

FARM AND RANCH BULLETIN

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TEXAS CITRUS PRODUCTION UP, PRICES DOWN

Texas citrus growers face the prospects of expanded output and depressed prices. Total U.S. orange production this season, excluding California Valencias, is expected to increase 15 percent over last year's record crop, reaching 8.5 million tons.

The grapefruit crop, excluding fruit grown in the nondesert areas of California, is expected to reach 2.6 million tons, 24 percent more than last season. The last grapefruit crop to reach 2.5 million tons was in 1945-46. As a result of the increase in production, citrus prices can be expected to drop to the lowest levels in several years.

CITRUS PRODUCTION BY STATE

(In thousands of tons)

Crop and state	1969-70	Indicated 1970-71	Percent change
Oranges			
Arizona	179	203	13
California ¹	795	525	-34
Florida	6,197	7,560	22
Texas	189	230	22
Grapefruit			
Arizona	101	102	1
California ²	103	106	3
Florida	1,590	2,083	31
Texas	324	352	9

¹ Excluding Valencias.

² Desert valleys only.

SOURCE: U.S. Department of Agriculture.

The Texas orange crop, which accounts for 2.5 percent of the nation's production, will increase 22 percent to 5.1 million 90-pound boxes. The early and midseason crops are estimated at 3.5 million boxes, 25 percent more than last season. The Valencia crop is forecast at 1.6 million boxes,

14 percent more than last year. Good moisture conditions in the Rio Grande Valley have also helped in the sizing of fruit.

Because of large California and Florida harvests, most of the Texas oranges are expected to be sold within the state. Prospects of increased revenues from frozen concentrated orange juice sales are weakened by Florida's increased production of frozen concentrated orange juice and a large carryover of concentrate from last season.

Texas, the second largest producer of grapefruit, accounts for 17 percent of the nation's production. Florida accounts for 70 percent. The Texas crop, forecast at 8.8 million 80-pound boxes, reflects a 9-percent increase over last year. Some of this gain is due to the large sizes of grapefruit resulting from recent heavy rains.

The harvest got underway in early September, and the first oranges were shipped about mid-month. Heavy showers delayed picking later in the month, but the harvest was in full swing again in October. The grapefruit harvest began early last month but remained fairly light until November.

"Financing Agriculture in the Urban Age" is the theme of the 19th National Agricultural Credit Conference to be held in Atlanta, Georgia, November 15-17. Chairman of the conference — sponsored by The American Bankers Association — is Edward M. Norman, chairman of the A.B.A. Agricultural and Rural Affairs Committee and president, First National Bank, Clarksville, Tennessee.

1970 Pecan Prospects

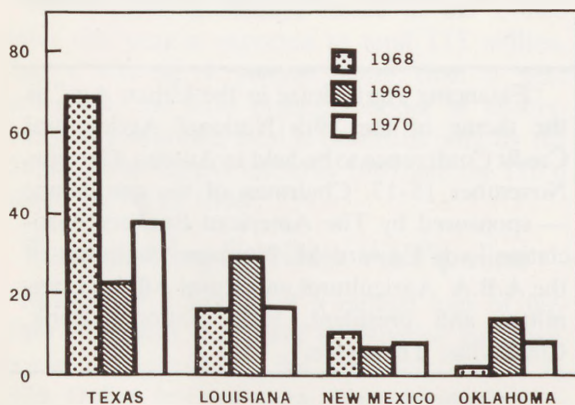
The USDA has forecast the nation's 1970 pecan crop at 156 million pounds, 31 percent less than last year's crop and 19 percent below that in 1968. The 1969 crop sold for an average 30 cents a pound, and the 1968 crop brought the highest average price of the decade — 37 cents a pound. Of the 11 major pecan producing states, only Texas and New Mexico are expected to harvest larger crops this year than in 1969. Excessive droppage created by heavy rains in Georgia during August and the lingering effects of last year's hurricane in Alabama account for much of the reduced production this year.

The Texas pecan set is rated fair to good in most sections of the state, and the state's crop is forecast at 38 million pounds, 65 percent above a year ago. In contrast to the 1969 bumper crop in the Red River area, much of this year's harvest will come from the central producing areas of the state. Production in the Gonzales-Seguin area of south-central Texas ranges from poor to fair. Growers report some insect damage has been experienced, and some droppage occurred during August.

