Feed Supplies Reach Record Totals This Year

Outlook For 1958: Plentiful Supplies

Total feed concentrate supplies, which reached 200 million tons for the first time in 1956, increased another six per cent to a record of 213 million tons for the 1957-58 season. The big supply this year is the result of a favorable growing season and record stocks of 47 million tons carried over from previous years, according to a report from the USDA.

Domestic consumption, the report says, is expected to be a little heavier in 1957-58 than last year and exports of feed grains are expected to continue near the high rate of the last two years. Even with this heavier disappearance a further increase of around 10 million tons in carryover stocks into 1958-59 is in prospect.

Not only are feed concentrate supplies ample for this season, but the big carryover in prospect for next year practically assures adequate supplies for 1958-59 as well. A carryover of around 57 million tons would provide adequate feed concentrate supplies even if the 1958 growing season should be the poorest in 50 years.

The 1957 growing season was favorable for both feed grains and forage crops. Record supplies of feed grains and hay are available, both in total tonnage and in relation to the number of livestock to be fed. Supplies are also much better distributed by areas this year than in any of the last four or five years. Drought areas in 1957 were comparatively small — they were confined largely to the Eastern states and local areas of the Southwest.

The 1957-58 corn supply, estimated in October at 4,663 million bushels, is slightly above the record 1956-57 supply and a fifth larger than the 1950-54 average.

The 1957 crop of 3,305 million bushels is expected to exceed our total requirements by around 100 million bushels, leaving a carryover into 1958-59 of around 1,450 million bushels.

GRAINS

Supplies of barley and sorghum grains for 1957-58 also are the largest of record, while the oat supply is slightly above average. The sorghum grain supply increased sharply to nearly 600 million bushels, more than double last year's supply. Large quantities of sorghum grains and barley are being placed under price support and very large stocks of these grains are expected to be carried over into 1958-59.

Feed grain prices are expected to average somewhat lower in 1957-58 than in 1956-57. In the first half of October market prices averaged around 10 per cent lower than a year earlier. They probably will continue lower than last year at least through the winter and spring as a result of the larger 1957 crops and lower price supports. There probably will be less than the usual seasonal increase in feed grain prices from this fall to next spring. Feed grain prices made practically no seasonal gains during 1956-57.

The national average support rate for 1957 corn is $1.40 per bushel for producers in the commercial area complying with their acreage allotments, and $1.10 for noncompliers. Since a comparatively small percentage of the farmers in the Corn Belt are eligible for the $1.40 per bushel support, corn prices probably will average lower this coming winter and spring than the $1.21 per bushel average in that period of 1956-57.

Supplies of high protein feeds for 1957-58 are expected at least to equal the large supply of last year. Production of soybean cake and meal may be a little larger than last year's record outputs of 7.5 million tons, while smaller production of cottonseed and linseed meal is in prospect. Although the number of livestock consuming these feeds is expected to increase, supply per animal unit is expected to be near record. Prices of high protein feeds in early October were only slightly lower than a year ago and they may average near last year's level for the 1957-58 feeding season.

HAY SUPPLIES

The 1957-58 hay supply totals about 139 million tons, 11 per cent larger than last year and the largest on record both in total and per roughage-consuming animal unit. The supply includes a bumper hay crop of over 121 million tons and a carryover of nearly 18 million tons. The total number of roughage-consuming animal units is expected to be a little smaller than in 1956-57 as a result of a decline in the number of cattle. The supply per animal unit, of about 1.5 tons, is about 14 per cent above the 1950-54 average.

The 1957 season was unusually favorable for hay crops over much of the country. Weather has been especially favorable in the Central and Western states, resulting in very heavy yields and more than the usual number of cuttings of alfalfa and other hay crops. The production of alfalfa and alfalfa mixtures totaled 69 million tons, an increase or 14 per cent over 1956. Alfalfa has been increasing as a percentage of the total hay crop. Production this year made up 57 per cent of the total.

In addition to the big hay supplies, summer and fall pastures have generally been the best in recent years. Pastures were unusually good in the spring and early summer, then declined to about average by September 1. Pastures improved during September and in early October they were again well above average.

The soybean meal supply for 1957-58 is expected to total around 7.8 million tons, a little above the 7,620,000 last year. Although the 1957 soybean crop is up seven per cent from last year, quantity processed is expected to be only two or three per cent larger. Exports probably will not differ greatly from the record of 450,000 tons last year. This would leave a little larger supply available for feeding than in 1956-57.

The supply of cottonseed meal is expected to nearly equal 2.5 million tons in 1956-57. The 1957-58 output is expected to be somewhat below the 2,289,000 tons produced in 1956-57, but a much larger carryover of cottonseed meal was on hand October 1. Assuming exports will continue small and allowing for average stocks at the close of the feeding year, the quantity available for feeding would about equal the 2,229,000 tons fed last year.

Supplies of tankage and meat scraps declined six per cent from 1955-56 to 1956-57, reflecting the reduction in slaughter of cattle and hogs. Supplies for 1957-58 will continue below the big 1955-56 supply, but they may about equal those of 1956-57. Fish meal supplies also are expected to be about equal to those of 1956-57 when they were near the 1950-54 average.

Supplies of gluten feed and brewers' and distillers' dried grains available for feeding probably will continue at about the 1956-57 rate of 1,538,000 tons, which was a little below the 1950-54 average. After declining from the high level reached after the close of World War II, supplies of wheat millfeeds in recent years have been fairly stable at around 4.5 million tons. Supplies probably will continue at about this level in 1957-58. Imports of wheat millfeeds have declined sharply from the record of 320,000 tons in 1951-52. The 4,535,000 tons fed in 1956-57, included imports of a little over 100,000 tons, somewhat larger than in 1955-56.

