AN IMPROVED FARM LEASE CONTRACT

Recent changed conditions in agriculture have emphasized the need for an improved type of rental agreement and contract between landlords and tenants. The traditional one-year verbal lease has contributed to the establishment of many poor farming practices and complicates adjustments of agriculture to changing economic conditions. In recent years considerable progress has been made in developing a long-term written lease which overcomes some of the weaknesses of the verbal lease and covers many of the landlord-tenant relationships arising in the present period of agricultural adjustment.

When corn was grown primarily to feed the livestock on the grower’s farm and cotton, as the single cash crop, dominated the agricultural economy of the Southwest, the third-and-fourth crop rental arrangement was generally satisfactory. Such an arrangement divides the risks of farming between landlord and tenant and permits both parties of the contract to share in the profits. The terms of such a contract are generally well established by custom, court decisions, and laws, and yet they possess sufficient flexibility to permit some adjustments in line with changing economic conditions. This arrangement, however, has several inherent disadvantages. First, since the contract is of a verbal nature, disagreements as to details frequently arise. Second, because the contract generally extends for a period of only one year, it does not assure sufficient continuity of operation to either landlord or tenant to permit the establishment of livestock programs, orchards, or other enterprises whose production cycle runs for a greater length of time or to encourage the establishment and completion of a coordinated program of soil conservation and improvement. Such rental arrangements have contributed to the perpetuation of a single-crop system and to a neglect of farm land and buildings.

The disadvantages of the customary contract have been further emphasized by recent agricultural changes. In the past several years, and particularly during the war period, shifts in land utilization in the Southwest have occurred as farmers diversified their production operations. It has been found desirable to include dairy, poultry, and other livestock enterprises in the production pattern of many former cotton and grain farms. Successful operation of such enterprises requires a more permanent establishment of the operator than is provided in a year-to-year lease. New crops such as peanuts, fruits, and vegetables are now produced on many farms, requiring new arrangements regarding the division of returns. A growing realization of the need of conservation and rebuilding of the soil has led to the establishment of long-range conservation programs on many farms, but stability of tenancy and increased diversification of farm operations are necessary if such programs are to succeed. Tenants not only must be encouraged to make soil conserving practices a part of their farming operations but also must be assured that they will be able to reap the benefits to be derived from such practices. More machines and equipment are now required for efficient operation, but tenants will generally be slow to acquire such machines if they are faced with the problem of moving each year. Machines adapted to one farm may not be suitable to the next farm that the tenant may occupy.
Under these changed conditions, year-to-year rental arrangements are less satisfactory than in earlier times, and landowners and tenants have attempted to find a better form of contract. A written long-term lease may aid in solving the problem. Joe R. Motheral in a recent Progress Report released by the Agricultural and Mechanical College of Texas, entitled *Notice of Termination, A Farm Lease Problem in Texas*, suggests that such a lease may provide the security that both tenants and landlords must have in order to develop profitable livestock enterprises and to encourage maintenance of improvements and soil resources. Considerable progress has been made by some individuals and government agencies in the use of such leases. Though granting that in some cases this type of arrangement may not be feasible, Mr. Motheral believes that where a long-term lease is not objectionable to either of the contracting parties, it offers definite advantages and will do much toward overcoming some of the weaknesses of the customary one-year lease.

At the request of numerous landowners, tenants, and agricultural workers in Texas, a committee representing the Texas Extension Service, the School of Agriculture, and the Agricultural Experiment Station of Texas A. & M. College has prepared a general farm lease form, believed to be adaptable to any type and size of farm in any section of the Southwest. In its work the committee had the benefit of suggestions and criticisms of an advisory group representing landlords and tenants and various private and governmental agencies in the State. The committee was guided also by the following special objectives in the preparation of this lease form:

1. To produce a simplified lease form which would not require redrafting or copying.
2. To develop a form usable in all rental arrangements for all types of crop and livestock enterprises.
3. To foster stability and security by providing a lease form covering major questions which arise in the landlord-tenant relationship, so that agreement may be reached on these when the lease is made.
4. To provide for definite attention to conservation and other sound agricultural practices.
5. To give information on some of the more important current arrangements as regards contributions and divisions of income between landlords and tenants in principal livestock and crop enterprises.

