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December 1984 A.E. Ext. 84-30

New York Economic Handbook 1985

AGRICULTURAL SITUATION and OUTLOOK

Prepared by
Extension Staff

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TABLE OF CONTENTS

Section	Prepared by[1]	Page
Economic Situation	K. L. Robinson	2
Farm Structure	B. F. Stanton	13
Marketing Costs	G. A. German G. F. Hawkes	17
Finance	E. L. LaDue	23
Real Estate	G. L. Casler	29
Farmland Retention Programs	K. V. Gardner	33
Labor	R. B. How	37
Grain and Feed	G. L. Casler W. F. Lazarus	41
Dairy	A. M. Novakovic W. C. Wasserman[2] W. A. Knoblauch	47
Fruit	G. B. White	69
Livestock	S. F. Smith L. W. Tauer	85
Poultry	W. H. Lesser D. L. Cunningham[3]	89
Vegetables	R. B. How	103
Families	J. M. Hogarth[4]	115

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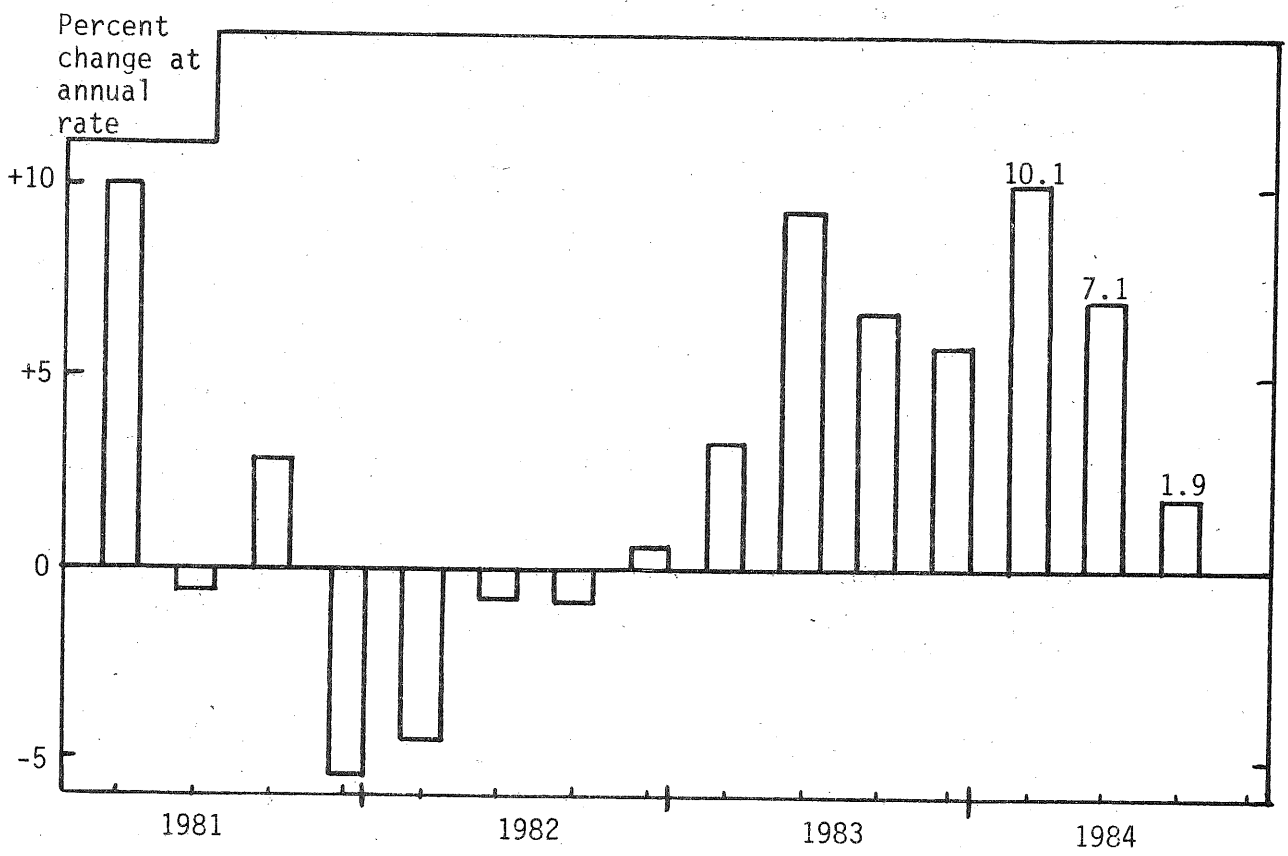
This publication contains information pertaining to the general economic situation and New York agriculture. It is prepared primarily for the use of professional agricultural workers in New York State. USDA reports provide current reference material pertaining to the nation's agricultural situation.

"Current Economic Situation" is a two page monthly release that carries the latest figures for selected economic indicators and highlights current developments. This release is a supplement to the Economic Handbook and is available to anyone requesting to be on the mailing list by writing to Department of Agricultural Economics, Cornell University, 442 Warren Hall, Ithaca, New York 14853-0398.

