

DEPARTMENT OF AGRICULTURE

ITEM 37 of the Budget Bill

Budget page 51
Budget line No. 46

FOR SUPPORT OF DEPARTMENT OF AGRICULTURE FROM THE
GENERAL FUND

Amount requested	\$6,929,875
Estimated to be expended in 1956-57 Fiscal Year	6,790,953
Increase (2.0 percent)	138,922

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$165,066	\$159,570	\$5,496	72 32
Operating expense	35,583	35,583	--	72 33
Equipment	-70,166	-70,441	275	72 34
Add decreased reimbursements	8,439	8,439	--	72 61
Total increase	\$138,922	\$133,151	\$5,771	72 63

RECOMMENDATIONS

Amount budgeted	\$6,929,875
Legislative Auditor's recommendation	6,929,875
Reduction	None

GENERAL SUMMARY

California's agricultural production is the largest of the 48 states, with cash receipts of \$2,589,000,000 for 1955. Iowa was in second place with cash receipts of \$2,071,000,000. This is a 3.5 percent increase over 1954 for California while the national trend was a decrease of 3 percent for the same period. This is interesting in view of the fact that California has only 2½ percent of the nation's farms but accounts for 8 percent of the national farm income. The following production statistics compare the 1945 calendar year with the production of the 1955 calendar year and illustrate the trend in the State's agricultural industry.

Table 1. Crop Production (1,000 Tons)

Year	Fruit and nut crop	Vegetable crops	Field crops	Totals
Acreage 1942-46	7,073	3,400	10,998	21,471
1955	7,148	5,440	15,640	28,228

The above table shows the combined production of crops in California for the year 1955 as compared to the average for the period between 1942 and 1946 where fruit and nut crops show a very slight gain, vegetable crops show a rather substantial increase as do field crops. However, the yield per acre for vegetable crops has increased substantially as is illustrated from Table 2 below which shows the harvested acreage for the year 1955 as compared to 1945 has increased only 9.2 percent whereas total production on the other hand shows an increase of 51.8 percent.

Table 2. Vegetable—Acreage and Production

Year	Harvested acreage	Total production (tons)
1945	607,180	3,583,000
1955	662,900	5,440,000

Department of Agriculture—Continued

Poultry and hatchery production have increased substantially over this same period of time as indicated in Table 3 below. It will also be noted that the eggs per layer has increased by 48 which indicates that the poultry industry is making strides toward increased production. Table 4 below shows the increase from 1945-1955 in the number of commercial broilers and fryers raised.

Table 3. Poultry and Hatchery Production

Year	<i>Hens and pullets</i>		<i>Eggs per layer</i>	<i>Eggs Produced</i>
	<i>of laying age</i>			
1945 -----	14,380,000		163	2,337,000,000
1955 -----	20,847,000		211	4,404,000,000

Table 4. Commercial Broiler and Fryer Production

Year	<i>Number raised</i>	<i>Pounds produced</i>
1945 -----	27,577,000	85,489,000
1955 -----	48,516,000	150,400,000

The same trend is apparent in livestock with substantial increases in cattle. Probably the most significant increase in this category is the number of cattle on feed in California which has increased from 125,000 head in 1945 to 489,000 head in 1956. Milk cows for the same period have increased from 859,000 to 927,000. With reference to sheep and lambs, it will also be noted that there is a substantial increase in the number on feed from 1945 to 1956.

Table 5. Livestock

Year	<i>All cattle and calves</i>	<i>Cattle on feed</i>	<i>Milk cows 2 yrs.</i>	<i>Sheep and lambs stock</i>	
				<i>Animals</i>	<i>On feed</i>
1945 -----	2,910,000	125,000	859,000	2,445,000	142,000
1956 -----	3,863,000	489,000	927,000	1,700,000	320,000

The above statistics generally point out the growth in agricultural production in the State over the past 10 years. This has an effect upon the size of programs conducted by the Department of Agriculture. The increase in production has caused many of the bureaus of the department to expand and has required the creation of new bureaus to provide regulatory services and to protect the general public welfare. Actual expenditures for the general fund activities for the Department of Agriculture in 1947-48 were \$3,485,032 with 416.3 positions authorized, whereas \$6,790,953 is estimated to be expended in the 1956-57 Fiscal Year with 873.5 positions.

