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**36th ANNUAL
NATIONAL
AGRICULTURAL**

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**OUTLOOK
CONFERENCE**

**November 17-21, 1958
Washington 25, D.C.**

Program

**U.S. DEPARTMENT OF AGRICULTURE
agricultural marketing service
agricultural research service
commodity stabilization service
foreign agricultural service
forest service
federal extension service cooperating**

MONDAY (November 17) MORNING

(Thomas Jefferson Auditorium - South Building)

C. M. Ferguson, Administrator
Federal Extension Service, Chairman

- 9:00 Registration
- 9:30 Opening of Conference
Ezra T. Benson
Secretary of Agriculture
- 9:45 National Economic Situation
and Outlook
Nathan M. Koffsky, Chief
Farm Income Branch
Agricultural Marketing Service
- 10:15 Intermission
- 10:30 Panel Discussion - James P. Cavin, Chief
Statistical and Historical Research Branch
Agricultural Marketing Service, Moderator
- Nathan M. Koffsky
Agricultural Marketing Service
- John W. Lehman, Clerk
Joint Economic Committee
- Louis J. Paradiso, Assistant
Director-Chief Statistician
Office of Business Economics
Department of Commerce
- William Butler, Vice President
Chase National Bank, New York City
- J. A. Livingston
Philadelphia Bulletin
- 12:30 - 2:00 Lunch Time

AEP-234 (11-58)

MONDAY (November 17) AFTERNOON

(Thomas Jefferson Auditorium - South Building)

Bushrod W. Allin, Chairman of Outlook and Situation Board
Agricultural Marketing Service, Chairman

- 2:00 World Situation as it Affects the Outlook for Agriculture Max Myers, Administrator
Foreign Agricultural Service
- 2:30 Agricultural Outlook for 1959 Fred V. Waugh, Director
Agricultural Economics Division
Agricultural Marketing Service
- 3:15 Intermission
- 3:30 Panel Discussion - Bushrod W. Allin, Moderator
- Max Myers, Administrator
Foreign Agricultural Service
- George W. Campbell
Extension Economist
University of Arizona
- Gustave Burmeister, Assistant Administrator
Agricultural Trade Policy & Analysis
Foreign Agricultural Service
- William M. Carroll
Extension Economist
Pennsylvania State University
- Faith Clark, Director
Household Economics Research
Division
Agricultural Research Service
- Karl Hobson
Extension Economist
State College of Washington
- Carl P. Heisig, Director
Farm Economics Research Division
Agricultural Marketing Service
- Francis A. Kutish
Extension Economist
Iowa State College
- Fred V. Waugh
Agricultural Marketing Service
- 5:00 Adjournment

TUESDAY (November 18) MORNING

(Thomas Jefferson Auditorium - South Building)

The Outlook for and the Impact of Resource Adjustments on Agriculture

Sherman E. Johnson, Chief Economist
Agricultural Research Service, Chairman

- 9:15 Prospects for Adjustments in Production and Resource Use
Hugh L. Stewart, Chief
Agricultural Adjustments
Research Branch
Agricultural Research Service
- 9:45 Prospective Changes in the Structure of Farming
Kenneth L. Bachman, Asst. Director
Farm Economics Research Division
Agricultural Research Service
- 10:15 Discussion
- 10:35 Intermission
- 10:50 Needs and Prospects for Public Action to Facilitate Resource Adjustments
George E. Brandow, Professor
Department of Agricultural
Economics
Pennsylvania State University
- 11:10 Needs and Prospects for Private Action to Facilitate Resource Adjustments
Earl O. Heady, Professor
Department of Agricultural
Economics & Rural Sociology
Iowa State College
- 11:30 Panel Discussion - Sherman E. Johnson, Moderator
- Hugh L. Stewart
Agricultural Research Service
- Kenneth L. Bachman
Agricultural Research Service
- George E. Brandow
Pennsylvania State University
- Earl O. Heady
Iowa State College
- Ronald H. Bauman
Extension Economist
Purdue University
- Marion D. Thomas
Extension Economist
Oregon State College
- 12:30 - 2:00 Lunch Time

TUESDAY (November 18) AFTERNOON

(Thomas Jefferson Auditorium - South Building)