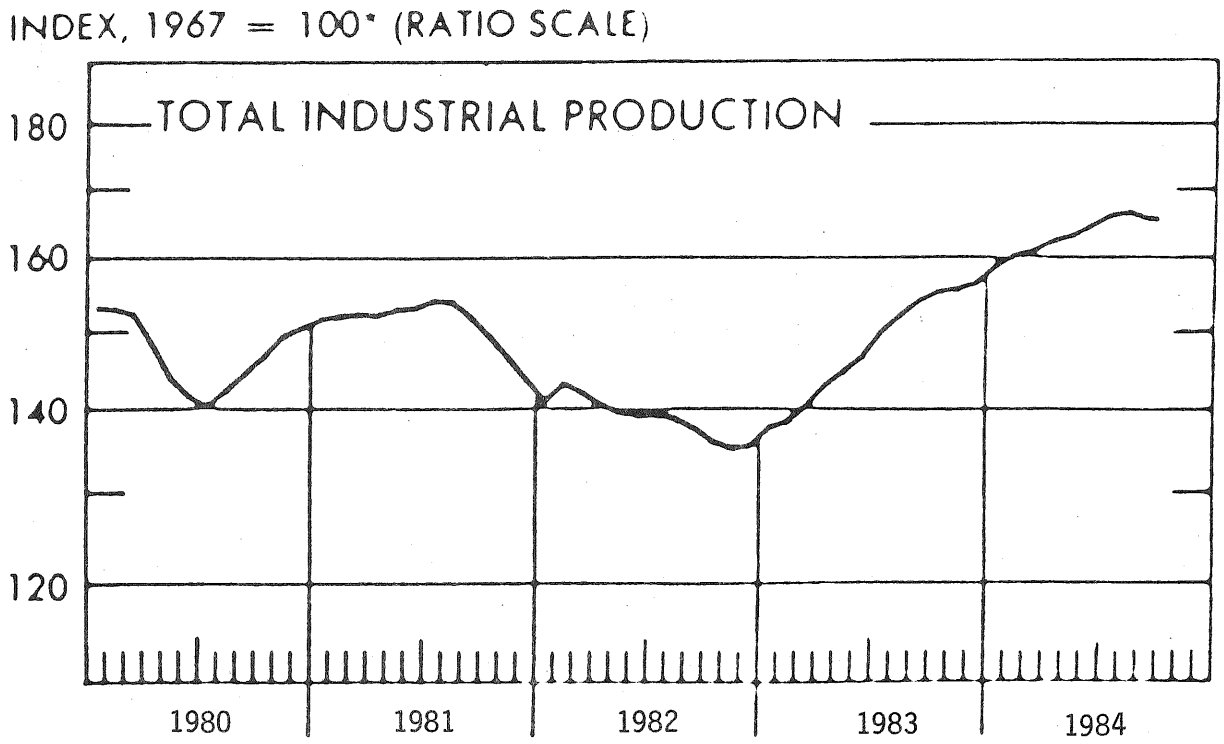
QUARTERLY RATES OF CHANGE IN REAL GNP



Forecasts of the rate of change in real GNP for 1985 range from zero to around 4 per cent, with the median forecast slightly above 3 per cent. Pessimists think the economy may even slip into a recession, especially if the value of the dollar remains high and interest rates do not come down. But the majority of economists believe the Federal Reserve will ease up on its tight money policy, thus exerting downward pressure on interest rates. This is more likely to occur if the rate of inflation remains low and Congress shows signs of taking some kind of action to reduce the federal deficit.

The rate of increase in real GNP that prevailed early in 1984 was unsustainable and consequently some reduction in the rate of growth was desirable. But the slow-down has been greater than anticipated and is now causing some apprehension. Corporate profits have slipped and auto sales recently have turned down. The pause is likely to be only temporary, but no one looks for as rapid a rate of growth in 1985 as occurred during the first half of 1984.

INDUSTRIAL PRODUCTION AND CAR SALES

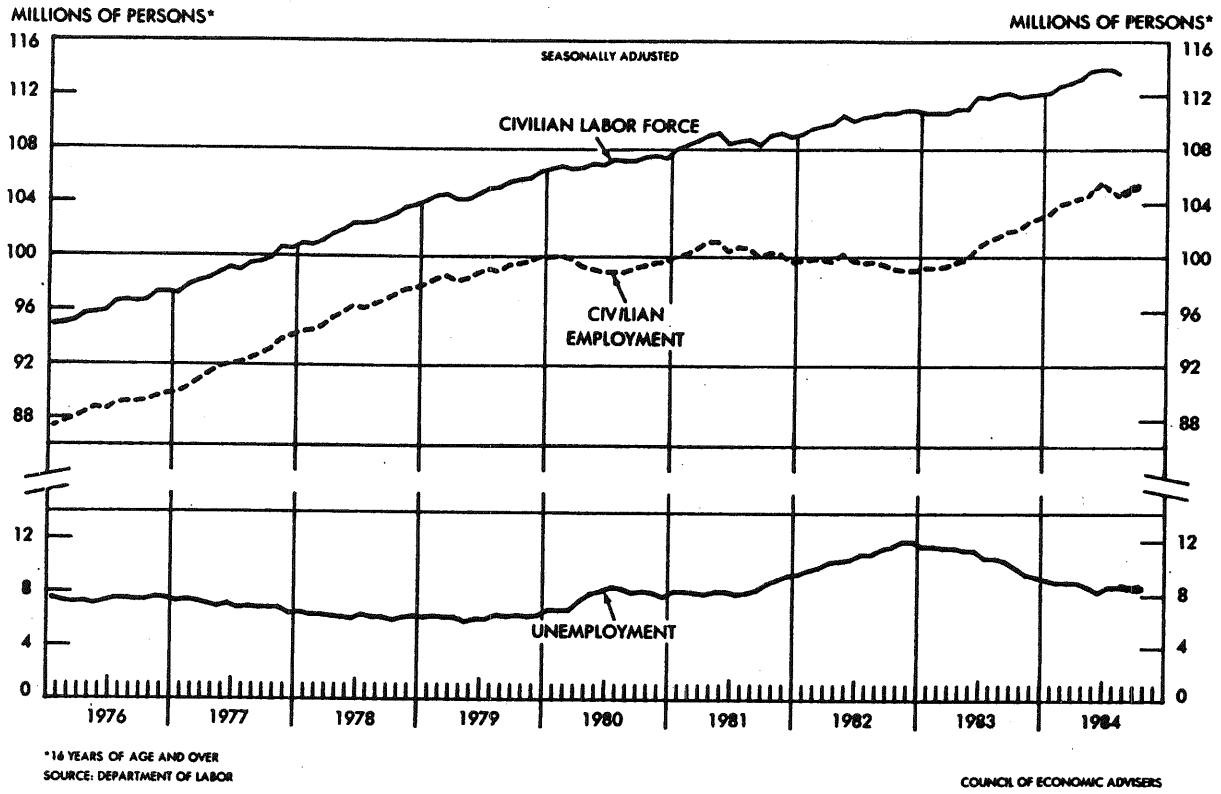


The slowdown in the economy which began in the third quarter of 1984 is reflected in the index of industrial production and in car sales. Industrial production rose consistently from November of 1982 through August of 1984, but since then has dipped slightly. Car sales, likewise, dropped from a peak selling rate of 8.5 million units around midyear to just under 7 million in October. Part of the decline is attributable to the lingering effects of the GM strike; however, it is unlikely that auto sales will contribute to economic expansion in 1985 as they did in 1984. Renewed strength in industrial production will depend on what happens to consumer spending, which is expected to rise during the fourth quarter, but by how much remains uncertain.

Calendar Year Car Sales

	1979	1981	1982	1983	1984(est.)
	(million units)				
Domestic Cars	8.2	6.2	5.8	6.8	8.0
Imports	2.3	2.3	2.2	2.4	2.3
Total	10.5	8.5	8.0	9.2	10.3