ANALYSIS

The program proposed for the General Fund supported activities for the Department of Agriculture for the 1957-58 Fiscal Year is substantially the same as the level of service now authorized. While 25.2 additional positions are being requested all but one are needed to meet the demands of increased work load. The \$138,922 increase consists of increases of \$15,793 in departmental administration, \$196,712 in the Division of Animal Industry and \$75,019 in the Division of Marketing which is partially offset by a reduction in the Division of Plant Industry

Department of Agriculture—Continued

of \$148,602. These changes will be discussed in detail under the appropriate divisions.

Departmental Administration

Departmental Administration provides budget support for the Office of the Director, Deputy Director and two Assistant Directors, the State Board of Agriculture, Fiscal Office, Personnel, Public Information and Central Services. This unit also provides the various housekeeping services for the entire department. The major portion of the \$15,793 increase requested for this function is brought about by normal merit salary adjustments while approximately \$6,000 of this amount is attributable to the request for the additional position explained below.

1 Supervisor of central services (Budget page 56, line 16)-----\$5,496

Central Services involve the Office Service Unit which is a centralized facility for: (1) duplicating, typing and mailing departmental material; (2) central supplies; (3) the department mail room; (4) messenger service; (5) records management. At the present time personnel responsible for each of these various activities have been supervised by the secretary to the director. It has become apparent as a result of the increased volume of work that a separate position should be established to supervise these activities as it has been impossible for the director's secretary to carry out her secretarial responsibilities and to supervise the activities of several other functional units as well. Consequently, we recommend approval of the position. However, it would appear to us that the public information desk, which involves one full-time position, should also be placed under the supervision of the requested position.

Division of Plant Industry

It is proposed to curtail the activities of the Division of Plant Industry as compared to the current fiscal year for a net reduction of \$148,602. This is brought about by a diminished Khapra beetle program (\$60,498), and a diminished melon fly program (\$185,957), as opposed to increases in other bureaus of this division which partially offset these decreases.

The 1956 Session of the Legislature provided for the position of Assistant Division Chief, Plant Industry, in order to provide more time for the division chief to devote to matters of legislative representation. The providing of this position was left contingent upon a management study to be conducted by the Department of Finance. This study has been completed and in lieu of the position of assistant division chief a position has been created in Departmental Administration of assistant director to handle the legislative representation functions and it is proposed to eventually organize Departmental Administration into a division under the guidance of this assistant director position. Therefore, it will be noted that the position of Assistant Division Chief, Plant Industry, has been eliminated from the budget detail. Additional positions requested within the Division of Plant Industry are discussed in detail below.

Department of Agriculture—Continued

1 Economic entomologist, Grade III (Budget page 55, line 69) — \$5,772

The State Department of Agriculture has entered into a contract with the U. S. Department of Agriculture to collect information for insect surveys. At the present time, 29 states are cooperating in this program, to which the Federal Government contributes \$5,000 as a reimbursement to the State for expenses incurred gathering this data. At the time this contract was entered into it was felt that existing staff could compile the necessary information. However, as a result of increased work load in this bureau it has been difficult to gather the desired statistics with existing staff, and an additional position is being requested. It appears to us that this service is of value to the State and that the increased work load of the bureau justifies the additional position. The Federal Government is providing \$5,000 of the \$5,772 necessary to fund this position. We recommend approval of the position as requested.

Bureau of Plant Quarantine

Junior plant quarantine inspector (Budget page 57, line 31) — \$4,404

The Bureau of Plant Quarantine proposes to provide 24-hour service in airplane inspection at the Los Angeles International Airport. Exact plane arrival times cannot be guaranteed and since more and more flights are being added, thus increasing the work load, it appears that the position is justified. We recommend approval of the position as requested.

Bureau of Plant Pathology

Junior plant pathologist (Budget page 58, line 43) — \$4,404

In 1956 the Legislature authorized a laboratory technician for the Bureau of Plant Pathology in order to meet work load demand and to attempt to catch up on the backlog created by an increasing number of samples being received. The junior plant pathologist is requested to meet the needs of the current work load and to reduce the backlog which is six months at the present time. Specimens received for analysis have increased from 1,945 in 1951 to 5,320 in 1955. Based on the increased importance of the nematode problem to California's agriculture and the inability of the bureau to reduce its backlog even with the additional laboratory technician allowed in 1956, we recommend this position be established to attempt to meet the requirements of the program.

Bureau of Rodent and Weed Control

Assistant chief, Bureau of Rodent and Weed Control (Budget page 59, line 67) — \$7,356

The department is requesting that the position of Assistant Chief, Bureau of Rodent and Weed Control, be established to aid the chief of the bureau both in the field and in the office, due to the increased work load caused by the demand for assistance in the field to control rats, muskrats, birds and rodents. We recommend that the position be allowed as requested.

