economic factors governing the production of milk, we find that the midwest region of the United States is the major area of milk production. Events which have taken place over the years have resulted in a situation which places the midwest producers of milk at a tremendous disadvantage in marketing fluid milk products outside of the production areas.

In consideration of this problem, it seems evident that certain basic or fundamental factors with respect to the free flow of milk into the various markets of the country have emerged quite clearly and distinctly. It will be impossible for me to consider all of these in any detail. I shall try, however, to outline what appears to be basic factors in the overall problem, but shall confine the discussion only to those which may be of interest principally to milk sanitarians.

Basic Difficulties Encountered

The first fundamental factor which underlies all others, as regards the interstate milk shipment problem, is that milk production in the midwest is far above the consumption of milk and milk products in that area. This means, of course, that outside markets are needed. There is no question of the existence of markets.

The difficulty lies in the barriers of economic and public health nature which serve to exclude from these markets milk produced in the midwest. This discrimination is the second major factor involved in the problem, and at least three developments have been advanced as contributing toward its perpetuation. Briefly, the first of these is that federal milk marketing orders effective in certain large consuming areas have affected the price structure in such a way that local production has been increased greatly. This has served to exclude milk produced in the midwest from those markets, and further it has added measurably to the surplus of certain manufactured dairy products. The importance of this situation is attested by the great amount of attention and discussion devoted to it at the present time. A second development which has been advanced as contributing to the discrimination against milk produced in the midwest is that, under the federal milk marketing orders which are effective in certain cities, the local health department milk regulations are tied in with the definition of Class I milk in such a way as to limit the supply only to those producers which are under the supervision of the local health department. The third development is similar in nature. In many cities, the milk supply is limited only to those producers who come under the inspection of the local health department. Under this situation there is no recognition of reciprocal inspection. This latter condition exists quite apart from any connection with a market order. Furthermore, it is an effective barrier both to inter- and intrastate milk marketing. In fact, it is common knowledge that the objective of incorporating such restrictive clauses into the ordinances in question was, in many instances, devoid of any concern for public health safety.

The third basic factor which operates to inhibit the flow of milk from areas of plentiful production is that, when markets are available, producers often are confronted with a variety of stipulated specifications for the production of milk. These differ from market to market to such an extent that it is practically impossible to conform to them all. The effect of this one factor has been the bane of contentment in many controversies and is in large measure responsible for the great cry of "uniformity" which is sweeping the country. This factor has resulted in an extremely annoying situation, and it illustrates the lack of and the decided need for uniformity in our thinking and application of what should be required in the production of milk for human consumption. This is the primary factor which has led a number of leaders in the dairy industry to advocate a single standard for milk quality, and in addition it has contributed much toward the possibility of federal intervention in an attempt to bring about uniformity in milk regulations.

The desirability of these two eventualities becoming realities is questioned by many. There may be no alternative if the present situation continues much longer.

The last basic factor which seems to contribute to the problem facing midwest producers is that, when markets are available and regulations governing milk production are met, producers are confronted with the problem of obtaining a certification, which is acceptable to the receiving area, that the milk has been produced in full compliance with the regulations specified.

As we segregate these various factors, which together comprise the problem which so vitally affects midwest milk producers, and as we look at them objectively, none appears to be so impossible of elimination that we need despair. Already, considerable progress has been made. The factors of the problem attributable to the discriminatory effects of federal milk marketing orders have been and at the present time are being vigorously studied. We see today on all sides a greater recognition of the need for uniformity in regulations, and in their interpretations, governing the production and processing of milk. It is inconceivable that such recognition soon will not take the form of concrete application.

St. Louis Conference

One of the really important steps toward a solution of the problem of midwest producers, as well as others, was the National Conference on Interstate Milk Shipments, which was held in St. Louis, Missouri, June 1, 2 and 3, 1950. As stated in the report of the conference, it was a planning conference which "strived to reach" basic conclusions which could be used as guide lines in the organization and administration of state programs which would be in

agreement with one another.” A plan evolved from this conference which embodied a frame work on which a uniform national program could be built, and which would allow milk to be moved through the nation unhampered by multitudinous production requirements, many of them conflicting and many of them ridiculous. The operation of this plan is being watched closely and its success or failure would seem to depend largely upon the leadership under which it is to function, and to the extent of the cooperation which will be given to it from regulatory officials and from the dairy industry. Its success or failure would appear to depend also upon the extent to which improvements, as they become evident, are incorporated into the plan.

