

AGRICULTURAL NEWS LETTER

THE FEDERAL RESERVE BANK OF DALLAS

Volume V

Dallas, Texas, December 15, 1950

Number 12

Farm Workers Gain Federal Insurance Protection

Beginning January 1, 1951, certain farm workers will be covered by the federal system of Old-Age and Survivors Insurance. A farm worker who qualifies under the new law may become eligible for retirement benefits at age 65 and his family entitled to certain benefits in the event of the worker's death. The program is compulsory, with both workers and employers required to pay premiums—1½ percent deducted by the employer from the wages of the worker and an equal amount contributed by the employer. The rate will increase to 2 percent in 1954, 2½ percent in 1960, 3 percent in 1965, and 3¼ percent in 1970. This premium money is sent through the Office of the Collector of Internal Revenue into the Old-Age and Survivors Insurance Trust Fund.

Who Is Covered?

Only "regular" farm and ranch workers are covered. To qualify as a "regular" farm worker the employee must have worked for the same employer continuously for at least 5 months and must have received at least \$50 in cash during the last 60 days of that 5-month period. Also, counting of the 5-month period must begin on January 1, April 1, June 1, or October 1.

To continue as a "regular" farm worker the employee must not change employers and must work at least 60 days and be paid at least \$50 in cash during each succeeding 3-month period. (Income in the form of room, board, or farm products cannot be counted as wages for federal insurance credit.)

The first 3 months of the 5-month period mentioned above are called the "qualifying quarter," and wages paid during those 3

months do not count toward federal insurance and, thus, no premium is paid on them by either employer or employee. (The last 3 months of 1950 can be used as the "qualifying quarter.")

If an employee changes employers or fails to work at least 60 days in any one quarter or receives less than \$50 cash wages in any quarter, he must again go through the process of "qualifying."

Cooks and household workers on the farm are considered farm workers under the law. But wages paid to the farmer's children (under 21 years of age) or to his wife do not count; neither do wages paid by a wife to her husband or by sons and daughters to their parents.

Duties of the Employer

Farmers and ranchers who employ regular farm workers should obtain the necessary forms for reporting the insurance premiums and wages from the nearest office of the Collector of Internal Revenue.

Employers are required to make reports at the end of each quarter showing the worker's name, social security account number, number of days worked, and amount of cash wages paid. Remittance of the premium—both the employer's and worker's contributions—is made with the quarterly report. Payment is made only on the first \$3,600 of the employee's total annual wages.

The reports are compulsory, and the farm or ranch operator will be held liable if his employees qualify. Thus, a written record of days worked, wages paid, and premium deductions will be useful in making reports and as protection against future unjustified claims.

Duties of the Worker

If the farm worker has not held, at some time, a social security card, he should obtain one from the nearest social security office and request his employer to make the required contributions and deductions from his wages. Application blanks for social security cards (Form SS-5) may be obtained from local post offices.

Benefits

The benefits available to workers and to their families are based upon average monthly wages earned during the time federal insurance premiums were paid. (See accompanying table.)

Benefits will be paid to "fully insured" workers or to their families. Certain limited survivor benefits will be paid to families of "currently insured" workers. In order to be "fully insured," a worker must have contributed to the program at least six calendar quarters (3-month periods). But if more than 12 calendar quarters have elapsed between January 1, 1951, (or since the worker's twenty-first birthday, if that is later) and retirement or death, premium payments must have been made in at least half of them or in 40 quarters, whichever is the smaller. To be "currently insured," a worker must have paid premiums in at least 6 of the last 13 quarters of his life.

Employees of farm cooperatives handling agricultural commodities, employees of commercial handlers of fruits and vegetables who are preparing those products for market, and certain other businesses, such as hatcheries, are also covered under the amended law. All of the work of these employees is covered, regardless of length of employment or amount of wage. However, cotton gin employees are *not* covered by the revised law.