This Texas general farm lease form sets forth all the requirements thought to be necessary to protect the rights of both landlord and tenants and in such a way as to forestall disagreements or to hold them to a minimum. The parties may include in their contract as many of the provisions of the lease form as they see fit or can agree upon. The form provides two options regarding the time covered by the lease. The lease may begin and end on fixed dates, or it may run for one year and be renewed automatically from year to year if neither party gives written notice of termination within a stated period prior to the end of any contract year. A cash-rent agreement may be designated for all or any portion of the farm, or a share-rent arrangement for both crops and livestock may be chosen. Provision is made on the form also for a statement of what each party is to furnish and of the division of returns. The more common practices from which choice may be made regarding the contributions and returns of each party are enumerated in the suggestions for use of the form. Space is provided for listing the rights reserved by the landlord and those granted to the tenant regarding the use of pasture, garden plots, woodlots, and hunting and fishing. Conservation and other improved farm practices to be undertaken on the farm may be written into the contract, together with the contribution to be made by each party to the carrying out of the practices and the division between the parties of Government payments for fulfillment of the program. Improvements and repairs to be undertaken by each party may be listed and fully described. Other provisions which may be included in the contract relate to the keeping of records, partnerships, assignments, the right of entry, breach of contract, and arbitration.
Copies of this form, together with suggestions for its use, may be secured upon request to J. Wheeler Barger, Head, Department of Agricultural Economics, School of Agriculture, Texas A. & M. College, College Station, or from the local county agent.

FARM PRICES
New Price Programs

The Secretary of Agriculture has announced that chickens (except those of less than $3\frac{1}{2}$ pounds liveweight and broilers) and turkeys of the 1947 crop purchased in the period of October 1947 through January 1948 and those of the 1948 crop purchased in the period of October through December 1948 will be supported at 90 per cent of parity, or possibly at higher prices to be announced from time to time. Currently, support prices reflect a United States average liveweight farm price for poultry of 18.3 cents a pound and for turkeys of 20.3 cents a pound, with variations for type, weight, and location.

Eggs are being supported by government purchases at prices that for frozen shell eggs average not less than 33 cents a dozen to producers. This program supplements the dried egg buying program for export to the United Kingdom. Packed in new containers holding 30 pounds each, the frozen eggs will be held for future drying prior to foreign shipment or other disposal outside domestic markets.

The Department of Agriculture is reported to be considering steps to support sagging whole milk prices and has taken what may prove to be the first step in this direction by authorizing the purchase of dry milk powder. The Dairy Products Marketing Association of Chicago was authorized during the last week in February to purchase up to five million pounds of dry milk powder at not more than five to 10 cents per pound.

The Agriculture Department has announced that the 1947 flax support program will be operated by loans, contracts with processors on specified price agreements, and CCC purchases of flaxseed if necessary. Grade 1 flaxseed are set at a base price of $5.80 per bushel at Texas marts. Number 2 grade will be supported at five cents less per bushel than Number 1. Grades lower than these will have no support.

The Secretary of Agriculture has ordered the subsidy on exported cotton reduced from four cents to two cents per pound, gross unpatched weight. The new ruling became effective February 13.

FARM MANAGEMENT
Forage Crops for Hogs Reduce Cost of Production

More pork at less cost may be produced by most farmers if the grain ration of hogs is supplemented by adequate green forage, according to a recent report of the Mississippi Agricultural Experiment Station. Failure to provide pasture adequate to furnish sufficient green forage generally results in small litters of low vitality and in more expensive production of pork. Green grass will help to reduce the cost of needed proteins, minerals, and vitamins and will aid to some extent in lowering the carbohydrate feed requirement per unit of grain. Cultivated grazing lots are also a big factor in controlling parasites and diseases.

