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Food supplies for civilian consumers during the spring and early summer are a little larger than a year earlier and, according to the BAE, appear sufficient to meet the indicated strong demand without seriously increasing upward pressure on prices. The outlook for food supplies for the year as a whole is generally favorable, insofar as crop prospects can be determined at the present time. Military requirements for food will be much larger than last year but increased output will prevent reductions in civilian supplies except for a few items.

The conflict over continuation of price controls after June 30 continues. Congressional committees are hearing views of Government officials, farmers, and other interested groups. Secretary Brannan has supported a proposal to freeze the ceiling level for crops at parity as of the beginning of the crop year. For livestock products the ceiling probably would be adjusted once during the year. Farm spokesmen object to the proposal, insisting that it violates the basic idea of parity. A bill to repeal meat price ceilings and prohibit issuance of further orders controlling meat was introduced by Representative Carl Curtis (R.,Neb.). Most observers report there is little chance that price controls will be terminated soon but suggest that the extension of the Defense Production Act may include numerous additional restrictions as to the type of controls which can be used and the level at which they can be applied. Subsidies are an important part of the controversy. Government officials generally indicated they are necessary to effective price control while most farmers and businessmen oppose them.

The beef cattle market this week has reacted to recent price control developments and appears to be fairly well in line with current beef ceilings. Iowa State College economists suggest that ceilings are high enough so feeders who bought cattle during the fall or early winter will make the most profit by completing their original feeding plans. Cattle bought in the late winter at considerably higher prices, except for calves, probably will show little or no profit and may show losses. All cattle feeders should review their feeding plans in the light of current and prospective price controls, investment in their cattle, and feed costs. In general, very high finish will not pay as costs of gain rise rapidly at the end of the fattening period.

Leaders of national farm organizations are studying the credit implications of rising farm land values and higher production costs. The group suggests that more credit facilities need to be made available to farmers and that farmer ownership and control of such credit facilities should be increased.

Loans to finance farm storage facilities for grain will continue to be available from the CCC through June 30, 1952, as the program was recently extended. Loans totaling 23.4 million dollars for structures with a capacity of over 85 million bushels have been approved. The CCC also continues to offer loans or guarantees of loans made to producers to purchase new mobile mechanical equipment to dry-farm commodities.

Farmers' receipts from sales of farm products may reach a new record in 1951, about a fourth more than in 1950, according to a recent review by the BAE. Production costs probably will be up 10 to 15 per cent, but net income of farm operators is indicated to return to about the 1947 peak level of 18 billion dollars. This compares with a net of 13 billion in 1950.

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