VI. LINKING FOOD SYSTEM POLICY ISSUES TO OTHER COMMUNITY ISSUES [F-13]

In this section you will find materials on how food systems related to economic development, community development, and to the development of "healthy cities."

A. Food-related economic development. [F-13]

1. The importance of food in a local economy. One of the most systematic works here is one commissioned by the Philadelphia Food and Agriculture Taskforce. An abstract is included. The full reference is: Ross Koppel, *Agenda for Growth: The Impact of Food and Agriculture on the Economy of the Delaware Valley*, Philadelphia: Food and Agriculture Taskforce, 1988.

2. Micro-enterprises. Little systematic work has been done here. Perhaps the most useful overview is that done in a report by the Toronto Food Policy Council. The full reference is: Toronto Food Policy Council, "Stories of Micro Food Enterprises and Implications for Economic Development." Discussion Paper #5, October 1995.


For more information [current] on the National Civic League, see:

- Home page: www.ncl.org
- Publications list: www.ncl.org/publications/publications.html

C. Healthy Cities. The Healthy Cities and Communities Program was originated in Europe through the World Health Organization. Some of the many potential links between the healthy cities movement and local food systems work are seen in the short history of the Toronto Food Policy Council included in section IV.B.5. above.

For more information on the Healthy Cities Programs in the U.S., contact:

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ABSTRACT

This paper examines the impact of the food and agricultural sectors on the economy, labor force and infrastructure demand of the Delaware Valley.

-- Employment in food, agricultural and horticultural work engages between twenty to twenty-five percent of the Delaware valley's workforce.

-- The estimated combined annual payroll of food, horticulture and agriculture in the Delaware Valley is 5.15 billion dollars, or 17% of the area's total annual payroll.

-- The combined estimated 1988 sales and value added for food, horticulture and agriculture in the retail, wholesale and manufacturing sectors totals 20.8 billion dollars, or 21.9% of the combined total retail, wholesale and manufacturing value added.
-- Estimated 1988 Delaware Valley retail food and restaurant sales will total approximately 11.1 billion dollars, or about 32% of all retail sales.

-- Estimated wholesale trade in food and related products will total approximately 7.6 billion dollars, or about 19% of all wholesale trade.

-- Estimated food and kindred products represent between 10.1% and 16% of regional manufacturing value added, or about 3.4 to 2.1 billion dollars.

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**Percent of Firms Engaged In Food, Hort. Or Agr. Activity**

![Bar chart showing percentage of firms engaged in food, horticulture, or agriculture]

Source: County Business Patterns

-- Some 13% of all firms in the region are involved in food, horticulture and agriculture.
-- 44% of all retail firms are in food, horticulture and agriculture.
Percentage of Workforce Sectors Engaged in Food or Horticulture Activity (PA portion of Philadelphia PMSA, 1986)

Source: PA Dept. of Labor

-- Over 50% of all retail workers are involved with food, horticulture or agriculture.

Venture Capital Expenditures Delaware Valley, 1983 - 1985

Source: Delaware Venture Group

-- Food-related enterprises are the third highest category of all venture capital expenditures, representing $7,825,000, or 17%, of expenditures for the period.
Travel Related Food Expenditures
Philadelphia

Other 6%
Food 26%
Public Transport 22%
Shopping 7%
Entertain 7%
Lodging 8%
Autos 24%

Source: PA Bur. of Mktg & Promotion, Travel Division

-- Food is the visitor's largest expense, accounting for 25.7% of all costs. Food costs are more than three times that of lodging, entertainment or shopping, and higher than either automobile or public transportation costs.

-- A growing proportion of the cargo handled by area ports is comprised of food, horticultural and agricultural products.

Food, Horticulture and Agriculture as a Percentage of Non-Fuel Imported Cargo, Philadelphia Port

Food, Hort. & Agr 27%
Other 73%

Source: Philadelphia Port Corp Study

-- Food and agricultural products accounted for about 27% of non-fuel tonnage entering the Ports of Philadelphia in 1987.
-- Food and horticultural products comprise almost 8% of all airport cargo.