Feeding results with hogs at the Mississippi Station and elsewhere indicate that a one-pound gain in weight can be expected from feeding five pounds of grain alone in a dry feed lot. Grain fed to hogs on forage, however, will produce about one pound of gain for every four pounds of grain fed. Soybeans, oats, sudan, or any green forage which pigs or hogs will eat readily may be used. The addition of a protein supplement to the ration will result in even more rapid daily gains.

In the experiments it was also found that when the ration of grain fed to hogs is limited and a green pasture is furnished them, more forage will be eaten and less grain required per unit of gain. The rate of gain, however, is less rapid than if full grain ration is fed and pasture provided. The limited grain ration is said to provide possible economies when used with pigs farrowed in late fall and early spring.
In experiments to test this possibility two lots of ten feeder pigs each were fed a mixture of 90 pounds of ground oats and five pounds each of cottonseed meal and tankage for a period of 90 days. Both lots were allowed to graze on sweet sudan grass, but each pig in the first lot was fed a limited ration of 1.9 pounds of the feeding mixture per day, while the second lot were given 5.6 pounds of the mixture per head. The pigs of the first lot, which were on the limited ration, gained an average of 0.53 of a pound daily and consumed 363 pounds of feed per hundred pounds of gain. Those of the second lot, receiving a full ration of grain, showed an average gain of 1.08 pounds daily, but consumed 523 pounds of feed per hundred pounds of gain. At the end of the test the pigs on the limited ration were said to be in a growthy, thrifty condition. While the pigs of this lot had gained less weight, the cost per unit of gain was 30 cent less than the cost recorded for the pigs on full rations.

TECHNOLOGICAL DEVELOPMENTS

Cotton and Cottonseed Treatments
Several new preparations of interest to cotton growers are now being produced. Two chemical dust treatments applied to cottonseed prior to planting will help to control seed-borne organisms and protect the planted cottonseed prior to germination from attacks by soil-inhabitating organisms. One of these is known as DuBay 1452-F, and the other as Dow 9-B. Each is used at a rate of 1.5 ounces per 30 pounds of seed. DuBay 1452-F will not be commercially available until the latter part of 1947, but the current supply of Dow 9-B is said to be plentiful.

For combatting boll weevils, aphids, bollworms, and flea hoppers, two new insecticides will be on the market this spring, according to an announcement by W. S. McGregor, Extension Entomologist for Louisiana State University. These new materials are benzenehexachloride, which will be known generally as BHC, and toxaphene, which is a chlorinated camphene. Mr. McGregor says these insecticides show more promise of being the complete poison for cotton insects than any previously produced. They can be applied by airplane or ground dusters. They were developed by commercial insecticide companies but have been tested and approved by entomologists of Louisiana State University and of the United States Department of Agriculture.

ANNOUNCEMENTS

Cotton Ginners Meet
The Texas Cooperative Ginners’ Association will hold its annual meeting in Dallas at the Adolphus Hotel, April 7 and 8.

The Texas Cotton Ginners Convention will be held in Dallas at Fair Park, April 9 to 11, with the Gin Machinery & Supply Association as host to the convention.

National Brahma Show
The second Annual National Brahma Show is scheduled to be held on the Campus of Louisiana State University at Baton Rouge, March 22-28. More than 300 of the humped-back animals will be assembled in the agricultural coliseum from all the southern states from Texas to the Carolinas.

Recent Publications
Agricultural Experiment Station of the New Mexico College of Agriculture and Mechanic Arts, State College: Corrective Sheep Breeding, Bulletin 334, by P. E. Neale.

Oklahoma A. & M. College, Stillwater: Science Serving Agriculture, Parts I and II, Biennial Report of the Oklahoma Agricultural Experiment Station, July 1, 1944, to June 30, 1946.


Copies of these bulletins may be secured by request to their respective publishers.