How USDA Outlook is Developed

Richard G. Ford, Extension Economist
Agricultural Economics Division, FES, Chairman

| | | |
|------|---|---|
| 2:00 | Purpose and Scope | Bushrod W. Allin, Chairman Outlook and Situation Board Agricultural Marketing Service |
| 2:20 | Role of Agricultural Estimates | Sterling R. Newell, Director Agricultural Estimates Division Agricultural Marketing Service |
| 2:40 | Other Sources of Outlook Data | C. Kyle Randall, Head Statistical and Historical Research Branch Agricultural Marketing Service |
| 3:00 | Intermission | |
| 3:15 | Developing the General Outlook | Carroll E. Downey Farm Income Branch Agricultural Economics Division Agricultural Marketing Service |
| 3:35 | Developing the Outlook for Individual Commodities | Martin J. Gerra Statistical and Historical Research Branch Agricultural Economics Division Agricultural Marketing Service |
| 3:55 | How Outlook is Developed in my State | Leonard W. Schruben Extension Economist Kansas State College |
| 4:15 | Discussion | |
| 5:15 | Adjournment | |
| 6:30 | Home Management Specialists Dinner Little Tea House, Arlington, Virginia | |

Wednesday, November 19, 1958

Commodity Outlook Sessions for Producers, Handlers and Consumers

- 9:15 - 11:30 Fats, Oils and Peanuts - Freer Art Gallery Auditorium
Karl G. Shoemaker, FES, Chairman
George W. Kromer, AMS, Outlook Statement
- Forest Products - Room 3048 South Building
Paul O. Mohn, FES, Chairman
Dwight Hair, FS, Outlook Statement
- 9:15 - 10:20 Vegetables - Room 1351 South Building
R. L. Childress, FES, Chairman
Will M. Simmons, AMS, Outlook Statement
- 10:25 - 11:30 Potatoes - Room 1351 South Building
R. L. Childress, FES, Chairman
Will M. Simmons, AMS, Outlook Statement
- 11:30 - 12:45 Lunch Time
- 12:45 - 3:15 Food Grains (Wheat & Rice) - Room 509 Adm. Building
Thomas E. Hall, FES, Chairman
Robert E. Post, AMS, Outlook Statement
- Tobacco - Room 3048 South Building
Buel F. Lanpher, FES, Chairman
Arthur G. Conover, AMS, Outlook Statement
- Sugar - Room 5219 South Building
Herbert G. Folken, CSS. Chairman
- 3:30 - 5:15 Grass and Legume Seeds - Room 5219 South Building
Paul O. Mohn, FES, Chairman
William R. Askew, AMS, Outlook Statement
- Fruits and Tree Nuts - Room 1351 South Building
Lloyd H. Davis, FES, Chairman
Ben H. Pubols, AMS, Outlook Statement
- Cotton - Jefferson Auditorium
E. P. Callahan, FES, Chairman
Doris D. Rafler, AMS, Outlook Statement
- 5:15 Adjournment

Wednesday, November 19, 1958

Room 216 Administration Building

Family Living Sessions

Frances Scudder, Director
Division of Home Economics Programs, FES, Chairman

| | | |
|--------------|--|--|
| 9:15 | Food Outlook | Harry Sherr Agricultural Economics Division Agricultural Marketing Service |
| 10:15 | Housing and Durable Household Equipment Outlook | George Johnson Bureau of Labor Statistics Department of Labor |
| 11:00 | Textiles and Clothing Outlook | Harry Kahan Bureau of Labor Statistics Department of Labor |
| 11:45 - 1:30 | Lunch Time | |

Planning for Intermediate and Long-Term Family Financial Adjustments

Faith Clark, Director
Household Economics Research Division, ARS, Chairman

| | | |
|------|---|---|
| 1:30 | Using Spending Patterns From Expenditure Studies as Guides | Lucile Mork Household Economics Research Division, ARS |
| | Income and Job-Related Expenditures of Working Wives | Emma Holmes Household Economics Research Division, ARS |
| | Seasonal Variations in Spending of Farm Families | Marcia Gillespie Household Economics Research Division, ARS |
| | Using Food Budgets in Planning | Eloise Cofer Household Economics Research Division, ARS |
| 5:00 | Adjournment | |

Thursday, November 20, 1958

Commodity Outlook Sessions for Producers, Handlers and Consumers

- 9:15 - 12:00 Feed, Livestock and Meat - Jefferson Auditorium
Richard G. Ford, FES, Chairman
Outlook Statements: Malcolm Clough, AMS
Harold F. Breimyer, AMS
- 12:00 - 1:30 Lunch Time
- 1:30 - 3:15 Dairy - Jefferson Auditorium
Max K. Hinds, FES, Chairman
Herbert C. Kriesel, AMS, Outlook Statement
- 3:30 - 5:00 Poultry - Jefferson Auditorium
Homer S. Porteus, FES, Chairman
Edward Karpoff, AMS, Outlook Statement
- 5:00 Adjournment