-- Transportation of food, agricultural and horticultural items is about 37% of all "non-personal" truck traffic.

-- Food, agriculture and horticulture-related truck traffic equals about 4.4 million miles per day, or 6.9% of all daily vehicular traffic in the eight-county Delaware Valley.
-- About 57% of our trash stream is generated by food and horticultural activities.

-- More detailed analysis shows that about 8% of the waste stream is comprised of food, 33% is food packaging and food handling material, and 16% of the waste stream is yard waste.
-- The Philadelphia Food Distribution Center is a major food and agricultural hub for the region and beyond -- routinely serving areas as far away as upstate New York, Pittsburgh and Virginia.

-- Despite the suburban and urban character of the Philadelphia area, agriculture represents an important part of the region's social, economic and ecological life. There are about 5,200 farms in the metropolitan area selling over $400 million worth of agricultural products and paying almost $68 million to their workers.

-- The Fairmount Park Commission and the Philadelphia Recreation Department oversee about 10,000 acres of land within the City. In addition, the Penn State Urban Gardening Program encompasses over 500 urban gardens. "Philadelphia Green," a project of the Pennsylvania Horticultural Society, currently supports the largest comprehensive community gardening program in the nation-serving over 700 inner city groups and more than 1200 gardening projects.

-- The Philadelphia Flower Show, a world famous horticultural event, must be counted among the major attractions of the area. It attracts almost a quarter of a million visitors each year and generates over $22 million in horticultural sales.

-- In 1987 approximately $16.8 million worth of food was distributed via emergency food centers, soup kitchens and shelters. A network of public and private organizations provide that food to the homeless, poor and hungry in the Philadelphia area.

-- The annual dollar value of the Philadelphia public school district’s child nutrition programs is $44.4 million. The Philadelphia Archdiocese serves $3.0 million worth of food.

-- In addition, there are about 36,000 participants in the WIC (Women, Infants and Children) nutrition program in Philadelphia. They receive almost $14 million each year.

-- In the five Southeastern Pennsylvania counties the combined contribution of Food Stamps to the local economy is $207.4 million, or 38.4% of the total food stamp program in Pennsylvania.

-- There are a wide variety of secondary and post secondary educational programs in the Delaware Valley addressing food, agriculture, and horticulture.

    -- About a fifth of all vocational education programs in the Pennsylvania Commonwealth are directly targeted at food, horticulture and agriculture. If we consider programs that are somewhat involved in these areas (e.g., refrigeration mechanics) the percentage of programs “addressing” food, horticulture and agriculture almost triples.

    -- In addition, the Philadelphia City School system offers many programs that train students exclusively for food, horticultural and agricultural occupations.

-- Demand for workers for several food and horticultural jobs is expected to grow in the next several years. Moreover, many of these jobs are entry level and provide opportunities to those without extensive credentials and experience.
Stories of
Micro Food Enterprises
and Implications for
Economic Development

Toronto Food Policy Council Discussion Paper Series
Discussion Paper #5

October 1995

This is a work in progress. The Toronto Food Policy Council is interested in discussing the issues and strategies presented here as part of its on-going efforts to improve the food and agriculture system in Canada, and to help create food security. Please forward any comments, an requests for additional copies, to the Toronto Food Policy Council, 277 Victoria St., Room 203, Toronto, ON M5B 1W1 This report was researched and coauthored by Annette Verhagen and Ruth Knight.
Stories of Micro Food Enterprises

Other Toronto Food Policy Council Discussion Papers in this series

1. Reducing urban hunger in Ontario: policy responses to support the transition from food charity to local food security

In this discussion paper we present an evolutionary series of policy initiatives designed to reduce the need for food banks. These initiatives recognize both the government's fiscal dilemmas and the responsibility of many sectors of society for both the current problem and the potential solutions.