In spite of heavy droppage in August, the pecan crop in New Mexico is forecast at 8 million pounds, 19 percent greater than the harvest a year ago. Most of this year's crop is located in the Mesilla Valley, and a relatively poor harvest is expected in the Pecos Valley.

District pecans in a nutshell

MILLION POUNDS



1970 projected

SOURCE: U. S. Department of Agriculture.

In other Eleventh Federal Reserve District states, the Louisiana and Oklahoma pecan crops are forecast at 17 million and 8 million pounds, respectively. These estimates are 43 percent and 45 percent below 1969 production levels. Pecan prospects in Louisiana are very spotty but generally poor, with droppage continuing in most areas. The Oklahoma crop is spotty because of dry weather this summer, which limited the sizing of nuts.

Peanuts — An Important Crop In the United States

To peanut growers, shellers, brokers, wholesalers, salters, and manufacturers of peanut butter, candy, and similar products, peanuts are an important U.S. crop. Per capita consumption in the nation is close to 6 pounds a year and is rising, the USDA reports.

Peanut harvesting starts in Texas in July and lasts into November in the Virginia-North Carolina-South Carolina area. In the southeastern and southwestern production areas, most of the harvesting is done in August and September.

PEANUT PRODUCTION

(In thousands of pounds)

Area	1969	1968	1967
New Mexico	16,340	17,696	15,920
Oklahoma	204,000	227,480	209,100
Texas	408,375	426,300	333,450
Total	628,715	671,476	558,470
United States	2,552,875	2,542,841	2,473,385

SOURCE: U.S. Department of Agriculture.

Spanish peanuts, which are used in making candy and peanut butter and are sold for salting, are grown mainly in the Southwest. The larger kernal runner-type peanut, used mainly for peanut butter, is the principal type grown in the Southeast, although the area produces Virginia- and Spanish-type peanuts as well.

Growers in Virginia and North Carolina begin harvest of Virginia-type peanuts in mid-September. These are generally sold for salting or for roasting in the shell as the so-called "ball park" peanut.

Harvest starts in October for New Mexico's Valencias, the only peanut with three or more kernels. Valencias are also roasted in the shell.

1969 Farm Income Advances In District States

Realized gross farm income in the Eleventh Federal Reserve District totaled nearly \$6.6 billion in 1969, 9.4 percent higher than a year earlier. Cash receipts from farm marketings amounted to 83 percent of total farm income, and Government payments made up 12 percent of the total. Gross rental value of farm dwellings and the value of home consumption of farm products accounted for the remainder.

Total net farm income, which includes adjustments for net changes in farm inventory valuations, was almost \$2 billion, or 2 percent more than in 1968. In the District states, net farm income in Louisiana declined 12 percent last year, and farm income decreased slightly in Arizona and Texas. Oklahoma registered the largest in-

crease in total net farm income with a gain of 12.5 percent, followed by New Mexico with a 9.6-percent rise.

Last year, total production expenses on District farms grew 11 percent, to \$4.8 billion. The distribution of production costs was little changed from 1968, with operating expenses and depreciation accounting for 75 percent and 15 percent of total expenses, respectively.

The distribution of cash receipts in the District last year was heavily weighted to increased marketings of livestock. As a percentage of total farm marketings, cash receipts from livestock advanced 8 percentage points in Louisiana, New Mexico, and Texas; 7 percentage points in Arizona; and 4 percentage points in Oklahoma. Greater livestock marketings in the District were the result of increased livestock production, higher livestock prices, and reduced crop production.

Farm Income, 1969

Five Southwestern States

(In millions of dollars)

Area	Realized gross farm income						Total net farm income
	Cash receipts from farm marketings	Government payments	Value of home consumption	Gross rental value of farm dwellings	Total		
Arizona	662.0	47.8	5.6	18.1	733.5	184.2	
Louisiana	572.2	52.3	13.7	60.7	698.9	249.8	
New Mexico	390.3	41.6	4.1	11.6	447.6	135.2	
Oklahoma	939.3	115.2	15.6	44.5	1,114.6	297.8	
Texas	2,905.3	505.2	30.3	143.7	3,584.5	1,118.8	
Total	5,469.1	762.1	69.3	278.6	6,579.1	1,985.8	

NOTE. — Details may not add to totals because of rounding.
SOURCE: U.S. Department of Agriculture.