EMPLOYMENT AND UNEMPLOYMENT



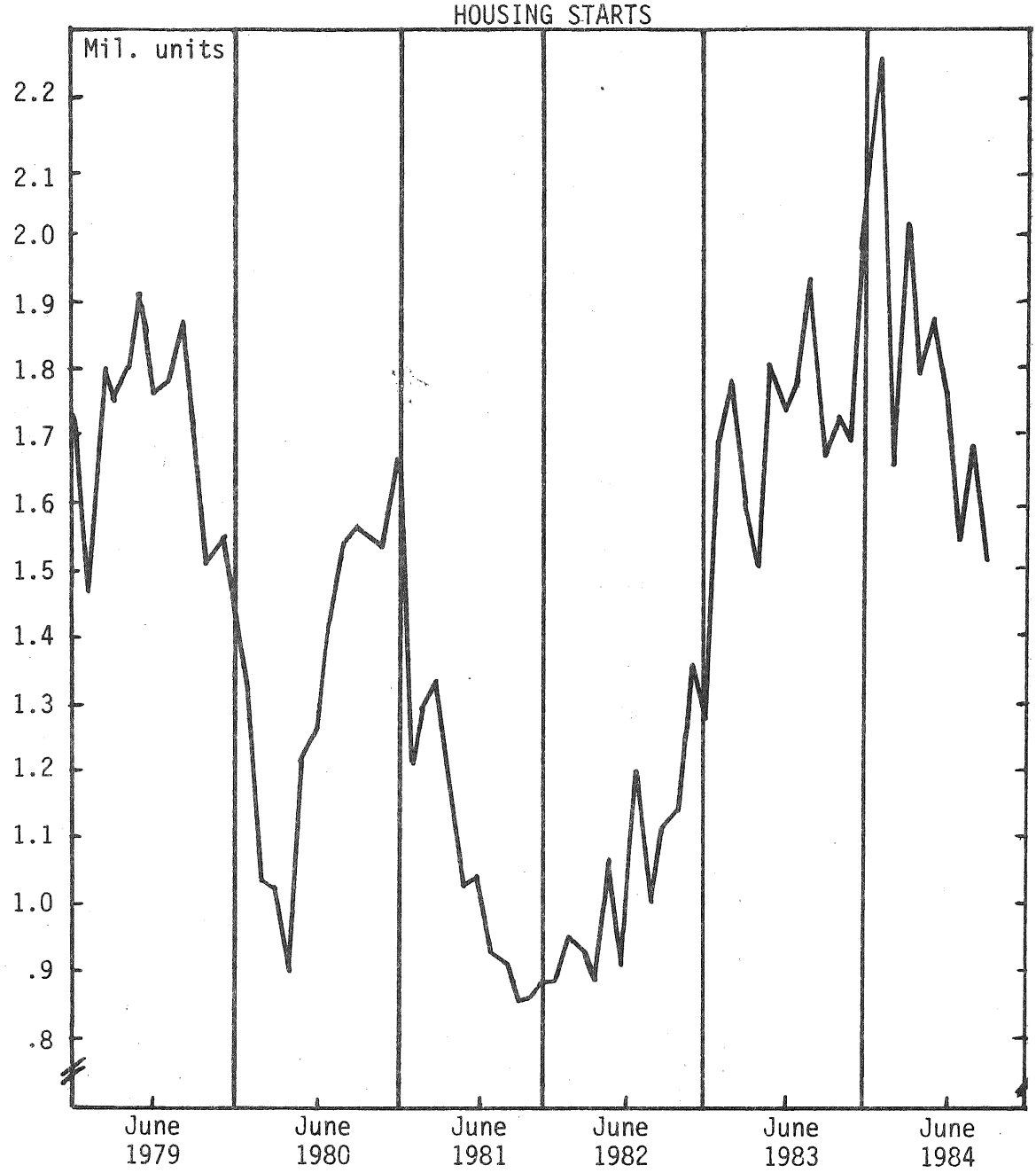
Total civilian employment which remained on a plateau of around 100 million from 1980 through 1982 began to rise sharply in the last half of 1983. The gains continued during the first half of 1984, but since then, employment has flattened out once again at around 105 million. Manufacturing employment is still not back up to the level prevailing in 1981. Nearly all the gain in employment since 1981 has been in wholesale and retail trade and in service industries.

Nonagricultural Employment

	1981	1983	mid 1984
	(million workers)		
Manufacturing and mining	21.3	19.5	20.7
Construction	4.2	3.9	4.4
Transportation & public utilities	5.2	5.0	5.2
Wholesale & retail trade	20.6	20.8	21.8
Services, including finance, insurance and real estate	23.9	25.1	26.4
Government	16.0	15.8	15.9
Total	91.2	90.1	94.4

Source: Council of Economic Advisers, Economic Indicators, Sept. 1984.

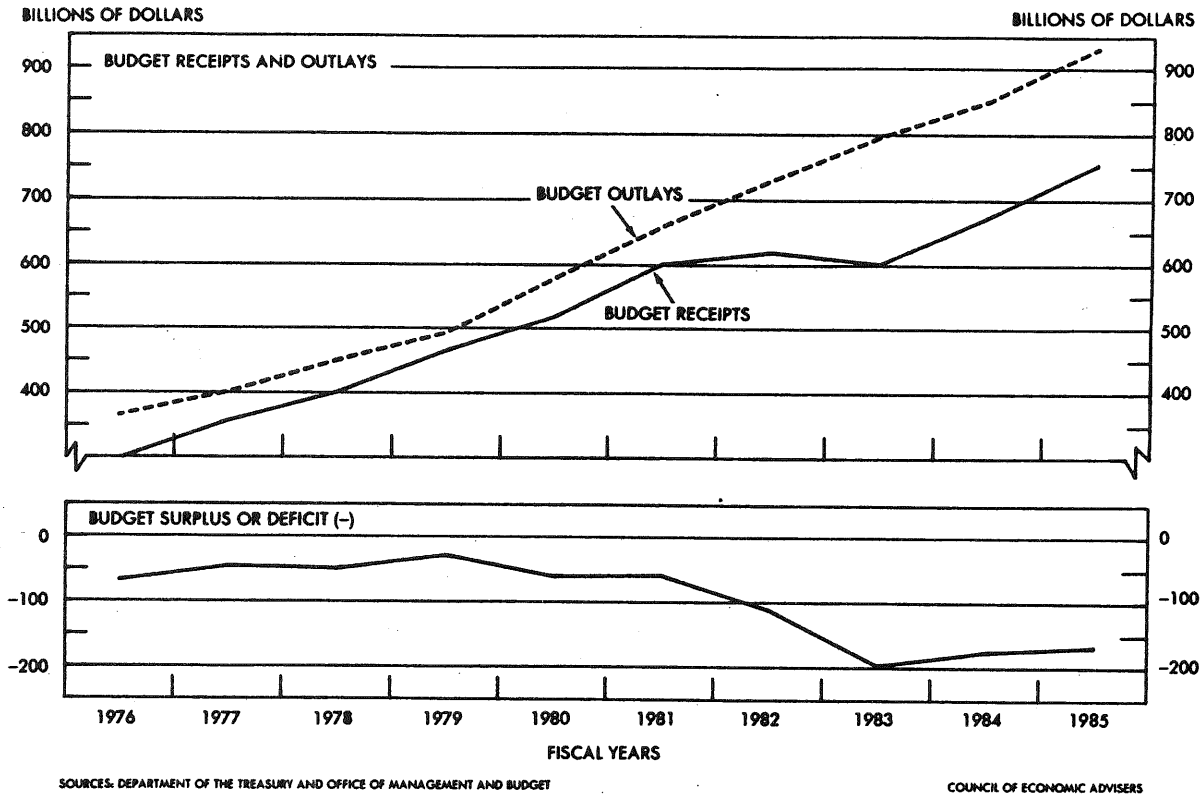
HOUSING STARTS



Housing starts continued to rise early in 1984, but since April have followed an erratic downward trend. In October housing starts were at the lowest level since late in 1982. Housing permits, which are a good indicator of future building activity, also have slipped in recent months.