The quantity of molasses available for livestock feeding in 1956-57 totaled about 380 million gallons.

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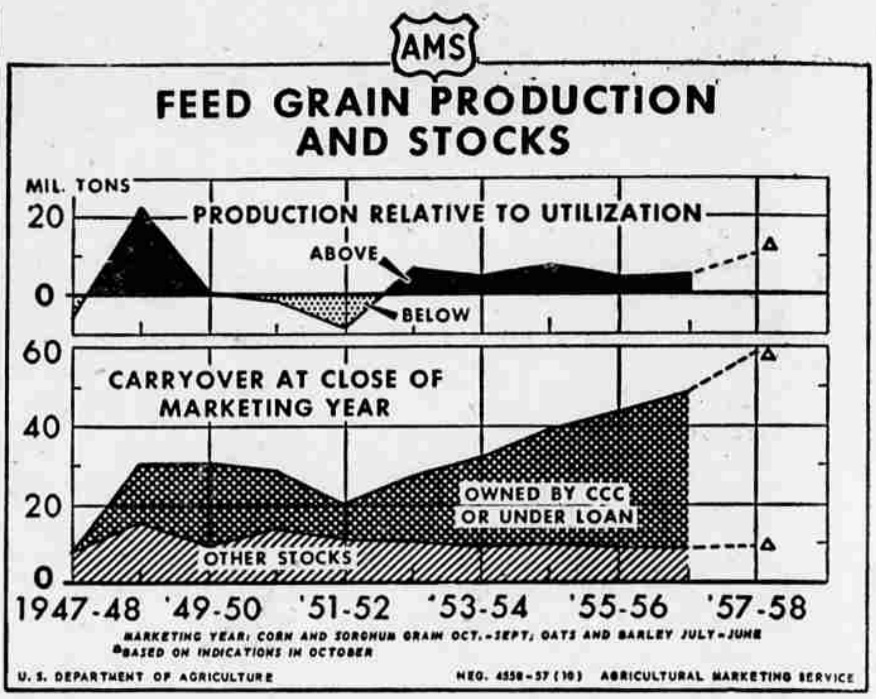

FEED GRAIN PRODUCTION has exceeded total consumption in each of the last five years. This has resulted in a steady increase in stocks under the price support program. Total carryover reached a record level of 47 million tons this year, more than double that of five years ago. The record 1957 crop is expected to result in another increase in carryover stocks at the close of the 1957-58 season.

Beef Commission Vote Called For By Steward

The question of whether or not Oregon cattlemen and dairymen want a beef commission will go before them for a secret vote.

Robert J. Steward, director of agriculture, has determined this on the basis of testimony and evidence submitted by producers at 17 hearings over the state last month.

"Testimony and evidence were predominately in favor of promotion efforts on beef and beef products, although a minority voiced some objections to the state commission approach to the problem," Steward says in the formal order.

He listed seven major points of evidence to indicate the need sufficient to justify calling a producer referendum.

Although not mentioned in the formal order, Steward said he considered the testimony of some feeders that they would bear an unequitable share of the assessment. He said he was later informed feeders had agreed to go along with a referendum in the hope that they and other livestock interests may prevail upon the 1959 Legislature to iron out any inequities in assessment found when and if the commission is established.

Steward said the state department of agriculture opened registration for the commission vote on November 20, and has deputized all county agents as registrars. All cattle owners must register their total cattle numbers on January 1, 1957, as reported to the tax assessor, to be eligible to vote in the referendum. Steward urged prompt registration; a termination date on registration will be announced soon.

The order lists the following seven factors from the testimony upon which the referendum decision was based:

1. Market prices to beef producers now average under 80 per cent of parity. Although the market price to producers is above a year ago, increased marketing costs have reduced further the producer's net income and share of the consumer's dollar.

2. Costs of cattle production have increased substantially in recent years, with market prices down during five of the last six years.

3. Prices to producers over the postwar period have been notably unstable, with a heavy decline in net ranch income since 1950.

4. There is no clear-cut indication that beef prices will improve significantly in the next few years. Recent decreases in cattle numbers have resulted in some reduction in beef supplies and some improvement in prices over the past year, but foreseeable heavy feed-grain and hay supplies indicate continued heavy supplies of both beef and competing products.

The relationship between these four factors, the order says, illustrates the serious economic situation faced by Oregon beef producers.

5. A coordinated program of research, marketing studies and promotive advertising is needed if beef products are to be adapted more fully to consumer desires and to market competition from other products. No effective statewide agency or group exists to (a) initiate, hasten and expand beef marketing research programs; (b) tie in beef with other statewide educational and promotional programs; (c) aid national beef promotion efforts from the state level, and (d) handle marketing transportation problems of the cattle industry.

6. Efforts to develop a research and promotion program on a strictly voluntary basis in Oregon have not received the broad cooperation necessary for a sustained effective program.

7. Oregon producers need funds if they are to study and meet the problems shown and a commission would assess and distribute the costs equitably over the entire industry and direct the expenditure of funds.

The beef commission petition, sponsored by the Oregon Cattlemen's Association, asks that 10 cents a head be collected at all brand inspection points on cattle sold for slaughter or shipped out of the state. It also limits commission activities to problems associated with marketing.

ELECTRIFIED BELGIUM

Electric service is found in 90 per cent of all Belgian homes, despite the fact that Belgium has no natural water power resources.

REGISTRATION

All beef producers and dairymen in Klamath County are asked to register at County Agent's office in the Klamath Falls Post Office in order that they may be eligible to vote in the upcoming Oregon Beef Commission election. Whether you own one cow or 1,000 you are asked to register and vote. All information regarding your registration and your secret ballot will be kept confidential.