Department of Agriculture—Continued

Division of Animal Industry

The Division of Animal Industry requests the largest increase of the three divisions in the department. It is proposed to increase by \$177,924 from \$2,640,973 estimated to be expended in the current fiscal year to \$2,818,897 requested for the budget year. This is brought about by the request for 19 additional positions and the advance in the brucellosis vaccine cost along with other minor increases in operating expenses and equipment.

Bureau of Livestock Disease Control

1 *Livestock disease control inspector (Budget page 62, line 62)*—\$4,404

An additional livestock disease control inspector is requested for the Modesto area due to the increased work load brought about by the regulation requiring garbage to be cooked before it is fed to swine and due also to the increased work load for veterinarians in this area arising from the intrastate regulation on bovine brucellosis, which prevents them from handling the inspection of garbage feeding facilities that they were previously able to absorb. We feel that this position is justified on the basis of work load, consequently approval is recommended.

2 *Intermediate typist-clerks (Budget page 62, line 63)*-----\$6,588

One intermediate typist-clerk is requested for the Fresno district since the Federal Government has informed the district veterinarian that they plan to withdraw the support of the existing clerical position upon her resignation within the current fiscal year. All efforts have been exhausted in attempting to have the Federal Government continue to carry this cost. It is our understanding that this is the only case where the Federal Government has provided a clerical position for a district office. Consequently, we recommend approval of the position.

Figures available indicate that the San Bernardino district office has experienced a steady rate of increase in volume of work and that it has not been possible for the existing intermediate stenographer-clerk assigned to the office to carry the work load of 11 full-time positions. The clerical help assigned to other district offices is on the ratio of one clerical to approximately five field positions. We, therefore, recommend an additional intermediate typist-clerk.

2 *Veterinarian I (Budget page 62, line 64)*-----\$12,120

One position is requested for the San Gabriel Laboratory to maintain four veterinarian positions that have been assigned to this function since 1928. Until 1950 the fourth position was supplied by the Los Angeles County Livestock Department. When the county withdrew its support a position was borrowed from field services which it now can no longer spare because of increased activity in the bureau caused by greater incidence of tuberculosis infection in cattle.

The proposed position will also be used to relieve the veterinarian at the Lancaster Laboratory during vacations and sick leave periods.

The other position is being requested for the Turlock Laboratory to handle increased work load occasioned by the recent construction of

Department of Agriculture—Continued

the turkey testing project at Keyes. It is also pointed out that there has been a 24 percent increase in cases handled from January 1, 1956, to June 1, 1956, over the same period for the previous year. We recommend approval of the positions as requested.

Bureau of Meat Inspection

6 Meat inspectors (Budget page 64, line 74)	\$26,424
1 Junior intermediate stenographer-clerk (Budget page 64, line 76)	3,138

The six meat inspectors requested would provide inspection for meat processing establishments in the Cities of Sacramento and Oakland. On June 30, 1957, these cities plan to discontinue inspection of meat processing establishments which will require the State under Section 312 of the Agriculture Code to provide the service. At the present time the only cities which do not have state meat inspection are San Francisco, Marysville, Sacramento, and Oakland which represent 95 meat processing plants. The intermediate stenographer-clerk will provide the necessary clerical help to support the inspection positions. In view of the above we recommend approval of the positions as requested.

Bureau of Poultry Inspection

2 Veterinarians, Grade II (Budget page 65, line 69)	\$12,720
1 Veterinarian, Grade I (Budget page 65, line 70)	6,060
2 Poultry plant sanitation inspectors (Budget page 65, line 71)	8,008
3 Intermediate stenographer-clerks (Budget page 65, line 72)	10,368

Chapters 1843 and 1844 of the Statutes of 1955 provide for the licensing of poultry plants and for the inspection of poultry and rabbit meat for wholesomeness and purity. Chapter 1844 also provides that the inspection shall be made by licensed poultry meat inspectors under the supervision of veterinarians. The above positions are requested in order to adequately cover the State and do a thorough job of inspection. At the time this law went into effect it was thought that there were considerably fewer poultry plants than have been found to actually exist. Consequently, these positions are requested as a result of more accurate figures. We recommend approval of the positions as requested.