Housing starts are likely to recover somewhat in 1985, especially if mortgage rates continue to come down. By historical standards, the rate of housing is still relatively high and is likely to remain so because of favorable demographics, i.e. a bulge in the age group that traditionally has purchased new homes.

FEDERAL GOVERNMENT RECEIPTS AND OUTLAYS



Following the election, the Office of Management and Budget raised their estimate of the federal deficit for 1985 from around $175 billion (shown above) to $210 billion. The upward revision is partly a function of less optimistic projections of revenue, based on a somewhat slower growth rate for the economy.

Congress will be under strong pressure to reduce the deficit. Some kind of tax increase is almost inevitable. Previous commitments to maintain "entitlement programs" (social security, medicare, medicaid, veterans benefits, etc.) and to increase national defense expenditures will make it difficult to cut very much from the budget. Owing to the succession of record deficits, Congress is compelled to appropriate more money each year to cover interest payments. Such payments now exceed $130 billion annually.

Estimated 1985 Budget Outlays (bil. $)

National Defense	266.2
International Affairs	17.2
Social Security & Medicare	258.1
Health and Income Security	144.1
Net Interest	130.2
All Other	114.8
Total	930.6

U.S. INTERNATIONAL TRANSACTIONS

	1981	(bil. $)	Est. 1984*
All Exports	237		217
All Imports	265		320
Net Trade Balance	-28		-113
Net Income from Overseas Investments	34		23
Income from Services	8		9
Travel Abroad, Remittances and Net Military Transactions	-8		-14
Net Balance of Transactions	6		-95

* Based on data for the first half of 1984.

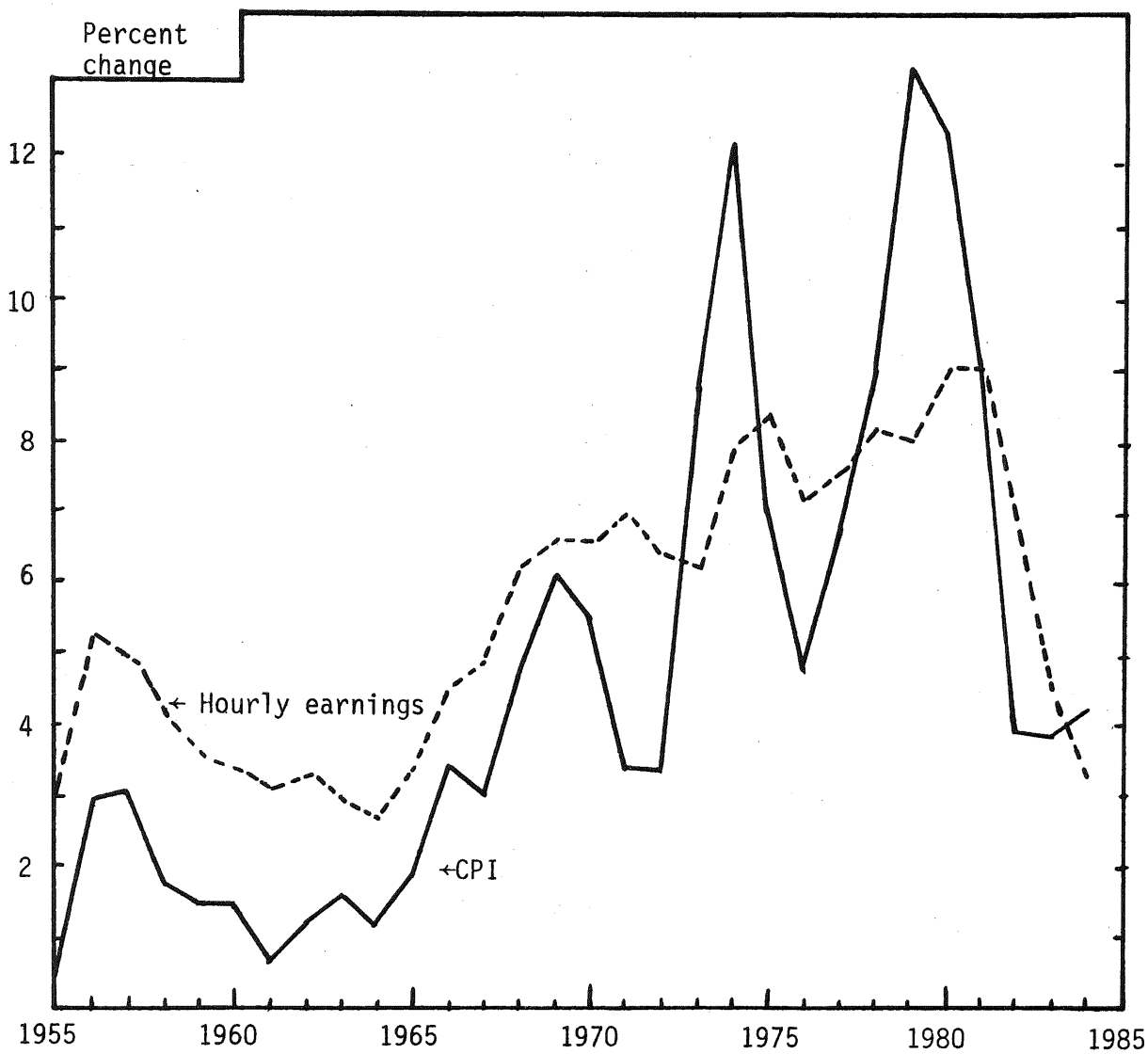
Source: Council of Economic Advisers, Economic Indicators, September 1984.

The U.S. trade deficit has grown enormously during the past two years and is now causing almost as much concern as the budget deficit. For a number of years, the value of imports has exceeded the value of U.S. exports, but until recently, income from overseas investments and services was sufficient to cover the trade deficit. This is no longer true. The trade deficit in 1984 will certainly exceed $100 billion and may go as high as $130 billion, despite somewhat lower oil prices. This is partly a function of the strong dollar which makes it cheaper to buy products from abroad than to produce them at home. The strong U.S. dollar also makes it difficult for U.S. manufacturers and farmers to compete on world markets and encourages U.S. citizens to travel abroad. The combination of a larger trade deficit combined with more travel abroad means that the total balance of payments deficit in 1984 will approach $100 billion, by far the largest ever recorded.

Unlike the developing countries which have equally serious balance of payments problems, the U.S. has had no difficulty thus far in covering its deficit. Other countries have been willing to invest in the U.S. because of our reputation for stability, a low rate of inflation, and attractive yields on bonds and other money-market instruments. But as a consequence of their willing to invest in the U.S., our foreign debt is rising very rapidly. It will take a much higher volume of exports in the future to cover interest owed to those living abroad.

A decline in the value of the dollar would help to reduce the trade deficit. Just when this will occur will depend in part on what happens to interest rates. If interest rates come down, the dollar also is likely to depreciate against other currencies.

