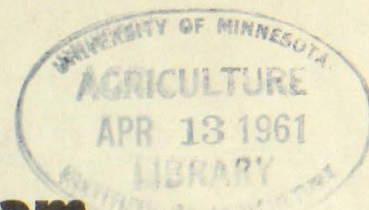


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# 1961 Feed Grain Program

The following statement on the 1961 Emergency Feed Grain program is based on information compiled by the Commodity Stabilization Service, U. S. Department of Agriculture, Washington, D. C. It includes the latest information up to the time of publication (April 1). For complete information and local rulings check with your county ASC office. Local county ASC committees will determine a corn base acreage and payment rate for every farm.

As cooperators receive payments in the form of negotiable certificates which represent grain from Commodity Credit Corporation stocks, this grain becomes available for market and farm use in competition with grain from 1961 production. It works like this: Cooperators who wish to receive the cash equivalent of grain at the support price may ask the Commodity Credit Corporation to act as their agent in marketing their grain. As agent for the producer, Commodity Credit Corporation will advance the payment to the producer in cash through the county ASC office and subsequently market the grain.

## PROGRAM IN GENERAL

Voluntary. Each producer decides whether to cooperate.

1961 only. This program applies only to 1961 crops.

Corn and grain sorghums. The program applies to all field corn and grain sorghum whether for grain, fodder, or silage.

Divert at least 20 percent of acreage. Cooperators are eligible for price supports on corn and grain sorghums and for payment on each acre diverted. The payments will be in the form of negotiable certificates for which producers may receive grain or a cash equivalent of grain. The national average support prices for feed grains are as follows: Corn, \$1.20 per bushel or about 14 cents above 1960; grain sorghum, \$1.93 per cwt.; barley, 92 cents per bushel; oats, 62 cents per bushel; rye, \$1.02 per bushel. Support prices will be established for each county. The Minnesota support average for corn will be from about \$1.10 in the southwest to \$1.13 in the southeast.

Advance payments. Half of the estimated total payment for a farm will be offered to the producer as soon as he signifies that he will cooperate in the program.

No price support for noncooperators. The noncooperator will not be eligible for price support on corn, grain sorghum, oats, barley, or rye of the 1961 crop. The noncooperator is not only ineligible for feed grain price support and payments but foregoes the usual price benefits of a production adjustment program as Government stocks of grain are marketed. The noncooperator cannot depend on the government price support and his neighbor's production adjustment to hold up the market price for his corn or grain sorghum production.

## WHAT THE COOPERATOR DOES

To be a cooperator, the producer does the following:

1. Reduces his acreage of corn and grain sorghum below his 1959-60 base by a minimum of 20 percent, and he may elect to divert additional acreage within certain limits.

If a farmer has less than 20 acres of corn or sorghum as a base he can divert for payment either 20 percent of this base or any amount up to all of this base.

If the farmer has a 1959-60 base of 20 to 100 acres he can divert as much as 20 acres plus 20 percent of his base.

If a farmer has 1959-60 average acreage base of 100 acres or more, he may divert for payment as much as 20 percent more than the minimum 20 percent, making a total of 40 percent.

2. Devotes the diverted acreage to a conservation use and certifies that this is in addition to the 1959-60 average acreage devoted to a conservation use on the farm. Approved conservation uses of the diverted acres will vary by areas. In general, such uses include approved cover crops, summer fallow, trees, water storage, and wildlife practices as approved by the county committee. ACP cost-sharing assistance may be available in some counties for some of these practices but is not assured. The diverted acreage must have been in a cultivated crop one of the past 3 years and may not be harvested or pastured in 1961.

3. Controls weeds, insects, and rodents.

This archival publication may not reflect current scientific knowledge or recommendations. Current information available from University of Minnesota Extension: <http://www.extension.umn.edu>.



## WHAT THE COOPERATOR RECEIVES

The cooperator receives the following benefits:

1. Price support on the normal production of his 1961 corn or grain sorghum acreage. The national average corn support price will be \$1.20. In most counties the support price for corn will be about 14 cents a bushel more than in 1960. The national average support price for grain sorghum is \$1.93 per cwt. -- 41 cents a cwt. higher than in 1960.

2. Payment for each acre diverted to a conservation use. The payment rate per acre for the first 20 percent diverted will be established on this basis:

50 percent of the normal production of the acreage diverted X the county support price. Normal production for the purpose of making the payment will be calculated by adjusting the county average yield according to the productivity of the farm.

(For farms on which the base is less than 100 acres there may be additional diverted acres to which this rate applies.)

As an additional incentive, for an additional 20 percent of acreage diverted, the rate will be established on this basis:

60 percent of the normal production X the county support price.

Example: Where the county support price for corn is \$1.10 and a farm's normal production is 50 bushels per acre, the payment rate per acre for the first 20 percent diversion would be:

50 percent of 50 or 25 X \$1.10 or \$27.50

County ASC offices will notify farmers of the rates to be used in making payments.

3. Advance of partial payment. The producer may be paid prior to "determination of performance" 50 percent of the total payment for which he will become eligible by carrying out the program. Whenever possible, these advance payments will be made at the time the producer signifies his intention of cooperating.

4. Protection in case of crop failure. The payment on the diverted acres is income regardless of what the weather does to crops, and this is a measure of income insurance. However, there is also the chance that, with a very favorable year, yields would be higher than expected and thus this additional income may be sacrificed.

## WHAT THE NONCOOPERATOR MISSES

The noncooperator will forego the benefits received by cooperators as follows:

1. He will not be eligible for price support on any feed grain (corn, grain sorghum, oats, barley, rye) of the 1961 crop. He will get only the market price, whatever it may be.

2. He will receive no payment under this special program.

NOTE: The noncooperator should not expect to build up his acreage base for future programs. The Department of Agriculture has indicated that it will recommend to the Congress that any legislation involving establishment of base acreages for production adjustment should give no advantage to producers who fail to cooperate in the 1961 feed grain program.

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