Thursday, November 20, 1958

Room 216 Administration Building

Family Living Sessions

Planning for Intermediate and Long-Term Family Financial Adjustments (cont'd)

Emma Holmes, Home Economist
Household Economics Research Division, ARS, Chairman

9:15 Planning for Replacements of Durable Goods
Jean Pennock
Household Economics Research Division, ARS

Family Use of Consumer Credit
Janis Moore
Household Economics Research Division, ARS

Considerations in Developing and Using Standard Budgets
Helen H. Lamale
Bureau of Labor Statistics
Department of Labor

11:30 - 1:00 Lunch Time

Planning for Intermediate and Long-Term Family Financial Adjustments (cont'd)

Starley M. Hunter, Family Economics and Home Management Specialist
Division of Home Economics Programs, FES, Chairman

1:00 Guiding Family Spending Discussion
Alice H. Jones
Household Economics Research Division, ARS

2:30 Meat Outlook as It Affects Families
Harold F. Breimyer, Head
Livestock, Fats & Oils Section
Agricultural Economics Div., AMS

Dairy Outlook as It Affects Families
Herbert C. Kriesel, Head
Dairy and Poultry Section
Agricultural Economics Div., AMS

4:30 Adjournment

STATE DELEGATES PREREGISTERED FOR THE 36th OUTLOOK CONFERENCE
November 17-21, 1958

ALABAMA

Foy Helms,

ALASKA

Allan H. Mick

ARIZONA

George W. Campbell, Jean M. Stewart

ARKANSAS

Clay R. Moore, Crystal C. Tenborg

CALIFORNIA

Robert C. Rock, Mildred Novotny

COLORADO

S. Avery Bice

CONNECTICUT

George Ecker, Florence Walker

DELAWARE

W. T. McAllister, Patricia Middleton

FLORIDA

C. C. Moxley, Bonnie J. Carter

GEORGIA

J. J. Lancaster, Hilda Dailey
Paul C. Bunce

HAWAII

Stephen Doue

IDAHO

Wayne Robinson

ILLINOIS

L. H. Simerl, Catherine Sullivan

INDIANA

Ronald Bauman, Elkin Minter
James Stevenson, Clara Wendt

IOWA

Francis Kutish, Helen T. Sorensen

KANSAS

Leonard Schruben, Ruth Wells
Sykes Trieb

KENTUCKY

Steve Allen, Catherine Knarr
Wilmer Browning, Letta W. Jasper

LOUISIANA

W. D. Curtis, Celia Hissong

MAINE

Arling C. Hazlett, Doris D. Ladd

MARYLAND

George A. Stevens, Joanne W. Reitz

MASSACHUSETTS

Adrian H. Lindsey, Barbara Higgins

MICHIGAN

Charles L. Beer, Lucile Ketchum
John N. Ferris

MINNESOTA

Luther Pickrel, Margaret Jacobson

MISSISSIPPI

Rupert B. Johnston, Katherine Simpson

MISSOURI

Coy G. McNabb
Thomas Brown
Elmer Kiehl

MONTANA

John Bower

NEBRASKA

T. Allen Evans, Clara Leopold

NEVADA

George Myles

NEW HAMPSHIRE

Silas B. Weeks, Ann F. Beggs
Louise C. Dix

STATE DELEGATES PREREGISTERED FOR THE 36th OUTLOOK CONFERENCE (continued)
November 17-21, 1958

NEW JERSEY

Frank V. Beck, Hildreth M. Flitcraft
John T. Hunter
George T. McCloskey

NEW MEXICO

C. R. Keaton

NEW YORK

L. C. Cunningham, Leola Cooper
D. C. Goodrich, Gwen Bymers
V. B. Hart
R. B. How
C. W. Loomis
R. G. Murphy
R. S. Smith
C. E. Wright