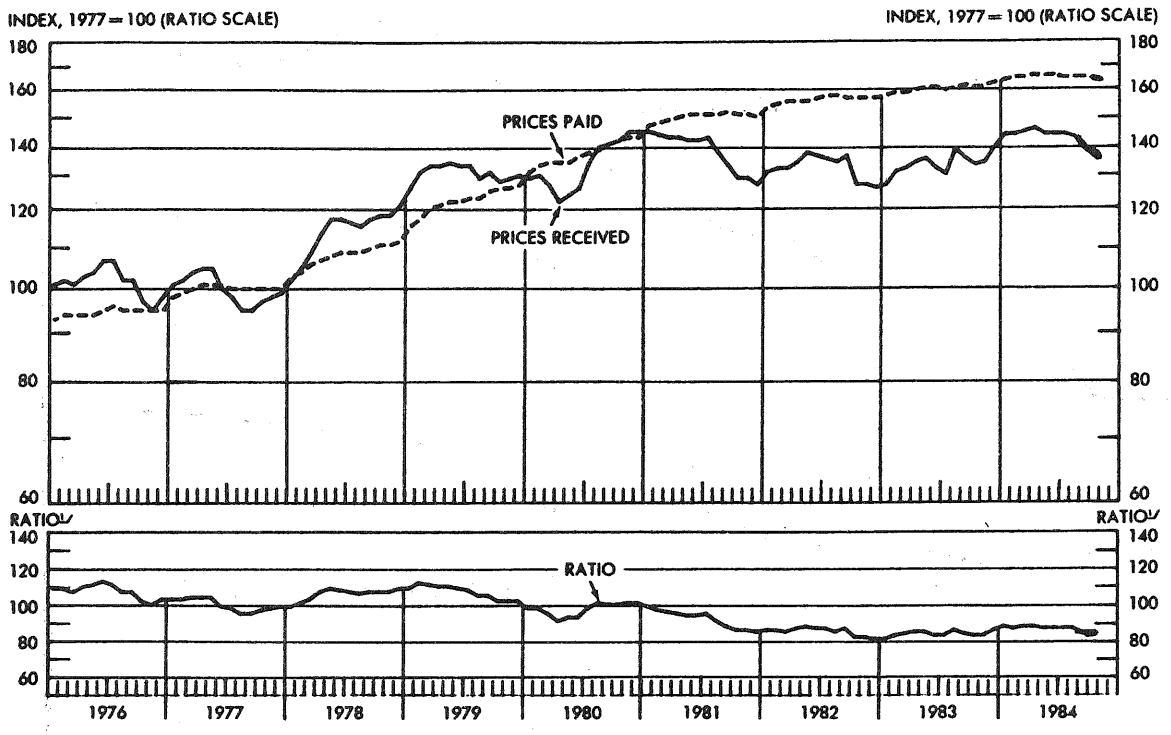
ANNUAL RATES OF CHANGE IN CONSUMER PRICES AND HOURLY EARNINGS



Consumer prices rose at an annual rate of just over 4 per cent in 1984, slightly above the rate prevailing in 1982 and 1983, but far below the double digit rate of inflation that prevailed in the late 1970s. Good crops and continued weakness in international oil prices are expected to hold down the rate of inflation again in 1985. Low-priced imports made possible by a strong dollar have been a major factor holding down the rate of inflation during the past two years.

The average increase in the hourly wage rate in 1984 was the lowest in nearly twenty years. Unions are still under pressure in some industries to grant concessions. Initial year wage increases negotiated under union contracts averaged only 2.5 per cent during the first 9 months of 1984. There is as yet no sign of any major reversal in recent wage trends.

AVERAGE PRICES RECEIVED AND PAID BY FARMERS

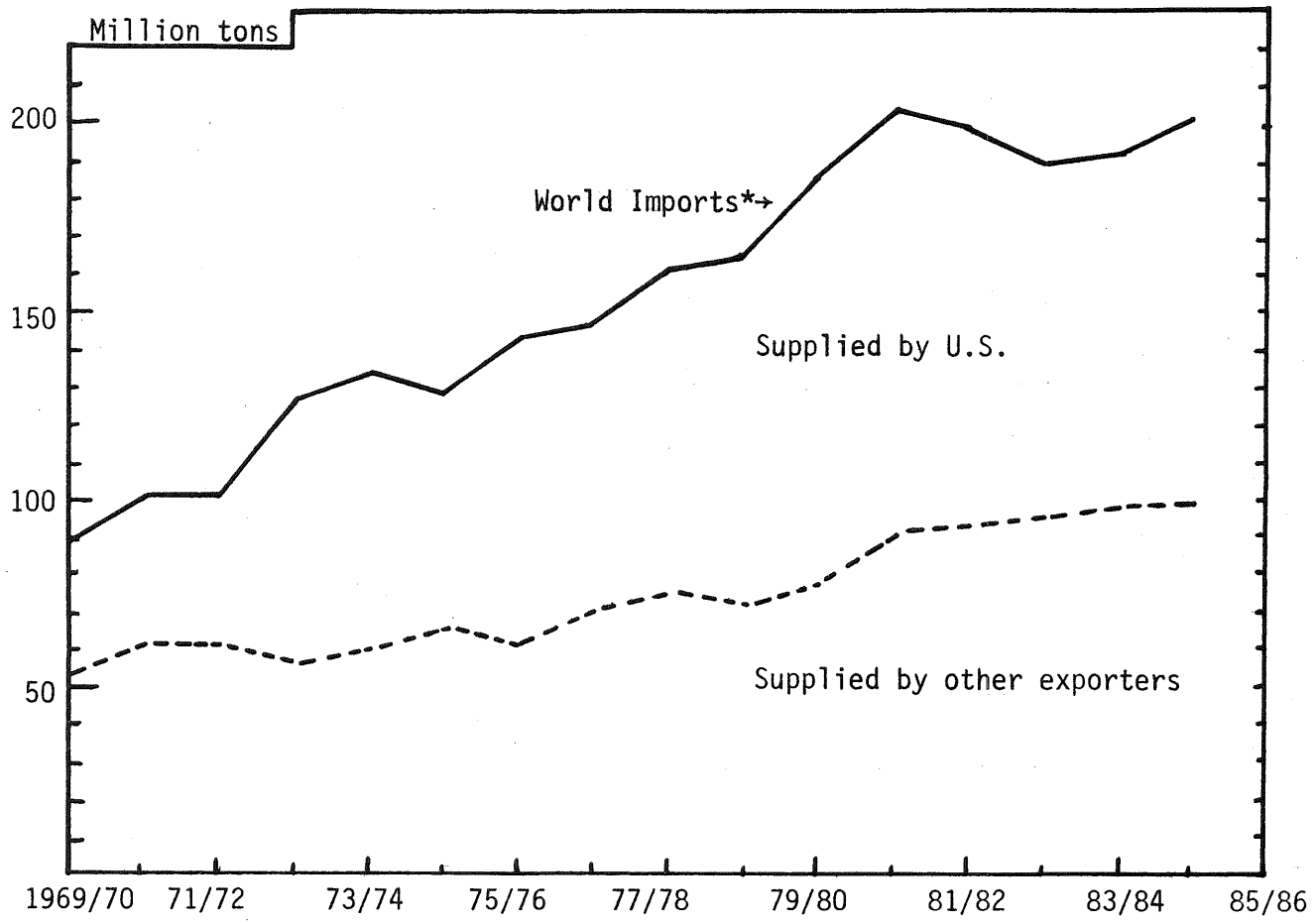


1/ RATIO OF INDEX OF PRICES RECEIVED TO INDEX OF PRICES PAID.
SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL OF ECONOMIC ADVISERS

