

BULLETIN ROOM

Weekly Review for MINNESOTA

AGRICULTURAL EXTENSION SERVICE

MN 2000 wem 11/17/44

ST. PAUL 8, NOVEMBER 17, 1944
UNIVERSITY FARM, ST. PAUL 8, NOVEMBER 17, 1944

1945 FARM PRICE DECREASE SEEN. Declining demand, plus a record production of agricultural products in 1944 and a larger carry-over of certain products, are likely to cause some reduction in prices received by farmers in 1945, according to the Bureau of Agricultural Economics. Both demand and prices, however, will be almost as high as in 1944, says BAE.

Reduction in the output of war goods following the end of hostilities in Europe is likely to be accompanied by a decline in the national income as a result of reduced employment, particularly overtime, in a number of important industries. BAE believes consumer expenditures are not likely to drop as much as national income, and the domestic demand for many farm products, at ceiling prices, may continue to exceed supplies.

CARE FOR YOUR CAR FOR YOUR COUNTRY. Farmers can now view their family automobiles as precious heirlooms, and treat them accordingly, what with the national stockpile of new cars down to less than two days' peacetime supply.

The November quota for new cars released for rationing throughout the nation was set at 3,000. The stockpile reserve is now less than 20,000, a supply which before the war would find buyers in 48 hours. The prospects for resumption of automobile production in the near future are not bright, and hundreds of cars are going to the junkyards every day.

Repair and maintenance are the keys to continued operation of the family buggies until new cars make their appearance.

HOG SLAUGHTER DOWN. September hog slaughter was the lowest for any month during this or last year. In recent weeks housewives have experienced difficulty in obtaining pork. Although pork probably will not be plentiful for some time, there is expected to be more available in coming weeks.

One reason for the pork shortage has been the 24 per cent reduction in the spring pig crop, 8 per cent more than the goal. Also, army, navy and lend-lease take about 30 per cent of the total pork, including about 60 per cent of the better grades. Lend-lease has taken a lot of canned pork, heavy sides of pork to go to Russia, and a large amount goes to hotels and restaurants.

LIGHT NAPHTHA TO BE RATIONED IN MIDWEST. Light naphtha--a petroleum product normally used primarily for cooking and lighting--will be brought under rationing control November 20, 1944, in 15 Midwestern states to stop illegal use of the product as a motor fuel. The heavier industrial naphthas will remain free from rationing. Legitimate users in the 15 states may apply to their local War Price and Rationing Boards, and will be issued "E" and "R" non-highway coupons for as much rationed naphtha as they need to buy in bulk. (No coupons will be necessary to buy it already packaged in containers of less than eight ounces.) However, for those uses to which light naphtha is not particularly well adapted--such as home cleaning--the board may deny a ration if a suitable non-rationed substitute is available at a reasonable cost. The states affected are North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Minnesota, Iowa, Missouri, Wisconsin, Illinois, Michigan, Ohio, Indiana, Kentucky, and Tennessee.

(Over)

REPAIRMEN MUST POST NOTICE OF PRICE INCREASES. After December 6, 1944, when maximum prices for the repairing of automobile vehicles and farm equipment are increased because of added labor costs under an authorization granted in February, 1943, copies of two statements prepared by the repairing establishment must be filed with the nearest War Price and Rationing Board, the Office of Price Administration has announced. The new rule applies only to small repair establishments for automotive vehicles and farm equipment that employ not more than eight persons whose wage increases have been exempted from War Labor Board orders, and which use a customer's hourly rate to determine their maximum prices.

GOVERNMENT FINANCES. The tax program finances less than 50 per cent of governmental operations, and the budget for the current fiscal year calls for the expenditure of \$99,000,000,000. The treasury department reports that about \$46,000,000,000 of the total will be procured from taxes and the balance by borrowing.

CHEMIST INVENTS AN ODORLESS HOUSEHOLD FLY SPRAY. Chemists in the Agricultural Research Administration, USDA, have perfected an odorless and nonirritating household fly spray. This development is the result of a new method of purifying the powerful insecticide, pyrethrum, so that it will be less likely to produce irritating rashes or hay fever symptoms, which have limited its use for certain purposes in the past.

FARM POPULATION DECLINES 4.7 MILLION SINCE 1940. The phenomenal production record of farmers appears more spectacular in the light of statistics recently released by the Bureau of Agricultural Economics which show that the nation's farm population declined 4,748,000 in the past four years. Only 25½ million persons were living on farms January 1, 1944, against 30¼ million in 1940. The net loss to the armed forces during this period was 1,650,000. Four million 660 thousand persons of both sexes and all ages either moved away from the farms or now live on places no longer regarded as farms. On the other hand, there was a net gain of 1,562,000 thru the excess of births over deaths.

THE DAIRY SITUATION. The 1945 dairy outlook suggests that milk production may reach 119 billion pounds if returns to dairy farmers should remain about the same as in 1944. This would be about a billion pounds more than the 1944 production. There is no present prospect for an increase in total production of creamery butter. The demand for dairy products is expected to remain high enough to use up all available supplies at present prices unless government purchases decline drastically. Dairymen are expected to have less difficulty than in 1944 in satisfying feed requirements. Relative to other livestock enterprises the relationship between the prices of dairy products and the cost of feed will probably continue to be favorable.

IMPORTS OF BEEF CATTLE FROM CANADA. Although under an agreement with the United States, Canada can ship nearly 200,000 beef cattle annually to this country, we have received no imports for two years. As a result of a beef shortage in Canada, exports to this country were placed under a permit system. The resumption of Canadian beef cattle exports to this country is now being considered. Cattle numbers have increased in Canada to the extent that Canadian packing plants cannot handle all the cattle marketed by farmers. Canadian export restrictions on sheep and lambs already have been relaxed. Under the present circumstances, including the demand for beef and a rather plentiful supply of feed, the small volume of imports from Canada should not be a price-depressing factor.