

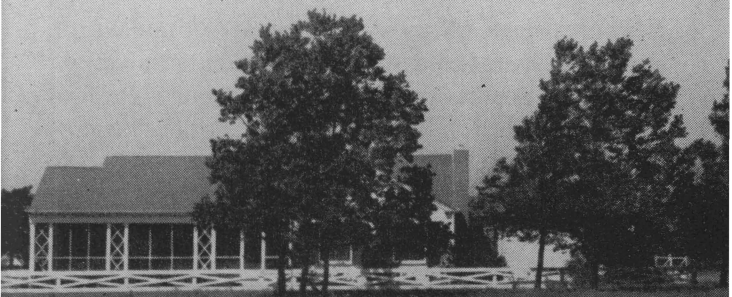
L-111

A LOOK AHEAD

FOR

Texas Rural Families

1951



Issued by
The Agricultural Extension Service
The Texas A. & M. College System and
United States Department of Agriculture
G. G. Gibson, Director, College Station

What's Ahead

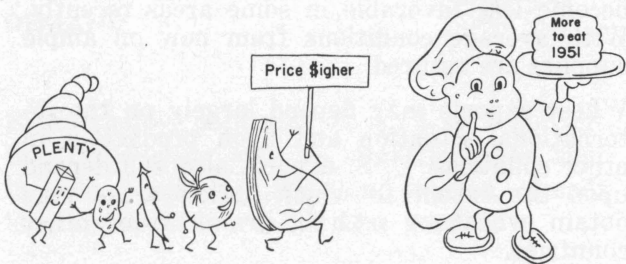


Families will not be able to buy as much of the things they want in 1951 as they bought in 1950. They probably will have more to spend, but prices will be higher. Taxes already have been increased.

Defense production calls for many of the same resources as are used in producing houses, automobiles, and other durable goods such as household equipment.

Production of automobiles, furniture and electrical appliances may be below that for 1950.

Credit so important in financing housing and the purchasing of items like refrigerators, home freezers and cars is restricted.



FOOD . . . Supply greater, consumption higher, prices higher.

There will be greater supplies of food for purchase in 1951. Among these foods are livestock products, margarine, fresh fruits and vegetables, and canned vegetables.

Canned fish and canned vegetable oils will be in smaller supply in 1951.

With the increase in consumer income and smaller supplies of other goods, the (1) demand for food will be greater and (2) the prices for food will be higher.

for Rural Family

... In view of the situation referred to

It is recommended that all rural families put forth extra effort to produce and conserve as much of the home food supply as is possible and practical. Emphasis should be given to bigger and better home vegetable gardens, adequate poultry flocks, milk supplies, meat supplies and adequate home orchard care and management.

CLOTHING . . . Prices will be higher . . . Supplies will be adequate. Consumption will increase.

Further increases in clothing PRICES are in store for us. The prices of raw wool and cotton fiber which started an upward swing long before June, 1950 will be substantially felt in the price of apparel by spring, 1951. The round of wage increases granted in recent months in the textile and apparel industry will tend to increase further the prices of finished goods.

Present SUPPLY of clothing is adequate . . . shortages of apparel may develop later because of (1) the shortages of raw fibers, (2) military needs, and (3) increased demand due to increased income.

We can expect higher CONSUMER spending for clothing during 1951. In the United States incomes increased around 6% during 1950 over 1949 and probably will continue to increase allowing more spending for apparel.



The wise consumer will plan carefully for actual clothing needs and buy only what is needed. Making some of the clothing at home will be a saving.

Living in 1951

HOUSING . . .

It is estimated that there will be $\frac{1}{3}$ fewer houses built in 1951 than in 1950.



Building Materials

Shortages have developed and probably will continue in lumber, cement, gypsum, hardwood flooring, brick and steel products.

Prices of Materials and Construction have been rising rapidly during the last few months of 1950 and the prospects point to continued high prices in 1951.

Farm Housing Program Act Passed in 1949.

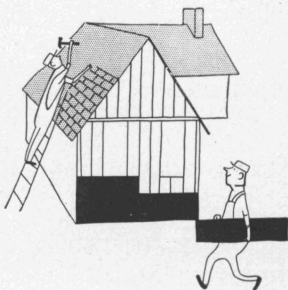
Maximum loans have been decreased 5% to 10%. Maturity period of loans have shortened. Veterans' loans will be given preference.

The Prospects Are That!

House building will be reduced. Many improvements desired and needed in our farm and ranch houses cannot be accomplished in 1951 under the conditions which we expect.

Building or improvements which will increase the efficiency of the home or farm would be justified.

With the above exception any program for building should be in harmony with national defense.