There are some other points we would like to make with regard to Chapter 1843 and Chapter 1844 of the Statutes of 1955 which we feel are deficiencies in the existing law. Chapter 1843 in Section 375.7 makes no provision for the revoking of licenses issued under the chapter in the event of violation of the chapter. *It would appear that this section should be amended to be similar to Section 377.7 of Chapter 1844, giving the director authority, after hearing, to suspend or revoke any license issued under the article.* This would permit Chapter 1843 to be more readily enforceable. It will be noted in Section 377.3 of Chapter 1844 that an application fee of \$10 is required to license poultry meat inspectors. However, there is no provision to collect subsequent license fees. It would be possible for persons licensed under this section to remain on the list of licensed poultry inspectors for many

Department of Agriculture—Continued

years with the department having no knowledge of those deceased or otherwise inactive. Consequently, *we recommend that this section be amended to provide for an annual renewal fee of \$5.00 each year thereafter.*

Division of Markets

The cost of activities in the Division of Marketing is proposed to increase from the \$1,031,000 estimated to be expended in the current fiscal year to \$1,106,240 for the budget year. This is an increase of \$75,019 which is due to 4.2 additional positions, increased travel in the various bureaus in the division, and decreased reimbursements from the Federal Government in the market news program.

Bureau of Market News

1 *Market data compiler (Budget page 68, line 59)*-----\$4,404

The position of market data compiler is being requested for the Los Angeles Terminal Market. At the present time the bureau has two employees in this classification assigned to this work as it had in 1930 when the car lot equivalent was 60,422 units. In 1955 the car lot equivalent had doubled which would appear to justify the additional position. Consequently, we recommend approval of the position as requested.

1 *Teletype operator (Budget page 68, line 60)*-----\$3,630

An additional position is requested for the Stockton Livestock office to aid in handling the increasing work load occurring at this location. The present staff consists of one senior marketing specialist and one assistant marketing specialist who are currently operating the teletype in addition to their regular duties. It appears that the position is justified on the basis of the work load figures submitted to us. Consequently, we recommend approval of the position as requested.

Bureau of Agricultural Statistics

1 *Intermediate typist-clerk (Budget page 69, line 60)*-----\$3,294

The position of intermediate typist-clerk is requested to meet the needs of growing work load in the preparation of surveys and reports that are a part of this program. We recommend the position as requested.

0.7 *Analytical statistician (GS 12) (Budget page 69, line 61)*----\$6,720

It is proposed to provide seven-tenths of the salary for this position from state funds and three-tenths from federal funds in order to meet the needs of increased work load in developing forecasts and making estimates and reports of the State's many crops. It is our understanding that the Federal Government cannot increase its support for this program beyond the partial salary which is proposed. The department feels that there is an urgent need for this position at this time as work load has increased substantially. On the basis of the above it appears that the position is justified and we recommend approval.

Department of Agriculture—Continued

Bureau of Fruit and Vegetable Standardization

0.5 Accounting technician, Grade III (Budget page 70, line 59) —\$2,356

The position of accounting technician Grade III is requested to maintain records of invoices, expense accounts, mileage claims, purchase requests, attendance reports, long distance telephone calls as well as to help prepare budget data. At the present time the bureau chief and assistant chief have had to devote much of their time to such details. It is proposed to provide for half of this position in the General Fund activities and half in the Special Fund activities. It would be allocated as follows:

- 0.3 Fruit and Vegetables Standardization-----General Fund
- 0.2 Poultry Meat Standardization-----General Fund
- 0.4 Canning Tomato Inspection-----Agriculture Fund
- 0.1 Seed Potato Certification-----Agriculture Fund

The proposed position would appear to increase efficiency in the operation of the bureau by absorbing the detail work now carried by the administrators. Consequently, we recommend approval.

Bureau of Weights and Measures

It will be noted that the budget year request for the Bureau of Weights and Measures is somewhat less than the 1955-56 Fiscal Year's actual expenditures. This is due to the fact that Chapter 5, Statutes of 1956, transferred the public weighmaster's activities to the Department of Agriculture Fund activities.

A substantial increase is noted in additional laboratory equipment for the bureau in order to provide a machine for testing the standard weights used by various county sealers of weights and measures. This item appears to be a justified expenditure in view of the importance of the work.