You have heard this plan for facilitating interstate shipment of milk discussed previously. Let me emphasize that the component-parts of the plan are specific. They hardly could be otherwise. Because they are specific it means that considerable give and take must occur with respect to many of the items in order for this plan to function successfully.

Since the plan as worked out in the St. Louis Conference directly concerns the problem facing the Midwest producers of milk, and since it does provide a plausible mechanism for alleviating many of the difficulties mentioned above, it is logical to discuss briefly certain aspects of the plan.

Uniform Standards
In the first place this plan predetermines the recognition of uniform standards for milk production and processing. It specifies the 1939 edition of the United States Public Health Service Milk Ordinance and Code as the basic regulation. In doing so it specified an ordinance which originated in 1923, one which has been revised nine times, adopted in 34 states, 360 counties, and more than 1,470 municipalities. In terms of population it is estimated that forty million Americans might be included under this ordinance.

The choice of this ordinance as the standard seems wise; however, it brings forth some problems. In order for the plan to be effective this ordinance must be accepted. Differences of opinion with respect to its provisions must be laid aside for the time being. On the other hand, those who are willing to declare conflicting requirements and interpretations inoperative have every right to expect an active, vigorous, and concerted effort toward evolution of a new edition of the ordinance which will resolve the differences of opinion with respect to the various items constituting the present edition. The question of water supply, animal diseases, and the variety of applications of accreditation procedure are but three of many items about which there is lack of general agreement.

In all due respect to the great contributions which have been made by the U.S. Public Health Service and the work of various committees that have existed from time to time in connection with the development of standards and regulations, it seems evident that to resolve these differences an effort greater than ever before is needed; a united effort in which representatives of all the major interests should take part—state health departments, state departments of agriculture, municipal health departments, the dairy industry, agricultural colleges, and the United States Public Health Service. Anything which is as important and as far reaching as a nationally recognized standard ordinance governing the sanitary production and processing of milk deserves the best in the way of leadership toward its accomplishment.

System of Supervision
The St. Louis plan for facilitating interstate shipment of milk specifies a system of supervision. Further, it recognizes three agencies, local health departments, state agricultural departments, and state health departments as having the authority of supervision.

There is the aspect of cost of this supervision that may warrant some consideration. According to one plan for defraying the cost of supervision, a fifteen-dollar-per-farm-per-year charge and a $250-per-year-plant charge is proposed. Let us for a moment analyze this cost.

Suppose we assume a thirty-cent-per-hundred increase in price for milk shipped interstate. This would mean that the additional return from the sale of 5,000 pounds of milk or the milk production of one cow, based on the approximate figure of the national average production per cow, would need to be received to defray the inspection cost per farm. It would require the additional return from the sale of milk produced by a herd of almost 17 cows to defray the inspection cost per plant. Suppose now we consider this cost in the light of only a three month market rather than a year round one. In this instance the above figures would need to be quadrupled. Looking at it in another way and figuring on the same basis as before, and assuming only a three month market, a ten cow herd would return $37.50 above what otherwise might be received. From this must be subtracted the fifteen dollar inspection fee leaving $22.50 for the effort. We still have not considered the other costs to the producer which would be involved. These in many instances would be much greater than the inspection fees.

I do not criticize this plan. The point I wish to make is that there is every reason to give consideration to possible ways of reducing costs of supervision. There is at least one way which I believe this may be done. It is by the recognition of a combination of government and industry supervision. In this way a greater utilization of the field service forces of the dairy industry—the fieldmen and laboratories—would be brought about. It would seem that serious consideration should be given toward a recognition of some combination of government-industry supervision. There are working precedents for this. Furthermore, it is recognized in Section 5 of the April, 1949 revised U.S.P.H.S. Milk Ordinance.

