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In the Seventh Federal Reserve District states, the number of farmers signing up for the program and the base acreage on participating farms were well below the year-earlier level in each of the states except Michigan. As a result, although the acreage idled on participating farms was greater than a year ago in all of the District states, total acreage intended for diversion was smaller in all of the states except Michigan.

Participation, both as a percentage of total base acreage and in terms of acres diverted, was highest in Iowa. Farmers operating nearly 70 percent of the total feed grain acreage in that state signed up for the program and agreed to retire 3.4 million acres, about 38 percent of their base acreage. Farmers participating in the program in Illinois agreed to idle a smaller proportion of their feed grain acreage—35 percent—than did those in any of the other District states, but this was still above the 34 percent signed in Illinois last year. The highest rates of diversion on participating farms were in Michigan and Wisconsin, probably reflecting the relatively large number of small farms on which the entire feed grain acreage can be diverted.

The change in provision from the 1965 program to discontinue payments for the minimum 20 percent diversion was expected to reduce participation in this year's program somewhat, as was the case in four of the Seventh District states. However, other changes in the 1966 program apparently were attractive enough to farmers largely to offset the effects of the reduction in payments for minimum participation.

Yields for determining diversion and compensating payments are based on the projected trend of yields during the past five years instead of last year's method of using the average production per acre in a previous period. Since yields have trended sharply upward in recent years, the per acre production on which payments are made are at a much higher level. In addition, farmers were permitted this year to plant soybeans on feed grain acreage (not diverted acreage) while remaining eligible for program payments.

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Participation In Most District States Shows Sharper Decline Than in U.S.

	Participating farms		Acreage intended for diversion	Base acreage diverted (percent)
	Number	Base acreage (thousands)		

Illinois				
1964	74	5,053	1,774	35
1965	82	5,412	1,830	34
1966	71	4,614	1,627	35
Iowa				
1964	120	9,824	3,628	37
1965	124	10,100	3,555	35
1966	113	9,316	3,423	38
Indiana				
1964	62	2,717	1,303	48
1965	69	3,010	1,403	47
1966	63	2,682	1,313	49
Michigan				
1964	36	1,010	622	62
1965	43	1,207	732	61
1966	47	1,266	793	63
Wisconsin				
1964	48	1,577	818	52
1965	54	1,723	884	51
1966	51*	1,575	859	55
United States				
1964	1,301	77,503	24,312	44
1965	1,489	87,024	36,723	42
1966	1,470	83,617	36,178	43

The base acreage on participating farms was about 4 percent less than a year ago although the total number of farms participating in the program this year is only about 1 percent less than in 1965. This would appear to indicate that a relatively smaller proportion of large farms have signed up in the 1966 program. Those farmers participating in the program, however, agreed to idle a slightly larger proportion of their base acreage than was the case last year, thereby holding the total acreage diverted near the record 1965 level. For the nation, farmers operating nearly two-thirds of the total feed grain acreage agreed to idle 43 percent of their base acreage while in 1965 farmers with slightly more acres agreed to idle only 42 percent of their base acreage. (Base acreage is the average for 1959-60.)