A GOOD TIME TO PLAN AHEAD

If it is not wise to build now, use this time to study materials, construction details, equipment and floor plans.

Plan carefully for building or remodeling later.

IF YOU CANNOT BUILD NOW, SAVE FOR:

The house you want to build or remodel.

The improvements you want to add.

WHAT FAMILIES CAN DO TO MAINTAIN A HIGH LEVEL OF LIVING

Plan carefully for family wants.

Decide now what is most important.

Buy only what is needed.

Compare prices and qualities.

Resist high-pressure salesmanship.

Read labels — know what to look for.

Save for specific improvements.

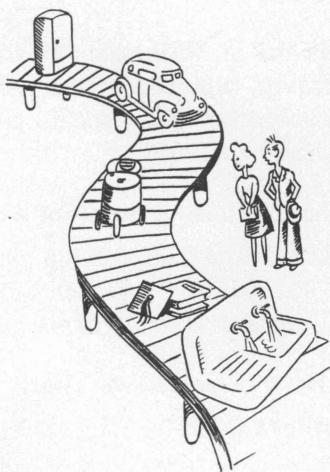
Produce and conserve more food at home.

Sell products on the market.

Supplement income by off-farm work.

Make some clothing at home.

Furnish your own labor for some home improvements.





IN THE UNITED STATES WE FACE:

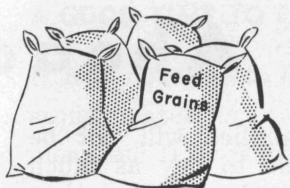
1. High production on farms and in factories.
2. Record high gross farm income.
3. Increased cost of operation.
4. Net farm income increased above 1950.
5. Enlarged defense programs in men and materials.
6. Increased taxes.
7. Full employment at high wages.
8. Decreased number of farm laborers.
9. Higher costs of living.
10. Increased food supplies and consumption.
11. Decreased supplies of certain consumer goods needed for military purposes.
12. Additional credit restrictions.
13. Possibility of controls.

LOOKING AHEAD FOR TEXAS

In the light of the prospects for the U. S. what do we face locally?



1. General inflationary price trends.
2. Rising labor costs.
3. Strong bidding for machinery items, more "bonus" purchases.
4. Higher land values.
5. Greater need for good management practices, better farm records.
6. Better rental agreements on tenant farms.



**FEED GRAINS . . .
HEAVIER USE EXPECTED
RECORD SUPPLY OF
SORGHUM GRAINS.**

Farmers will have ample supplies of feed grains next year. Feed demand is expected to be stronger than in 1949-50.

The exports and uses of grain sorghum in 1950-51 may be some larger than in 1949-50. Many importing countries will prefer sorghum grains since the price is relatively low.

Prices of sorghum grains probably will continue relatively low during much of 1950-51. Prices of most feed grains are expected to average slightly higher than in 1950 at least through the first half of 1951.

**WHEAT . . . A HEAVY RESERVE SUPPLY.
LARGE ACREAGE IN PROSPECT**

If yields are average per seeded acre the allotted acreage will produce a 1951 crop which will be 14 percent above last year.

Early crop conditions were favorable but have become less favorable in some areas recently. With average conditions from now on ample supplies are assured.

Wheat exports may depend largely on the international situation and upon production in other countries. U. S. exports also will depend upon the extent to which deficit areas may obtain wheat or other grains from other countries.

There will be no marketing quotas on the 1951 wheat crop and the national average support price for 1951 wheat will not be less than \$1.99 a bushel and will be supported at not less than 90 percent of parity.

**DAIRY PRODUCTS . . .
DOMESTIC DEMAND
EXPECTED TO
STRENGTHEN**



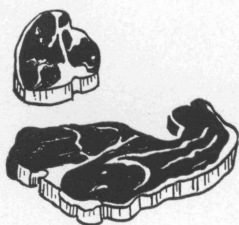
Prices for dairy products likely will be moder-

ately higher than in 1950. Consumer demand will be strong enough to offset larger carry-in stocks.

With growing demands private storage demand may provide greater support to dairy prices than in 1949 or 1950, a period of heavy Government storage.

Production of milk in 1951 is likely to be in line with production in 1950. Comparable output is expected because of stable cow numbers in the U. S. and the abundant feed supplies. Dairymen's expenses will rise less than cash receipts and net returns probably will increase slightly.

**MEAT ANIMALS . . .
MEAT PRODUCTION
OUTPUT EXPECTED
TO INCREASE.
LARGER CONSUMER
INCOMES, STRONGER
DEMAND.**



Production of pork may be up 5 to 7 percent. Beef production may be slightly larger than in 1950. Supplies of lamb and mutton, already low, may continue small next year.