Farm Production Expenses, 1969

Five Southwestern States

(In millions of dollars)

Area	Total current farm operating expenses	Depreciation and other consumption of farm capital	Taxes on farm property	Interest on farm mortgage debt	Net rent to nonfarm landlords	Total production expenses
Arizona	486.3	29.2	17.3	16.6	24.0	573.4
Louisiana	312.9	97.0	9.9	29.9	7.3	457.1
New Mexico	260.2	34.2	7.0	16.7	3.7	321.8
Oklahoma	606.6	162.7	37.5	36.4	13.4	856.5
Texas	1,880.8	376.0	115.7	117.7	38.3	2,528.5
Total	3,546.8	699.1	187.4	217.3	86.7	4,737.3

NOTE. — Details may not add to totals because of rounding.
SOURCE: U.S. Department of Agriculture.

Distribution of Cash Receipts From Farm Marketings, by Commodities, 1969

Five Southwestern States

(Percent of state total)

Commodity	Arizona	Louisiana	New Mexico	Oklahoma	Texas
All commodities	100.0	100.0	100.0	100.0	100.0
Livestock and products	55.8	44.5	76.6	72.1	61.3
Cattle and calves	47.1	21.3	65.7	57.3	41.6
Sheep and lambs .....	.6	(1)	1.5	.2	1.3
Hogs .....	.8	1.4	1.1	3.1	2.4
Dairy products	5.7	12.2	5.4	7.6	6.7
Poultry and eggs	1.1	9.4	1.8	3.4	7.8
Other livestock .....	.1	.1	.2	.9	.5
Crops	44.2	55.5	23.4	27.9	38.7
Wheat	1.0	.1	1.7	13.2	2.9
Rice	—	16.7	—	—	3.2
Hay	3.4	.3	4.2	1.7	.8
Sorghum grain	2.5	.1	4.0	2.0	10.9
Barley	1.4	—	.1	.7	.1
Oats	—	(1)	—	.1	.2
Corn .....	.1	.3	.1	.2	.6
Cotton	11.0	7.4	4.5	3.0	10.4
Oil crops	—	13.2	.8	3.8	2.4
Vegetables	15.7	3.8	4.8	.6	4.4
Fruits and nuts	5.3	1.7	1.2	.7	1.0
Other crops	3.7	11.8	1.9	1.7	1.7

¹ Less than 0.05 percent. Percentages may not be accurate to 0.1 because of method of machine computation.
SOURCE: U.S. Department of Agriculture.

Insecticide Restrictions

A number of steps have been taken during the past year on both the Federal and state levels to selectively restrict the use of "persistent" insecticides by farmers. And more such moves can be expected in the near future, according to the USDA.

On the list of persistent insecticides are many chemicals farmers have long depended on for effective insect control. Most of the concern is related to the use of aldrin, DDT, and dieldrin, but there is also some worry about the use of benzene hexachloride, heptachlor, lindane, Strobane, TDE, toxaphene, and other organochlorines.

Organochlorines — the persistent insecticides — have been the most widely used insecticides in the United States as well as throughout the world. They are effective against a large number of pests, are relatively safe to handle, are fairly cheap, and have a long residual life which reduces the number of applications needed for effective control.

But one of the major good points of organochlorines, their long residual life, is also one of

their major bad points in the eyes of those concerned with environmental quality. Their residue sometimes remains active in soil and water long after application. As a result, the insecticides can be hazardous to certain species of fish and wildlife. The residue also tends to accumulate in the fatty tissues of human beings and other warm-blooded animals. However, no harmful effect on humans has yet been detected.

The best alternatives to organochlorine insecticides are organophosphorous and carbamate insecticides. These are already used where it is necessary to avoid residue in marketed food and feed products and where the organochlorines do not provide adequate control. But these substitutes are often higher priced than the organochlorines, and they usually must be applied more frequently for effective insect control. Although they degrade more quickly in our environment and pose no serious long-term residue problem, some, when first applied, are toxic to man and other warm-blooded animals, as well as to predatory insects. The major carbamate, carbaryl, is relatively harmless to humans, but it is deadly to bees and to insect parasites and predators.

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