



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 775

Wednesday, November 4, 1964

PAN AMERICAN HIGHWAY, BOON TO AGRICULTURE

Only 450 miles of jungle clearance and 2 to 3 years more work are needed for completion of the Pan American Highway - a 9,000-mile dream begun in 1930 and now an 8,550-mile reality. According to the Foreign Agricultural Service, the impact of this great project already has been felt by Latin-American farmers linked to the main highway by 28,000 miles of feeder roads that provide access to farm-lands. Results of the project have been new crops, new farm settlements, widened markets, and better prices for farm crops. For example, Mexico's prosperous citrus industry is located along the highway south of Monterey. In Guatemala, isolated farming regions are being opened up, and in higher areas, truck transportation is helping to make wheat a commercial crop. Near El Salvador, coffee and sugar cane are now cultivated extensively, and Nicaraguan farmers have started an irrigation project near the highway in order to produce bananas for export and rice for domestic use. The highway stretches from the U. S.-Mexico border into Argentina, passing through all of the countries of Central and South America and linking their capitals.

NEW FINANCING FOR COLLEGE STUDENTS

A number of production credit associations are offering new-type loans for college students, according to the U. S. Department of Agriculture. In the Baltimore, Maryland, area, students may apply for the loans themselves, if they are sponsored by financially responsible adults. Loans cover tuition, room and board, clothes, books, and other costs incidental to education, regardless of courses chosen or future vocation. Production credit association loans available include a 7-year repayment plan, a 4-year plan with a refinancing option, and a plan in which the student pays back 25% of the principal by working during the summer.

FOREIGN CONTRACT WORKERS IN AGRICULTURE

The number of foreign contract workers employed in U. S. agriculture during August 1964 totaled 68,700, according to the U. S. Department of Labor. This figure included 64,500 Mexicans, 2,500 West Indians, 1,300 Japanese and Philipinos, and 300 Canadians. Over one-half of the Mexican workers were located in California, where demand for bracero labor was slightly greater than a year earlier, principally because of the timing and abundant yield of the tomato crop. Approximately 12,800 Mexicans worked in the Michigan pickle harvest, and 10,400 were employed in Texas - mainly in cotton cultivation and cucumber gathering. About three-fourths of the British West Indians worked in the shade tobacco harvest in Connecticut and Massachusetts, the Canadians cultivated potatoes in Maine, and the Japanese and Philipinos harvested vegetables in California.

CROP INSURANCE CLAIMS TO BE PAID IN TEXAS

The Federal Crop Insurance Corporation will pay Texas farmers over \$1.5 million this fall in loss claims for drought and storm damage, mainly to cotton, estimates Secretary of Agriculture Freeman. All such payments are from premium income. Nationally, the premium money farmers have paid in during the past 16 years has covered all loss claims paid out.

L I V E S T O C K

The Fort Worth cattle run during the week ended Thursday, October 29, totaled an estimated 8,900, or about one-fourth more than both a week earlier and a year ago. According to the Agricultural Marketing Service, demand for slaughter steers and heifers was poor, and closing quotations were 50¢ to \$1.50 per cwt. lower than on the previous Thursday. Good 920- to 1,100-lb. slaughter steers brought \$20 to \$21.50 per cwt., and Utility and Commercial cows sold at \$11 to \$13.25. Prices for all classes of feeder cattle were mostly steady with the preceding week's close; Good yearling steers weighing up to 700 lbs. were quoted at \$15 to \$18.50 per cwt.

Calf offerings are placed at 2,400, reflecting decreases of 11% from the previous week and 19% from the corresponding 1963 period. Slaughter calves sold at prices which were 50¢ to \$1 per cwt. lower than on the preceding Thursday. Good grades of killing calves brought \$16.50 to \$18.50 per cwt., and quotations for 250- to 500-lb. stocker steer calves ranged from \$15.50 to \$19.50.

The hog supply of an estimated 925 compared with 800 a week ago and 1,500 a year earlier. Quotations on barrows and gilts in the latter part of the week were at the lowest levels since May. The majority of the U. S. No. 1 through No. 3 Grades of 190- to 255-lb. butchers sold at \$14.75 to \$15.25 per cwt.

Sheep and lamb receipts, at approximately 3,000, were moderately above the previous week but were only about one-third of the year-earlier supply. Trading was fairly active at fully steady prices. Most of the Good and Choice 66- to 105-lb. woolled slaughter lambs brought \$18 to \$20.50 per cwt. Recent beneficial rains in many parts of the sheep and goat areas southwest of Fort Worth indicate favorable pastures this fall and winter - a fact that has tended to strengthen the market for feeder and breeder stock.

P O U L T R Y

For the week ended Friday, October 30, the major Texas commercial broiler markets opened weaker, reflecting price declines in other broiler-producing areas of the Nation. Markets in both south and east Texas were about steady throughout the trading period, although at Friday's close, the undertone was unsettled and weakening, according to the State Department of Agriculture. Closing prices in south Texas were 14.5¢ to 15¢ per lb., and those in east Texas ranged from 13¢ to 14.5¢. During the corresponding 1963 period, closing quotes in south Texas were 15¢ to 15.5¢, and east Texas prices ranged from 14¢ to 14.9¢.

On Monday, November 2, commercial broiler markets were weaker in south Texas and about steady in east Texas. Quotations per lb. were 14¢ in south Texas and 12.8¢ to 14.5¢ in east Texas.

	Area	Week ended October 24, 1964	Percent change from	
			Previous week	Comparable week, 1963
BROILER CHICK PLACEMENTS	Texas.....	2,406,000	0	6
	Louisiana..	577,000	7	20
	22 states..	34,922,000	-4	0