Department of Agriculture

FEDERAL, COOPERATIVE MARKETING RESEARCH

ITEM 38 of the Budget Bill

Budget page 51
Budget line No. 60

FOR SUPPORT OF FEDERAL, COOPERATIVE MARKETING RESEARCH FROM THE GENERAL FUND

Amount requested -----	\$72,500
Estimated to be expended in 1956-57 Fiscal Year-----	72,500
Increase -----	None

RECOMMENDATIONS

Amount budgeted -----	\$72,500
Legislative Auditor's recommendation-----	72,500
Reduction -----	None

ANALYSIS

The level of service proposed in the budget request is the same as is authorized for the current fiscal year. This program will be supported to the same extent in the budget year by the Federal Government as

Federal, Cooperative Marketing Research—Continued

currently. Its aim is to conduct research to develop better methods for certifying virus-free fruit and nut trees and vineyard stock and to develop new sampling and estimating methods so that more accurate agricultural statistics can be developed. A study is also being conducted to develop better standards of maturity as well as studying packages and containers to find better methods of marketing products. The objective of the program is to improve market conditions and aid the industry by finding the best marketing practices and informing the industry of them.

We recommend approval as budgeted.

DEPARTMENT OF AGRICULTURE

ITEM 39 of the Budget Bill

Budget page 52
Budget line No. 6

FOR SUPPORT OF DEPARTMENT OF AGRICULTURE FROM THE DEPARTMENT OF AGRICULTURE FUND

Amount requested	\$6,126,918
Estimated to be expended in 1956-57 Fiscal Year.....	6,137,695
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Decrease (0.2 percent)	\$10,777

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	—\$63,719	—\$63,719	--	87 39
Operating expense	51,391	51,391	--	87 40
Equipment	1,551	1,551	--	87 41
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Total increase	—\$10,777	—\$10,777	--	87 48

RECOMMENDATIONS

Amount budgeted	\$6,126,918
Legislative Auditor's recommendation.....	6,126,918
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Reduction	None

ANALYSIS

Factors influencing the growth of the special fund activities of the Department of Agriculture are the same as those outlined in our analysis of the General Fund activities of the department. The special fund functions differ from the General Fund operations in that all the programs under the Department of Agriculture Fund are industry supported as aids to specific segments of the industry in marketing their products. The revenues accruing to the Department of Agriculture Fund for the 1957-58 Fiscal Year are estimated at \$6,301,357, while it is proposed to expend \$6,126,918. A surplus has accumulated over the past few years which was \$3,550,429 as of June 30, 1956, plus \$2,031,168 invested in the Agriculture Building Fund which would show that the special fund activities are on a sound financial basis.

We would like to point out that the special fund activities had 416.3 authorized full-time positions in the 1947-48 year and expended approximately \$3,122,747. Whereas, it is estimated that in the 1956-57

Department of Agriculture—Continued

Fiscal Year with 521.9 authorized positions, \$6,137,695 will be expended.

It is proposed to expend \$10,777 less in the 1957-58 Fiscal Year for the special fund activities than is estimated for the current fiscal year even though 13.5 additional permanent positions are proposed and an increase of \$51,000 is planned for in operating expenses. The net reduction of \$10,777 referred above results from the fact that current year tomato production was higher than average, 2,900,000 tons as opposed to 2,500,000 tons estimated for 1957-58, which caused higher than average costs for the season. The lower estimate results in a reduced request for seasonal help in the Bureau of Fruit and Vegetable Standardization's canning tomato inspection function. This reduction amounts to \$172,000 which is practically offset by proposed increases which will be explained in detail below.

Division of Plant Industry

Bureau of Field Crops

1 *Supervising field crop inspector (Budget page 76, line 62)*---\$5,772

The new position of supervising field crop inspector is requested for the Stockton office on the basis of increased work load. Comparing the fiscal years ending June 30, 1955 and 1956, shows that this office issued 13,204 certificates and 17,839 certificates respectively. At the present time the inspection staff is composed of two senior field crop inspectors and three junior field crop inspectors, plus a number of seasonal agricultural inspectors that vary from 4 to 13. The department points out that they have been forced at times to assign personnel from other offices to help handle periods of peak work load. On the basis of the above, we believe that an additional position is justified and that a supervisory position is indicated. Consequently, we recommend approval of the position as requested.

Bureau of Chemistry

1 <i>Inspector of economic poisons and fertilizers (Budget page 78, line 48)</i> -----	\$4,404
1 <i>Junior chemist (Budget page 78, line 49)</i> -----	4,512
1 <i>Junior stenographer-clerk (Budget page 78, line 51)</i> -----	3,138

All of the above positions are requested as a result of the increased work load in sampling, testing, and typing reports on economic poisons and fertilizers. The annual tonnage of fertilizer sold in California has increased by greater than 600 tons a year from 1950 to 1955 as well as the numbers of registrants selling these materials which have increased from 419 to 545. This has required a greater number of samples to be taken. In 1950 one sample was taken for each 387 tons sold whereas in 1955 one sample was taken for every 473 tons sold. The department feels that a sample should be taken for each 300 tons and therefore requests the above positions in an effort to meet this standard. Based upon the work load data referred to above, we feel that the positions are justified and therefore recommend their approval as requested.

