

Weekly Market Review

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Service

Farm Cost-Price Squeeze Tightens

Declining prices on farm commodities such as fed cattle, hogs, lambs, eggs, milk and last winter's sharp break in wheat prices are combining to stir up unrest among farmers. Price declines are old hat to farmers but what is aggravating the situation is the continued rise in cost of production. The discomfort is in the cost-price squeeze. The upshot of this in the Midwest is a farm boycott on milk deliveries, and deliberate marketing of pregnant cows and sows. Southern Plains wheat farmers, meantime, are talking about plowing down the increase in acreage planted for harvest this year. But unless rains come quickly, drought will wipe out part of the Plains crop.

There was some respite from lower prices on Oregon farm commodities the past week but prices remain below the recent highs.

Fed Cattle Prices Improve

In the cattle markets, slaughter steer prices advanced for the third week in a row to a top of \$26.20 on choice steers at Portland. Pacific Coast fed cattle prices in general improved from their recent lows, but Corn Belt markets did not share in the price increase. Farmers there continue to market more cattle than a year ago and they are selling more of the lower grade cattle. This may be an indication that feedlot inventories of heavy, highly finished cattle may soon be worked off.

Here on the Pacific Coast, California has fewer cattle in feedlots now than last spring and the supply of finished cattle is short of packer needs. Because of this, California packers have been competing for available supplies in Idaho and Utah. Idaho usually supplies large numbers of fed cattle to Oregon packers. Whether or not the West Coast price advantage in relation to Mid-west beef will be maintained remains to be seen. Regional market supplies are readily equalized by modern methods of distribution.

While Northwest fed cattle prices advanced the past week, feeder cattle held unchanged. But feeder cattle prices have been favorable right along while fed cattle prices have been dropping. Prospects of good spring grazing in the Northwest and in California should help hold prices upon feeder cattle, although there may be distress sales in the drought stricken

Oregon Farm Cash Sales Set Record; Farm Total Drops

Cash sales by Oregon farmers hit a new record high in 1966, topping the 1965 level by some eight per cent.

The cost of farming also went up in 1966, according to the preliminary estimates quoted by Mrs. Elvera Horrell, extension agricultural economist at Oregon State University.

Livestock sales, notably cattle and calves, jumped 14 per cent over 1965, while crop sales were up some 3 per cent. Biggest contributors to the increase in the value of crops were strawberries and cherries.

Addition of some \$24 million in government payments, about the same as last year, brought total cash received by the state's farmers to \$538 million. While dollar figures for farm operating costs aren't out yet, Mrs. Horrell says indications are that feed and livestock will prove to have cost farmers more in 1966, but the total amount spent for hired labor and seed may show some decrease.

The trend toward fewer but larger farms continued during the year, says Mrs. Horrell. There were some 40,500 farms in Oregon at the start of 1967, according to U. S. Department of Agriculture estimates. This is 1,500 less than a year earlier and the smallest number of farms in the state since near the turn of the century. Acreage per farm is up sharply.

More farm sales and fewer farms add up to a boost in the income of individual farmers, points out Mrs. Horrell. The net income per farm in 1966 is estimated to be \$3,865, 14 per cent above 1965 and the highest since records were started in 1949.

Oregon is still below the national average income per farm, which is \$5,024. Lowest average farm income for the year was in West Virginia where the figure was \$1,055. Arizona, at \$21,071, was tops in this department.

Harley Sager of the Heppner branch, First National Bank, completed a course in commercial loan training in Portland March 20 after attending sessions for a week. A first week of training in the course was in January. The Sagers spent a week prior to the March class on vacation in Hay, Wash., and in Enterprise, visiting with relatives in both places.

southern plains if rains do not arrive soon.

Hog Prices Sag to Two-Year Low
In the hog markets prices dropped to the lowest level in nearly two years at Portland and at Corn Belt markets. Hog marketings and pork production tapered off some from the recent high levels, but with larger cold storage holdings and competition from large supplies of other meats, packers were reluctant to bid up hog prices.

Spring Lambs Lower This Year
Lamb prices improved in recent weeks after sliding down to a long time low but fed lambs have not been profitable this winter. That is because the lambs in feeder flesh cost more than they returned in the market when they reach slaughter finish.

Spring lambs should bring better prices, however. The early spring lamb crop is smaller than it was last year. The season's first spring lambs sold in Portland at \$24. In California, spring lambs sold in a range of \$23 to \$23.50 last week.

The Wheat Field

By GEORGE W. DEWEY
Legislative Counsel,
Oregon Wheat League

The question of "How do you keep prime agriculture land from going to other uses" is not only one that faces the Oregon State Legislature but is being considered in most other states.

Attempts to ease the dilemma faced by Oregon farmers whereby 27% of their net income goes to pay property taxes is now featured in three bills currently before the State Legislature.

Representative Lawrence Smith R-Corvallis, has introduced

Oregon Farmers Increase Wheat Acreage Sharply

Oregon farmers plan to increase planted acreages of wheat, sugar beets and potatoes, according to survey results just released by the Oregon Crop and Livestock Reporting Service.

