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Weekly Review for MINNESOTA AGRICULTURAL EXTENSION SERVICE

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University Farm, St. Paul 1, October 18, 1946

4-H CAMPAIGN ROLLING. Agents are now squaring off for an intensive period of 4-H enrollment work between now and November 2. Early reports show Stevens county out in front with 396 in Northwest, Dakota with 471 in Northeast, and Waseca with 331 in South. WCCO has offered to carry daily progress reports on Cedric Adams and other newscasts during the final week. Shoot a telegram to News Room, WCCO, Minneapolis, during that week and put your county on the map. Telegrams sent early in the week will get the best play. Publicity materials sent recently through the Minnesota Editorial association or direct to editors include a full page ad for local sponsorship, an illustrated feature showing the Governor signing up a 4-H boy and a statement of purposes of 4-H. These have gone to every newspaper in the state.

GETTING CORN STORAGE MATERIALS TO FARMERS. The largest corn crop in American history--3,374,428,000 bushels by BAE's October 1 estimate--occurs at a time when building materials of all kinds are in their shortest supply. To house the welcome bumper crop, Corn Belt farmers face the problem of constructing approximately 500,000,000 bushels of new or temporary storage. Farmers probably have materials or structures equal to half this space, but will need extra material for the other half. Government agencies are trying to aid them in this work by special priorities on adaptable war surplus and new lumber over and above the normal flow of building materials.

The Department has worked with other Government agencies to move available materials into the area where there is insufficient storage space. The Civilian Production Administration is directing mills to ship 808 cars of new lumber into seven states where the pinch is worst. (This is in addition to regular lumber being received from mills.) Some of this lumber is moving into dealers hands, but the last won't arrive until sometime in November. The material in a car runs boards and dimension lumber. If used for temporary storage, i.e., for flooring only--the 25 million board feet would take care of 50 million bushels of corn. The crib space actually provided may fall below this however.

CPA has directed that the 808 cars of lumber be routed as follows: 400-Illinois, 30-Indiana, 284-Iowa, 14-Minnesota, 50-Missouri, 10-Nebraska, 20-South Dakota.

AGRICULTURAL AVALANCHE. "Largest aggregate volume of crops ever produced"--that's the single line in the USDA crop report for October 1, which sums it all up. Moving into all-time record highs were potatoes, corn, wheat, tobacco, peaches, pears, plums and truck.

In the Billions--Corn, 3.37 billion bushels; wheat, 1.16 billion bushels; oats, 1.5 billion bushels--and among the millions in bushels are: barley, 255; rye, 21; flaxseed, 23.7; rice, 69.9; grain sorghums, 88; potatoes, 471; sweet-potatoes, 67.7; soybeans, 183; and an absolute record tobacco crop of 2.2 billion pounds, flanked by another Dixie delight, peanuts at over two billion lbs.

Milk Production--In September, 9.4 billion pounds, only two per cent under former record for the month with four per cent fewer cows. The October 1 rate of per cow milk flow was best recorded in 22 years. Egg Production--Farm flocks laid 3.2 billion eggs in September, making production for nine months of 1946 hit 44.9 billion only two per cent under same period of 1945. Cotton Crop Down--About five per cent

(Over)

less cotton for October 1 than a month before was seen, at 8.7 million bales, for a smaller crop than in any year since 1921. The ten-year average was 12.5 million bales.

THE FARM CASH REGISTER. Cash Receipts from farm marketings for 1946 is estimated by BAE at \$23 billion, 10 per cent over 1945. The 1947 guess is \$22 billion, with Government payments down 60 per cent. Other comparable years: 1939, \$7.9; 1940, \$8.4; 1941, \$11.2; 1942, \$15.6; 1943, \$19.5; 1944, \$19.9. Out-of-pocket operating expenses rose from \$6.2 billions in 1940 to \$11.3 billions in 1945, 82 per cent upward. The 1946 expense bill will be about 10 per cent over 1945, while the 1947 expenses are likely to rise another five per cent.

THE DEMAND AND PRICE SITUATION. The demand for farm products in 1947 is likely to continue strong, but may be at lower levels in the latter half of the year than in the first half, reports the USDA Bureau of Agricultural Economics. For 1947 as a whole, total demand for farm products and prices received by farmers are likely to average somewhat below 1946. But prices received by farmers are likely to exceed the average of 1945 which was about twice as high as either 1935-39 or 1909-14. Prices paid by farmers are expected to average higher next year.

Assuming normal growing conditions next year, cash receipts from farm marketings and Government payments may be reduced about 5% compared with the record receipts in 1946. With increased production costs and reduced receipts from marketings, the net income of farm operators may be reduced as much as 10-15% from 1946. But even with a reduction of such magnitude, the net income of farm operators will still be near the high wartime levels of 1943-45 and about 2-1/2 times the 1935-39 average.

Consumers' incomes will probably average higher in 1947 than in any preceding year... Consumer expenditures for durables will be larger next year but expenditures for non-durables as a group may not be increased. Furthermore, foreign demand for farm products is likely to be somewhat smaller in 1947. Contributing factors include contraction of food exports by UNRRA, some rehabilitation of European Agriculture and a probable shift in the use of dollar exchange to the purchase of non-agricultural commodities.