Department of Agriculture—Continued

Bureau of Livestock Identification

4 Brand inspectors (Budget page 82, line 55)-----\$17,616

The current practice is to allow the inspectors to claim compensatory time off for time worked on Sundays and holidays. However, due to the increased work load imposed upon the bureau, the existing five relief inspectors have not been able to keep up with the compensatory time claimed. The bureau, therefore, requests that two additional brand inspectors be provided for this purpose. In addition it is pointed out that there has been a steady increase in the number of inspections required in the Los Angeles and Stockton areas. For example, 1,904,303 inspections were made in 1954 as compared to 1,971,562 in 1955 in the Los Angeles area; whereas in the Stockton area 225,160 inspections were made in 1954, while 246,400 were made in 1955. On the basis of the increased work load, one inspector is requested for each location, and it is pointed out that where possible these positions will be used for relief on vacation and sick leave. Based on the work load figures submitted, we recommend approval of the positions as requested.

Bureau of Market Enforcement

2 Investigators of marketing enforcement (Budget page 83, line 78)-----\$9,024

The bureau feels that there is need for two additional investigator positions, one for the San Francisco area and one for Sacramento. The department states that there has been a sufficient work load increase in these two areas to justify the hiring of two additional positions for market enforcement work. This bureau is charged with the responsibility of enforcing Chapters 6 and 9, Division 6 of the Agricultural Code, which are known respectively as the Produce Dealers Act and the Processors Law. The purpose of the law is to protect producers from financial losses that they might suffer in the sale or consignment of their produce to dealers, brokers, commission merchants, cash buyers, and processors. While it appears that the two positions are justified and we recommend the positions for approval at this time, we suggest that the bureau develop more adequate standards for measuring work load to be used in determining the need for additional positions and justifying existing positions.

Bureau of Shipping Point Inspection

1 General accountant, grade 2 (Budget page 85, line 36)-----\$6,672

This position is being requested to maintain necessary financial records and to determine unit costs more accurately than has been the case in the past. The position would also develop standards to measure work load and would operate similar to a fiscal officer in other agencies.

It should be pointed out that it already has been set up on a temporary basis and has proved to be highly valuable in developing cost studies to support the shipping point fee schedule. While there are not work load figures available at the present time to justify the request, we wish to point out that this position would develop the work load

Department of Agriculture—Continued

figures to accurately support any future requests of the bureau. Consequently, on this basis we recommend approval of the position as requested.

Bureau of Weights and Measures

1 *Supervising investigator, petroleum products, grade 2 (Budget page 88, line 51)* ----- \$6,060

The department's request for this position is based upon the need for a man to supervise all state investigators engaged in the enforcement of the law with respect to gasoline, motor oil, antifreeze, and brake fluids, and to assist in training the county sealers of weights and measures in inspection procedures for these products. It would also be part of the duties of this position to hold informational hearings and to assist local officials in preparing complaints against violators as well as assisting in obtaining evidence in connection with violations. As an example of the work load experience in the bureau, the following tabulation will indicate the number of fuel pump license tags issued for the respective years.

1952-53	-----	78,125
1953-54	-----	79,990
1954-55	-----	83,643

During the 1955 calendar year, state investigators and county sealers of weights and measures made 55,026 inspections and took 5,303 samples of motor oil and fuel for analysis, and issued 1,475 citations which requested compliance with various code provisions applicable to petroleum, antifreeze and brake fluid and conducted 90 separate prosecutions with 88 convictions. Based upon the above work load data it would appear that this position is justified.

1 *Senior weighing and measuring inspector (Budget page 88, line 54)* ----- \$4,980

With the transferring of the weighmaster activities of the Bureau of Weights and Measures from the General Fund to the Special Fund Budget of the Department of Agriculture by Chapter 5, Statutes of 1956, the Joint Interim Committee on Agricultural and Livestock Problems made it clear that it was intended that all additional revenue resulting from the adjustment of weighmaster fees be used to hire additional enforcement positions as the funds became available. Consequently, it is on this basis that we recommend that the requested position be approved as budgeted.