EXAMPLES OF OLD-AGE AND SURVIVORS INSURANCE BENEFITS

Average monthly wage	Retired worker alone	Retired worker and wife	Widow at age 65	Widow and two children
\$ 50	\$ 25	\$ 37.50	\$18.80	\$ 40
100	50	75.00	37.50	80
200	65	97.50	48.80	130
300	80	120.00	60.00	150

Additional information may be obtained from the nearest office of the Bureau of Old-Age and Survivors Insurance. The location of this office can be obtained from any post office.

Bred Sows Need Balanced Ration

Feeding a balanced ration to bred sows, especially gilts, is of major importance in obtaining the largest possible litter at farrowing time. The size of pigs at birth and their rate of growth during the first few weeks of their lives are also improved by proper feeding of the sow during pregnancy, according to specialists at Texas A. & M. College.

The most practical and satisfactory ration for bred gilts is corn or grain sorghums supplemented with a protein feed and a legume pasture. If a legume pasture is not available, legume hay may be substituted.

In addition to the grain, protein supplement, and pasture, the sows and gilts should be given free access to an adequate mineral mixture containing ground limestone, salt, and bone meal.

Market Corn Through Pigs

Marketing the corn crop through pigs usually brings a higher return to the farmer than selling corn as a cash crop, according to Louisiana State University specialists.

The practice of hogging-off corn and beans during the late summer or early fall is favored by many Louisiana hog producers, while others prefer to harvest the corn and feed the pigs in a feed lot. Both methods are satisfactory but, regardless of the method used, farmers should give special attention to the following management practices:

1. Use only quality feeder pigs, free from external and internal parasites;
2. Vaccinate all pigs for cholera;
3. Self-feed the corn, protein supplement, minerals, and salt; and
4. Make sure that the hogs have plenty of clean, fresh drinking water.

Louisiana State University specialists point out that profits generally will be increased further if the hogs have access to green pasture.

Low-Cost Feeds for Steers

Searching for low-cost, locally grown feeds for the West Cross Timbers section of Texas, the experiment station at Stephenville recently conducted tests with peanut hulls, Johnson grass hay, and vetch screenings as feed for fattening steers.

Results of 1 year's tests of these feeds are reported in Progress Report No. 1264, issued by the Texas Agricultural Experiment Station. Definite cattle feeding recommendations are not made in this report, since 1 year's tests are not considered as conclusive evidence. However, the results obtained during the first year suggest that the locally grown feeds mentioned above can be used satisfactorily in rations for fattening steers. As might be expected, a longer feeding period is required when these rations, which are high in roughage, are used.

One fact—the importance of adding Vitamin A supplement to these low-quality rations—was proved quite conclusively by the 1950 tests. Loss of appetite and some night blindness—symptoms of Vitamin A deficiency—were evident about the fifth month of the feeding period in each lot of steers under test. However, the addition of two ounces of cod liver oil every other day until 20 ounces had been fed completely eliminated these troubles.

Four lots of steer calves averaging about 400 pounds per head were placed in the feed lots in November 1949. The average daily ration fed per steer during the feeding period which ended May 6, 1950, was:

Average ration	Lot No. 1	Lot No. 2	Lot No. 3	Lot No. 4
Ground ear corn, lbs.	10.66	11.66	10.94	2.86
Vetch screenings, lbs.	-----	-----	-----	7.16
Peanut meal, lbs. . .	3.09	3.39	3.13	1.76
Peanut hulls, lbs. . .	6.87	7.54	-----	-----
Johnson grass hay, lbs.	-----	-----	6.87	5.87
Bone meal, oz.	2.03	2.27	2.08	1.69

A summary of the results shows:

	Lot No. 1	Lot No. 2	Lot No. 3	Lot No. 4
Average daily gain, lbs.	1.95	2.26	2.05	1.98
Feed cost per 100 lbs. gain	\$17.07	\$15.89	\$18.56	\$12.26
Return per steer (no charge for interest or labor)	\$55.32	\$73.63	\$60.91	\$62.61

Further experiments with these feeds are planned to obtain additional information and to check the results of the 1950 tests.

Grain Sorghums for Poultry Feed

Grain sorghums are equal to, and in some cases surpass, corn as feed for poultry, according to Joe P. Davis, poultryman at Oklahoma A. & M. College.