Certification of Area
The St. Louis plan provides for a certification to the receiving area by two agencies, the United States Public Health Service or state health departments, that the milk supply is as stated by the supervising authority. State agricultural departments are not recognized as certifying agencies. This seems incongruous in light of the fact that in 21 of the 48 states the law enforcement agencies involved are agricultural departments. In 22 states, the health departments are involved. In each of the other five states, some combination of the two or other agencies is operative. The situation as it (Continued on page 74)
Massachusetts to try to help it with respect to establishing some machinery to fix prices of out-of-state milk in non-federal market areas. We did have some concern with the recent proposal for an interstate milk compact to provide supplementary machinery in certain instances for the present milk marketing agreement. We have had enough experience to be very respectful of milk.

We are well aware that the milk field is alive with pressures, and the producers, the distributors, and the consumers supply these pressures. Not only do these groups occasionally disagree with each other, but also there is some disagreement within the groups, as we understand it.

So, it is like the little boy right before Christmas. We feel sort of like that little boy. He was very, very quiet and his mother got worried. It is a bad sign when a little boy is quiet and she wondered what mischief he was up to. So, she shouted up the stairs,

"Willie! Are you there? What are you doing, Willie?"

"Nothing, Mother."

And that still was too quiet, so she said again, "Willie! What are you doing?"

"Nothing, Mother."

"Are you sure, Willie?"

"Oh, yes, Mother. What could I do with you, Santa and Jesus all watching me?"

Now we will be frank to admit that the Committee has been somewhat delayed in its consideration of this problem. I can say this to you, however, the Committee's consideration of this subject has taken the following lines of approach. First, we have been trying to investigate the amount of New York milk that goes to neighboring states and the amount that is subjected to duality of inspection. Second, we have undertaken to investigate the situation in neighboring states, whether, if a law such as is proposed is passed, it would be effective in itself in bringing about reciprocity, or whether legislation would be necessary in neighboring states. Third, we have been studying the method itself, as to whether this method is the only method or as to whether there are other possible methods of doing it.

We find that Pennsylvania's and New Jersey's laws, if such an enactment were made in New York, would permit them to enter into such an agreement.

However, on the north and east, the laws of our New England neighbors do not indicate that they would be able to enter into an agreement and their commissioners, think legislative action would be necessary.

As the Governor pointed out after his attempt to do something, it is going to necessitate legislative action, and seemingly not only in New York State but in others, in order to set up the proposed method of getting reciprocal acceptance.

This much may be true. While the present proposal is limited to neighboring states, it would at least in the immediate future practically solve the milk inspection conflict that has gone on and the criticism of the state governments in connection therewith.

The Committee at the present time, has made no definite conclusion, except to pursue these lines of inquiry. I think, however, that I can say to you on behalf of the Committee that this Committee has a long record of being willing to work in the elimination of trade barriers, and in being willing to undertake and help in all projects of interstate cooperation.

I think, however, that you realize that it is essential that the dairy industry itself aid as much as possible by securing as much as possible agreement amongst itself.

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now exists, provides in effect for one state department to check another. Certainly, this does not make for a harmonious situation.

The portion of the St. Louis plan dealing with laboratory examination appears to be in conflict with the basic regulation to the extent that the methylene blue test is not authorized. The standard ordinance specifies any one of three methods for the bacteriological examination of milk, the standard plate count, direct microscopic count, or the methylene blue test. It may be quite desirable to exclude the methylene blue test as now provided in the plan, for if we are interested in bacterial population, we ought to use methods which measure the number of bacteria rather than their activity.

Laboratory Recognition

In connection with laboratory examination, it is reassuring to see a provision which provides for the acceptance of laboratory results from officially designated laboratories. This recognition of laboratory work done in other than government laboratories should be followed up by whole-hearted support and ex-
Associated Illinois Milk Sanitarians

The Associated Illinois Milk Sanitarians are planning to hold their annual spring conference at the Oak Park Arms Hotel, Oak Park, Illinois, on Monday, May 28, 1951. The theme of the conference program will be "Civilian Defense." As a result of a recent referendum, the Constitution of the Association was amended to permit an increase in the annual membership dues in accordance with the actions of the parent association taken at the annual meeting in Atlantic City last October.