Intended spring wheat acreage at 120,000 acres, is up sharply to 67 percent more than a year ago. Spring wheat acreage, plus the large winter wheat acreage planted last fall, equals 1,117,000 acres, 33 percent more than planted in 1966. The increased wheat acreage is in response to larger 1967 wheat acreage allotments and will be planted on land previously in feed grains, hay pasture, other crops, conservation reserve and land previously idle.

If Oregon farmers carry out their planting intentions, the following crop acreages will decrease: Spring and winter barley, down 13 percent; spring and fall sown oats down 11 percent; rye for grain, down 7 percent; dry peas, down 9 percent; and hay acreage for harvest, down 1 percent. Field corn acreage is expected to be the same as a year ago. Oregon farmers intend to plant 6 percent more sugar beets and 7 percent more potatoes.

Heavy precipitation in November and December, plus a mild winter, brought fall sown grains through the winter in good condition. Some concern is being expressed over the possibility of an outbreak of striped wheat rust. Spring planting is in progress at lower elevations in eastern Oregon. Field work has been hampered in western Oregon by recent rains.

Choose Group's Name

At our Camp Fire Girls meeting last Monday at the Christian church, we discussed our Camp Fire Girls' Camp. Then we chose our name, "A o wa ki ya" which means band together in purpose. Then we discussed symbols for our group's name. We then had refreshments.

Robin and Wendy, reporters

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Showing of Rust Brings Concern

By GENE WINTERS
County Extension Agent

Stripe rust and powdery mildew continue to concern a number of wheatgrowers in the Oregon Columbia Basin wheat counties.

A survey of these counties two weeks ago by R. L. Powell, Oregon State University Associate Plant Pathologist, found stripe rust in almost every field visited. The rate of epidemic development had lessened since the first part of February. Much of the foliage on which rust previously was present has since died.

Morrow county with Gilliam

county, appears to have less stripe rust than Sherman, Umatilla and Wasco counties. Mild temperatures last fall and winter conformed closely with those conditions considered necessary for the development of the disease. Conditions differ in several respects from that of a few years ago when stripe rust assumed epidemic proportions. The most important was the vast majority of county wheat acreage now planted to adult resistant varieties, such as Gaines and Moro, rather than the susceptible varieties Omar and Itana or the intermediate resistant variety, Burt.

Powdery mildew was found in most areas surveyed by Powell. It was noted that the severe leaf yellowing and dead leaves widespread last year in Morrow county was observed only in northern Wasco county. Powdery mildew fungus overwinters in wheat stubble and straw or volunteer wheat. With the arrival of warm dry weather, the fungus usually becomes inactive. Under damp conditions wheat plants may be damaged severely.

Care Needed on Using Wheat Lands for Pasture

The slow growth of forage grasses until the rain and snow of a week ago has resulted in using wheat as pasture. Pasturing wheat is a common practice in the southern half of the Great Plains, except in dry years. In Morrow county, with a different pattern of rainfall, care must be used or wheat yields may be reduced to the point of being rather expensive pasture.

With little research data available for pasturing winter wheat in this area, individual growers' experiences may indicate whether it is a good or bad practice.

In other areas it has been well established that livestock

Grain Exports Show Increase

Grain inspectors of the Oregon Department of Agriculture checked 15,148 more tons of grain for export out of Portland in March than in February, but were 75,464 tons behind the exports for March, 1966.

The figure for this March was 203,782 tons, with 194,598 tons of this wheat and the remainder barley.

Grain receipts at Portland in March were down to 217,457 tons from 239,895 tons in February of this year. The March, 1966, figure was 307,334 tons.

Protein analyses made on wheat in the Grain Division laboratory totaled 2,590 in March, compared with 2,274 in February of this year and 3,593 analyses in March, 1966.

Division records showed that grain from seven states east of the Rocky Mountains moved through Portland in March. These states were Montana, Nebraska, Colorado, Kansas, Iowa, North Dakota and South Dakota.

At the Pendleton office of the grain division 187 track inspections were made on wheat and, at Merrill, there were 22 track inspections, 11 out-inspections, 10 hopper-track inspections, and 33 hopper-out inspections.

should be removed from the wheat when the plants grow erect just previous to jointing. Wheat plants may be injured at any time after their growing points are above ground. In areas with nearly identical heading dates, as found in this county, the growing tips of winter wheat enlarged and began the reproductive stage forming spikes about April 1 or 60 days before heading. Pasturing at this time reduced wheat yields 20 to 40 per cent.

Wheat plants usually begin jointing at heights between four and six inches.

Rainfall Averages Reported

Not all the March weather observers rainfall reports are in, but it appears that in several communities precipitation is below normal for the third consecutive month. Seasonal averages for the 1966-1967 agricultural weather year are near average for two of the official weather observers.

Take Judging Tour

On March 18, seven of our Pine City 4-H Livestock club members went on a judging tour to five ranches in this area. We judged six different groups of animals. At our meeting on March 23, at Clarence Frederickson's, Mr. and Mrs. Gail McCarty came to show a movie about beef. The movie was interesting to our club. We are planning to have a trail ride April 15. Our ride during spring vacation was postponed because of bad weather. Mrs. Frederickson served soda pop and cup cakes. The next meeting will be at the George Luciano home on April 27.

John Myers, reporter

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