Date: November 1994, 35pp

2. Health, wealth and the environment. the impacts of the CUSTA, GATT and NAFTA on Canadian food security.

Little attention has been given to the effect of trade arrangements (CUSTA, NAFTA, GATT) on Canadian food security issues, particularly for large urban areas such as Metro Toronto. Food security exists when all citizens have access to an appropriate, affordable and nourishing diet. New trade arrangements must be put in place that respect the foundation principles of food security: equitable wealth generation, environmental sustainability and the health of communities.

Date: August 94, 27pp

3. If the Health Care System Believed You are What You Eat: strategies to integrate our food and health systems.

Our health care system does not recognize the extent to which hunger and poor food choices create problems and increase acute health care expenditures. We propose strategies to integrate our food and health systems so that health care costs are reduced in the long-term and population health improves.

Available Late 1995

4. Setting a new direction: changing the agricultural policy making process

Many current problems in agriculture are a result of a flawed public policy system. We provide some examples of those flaws and propose changes to the agricultural policy making system.

Date: May, 1995, 40pp
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Stories of Micro Food Enterprises

Executive Summary

The agricultural economy of Ontario is changing. Large-scale industrial agriculture has had its success, but at a cost. The province has lost a significant amount of processing capacity in the last few decades, particularly in fruits and vegetables and beef. Farm prices for many raw commodities have been at historically low levels, and net farm income poor. As part of a program of farm supports, governments have been encouraging farmers to both diversify their operations and explore value added opportunities. The success, however, of such efforts is not yet evident.

There is a growing market for food of higher quality. Following years of accepting the standardization and industrialization of food, consumers are increasingly demanding of producers, processors, and distributors foods with more taste, greater variety and more nutritional value. Associated with this is a growing market for products of local farmers and a greater desire to buy foods from the region where people live. Increasingly, consumers are associating higher quality with a reduced distance between producer and consumer. As well, the rapidly changing ethno-racial mix of the Ontario population has created demands for new foods processed in different ways.

New approaches, falling under the rubric of Community Economic Development (CED), are emerging, driven in part by the failure of global competitiveness strategy and mass production systems to meet local needs. Within this framework lie new micro food enterprises, usually operating with less than $250,000 in sales.

From the 14 case studies presented here emerge many common themes:

$ entrepreneurs find health regulations confusing, expensive and often irrelevant to their scale of operation
$ marketing is frequently difficult and time confusing, as market channels for products that focus on locale and quality do not conform with dominant marketing approaches in the food system
$ financing is always difficult and many entrepreneurs rely on family members and other forms of private financing
$ equipment is not generally a problem because industrial overcapacity has created a significant used equipment market; modifications are, however, usually required
$ entrepreneurs are frequently interested in collaborative and cooperative efforts, as these can increase volumes (frequently required by the dominant system), simplify distribution and reduce capital costs.

Some existing Ontario government programs are helpful, but many target larger scale operations. To encourage the development of this sector, we recommend enhanced government activity in financing, training, marketing and review of supply management and food safety regulations.
Stories of Micro Food Enterprises

Foreword

Why is the Toronto Food Policy Council (TFPC) distributing a series of discussion papers on food policy matters?

This Working Paper is written with the purpose of engaging the larger community in the debates around food policy issues. In fact, there are few policies in Canada which clearly bear the label of "food policy". There are, however, several policies which bear upon the food system in Canada, and the health and food security of Toronto residents, visitors, and workers. It is this range of policies which form our interests, and around which we frequently engage in debate.

TFPC members are drawn from several different sectors as well as political orientations. While we can readily agree on shared goals such as alleviating hunger, protecting our economic and environmental base, and valuing our communities and citizenry, we often differ on what we see as the problems and solutions. It is usually only after lengthy reflection and debate that a policy position emerges and strategies for implementation become clear.

Our discussion papers are designed to bring forward the less easily available data on the issues we struggle with. Historical information is often cited so that we can understand intentions and processes of change in the past. We frequently propose long-term solutions that some find difficult to imagine, but we believe strongly that a vision of a better society must be supported with the means for its attainment.

For us the questions of food policy, or policy related to food security, tug at both our minds and our heart. It is in the spirit of broadening the debate and listening to more voices that we are sharing these discussion papers.