

Long Term Higher Consumption, Short Term Oversupply

Penn State Economist Reviews Swine and Cattle Market

Louis Moore, Penn State extension economist, spoke to local swine and cattle producers Monday and Tuesday evening at the Farm and Home Center. Moore reviewed the livestock trends of the past couple of years and made projections on what the future likely holds. He also discussed futures trading.

Some Feed History

In reviewing trends in the livestock industry, Moore showed slides indicating the number of acres of farm land in produc-

tion in the U S has dropped sharply since the early 1950's. Moore said this is "because of government programs" in which "farmers took acres out that weren't any good and added more lime and fertilizer so that the total output continued to rise." The excess production was stored and huge surpluses built up during the 1950's.

But during most of the 1960's and in 1970 "we used more than was produced." The result was that the amount in storage now

is far below what it was 10 years ago.

The increased use of U S grain stems in large part from exports of the major U S feed crops. The U S exports one-half of its soybeans, one-fourth of its corn, two-fifths of wheat and one-fifth of sorghum.

Moore emphasized that if the feed shortage in this country continues, this export feed "would be available." He was referring to the corn blight in 1970 which reduced corn output far below expectations.

Outlook — Not Bright

In discussing the probable 1971 price trend for swine and cattle, Moore said he "doesn't believe current prices will hold." He was referring to recent sharp rises in cattle and hog prices, following several months of depressed market prices. Moore said he thinks the large numbers of hogs coming to market will remain high and that this will continue to depress both swine and cattle markets.

While swine numbers are expected to begin to taper off by mid-year, Moore said that the USDA reports the 1970 calf crop was 760,000 head above 1969 figures and these animals will begin to arrive on the market the latter half of the year.

January 1 cold storage holdings of pork were also up 63 per cent from a year ago. This is the largest supply in 15 years. This will be sold when prices go up and will have a dampening impact on future prices, he explained.

At the same time costs associated with hog production went up because of increases in corn prices. This means farmers will have to receive higher prices than before to remain even.

He also noted that the farmer's share of the consumer pork dollar declined from about 60 per cent in February, 1970 to about 43 per cent in November 1970. Because of pressure from farmers and USDA, however, pork retail prices have begun to

make some adjustments in the last couple of weeks, he said.

Moore said that the average market weight of both swine and cattle is ahead of a year ago. This means that today's animals are putting more meat per animal on the market, a further depressing factor in the price outlook.

Moore said the average market weight of hogs is up about two pounds over a year ago, while cattle are about eight pounds heavier than a year ago and 43 pounds heavier than two years ago.

On the favorable side, Moore noted a trend toward better quality meat, particularly with pork, which tends to hold demand better.

In addition, there should be an overall better demand for meat as the economy picks up through the year.

Overall, Moore wasn't optimistic. Besides pointing out the ad-

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Louis Moore, left, Penn State Extension economist, discusses a Penn State booklet with Lester Burdette, Penn State Livestock Extension specialist. The two were speakers at the Farm and Home Center early this week.

Penn State Livestock Specialist Reviews Modern Cattle Management Practices

Lester Burdette, Penn State Livestock Extension specialist, spoke to local cattle producers this week at the Farm and Home Center.

Burdette, citing numerous research surveys, analyzed the types of results farmers can expect to get from various types

of rations and management practices. Some of the findings contradict practices of some farmers.

He said several studies show shelled corn feeds as efficiently as rolled corn.

Farmers using an all grain ration should feed it to animals 750 pounds or over and it should be fed 120 days or less. A longer feeder time on all grain can result in serious problems, he explained.

He cited another study which shows that giving cattle all the hay they can eat is a costly practice. The studies showed that a three per cent hay ration stimulated gains at about the same rate as a 10 to 20 per cent hay ration. But the additional hay stimulated the animals to eat other additional feed without corresponding weight increases.

Burdette explained that a high level of hay early in the feeding program, with a cut-back in amount of hay in the later periods gives best results.

Burdette cautioned farmers about following the recommendations to remove Stilbestrol from feed for the required 48 hours before marketing. He warned that the growth stimulant can be detected by U S inspectors and they can detect it in the livers if it is not removed in time. It can be traced back to the responsible producer and he can be penalized in future marketings of his animals. In addition, the entire industry could receive unfavorable publicity.

Except for this caution about removing it before marketing, Burdette recommended the use of Stilbestrol "because it can

mean an extra eight dollars to nine dollars a head" for the producer.

On the question of corn silage versus alfalfa silage, Burdette said that studies show that corn silage gives more efficient gains. He explained that none of the forage crops contain enough energy to make them compare with corn silage.

He said that studies show the "stress feeds" are of benefit particularly when lighter cattle are moved long distances.

Burdette emphasized that cattle producers should be business oriented and not tradition oriented. Don't try to top the market, he warned, but sell animals at the maximum profit point.

Farmers should realize that the highest average daily gain doesn't always mean extra profit and cattle can be kept too long.

He also said that producers should be aware of the return they receive for feeding crops through livestock, the amount of beef produced per acre, and the return on investment.

Asked about liquid supplements, Burdette said they "have a lot going for them," including ease of mechanization. There are some problems, however, including trouble with keeping some elements from "settling out."

If properly formulated, the liquid supplements can be used in the feeding program, he said.

Burdette urged farmers to attend the second educational Livestock Day at Penn State March 31.

Max Smith, Lancaster County agricultural agent, conducted the program.

Celery Growers Discuss New Season

Area celery growers discussed their 1971 season plans and reviewed production problems during the past growing season at a meeting Tuesday afternoon at the Jay Hodecker Celery farm, East Petersburg.

Dr. Ernest Bergman, Penn State associate professor of plant nutrition, told about 30 producers present that there should be plenty of seed this year although it was "awfully restricted last year." He said there is about seven pounds of seed available from Penn State, at \$10 an ounce.

He also said the seed will be grown outside this year rather than in a greenhouse because of problems with the red spider in the greenhouse.

The producers asked several

questions regarding cultural practices, how to handle pests, how to fight weeds, and how to arrive at the proper soil fertility level.

The extension personnel gave specific recommendations based on the research data available to them. Besides Bergman, those present were Dr. Peter Ferretti, Penn State vegetable specialist, and Dr. Richard Ostrowski, Penn State extension pathologist. Arnold G. Lueck, associate Lancaster County agricultural agent, conducted the meeting.

In discussing soil fertility, some producers asked about the use of manure. Bergman suggested that not more than five tons per acre should be used and that it should be plowed down.

One farmer said he always

uses super phosphate with manure and Bergman commended this as "one of the best cultural practices available."

One farmer asked about using 10 tons per acre but Bergman said he wouldn't advise this.

The Penn State men also strongly urged taking soil tests in arriving at levels of fertilization needed. Application of fertilizer should take into account the content of any manure which may be applied.

In discussing pest problems producers asked about what to do about the red spider and cabbage worm. Lueck noted that "the looper gives the most trouble."

The importance of pesticides in controlling these pests was underscored.



Among those discussing plans for the 1971 celery crop with area farmers this week were: Arnold G. Lueck, associate Lancaster County agricultural agent; Dr. Peter, Ferretti, Penn State vegetable

specialist; Dr. Richard Ostrowski, Penn State Extension pathologist, and Dr. Ernest Bergman, Penn State associate professor of plant nutrition.



Lancaster Farming

SECOND SECTION