NORTH CAROLINA

Guy Cassell, Mamie Whisnant
Clyde Weathers

NORTH DAKOTA

Harry G. Anderson, Irene Crouch

OHIO

Wallace Barr, Jr., Mabel Spray
Lyle H. Barnes

OKLAHOMA

Houston Ward, Evelyn Nantz

OREGON

M. D. Thomas

PENNSYLVANIA

Monroe Armes, Helen Bell
H. Louie Moore
William Carroll
Wesley Kriebel

PUERTO RICO

Roberto Lefebre-Munoz
Andreita Vazquez de Reyna

RHODE ISLAND

Arthur Domike, Evelyn Lyman

SOUTH CAROLINA

M. C. Rochester, Ruby Craven

SOUTH DAKOTA

Lyle M. Bender, Isabel McGibney

TENNESSEE

Eugene Gambill, Mary Sue Mayo
Phyllis Ilett

TEXAS

John G. McHaney, Eula J. Newman

UTAH

Morris Taylor

VERMONT

Verle Houghaboom, Doris Steele

VIRGINIA

James B. Bell, Ocie J. O'Brien
D. U. Livermore
K. E. Loope
W. J. Nuckolls, Jr.
Harold W. Walker

WASHINGTON

Karl Hobson, Lila Dickerson

WEST VIRGINIA

Vernon Sheppard, Louise Knight

WISCONSIN

Gustof Peterson, Louise Young

WYOMING

Bob Frary, Alberta Johnston

For release
November 19 p.m.

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service

THE OUTLOOK FOR WHEAT IN 1959

Talk by Robert E. Post
Agricultural Economics Division
At the 36th Annual Agricultural Outlook Conference
Washington, D. C., November 19, 1958

The wheat outlook for 1959-60 was discussed in the August issue of the Wheat Situation, which was issued prior to the seeding time of the 1959 winter crop. Recent changes in the outlook were published in the October issue of the Wheat Situation. I have arranged to have the 3 charts which appear in the chartbook projected to illustrate my remarks.

The Wheat Situation for 1958-59

The wheat supply for the year beginning July 1, 1958 is estimated at 2,340 million bushels, shown as the last black bar on the chart (6512). This is 14 percent above the previous record supply in 1956-57. The table on the back page of this printed statement shows the items which make up the 1958-59 supply as compared with earlier years.

Domestic disappearance in 1958-59, estimated at 610 million bushels, shown as the bottom portion of the last bar, is expected to be not much different from that in 1957-58. However, exports, estimated at 430 million bushels, shown as the dotted portion of this bar, would be moderately above the 402 million a year earlier. At this level, exports would be 22 percent below the all-time record in 1956-57 of 550 million bushels.

In order to move wheat into export, prices must be at the world market level. This, by reason of domestic prices exceeding world prices, can only be accomplished by export payments. Virtually all United States wheat exports require these payments. In addition, exports have been materially increased by special Government programs, including sales for foreign currencies, barter and various donation programs. Of the total exports in 1957-58, 62.1 percent moved under these special programs; this was slightly more than the 58.0 percent average in the previous 4 years.

On the basis of this prospective supply and disappearance, the carryout at the end of the 1958-59 marketing year, indicated by the part of the black bar projecting above disappearance, would total about 1,300 million bushels. A carryout of this size would be the largest in our history and 420 million bushels above a year earlier. Moreover, the increase would be almost 3 times the reduction in carryover stocks which occurred as the result of Government programs between June 30, 1955 and June 30, 1958.

Production in 1958 reached an all-time high of 1.45 billion bushels, indicated October 1. This is shown by the solid line on this next chart (6511). This record crop resulted from record high yields, shown by the dotted line. Yields from 1940 to 1952 fluctuated around a 17.0 bushel yield average, which was almost the same as the 17.3 bushel yield in 1953. From 1953 to 1957 yields increased steadily, shown on the chart as almost a straight line. The increase in these five years amounted to about 25 percent. Then in 1958, yields shot up sharply, a 25 percent increase in one year. Dr. Reitz will tell you about the development of high yielding varieties which point to further sharp national increases in years to come.

Acreage is not shown on the chart. Although 5.3 million acres were placed in the Acreage Reserve Program, the 1958 harvested acreage amounted to 53.6 million acres. This was only 1.4 million acres below the 55 million-acre minimum allotment because of overplanting and little winterkill. The previous record production of 1.36 billion bushels in 1947 was on 74.5 million acres, 39 percent larger than in 1958. The yield in that year was 18.2 bushels compared with 27.0 bushels for 1958.

The Wheat Outlook for 1959-60

With acreage allotments and marketing quotas in effect for 1959, and without the Acreage Reserve Program, about 55 million acres of wheat will probably be harvested. Conditions for the winter crop started out excellent, but subsequently the crop has encountered a period of dry weather. If the 1956-58 average yield of 23.0 bushels per acre should be obtained, a crop of about 1,265 million bushels would be produced. Though 13 percent smaller than the 1958 production, a crop of this size would again exceed estimated domestic requirements and exports by about 200 million bushels. If disappearance should hold at the 1958-59 level of about 1,040 million bushels, a crop of this size would again increase the carryover on June 30, 1960 to over 1,500 million bushels compared with the 1,300 million bushels indicated for a year earlier.

