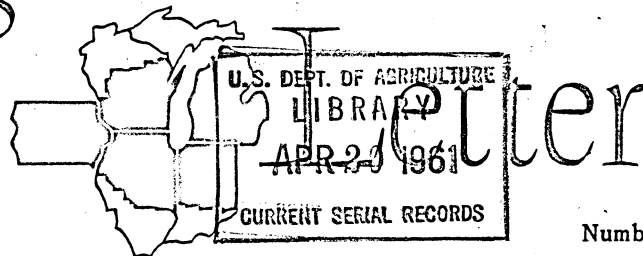


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# Agricultural



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Farmers who wish to receive price supports of \$2.30 a bushel for soybeans grown in 1961 will be required to maintain the 1959-60 average acreage of "soil-conserving" practices on their farms this year even if they do not comply with the feed grain program. The USDA announced this requirement to insure that any additional soybean production will be "on acreage that has been used for crops in abundant supply such as wheat, cotton, corn, grain sorghums and other feed crops." Since prices of soybeans have been considerably above the support price, this requirement may not have much effect on production of feed grains in 1961.

There is a similar requirement for participation in the 1961 feed grain program. To qualify for price supports on feed grains farmers must not only reduce the acreage of corn and grain sorghums at least 20 per cent from the 1959-60 acreage, but must, in addition, maintain in "soil-conserving" practices the average acreage in such uses the past two years. No crop can be harvested from the land taken out of corn and grain sorghum except castor beans, safflower, sunflower or sesame which have been determined as being "not in surplus, not eligible for price supports, and not produced primarily for live-stock feed."

Land "retired" from corn and grain sorghum production will be eligible for payments at the support price per bushel for 50 per cent of the average yield in 1959 and 1960 on the required 20 per cent reduction of the base acreage. Additional payments at 60 per cent of the average yield will be made for retiring up to an additional 20 per cent of the base acreage.

If a farmer had less than 100 acres of corn and grain sorghum in 1959 and 1960, a special provision of the law permits payments on additional acreage up to a total of 20 acres plus 20 per cent of his average acreage. Thus, any farmer with 25 acres or less of corn and sorghum in 1959 and 1960 may receive payments for retiring all of this acreage. Payments for retiring eligible acreage above 40 per cent of the base acreage will be computed at 50 per cent of the average yield. (See \*)

The land designated as the retired acreage must be put into "soil-conserving" uses and cannot be pastured or cut for hay between April 15, 1961, and January 1, 1962 and must be in addition to maintaining the 1959-60 average acreage in "soil-conserving" uses.

For a farmer with several farms, participation can be on any of the farms; but the corn and grain sorghum acreage on those farms not in the program must not be larger than in 1959 and 1960 and the acreage of "soil-conserving" practices must be maintained.

Payments for retired land will be made "in-kind" or cash. If "in-kind," the amount of grain will be figured on the dollar value of the certificate and the local market price of grains. For all certificates redeemed in cash

the CCC will then be authorized to sell an equivalent amount of grain on the open market. Advance payments up to 50 per cent of the total payment may be made shortly after a farmer signs up for the program. The law provides that payments be divided on a "fair and equitable basis" between landlord and tenant.

The base yield on a farm will be determined on the basis of county and township average yields and the productivity index assigned to each farm by the township committee. The acreage base can also be changed from the average of the past two years if the committee regards the average figure as abnormal. Decisions may be appealed to the county and state Agricultural Stabilization and Conservation committees.

CORN PRICES dropped more than 10 cents a bushel at the end of March but have since recovered some of the loss. Large amounts of "out of condition" Government corn have been marketed though some of it has been reported to be No. 2 grade. Farmers have also stepped up their marketings, both to dispose of high moisture corn in danger of spoilage with the arrival of warm weather and in expectation of large Government sales.

The economic adviser to the Secretary of Agriculture told the Senate Agriculture Committee last week the Government plans to sell corn until next fall "to keep corn at about \$1.00 a bushel." No forecast was made for corn prices on the open market at harvest time.

Research Department

\* For example: a farm with a base of 40 acres of corn and grain sorghums in the past two years will be eligible to participate in the program by retiring 8 acres (20 per cent of the base) and will receive payments of 50 per cent of the average yield on this acreage. Additional payments at the rate of 60 per cent of the average yield will be made for retiring up to 8 more acres (20 per cent of the base). The farmer may elect to retire up to 12 more acres—making the total 28 acres (20 acres plus 20 per cent of the base)—and receive payments on these 12 additional acres at 50 per cent of the average yield. If the average yield is 80 bushels, payments will be calculated as follows:

Acreage retired	×	Payment rate	×	Base yield	×	Support rate	=	Value of payment
8		50%		80 bu.		\$1.20		\$384.00
8		60%		80 bu.		\$1.20		\$460.80
12		50%		80 bu.		\$1.20		\$576.00