Farm prices turned down in the last half of 1984 reflecting anticipations of a larger harvest. Lower prices for feed and dairy replacements have helped to hold down the index of prices paid by farmers in recent months. But the overall relationship between prices received and paid by farmers remains unfavorable, as it has for most of the past three years. Nor is there much prospect for improvement, at least in the prices of grains and milk during the first half of 1985. A strong dollar and very competitive export markets will hold down price increases for grains. Government set-aside programs are not likely to have a major impact on the 1985 harvest, and reserves going into the 1985-86 marketing year should be sufficient to cushion the effects of any shortfall that might develop due to unfavorable weather. Distant futures prices for cattle and hogs reflect the prevailing view that livestock prices are not likely to rise significantly in 1985.

WORLD IMPORTS OF WHEAT AND FEED GRAINS



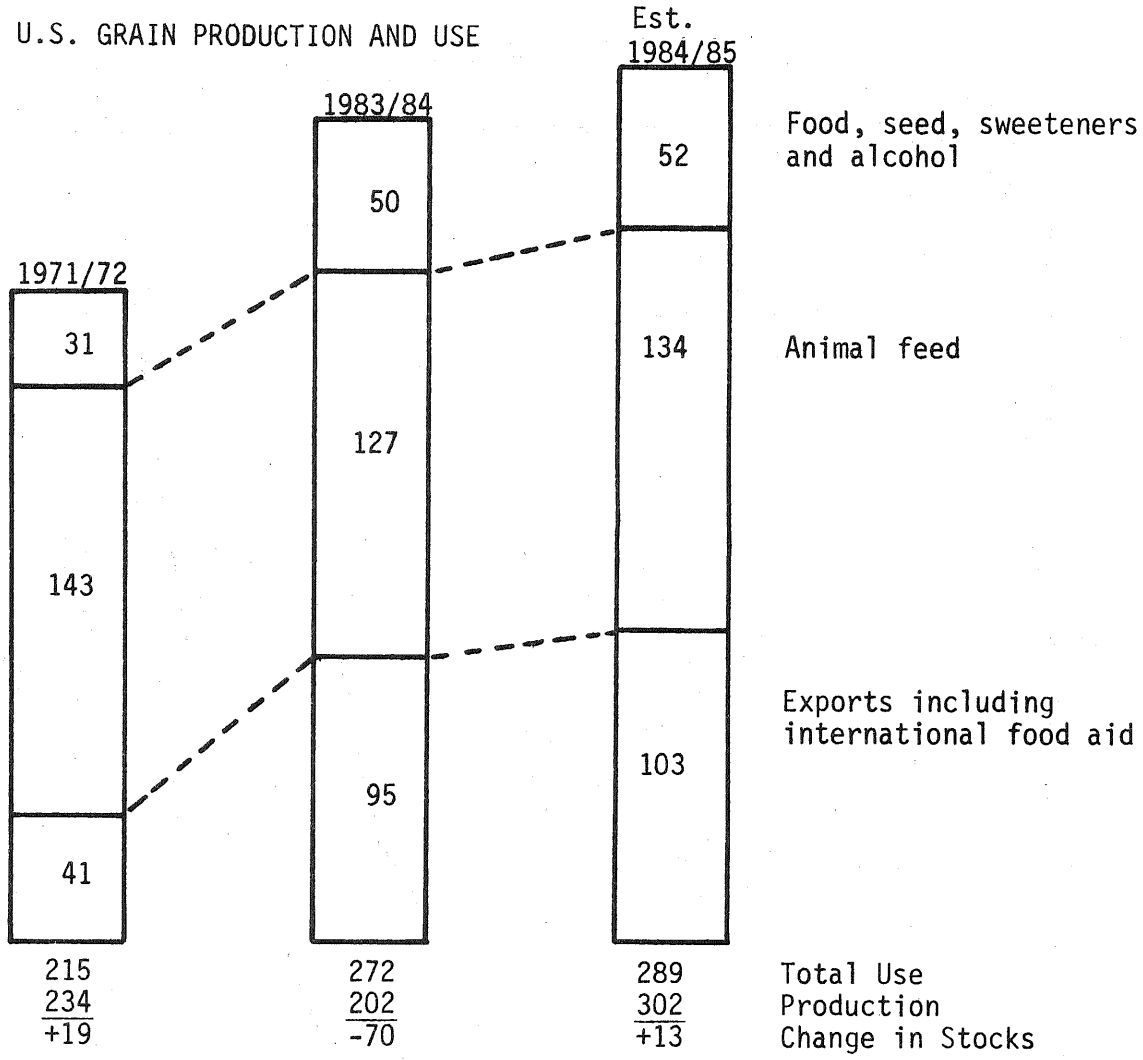
* Excluding trade within the European Community.

A high proportion of world grain trade consists of wheat and feed grains (mainly corn, sorghum and barley). Rice accounts for only about 10 per cent of world grain imports. The U.S. is by far the largest single exporter of wheat and feed grains.

World grain imports (wheat and feed grains combined) doubled during the 1970s, rising from around 100 million tons at the beginning of the decade to over 200 million tons in 1980/81. Since then, world import demand for grain has levelled off. Total imports dipped slightly in both 1981 and 1982, but turned up again in 1983/84. They are expected to rise a bit more in 1984/85 owing mainly to another poor harvest in the Soviet Union. Other countries which have been significant importers in the recent past, including most countries in Western Europe, India and China, have harvested excellent crops and therefore are likely to import less during the current marketing year.

The U.S. share of world exports rose from around 40 per cent in the late 1960s to nearly 60 per cent in 1978 and 1979. Since then, export availabilities have risen in other exporting countries, thus cutting into the U.S. share of world exports. Once again, the U.S. has become the residual supplier on world markets. U.S. support prices are providing an umbrella for other countries to expand production. For this reason, the Secretary of Agriculture would like to provide for more flexibility in establishing support prices for grain in the 1985 Act.

U.S. GRAIN PRODUCTION AND USE



The figures shown above include all major grains except rice. Total grain use is expected to rise in 1984-85 relative to 1983-84, but by less than the increase in production. As a result, total carryover stocks of grain are likely to rise modestly in 1985.

