

Bates College

SCARAB

Speeches

Edmund S. Muskie Papers

4-14-1972

Remarks by Senator Edmund S. Muskie in York, Pennsylvania - Ninety Day Food Price Freeze

Edmund S. Muskie

Follow this and additional works at: <https://scarab.bates.edu/msp>

MUSKIE News

1972 K STREET, N.W.

WASHINGTON, D.C. 20006

TELEPHONE (202) USA 1972

**FOR IMMEDIATE RELEASE
FRIDAY, APRIL 14, 1972**

CONTACT:

**Dick Stewart
Hadley Roff
(home) 536-6043**

MUSKIE CALLS FOR NINETY DAY FOOD PRICE FREEZE STATEMENT BY EDMUND S. MUSKIE YORK, PENNSYLVANIA

I am proposing today a new program to fight inflation by stopping unfair and uncontrolled increases in the price of food. Every week, the families of Pennsylvania see the evidence of inflation in their supermarkets. Between February of 1969 and 1972, the price of white bread in the Pittsburgh area rose by almost 30%. In the Philadelphia area, the price of chuck roast rose 30%, and the price of rib roast went up by almost 60%.

Consumers here in York and across the country are burdened by similar increases. In February alone, retail pork prices in this country rose at an annual rate of almost 80%... and retail beef prices increased at an annual rate of 47%. If that pattern continues, a family that spends \$30 a week on groceries today will have to spend \$36 to buy the same amount a year from now. And a family that spends \$10 a week for meat in 1972, will have to pay \$16 to buy the same meat in 1973.

The American people cannot afford this staggering rise in the cost of food. With only two early exceptions, President Nixon's Pay Board has frozen wage increases at 5.5% a year, while prices and profits have been allowed to reach record levels. In effect, the White House is asking workers and consumers to pay for the inflation this administration cannot control. Administration officials admit that giant chain stores are apparently violating the limits on profit margins. They admit that two months ago, the middleman's share of the price of a pound of beef was up by 9%. Yet they still refuse to take any effective action to hold the line.

I believe that all Americans, including the owners of large food store chains, should do their part to fight inflation. So today, I am urging President Nixon to take the following steps:

First, the President should immediately impose a ninety-day freeze

-MORE-

on rising food prices. During this period, the cost of groceries could decrease, but not increase. The only exceptions would be for a few goods that are presently priced at abnormally low levels because of seasonal market fluctuations. The freeze could be terminated at the end of sixty days, but only if food prices had sufficiently stabilized.

Second, a ceiling on food prices should freeze price increases for grocery chains and middlemen, but not for farmers. Retail food chains have refused for over twenty-five years to pass on a portion of their profits to family farmers. Our policy should be to increase farm income in America, even as we decrease prices to the consumer. During the freeze and after it, President Nixon should employ his economic power to insure that retail food prices decline whenever agricultural prices decline.

Finally, the President should use the ninety day freeze to develop and establish a plan to stabilize food prices in the future. The General Accounting Office and experts from the private sector should be asked to conduct an independent investigation of the cause of rising prices in the past, and to recommend policies to maintain constant and reasonable prices after the freeze. At the end of ninety days, the President should replace the bankrupt Phase II system with efficient and effective restraints on the cost of food.

President Nixon has all the legal authority he needs to take the steps I have outlined, I ask the American people, and the other Democratic candidates, to join me in urging him to act without delay. Only then, can we win the battle against inflation in a way that is fair to our consumers, our workers, our businessmen, and our farmers.

♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