The Price Situation and Outlook

The next chart (836) shows market prices at Kansas City and the support rate. This brings out the fact that since the inauguration of the price support program in 1938, except in the 2 years following World War II when demand was great, prices generally have averaged close to the support rates. The chart also shows that prices at Kansas City have been lowest in either June, July or August and, as quantities were withdrawn under the support program from market supplies, that prices advanced to a level near or above the support level, depending upon how tight "free" supplies became. The low month to date this season was July, after which prices have advanced each month. In most years, prices have averaged highest in March or later. This year, the high month probably will depend more than usual upon when farmers market their large remaining "free" supplies as well as the quantity farmers place under the Government price support program.

As a result of the unusual degree of withholding of wheat by farmers, prices for the 1958-59 marketing year as a whole may average only slightly lower relative to the loan than in 1957-58, when the national average price to farmers, including unredeemed wheat at the loan rate, was 6 cents below the announced support of \$2.00. The price in mid-October this year averaged \$1.73, 9 cents below the 1958 support of \$1.82. This compares with the 1957 mid-October price of \$1.92, 8 cents under the \$2.00 support. Earlier in the year, prices generally were lower relative to the support than last year. While market prices may be weakened by materially increased selling of "free" wheat at times during the remainder of the marketing year, the large unredeemed quantities which will be delivered to the CCC at the support rate will tend to offset the effect of such marketings in the annual average price received by farmers.

The "advance" minimum national average support price for 1959-crop wheat was announced on May 1 at \$1.81 per bushel. The advance support price reflects 75 percent of the estimated modernized parity price for wheat as of July 1, 1959, and compares with the \$1.82 per-bushel support for the 1958 crop. The minimum support for 1959 will not be reduced but will be increased if 75 percent of parity as of July 1, 1959 indicates a higher support price.

Wheat: Supply and distribution, United States,
1953-58 and 1959 projected

| Item | Year beginning July | | | | | | |
|-------------------------------|---------------------|-------------|-------------|-------------|-------------|---------------|-------------|
| | 1953 | 1954 | 1955 | 1956 | 1957 1/ | 1958 1/ 2/ | 1959 3/ |
| | Mil. bu. | Mil. bu. | Mil. bu. | Mil. bu. | Mil. bu. | Mil. bu. | Mil. bu. |
| <u>Supply</u> | | | | | | | |
| Carryover on July 1 | 605.5 | 933.5 | 1,036.2 | 1,033.4 | 908.8 | 880 | 1,300 |
| Production | 1,173.1 | 983.9 | 934.7 | 1,004.3 | 947.1 | 1,450 | 1,265 |
| Imports 4/ | 5.5 | 4.2 | 9.9 | 7.8 | 11.5 | 10 | 10 |
| Total | 1,784.1 | 1,921.6 | 1,980.8 | 2,045.5 | 1,867.4 | 2,340 | 2,575 |
| <u>Domestic disappearance</u> | | | | | | | |
| Food 5/ | 487.1 | 485.9 | 481.5 | 482.4 | 484.0 | 484 | 484 |
| Seed | 69.5 | 64.8 | 67.7 | 57.7 | 63.5 | 66 | 66 |
| Industry | .2 | .2 | .7 | .5 | .3 | --- | --- |
| Feed 6/ | 76.8 | 60.1 | 51.2 | 46.5 | 36.6 | 60 | 60 |
| Total | 633.6 | 611.0 | 601.1 | 587.1 | 584.4 | 610 | 610 |
| <u>Exports 7/</u> | 217.0 | 274.4 | 346.3 | 549.6 | 402.5 | 430 | |
| Total disappearance | 850.6 | 885.4 | 947.4 | 1,136.7 | 986.9 | 1,040 | |
| <u>Stocks on June 30</u> | 933.5 | 1,036.2 | 1,033.4 | 908.8 | 880.5 | 1,300 | |

1/ Preliminary.

2/ Imports and distribution are estimated.

3/ Projected.

4/ Excludes imports of wheat for milling in bond and export as flour.

5/ Includes shipments to United States Territories and military food use at home and abroad.

6/ This is the residual figure, after all other disappearance is accounted for.

7/ Actual exports. Prior to October 1954 they included those for civilian feeding under the military supply program.