POULTRY IMPROVEMENT COMMISSION

ITEM 40 of the Budget Bill

Budget page 91
Budget line No. 7

FOR SUPPORT OF POULTRY IMPROVEMENT COMMISSION FROM THE POULTRY TESTING PROJECT FUND

Amount requested	-----	\$145,217
Estimated to be expended in 1956-57 Fiscal Year	-----	123,257
Increase (17.8 percent)	-----	\$21,960

Poultry Improvement Commission—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages-----	\$8,864	--	\$8,864	93 28
Operating expense -----	6,564	\$6,564	--	93 29
Equipment -----	6,532	6,532	--	93 30
Total increase -----	\$21,960	\$13,096	\$8,864	93 37

RECOMMENDATIONS

Amount budgeted -----	\$145,217
Legislative Auditor's recommendation -----	133,377
Reduction -----	\$11,840

Summary of Recommended Reductions

Delete :	Amount	Budget	
		Page	Line
1—Supervisor of poultry tests-----	\$7,480	91-92	42-34
1—Specialist in poultry tests-----	6,160	91-92	44-35
0.4—Resident manager -----	2,669	91	46
0.6—Resident manager -----	3,192	92	36
1—Intermediate clerk -----	3,346	91	57
Add :			
2—Assistant manager -----	11,004		
Net reduction -----	\$11,840		

GENERAL SUMMARY

The Poultry Improvement Commission is composed of seven members of the poultry industry appointed by the Governor, and three ex officio members from the University of California and the State Department of Agriculture. The commission now conducts two testing projects, one for turkeys near Keyes, California, and the other for chickens near Modesto. The purpose of the project is to provide timely information to the industry on poultry production, breeding, management and feeding practices. The turkey testing project is relatively new since it commenced on May 10, 1956 with a random sample meat production test.

In 1947-48 with the chicken project being the only one conducted by the commission on a small scale, only 1,000 birds were involved. However, during the current year it is estimated that approximately 10,000 birds and 200 pens and 1,800 cages will comprise the chicken tests. The following table compares the expenditures in the 1947-48 Fiscal Year with those estimated in the current year, and also the positions authorized to conduct the projects in both of these years. This table also includes other fiscal comparisons with state-wide production figures.

Poultry Improvement Commission—Continued

Table of Increases 1947-48 to 1956-57

	1947-48	1956-57	Percent change
Work Load Index			
Birds tested -----	1,000	19,700	+1,870
State's egg laying poultry -----	15,000,000	21,000,000	+40
Eggs produced (state-wide) -----	2,500,000,000	4,500,000,000	+80
Number of employees -----	4	11.4	+185
Total expenditures -----	\$24,474	\$123,257	+403
Total revenue -----	\$12,381	\$63,375	+411
Fair and exposition fund augmentation -----	\$38,760	\$76,603	+98

ANALYSIS

The commission proposes to reorganize the operation of the poultry testing project by providing the following positions in addition to the total authorized in 1956.

1 Supervisor of poultry tests -----	\$7,480
1 Specialist in poultry tests -----	6,160
0.4 Resident manager -----	2,669
0.6 Resident manager -----	3,192
1 Intermediate clerk -----	3,346
Total -----	\$22,847

The elimination of two assistant manager positions is proposed as a result of providing a full-time resident manager for the chicken project as well as the turkey function. The proposed re-organization would require approximately \$11,840 additional in salaries and wages, while operating costs and equipment increases are the result of work load and the desire to simplify the performance of routine tasks.

The activities of the poultry improvement commission are just one of the many state supported media by which the poultry industry is promoted in California. Other aids to the industry which should be considered are the local and district fair programs, university research, and the functions of the Department of Agriculture such as the services provided by livestock disease control laboratories and the efforts of the plant quarantine program in intercepting diseased poultry, thereby preventing outbreaks of disease in the industry.

We would like to point out that the next item in the Budget Bill indicates that an augmentation of \$100,176 from the Fair and Exposition Fund is requested to support the program total of \$145,217, while the revenues estimated for the 1957-58 Fiscal Year amount to only \$60,375. It would appear that the Legislature had in mind a more nearly self-supporting program since Chapter 950, Statutes of 1939, Section 45, states: "the commission may provide for the collection of fees from exhibitors in such amounts as, in the opinion of the commission, will make the poultry testing projects self-perpetuating and self-supporting." The work load figures in the foregoing table indicate a 1,870 percent increase in the number of birds tested. However, in the same period the direct revenues increased only 411 percent.

Poultry Improvement Commission—Continued

It therefore would seem appropriate to evaluate all of the previously mentioned programs prior to expanding the commission's activities even further, with a view to determining the proper amount of state support in relation to the industry's contribution and possibly an increase in fees.