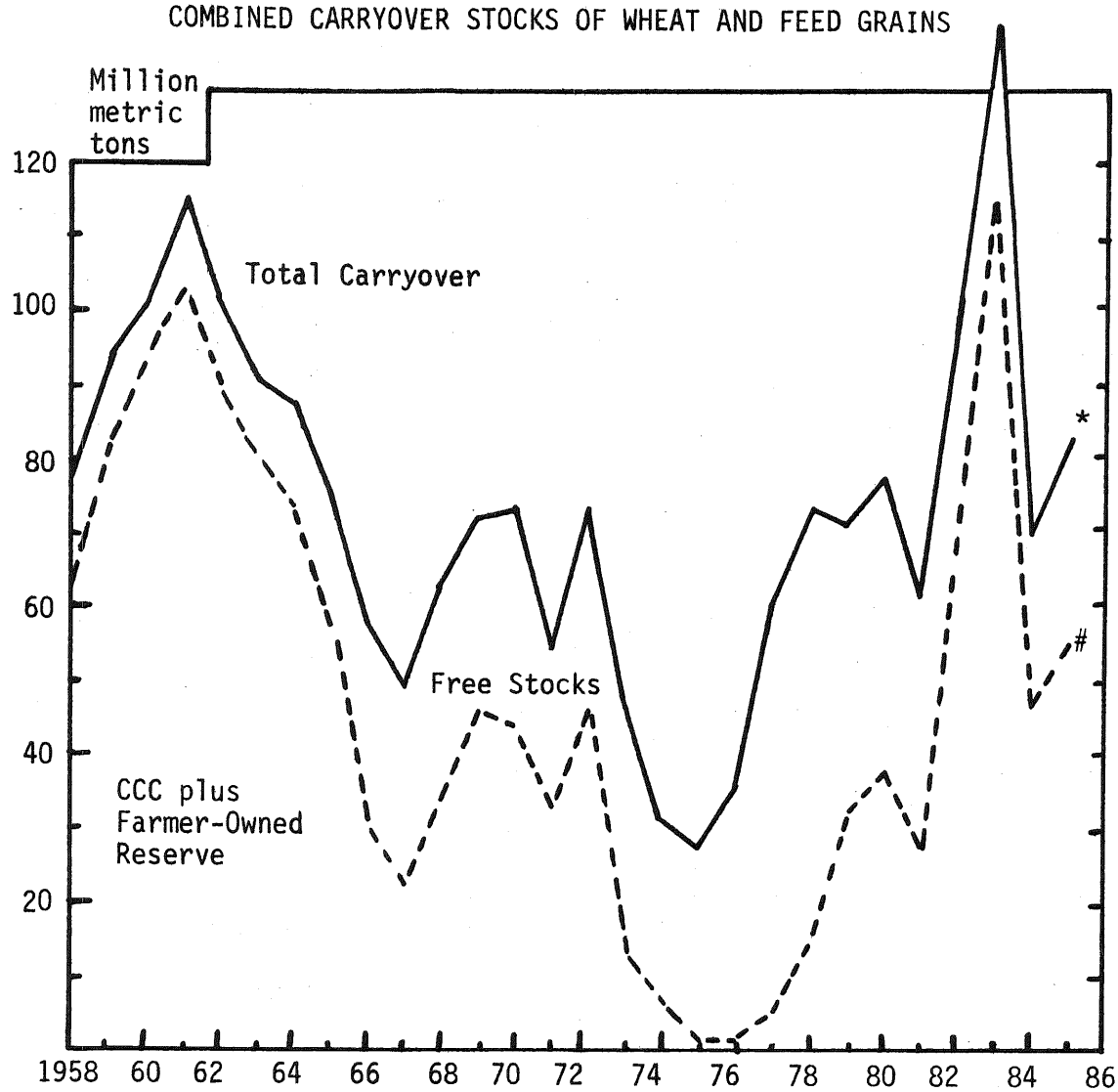
USDA is predicting somewhat higher exports in 1984-85 owing to another short crop in the Soviet Union and reduced supplies of grain available from Canada. Feed use also is expected to rise because of lower grain prices; however, the total amount of grain fed to livestock is still below the level of use prevailing in the early 1970s. More meat is now being produced with less grain because a higher proportion is being fed to poultry which are more efficient converters of grain into meat.

The use of grain for sweeteners and alcohol is continuing to rise. Corn sweeteners now account for over 40 per cent of the total caloric sweetener market.

International food aid accounts for only about two per cent of total U.S. grain production (around 6 million tons).

(For more detailed information on wheat and feed grain production and use, see pages 41-43.)

COMBINED CARRYOVER STOCKS OF WHEAT AND FEED GRAINS



* Includes government-subsidized farmer-held reserves since 1977.

Estimated.

The dramatic rise in carryover stocks of wheat and feed grains which occurred between 1981 and 1983 set the stage for the PIK program in 1983. As a result of that program, combined with the 1983 drought, total production fell short of grain use in 1983-84 by around 70 million tons. Practically all the decline occurred in stocks of corn and other feed grains rather than wheat. In relation to use, wheat reserves are much higher than those for corn and other feed grains (around 50% for wheat vs. 14% for feed grains).

Total carryover stocks of grain are expected to rise from around 70 million tons at the beginning of the 1984-85 marketing year to 83 million tons at the end of the year. This level of reserves is generally regarded by economists as more than adequate.

Table 1. CHANGES IN THE DISTRIBUTION OF FARMS BY ACRES PER FARM United States, 1910, 1950 and 1982

Acres per farm	Census Years 1910	1950	1982	Percent of total acres, 1982
	percent of farm numbers			
1 - 49	35.4	36.5	28.4	1.4
50 - 99	22.6	19.5	15.4	2.7
100 - 179	23.8	20.5	16.4	5.4
180 - 259	8.4	9.1	9.4	4.9
260 - 499	7.0	8.9	14.1	12.1
500 - 999	2.0	3.4	9.1	15.0
1,000 and over	0.8	2.3	7.2	58.5
Total	100.0	100.0	100.0	100.0
Number of farms, millions	6.36	5.38	2.24	2.24

Source: Censuses of Agriculture.

Table 2. CHANGES IN THE DISTRIBUTION OF FARMS BY ACRES PER FARM New York 1900, 1950, 1982

Acres per farm	Percent of total acres 1900	1950	1982	Percent of total acres, 1982
	percent			
1 - 49	29.8	27.0	22.1	2.1
50 - 99	28.1	21.4	15.5	5.2
100 - 179	28.2	27.7	19.2	11.9
180 - 259	9.4	13.0	14.0	13.9
260 - 499	3.9	9.1	19.7	32.0
500 - 999	0.5	1.6	7.8	23.2
1,000 and over	0.1	0.2	1.7	11.7
Total	100.0	100.0	100.0	100.0
Number of farms	226,720	124,780	42,207	42,207

Source: Censuses of Agriculture.

The proportion of America's farms with less than 180 acres has steadily decreased throughout the 20th century in both New York and the country as a whole. The proportion of the farms with 180 acres or more has grown over time in all these size categories in Tables 1 and 2 in both New York and the United States. In this sense the same forces have been at work in this state as nationally as farm numbers decreased.

