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Weekly Review for MINNESOTA

AGRICULTURAL EXTENSION SERVICE

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SALVAGE PROGRAM STILL NEEDED. Declaring there was immediate and grave danger of the collapse of the Nation-wide salvage program before its magnificent job was fully completed, J. A. Krug, Chairman of the War Production Board, has emphasized that the 21,000 volunteer salvage committees throughout the country should "stay on the job lest the reconversion program be impaired." Paper salvage must continue, Mr. Krug said. Fats and oils likewise must be conserved as much as before. The same applies to tin cans. All these materials are short and will continue to be short for some time. The salvaging of all of them is of importance to orderly reconversion.

LUMBER CONTROLS RELAXED. As a result of the sharp decline in military requirements for lumber, the lumber control order has been drastically relaxed, the War Production Board has announced. Lumber will be immediately available to distribution outlets, and within 30 days sufficient amounts will be on hand to meet all kinds of construction requirements, WPB said.

Any lumber supplier (sawmill, concentration yard, or distributor) may now sell any kind of lumber to any person on uncertified and unrated orders provided that the sale does not interfere with the filling of certified and rated orders. Certified but unrated orders will now be treated as uncertified and unrated.

Allotments made for the third quarter remain in force, WPB emphasized. Lumber users qualified to place certified and rated orders may do so; however, such persons may also obtain lumber on uncertified and unrated orders and need not charge lumber so obtained against the amounts they have been authorized to receive.

TIN CONTROLS TO BE CONTINUED. Tin controls must be continued until a sufficient reconversion supply is obtained from the Malay Peninsula and adjacent territory, the world's principal tin source, according to War Production Board officials.

THE DEMAND AND PRICE SITUATION. The level of civilian demand for farm products probably will continue sufficiently high well into 1946 to maintain the prices of most farm products close to current levels. Shortages of food and clothing, especially in Europe, probably will be more serious during the coming winter than at any time since the start of the war. Purchases of farm products for relief will tend to increase as military takings decline. The decline in the wage income of industrial workers, which has been under way for several months, probably will be accelerated. However, total consumers' incomes are not likely to be reduced enough to close completely the existing gap between civilian demand and available supplies of many farm products at current prices.

The chief factors indicating a downward trend in consumers' incomes are the recent declines in industrial production, industrial employment, the total wage income of industrial workers, and wage income per employed worker. Most of the decline in industrial production has been in durable manufactured goods, particularly machinery and transportation equipment. Offsetting this to a minor degree are slight increases in private construction and in production of equipment in the first half of 1945.

(Over)



LAW REMINDER. Upon the formal declaration that the war is over will depend how long the Government is obliged under present law to support prices of the basic and Steagall commodities. The law fixes the support period for the duration of the war and until the expiration of "the 2-year period beginning with the first day of January immediately after the date on which the President by proclamation or Congress by concurrent resolution declares that hostilities in the present war have terminated."

Basic commodities are cotton, corn, wheat, rice, tobacco and peanuts, with prices to be supported at not less than 90% of parity, and at 92½% in the case of cotton. Steagall commodities are those for which the Secretary of Agriculture has requested greater wartime production, and include hogs, chickens (over 3½ lbs. live weight), turkeys, milk, butterfat, certain dry peas, soybeans, peanuts, flaxseed for oil, American-Egyptian cotton, potatoes and cured sweet potatoes and eggs. On these the 90% of parity rule or a comparable price to parity must be maintained.

FARM REAL ESTATE DEBT. The farm real estate debt was estimated at 5,271 million dollars on January 1, 1945, 364 million dollars less than a year earlier. The debt is less than half what it was (10,786 million dollars) in 1923. The largest debt reductions from 1940 to 1945 have occurred in the Great Plains and Mountain States-- 36.3 and 32.7% respectively. Smallest decreases were in the Delta States and the Southeast--6.8 and 10.4% respectively. The Great Plains reduction was 13.8% in 1944 alone.

The total farm-mortgage debt decreased 20% from 1940 to 1945 and 6.5% last year. Since 1940 all farm mortgages have decreased except those held by Farm Security Administration, and they have increased 364%, or 1.3% during the last year.

MORE TURKEYS AGAIN THIS YEAR. Farmers have produced another record crop of turkeys this year in an attempt to meet the increased demand for turkey meat - 44,150,000 birds or 22% more than the previous record crop of last year and 44% larger than the (1937-41) average, according to preliminary estimates released (August 27) by the Department of Agriculture. Producers' intentions on January first pointed to an 8.5% increase in the turkey crop this year. However, favorable weather brought hens into an early lay and started the season off with an early hatch. There were 6% more breeder hens on hand than in 1944, yet hatcheries were unable to meet the heavy early demand for poults. To meet the increasing demand, hatcheries continued their hatching season at least a month longer than in 1944 and the production of poults was limited only by the supply of hatching eggs.