

Record ag exports forecast for 1980

WASHINGTON, D.C. — The value of U.S. agricultural exports is expected to increase by about 20 percent in fiscal year 1980 to a record \$38 billion, according to Thomas R. Saylor, associate administrator of the U.S. Department of Agriculture's Foreign Agricultural Service. Last fiscal year's exports were valued at \$32 billion.

Speaking at the department's annual Outlook conference here, Saylor said volume also will be up, with shipments of wheat, feed grains and soybeans, the leading U.S. export commodities, totaling more than 130 million tons, compared with 112 million in fiscal 1979.

He said the U.S. agricultural trade surplus, pegged at \$15.8 billion in fiscal 1979, could exceed \$20

billion, with agricultural imports for 1980 forecast at \$17.5 billion.

Department forecasters expect most of the export growth to come from higher prices and increased tonnage of grain shipments, Saylor said. Soybean export volume is projected to rise by about 10 percent, but lower prices are likely to curtail gains in value.

At least marginal gains in value are expected in all exports categories.

Noting that a sluggish world economy, inflation and uncertain energy and monetary outlooks cloud the picture, he said the bulk of the export growth is expected to be in the developing countries, where economic gains should exceed those of developed countries, and the Communist countries, where food politics can outweigh

economics in import decisions.

Saylor said the U.S. transportation system will be severely tested to move the volume of exports projected for the year, adding the logistical problems are hampering export expansion in Canada and Australia, despite their ample stocks of grain.

He said U.S. production of coarse grain and wheat in 1979/80 is estimated to be up, with foreign production projected down and utilization up.

"In this situation," he said, "our forecast for 1980 is that U.S. grain exports will increase by 15 to 20 million tons while those of other exporting countries will be virtually unchanged. We expect our feed grain exports to be up by 10 to 12 million tons and those of wheat by about 6."

He said the outcome depends on several factors, the biggest of which is the Soviet Union's response to the substantial shortfall in Soviet grain production.

Saylor said, "The final level of Soviet imports, the ratio of wheat to corn, and how much the Soviets buy from sources other than the United States is still to be determined by the Soviets themselves and by the effective limits of their internal transportation."

He noted the two countries have agreed on a supply level from the United States of up to 25 million tons of wheat and corn for the current October/September year. Last year the Soviet Union imported 15.7 million tons from the U.S.

Other factors that will affect the U.S. export outcome, he said, include whether India's disap-

pointing grain harvest sends it into the world market for grain, the foreign exchange position of middle income developing countries, China's response to what is reported to be its second straight record grain harvest, the possibility of subsidized European Community grain exports, and how Japan handles its huge rice surplus.

Saylor cited the Multilateral Trade Negotiations that were completed last spring as another factor that can have a major influence on trade, but mostly in the years beyond 1980.

"Economic strain in key trading countries around the world will test the strength of the international trading system," he continued.

"In this regard, the agricultural codes that were negotiated in the MTN can

help maintain the necessary confidence that a system based on respect for a common set of rules can work."

While the codes won't end the use of nontariff barriers, he said, "They will provide a foundation from which to build, over time, a body of international law that can reduce, and we can hope, some day eliminate nontariff barriers as a major impediment to agricultural trade."

He said it's up to the United States to provide the leadership to make sure that the MTN agreements work.

4-H Club discusses beef constitution

FLEMINGTON, N.J. - The business discussed at the Hunterdon County 4-H Super Steers last meeting pertained to the re-establishing of the Hunterdon County 4-H Beef Constitution. Dates and times for the 4-H calf sales were reported and an unofficial "election" was held for those 4-H members whom the club felt might be possible "leadership and citizenship award" candidates.

Elections of club officers for the 1979-1980 4-H year will be held at the next meeting. It was reported that some of the club members are planning to study artificial insemination and embryo transplants in cattle.

One new member, Brian Gilpin of Califon, was welcomed to the Club.

The next meeting will be on December 2 at 7 P.M. at the home of Mr. and Mrs. Getz.



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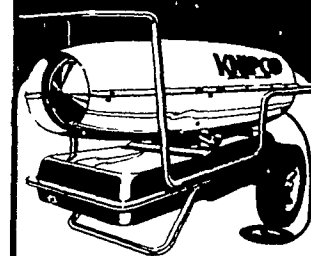
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