This conclusion is based on the results of tests covering the first 12 weeks of the chicken's life. Several varieties of grain sorghums were used and were compared with corn grown in the same vicinity. Both rate of growth and feed efficiency in the pens receiving grain sorghums compared favorably with those receiving yellow corn. On the basis of feed efficiency, African Millet and Dwarf Red Kafir were about equal to corn, while Atlas, Bonita, Dwarf Feterita, Plainsman Milo, and Resistant Wheatland gave results slightly superior to corn. This is encouraging news to southwestern poultrymen, in view of the record sorghum crop being harvested this fall and the fact that, generally, grain sorghums may be purchased at a slightly lower cost than yellow corn.

Poultrymen are reminded that neither grain sorghums nor corn, alone, makes a satisfactory poultry feed. Both should be supplemented with suitable protein feeds, minerals, and vitamins.

L.P. Fuels Cut Tractor Costs

Conversion of farm tractors to the use of low-pressure fuels, such as butane and propane, has gained rapidly in popularity during the past year. Opinions on the practice differ rather widely, particularly with respect to its safety.

Nevertheless, many farmers have found it profitable to convert their equipment to the use of these lower-cost fuels. They point out that actual fuel costs are reduced and, because the low-pressure fuels burn cleaner, overhauling and repair costs are also reduced materially. When properly handled, the danger of explosion or fire is not much greater than from the use of gasoline.

J. A. Dilts, agricultural engineer at Oklahoma A. & M. College, urges farmers who are considering the use of butane and propane in their tractors to consult their implement dealer and make certain that the tractor engine is modified properly for the use of these low-pressure fuels. A higher compression ratio is essential in order to take full advantage of the high octane rating of butane and propane.

If the tractor is quite old, it may be advisable to trade it in on a new model which is factory equipped for low-pressure fuels, since conversion of older engines usually is not satisfactory. Conversion of the tractor is accomplished most economically when the engine is in need of new pistons or rings, as the most common method of raising the compression ratio is to replace the standard pistons with "altitude" or high-compression pistons.

Mr. Dilts warns farmers that use of low-pressure fuels in tractors that have not been converted or that have been incorrectly converted is not only dangerous but will result in an extremely unsatisfactory operation.

The life "expectancy" of the average farm tractor has increased 50 percent since 1941, according to specialists at Louisiana State University. With proper care, farm tractors can be expected to be useful for 20 years.

Buy Insecticides Early

Insecticides for the control of cotton insects are likely to be in scarce supply during the peak of the poisoning season next spring and summer, according to A. C. Gunter, associate

extension entomologist of Texas A. & M. College.

In view of this possibility, Gunter urges farmers to purchase now their minimum insecticide needs for next summer. He points out that insecticide manufacturers have limited storage space, and when this space is completely filled they must cease operations. Farmers and distributors can help relieve the storage problem and eliminate transportation difficulties during the summer season by taking delivery now on the insecticides they will need.

Mr. Gunter points out that insecticides are as cheap now as they will be any time during the next year and that there is a good possibility that next summer they may be even higher in price, as well as hard to get.

Storing of sprays and dusts is not difficult. The dusts should be stored in a dry building and the spray containers stored where the containers will not be damaged. Both types of materials can be safely stored for at least 12 months. Freeze will not damage the sprays or dusts, and as long as the package is not broken there is no danger of deterioration.

Publications

Louisiana Agricultural Experiment Station,
Baton Rouge:

Beef Cattle—The Cow and Calf Plan,
Extension Publication 1058, by W. T. Cobb.

Tractor Care Saves Wear, Extension Publication 1061, by Mansel Mayeux.

Oklahoma Agricultural Experiment Station,
Stillwater:

Feeding Trials with Mineral and Protein Supplements for Two- and Three-Year-Old Steers Wintering on Dry Grass,
Bulletin No. B-359, by O. B. Ross and others.

Texas Agricultural Experiment Station, College Station:

Ground Cotton Stalks, Ground Gin Trash and Cottonseed Hulls in Rations for Growing Yearling Steers, Progress Report 1277, by A. A. Melton and others.