Central Illinois Dairy Technology Society

The March Meeting of the Central Illinois Dairy Technology Society was held on March 14, 1951 at Murphy's, Farmington Road, Peoria. Prior to the meeting members were conducted on a tour of the Northern Regional Research Laboratory in Peoria. The speaker of the evening, R. T. Milner, Director of the Northern Regional Research Laboratory, gave a very interesting talk on the purpose, organization, and achievements of the Laboratory. Research at this laboratory and the work of its pilot plant developed the medium and micro-organisms necessary to produce penicillin on a commercial basis. The next meeting was scheduled for April 11, 1951 at the Orlando Hotel, Decatur, Illinois.

John W. Hayes, Corresponding Secretary

Washington State Milk Sanitarians Association

Dr. K. G. Weckel, President of the International Association of Milk and Food Sanitarians, was a guest of the sanitarians of the Pacific Northwest at a dinner meeting held at Pullman, Washington on March 15, 1951. The dinner meeting was held in conjunction with the Institute of Dairying of The Washington State College at Pullman. Dr. Weckel presented a review of the organizational activities of the Association, of the projects now under study by the Committees, and of the activities' enlargement of the services of the "Journal of Milk and Food Technology" by the Journal Management Committee.

The meeting was the first of The Washington State Milk Sanitarians Association. The newly elected officers of the Association are:

President: Leslie E. Jenne, State Department of Agriculture, Olympia, Washington
Vice-President: David Jones, Seattle King County Health Department, Seattle, Washington
Secretary-Treasurer: L. O. Tucker, State Department of Health, South Tower, Seattle, Washington

Missouri Association of Milk and Food Sanitarians

April 23, 24 and 25 were the dates selected for the 1951 annual Milk and Food Short Course and Seminar, held for the 15th time under the auspices of the College of Agriculture, the Missouri Division of Health and the Missouri Association of Milk and Food Sanitarians. Columbia is the place.

While following the traditional pattern in general, several innovations were introduced, designed to enliven the meetings, to keep content in step with today's needs and to make the program generally practical, streamlined and useful. Speakers, panel members and discussants will represent a balanced selection of distinguished representatives from the fields of public health, teaching, research, and industry.

The program planning committee feels that we have in the past, perhaps unwittingly, fostered the impression that these meetings were of interest only to public health personnel. The committee has sought to correct this impression by giving industry's problems full consideration, and by extending a cordial invitation to representatives of all branches of the food and dairy industries to and to the various lines of business servicing them. Helpful cooperation between business and official agencies is rapidly replacing the mutual hostility which once prevailed, and the new policy of the past seems assured for the future. The initiative and a good share of the leadership in seeking the solutions to problems in the free flow of milk across the borders of states and municipalities needs to be in the hands of an agency whose interest lies in effort for the good of all. I do think, however, that the Public Health Service needs to apply even greater effort in providing the initiative in marshalling together all interested groups for the purpose of working out the ways and means by which uniformity in regulations affecting milk production may be effected. This will contribute greatly to unrestricted interstate milk commerce.

Now in conclusion, while midwest milk producers are primarily involved in the problem of interstate milk shipments, they are by no means the only ones involved. The four basic factors to the problem, namely, milk production in excess of local needs, discriminatory effects of economic and public health nature, the variety of stipulated specifications for the production of milk throughout the country, and the general aspects of obtaining certifications acceptable to receiving areas, affect to a greater or less extent all milk producers. A realistic attitude and a willingness to work together unselfishly in a coordinated effort under sound leadership inevitably will eliminate these problems. All must work together toward their solution.

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pansion of present efforts of the United States Public Health Service in bringing about uniformity in laboratory procedure.

GOOD START MADE

The channels for requesting and reporting information are clear and the operation of this portion of the plan seems to be functioning smoothly. In this regard it would be extremely helpful if the armed forces will avail themselves of the opportunity of obtaining reliable information regarding milk procurement which this plan offers. This would eliminate needless duplication of inspection and analyses by military personnel.

The role of the United States Public Health Service is clear. The exemplary manner of this agency's policy of the past seems assured for the future. The initiative and a good share of the leadership in seeking the solutions to problems in the free flow of milk across the borders of states and municipalities needs to be in the hands of an agency whose interest lies in effort for the good of all. I do think, however, that the Public Health Service needs to apply even greater effort in providing the initiative in marshalling together all interested groups for the purpose of working out the ways and means by which uniformity in regulations affecting milk production may be effected. This will contribute greatly to unrestricted interstate milk commerce.

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