We therefore recommend that the reorganization proposed in the 1957-58 budget be deferred until this evaluation is made. This would result in a reduction of \$11,840 in salaries and wages thereby bringing the level of service to be performed by the commission to the same level authorized by the Legislature in 1956.

POULTRY IMPROVEMENT COMMISSION

ITEM 41 of the Budget Bill

Budget page 93

Budget line No. 51

FOR AUGMENTATION OF POULTRY TESTING PROJECT FUND FROM THE FAIR AND EXPOSITION FUND

Amount requested	\$100,176
Estimated to be expended in 1956-57 Fiscal Year	76,603
<hr/>	
Increase (30.8 percent)	\$23,573

RECOMMENDATIONS

Amount budgeted	\$100,176
Legislative Auditor's recommendation	75,176
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Reduction	\$25,000

ANALYSIS

The appropriation provided by this item augments the Poultry Testing Project Fund which supports the activities of the Poultry Improvement Commission as explained in the analysis of the previous item. The amount appropriated for this purpose for the past 10 fiscal years is shown in the table below as well as the amount of revenue collected from entry fees and the sale of eggs, chickens and fertilizer.

	<i>Fair and Exposition Fund</i>	<i>Revenue</i>	<i>Expenditures</i>
1947-48	\$38,760	\$12,381	\$24,474
1948-49	30,411	21,362	38,736
1949-50	15,825	22,658	58,387
1950-51	51,032	34,139	69,119
1951-52	68,220	32,714	69,196
1952-53	40,298	40,071	75,392
1953-54	22,337	38,881	76,659
1954-55	74,674	33,020	79,063
1955-56	--*	57,563	86,953
1956-57	76,603	63,375	123,257
1957-58	100,176	60,375	145,217

* 1955-56 transfer made in 1956-57 Fiscal Year.

It will be noted that the augmentation appropriation has varied considerably over this period as have revenues, whereas expenditures have

Poultry Improvement Commission—Continued

climbed steadily. It is apparent that the revenues have not been adequate to carry the program and that the augmentation has been required. However, we would like to point out that the \$100,176 requested for the budget year is \$25,000 in excess of the amount necessary to finance expenditures proposed for the same period. While we do not recommend disapproval of providing for the program needs of the commission by this method we do not recommend a transfer which would result in showing a surplus for an activity which is not self-financing. *Consequently, we recommend that this item be reduced from \$100,176 to \$75,176, a reduction of \$25,000.*

DEPARTMENT OF CORRECTIONS

GENERAL ANALYSIS

The Department of Corrections has administrative jurisdiction over the operations of eight state penal institutions for men, including one branch facility, and one state penal institution for women. Included as a part of some of the institutional operations are forestry and highway road camp activities.

The accompanying table opposite reflects a comparison of several criteria between the various institutions including levels of service and per capita costs.

Department of Corrections—Consolidated per Capita Costs

Fiscal year	Total expenditures	Total average population	Consolidated per capita cost	Increase over prior year	
				amount	percent
1945-46	\$3,470,075	6,709	\$517	--	--
1946-47	5,060,705	7,950	637	\$120	23.2
1947-48	7,338,377	9,136	803	166	26.1
1948-49	10,109,073	10,137	997	194	24.2
1949-50	10,333,870	11,009	939	-58	-5.8
1950-51	11,673,061	11,591	1,007	68	7.2
1951-52	13,619,114	12,055	1,130	123	12.2
1952-53	15,951,134	13,216	1,207	77	6.8
1953-54	18,426,278	14,171	1,300	93	7.7
1954-55	20,414,691	15,337	1,331	31	2.4
1955-56	23,729,947	15,288	1,552	221	16.6
1956-57 *	26,560,880	15,437	1,720	168	10.8
1957-58 †	28,334,379	16,196	1,749	29	1.6

* Estimate as shown in 1957-58 Budget.

† Budget request.

The foregoing table on consolidated per capita costs continues the previously established pattern of annual increases. The 1957-58 consolidated per capita cost is \$1,749, an increase of \$29 or 1.6 percent above the \$1,720 figure scheduled for 1956-57. The total 1957-58 expenditure budget for the agency is estimated at \$28,334,379, an increase of \$1,773,499 or 6.7 percent. Total average inmate population for 1957-58 is scheduled at 16,196, an increase of 759 inmates or only 4.9 percent above the 1956-57 re-estimated level of 15,437 inmates. Thus the expenditure rate of increase exceeds the rate of increase in inmate