Higher prices of meat and meat animals are expected if defense expenditures substantially increase consumer disposable incomes. Prices may rise only moderately because of larger meat production in prospect.

If personal incomes level off towards the end of 1951, prices of meat and meat animals may decline gradually soon after.

Prices of sheep and lambs probably are in the strongest long time position.

**COTTON . . . EXPORT AND DOMESTIC
DEMAND STRONG, STOCKS LOW, PRICES
HIGHER THAN '50 AVERAGE**



As an outgrowth of war anxiety and business recovery in major importing countries, 1950 consumption of American cotton sharply exceeded expectations. Carry-over on August 1, 1950 was 6.8 million bales, rather than the 8.2 million expected. A high rate of consumption is expected to continue in 1951.

The Secretary of Agriculture has announced a production goal of at least 16 million bales for 1951. A crop this size would require a sharp increase in the 19 million acres planted in 1950.

Cotton prices on the 10 spot markets averaged 40.24 cents per pound on October 30. With effects of defense spending becoming fully operative by mid-summer cotton prices may continue at levels above early 1950. The Secretary has announced that (cotton) prices will be supported at 90% of parity on August 1, 1951. This should be slightly higher than the present support price of 29.50 cents for middling 15-16 inch staple.

Growers are likely to face shortages of insecticides, nitrogen fertilizers, machinery and labor for harvesting. Plans to offset these production barriers should be made wherever possible to increase profits.

**PEANUTS AND FLAX . . . STOCKS HIGH,
SOME INCREASE IN DEMAND. WAR
MAY INCREASE NEED.**

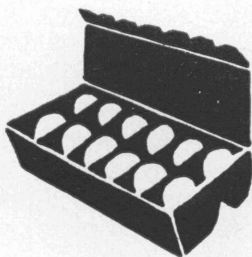
Well above a year's supply of flaxseed and linseed oil is assured for 1950-51. CCC stocks of linseed oil are being moved at prices about 3 cents below the 1949-50 average.

Domestic demand for fats and oils has risen above the low level of 1949. Prices in 1950-51 are expected to average higher than a year earlier. All-out war might greatly affect prices.

Even with the low output of cottonseed and an improved demand situation an acreage reduction of flax and peanuts is likely in 1951. Mainly this situation is due to large stocks of fats and oils, reduced peanut allotments and increased acreage likely to go into cotton next year.

Price supports for 1951 flax have been announced slightly above 1950 rates. The support level for peanuts is expected to be about the same as for 1950.

**POULTRY . . . PRICE
SUPPORTS OUT - -
FLOCK REDUCTION
LIKELY, HIGH
BROILER OUTPUT.**



With egg price supports removed, springtime eggs are expected to sell lower than a year ago. Early culling, along with continued higher feed prices have reduced the number of layers on U. S. farms—estimated at 3 percent below last January 1. Also about 3 percent fewer pullets may be raised in 1951 and fall egg prices could be sharply above the usual spread between spring and fall prices.

Broiler supplies will respond to prices, prevailing or expected, and may rise above 1950 output to set a new record. Construction of new houses continues in many sections of Texas, and chick placement is higher than at this season last year.

The number of turkeys raised in 1951 is expected to be down from 1950 about 5 percent for the United States. It is possible that a greater reduction in turkeys raised will be made by Texas producers.

The prices of poultry meat will follow the expected upward trend for prices of red meat. With higher feed prices in prospect, good management practices will be highly essential to profitable operations in 1951.

WOOL . . . HERDS AT RECORD LOW, PRICES UP

American wool production in 1951 may be below 1950 since lighter fleece weights are expected. Sheep numbers January 1, 1951 should be nearly the same as January 1, 1950.

Wool prices are expected to be higher next year and mill consumption up slightly due to higher consumer income and military needs. Development of total war might bring price ceilings, directly affecting wool prices.

If wool price ceilings are applied, the levels must be lower than parity, or the prices received between May 24 and June 24, 1950, whichever is higher. For Texas wool this price would be about 68 to 70 cents per pound grease basis.



FARM COSTS - - HIGHER LEVEL

Farm production materials and supplies are expected to be adequate with a few exceptions. The supply of farm machinery appears to be good now, but much will depend upon how quickly the defense program develops.

Early purchase of insecticides will be important in 1951 in view of low stocks, and probable higher prices.

Seasonal and local scarcities are expected for fertilizer if the demand is much greater than it was last year.

No prospect for easing of supplies or decrease in prices of lumber for 1951 is seen.

It will pay to plan and place orders early for materials and equipment needed in 1951.

Despite an expected increase of 5 to 10 percent in most all costs most farmers can expect 1951 to be a favorable year, because prices received are expected to go up more than prices paid.