Table 3. NUMBER OF FARMS AND VALUE OF PRODUCTS SOLD
New York Census, 1982

Value of agricultural sales	Number of farms	Percent of total	Total value of sales	Percent of total
			millions	
Residential farms:				
Less than $5,000	14,900	35.3	$ 25.2	1.0
Part-time farms:				
5,000 - 9,999	4,339	10.3	30.7	1.3
10,000 - 19,999	3,563	8.4	50.3	2.1
20,000 - 39,999	3,696	8.8	107.8	4.5
Commercial farms:				
40,000 - 99,999	8,313	19.7	563.3	23.2
100,000 - 199,999	4,991	11.8	682.6	28.1
200,000 - 499,999	1,975	4.7	567.9	23.4
$500,000 and over	398	0.9	391.7	16.1
Abnormal farms*	32	0.1	7.4	0.3
Total	42,207**	100.0	$2,426.9	100.0

*Abnormal farms are institutional, experimental and cooperative operations.

**USDA estimates another 6,000 farms with sales of less than $10,000 were not counted by Census.

One of the most common ways of measuring size of business is to look at sales volume, a common industry practice. Three groups of farms are differentiated in Table 3. All the farms with less than $5,000 of sales are described as residential farms. They make up at least 35% of the total and probably more because census undercounting is concentrated in this group. Although there are a substantial number of these "farms" they account for only 1 percent of total agricultural sales.

A second group described as part-time farms, sell between $5,000 and $40,000 of agricultural products. In nearly all cases this amount of sales is not enough to support a family. One or

more family members work off the farm. This group accounts for 27.5 percent of the census farms and about 8 percent of aggregate sales.

The third group designated commercial farms, produced 91 percent of all the agricultural products sold in 1982 from 15,700 farms. Most of these are full-time farm businesses where the primary source of family income comes from farming operations.

Table 4. PERCENT OF FARMS BY SIZE AND TOTAL SALES
New York and United States, 1982

Value of agricultural sales	Number of farms		Total value of sales	
	New York	U.S.	New York	U.S.
	percent of total			
Less than $5,000	35.3	34.4	1.0	1.4
5,000 - 9,999	10.3	13.8	1.3	1.8
10,000 - 19,999	8.4	11.7	2.1	3.1
20,000 - 39,999	8.8	11.4	4.5	6.1
40,000 - 99,999	19.7	16.4	23.2	19.2
100,000 - 199,999	11.8	7.7	28.1	19.3
200,000 - 499,999	4.7	3.6	23.4	19.0
$500,000 and over	1.0*	1.0	16.4*	30.1

*Abnormal farms included.
Source: Census of Agriculture.

When the number of farms by size groups, based on agricultural sales, is compared on a percentage basis, New York is similar to the national distributions. In both cases about 35 percent of the total number have sales of less than $5,000. In the part-time category, New York has proportionately smaller numbers. Nationally 37 percent of the total have sales between $5,000 and $40,000. In New York that total is only 27.5 percent. As a consequence more of New York's farm numbers are in the full-time commercial category with sales over $40,000. There are over 37 percent in New York but less than 29 percent nationally.

When the total value of agricultural sales is considered by size groups, there are other important differences between New York and the country as a whole. The 1 percent of farms in the United States with sales of $500,000 or more produce 30 percent of total output. In New York this proportion is 16.4 percent. In general New York's largest farms have not attained the size and relative importance of their counterparts in other regions of the country. In a corresponding manner much more of total farm

output in New York comes from traditional "family farms" with sales between $40,000 and $500,000. In New York the total is approximately 75 percent contrasted to the national figure of 57.5 percent. Concentration of production on a relatively small number of large farms has not occurred at the same rate as it has in the irrigated west, Hawaii and Florida.

Table 5. CHANGES IN THE PERCENTAGE DISTRIBUTION OF GROSS AND NET FARM INCOME United States, 1973 and 1983

Value of agricultural sales	Number of farms	Gross farm income*	Net farm income*
1973:	thousands	percent of total	
under $20,000	2,051	15.8	9.2
20,000 - 39,999	327	12.2	12.9
40,000 - 99,999	308	23.5	24.9
100,000 - 199,999	91	15.5	17.0
200,000 - 499,999	36	12.8	14.6
$500,000 and over	10	20.2	21.4
Total	2,823	100.0	100.0
1983:			
under $20,000	1,433	10.5	-1.4
20,000 - 39,999	272	6.7	2.9
40,000 - 99,999	381	19.8	14.6
100,000 - 199,999	177	18.6	17.0
200,000 - 499,999	83	17.7	18.5
$500,000 and over	24	26.7	48.4
Total	2,370	100.0	100.0

*Income including farm households before inventory adjustment.
Source: ERS, USDA, Economic Indicators of the Farm Sector, ECIFS 3-3, September 1984.

Estimates of the distribution of aggregate farm income by size classes are made annually by the Economic Research Service. Ten years ago in 1973 these calculations suggested that the distributions of gross farm income and net farm income (after production expenses including depreciation and interest were deducted) were quite similar. The proportions of net farm income accruing to the largest farms were not very much different from the proportions of gross farm income.

In 1983, the ERS estimates suggest a very different structure. Farms with $200,000 or more of gross sales are estimated to retain a larger proportion of their gross return than are smaller farms. These data suggest somewhat surprising economies of size over this 10 year span. It also suggests that small farms on the average are not covering all costs if imputed returns to the owner's labor and capital are considered.

HIGHLIGHTS OF THE MARKETING COSTS SECTION

The following pink pages contain nine tables of figures indicating the most recent developments in the area of marketing costs for food products. Marketing costs include all expenses incurred once the raw product leaves the farm until it is purchased by the consumer. The retail price for a food product reflects the expenses added by each component of the marketing system. Components of the food marketing system include packers, shippers, processors, manufacturers, wholesalers, brokers, retailers, and others.

On the next page a table containing the distribution of the total marketing bill among the major aggregate components reveals that labor costs account for almost half (45.2%) of the value added by the marketing function. Further, the distribution of marketing costs appears to have remained fairly stable over the past five years.

The gross margins and total expenses for food retailing chains are presented in the first table on page 19. Firms in the Northeast have followed the all firms average quite closely over the past five years.

The next two tables on page 19 contain evidence of the shrinking portion of the retail food dollar which works its way back to the farm level. As marketing costs increase, pushing retail prices, the farmers' share is proportionately smaller. In just the five years since 1979 the farmers' share has declined from 38 percent to 33 percent of the retail food dollar.

Further details of the distribution of food marketing costs are presented on page 20. Included are a pie chart detailing how the retail food dollar for both food-at-home and food-away-from-home is distributed among the farmers and the various marketing costs and a table indicating the relative changes in major marketing costs over the past three years.

Food expenditures as a percentage of disposable income are presented in the first table on page 21. One major trend is evident, the portion spent for all food has declined steadily from 16.9 percent in 1975 to 15.2 percent of disposable income in the second quarter of 1984. Another trend is that, although the portion of disposable income spent for food-away-from-home has remained about the same since 1975, the food-away-from-home share of the consumer food budget has grown from 24.9% to 28.3% over the same period. The second table on page 21 indicates that earnings ratios for food retail chains remain historically low relative to average earnings for other major industries and have not shown the effects of the economic recovery as clearly as other industries have.

A breakdown of how the average household spends its weekly food budget among the various product categories is presented on page 22. In 1983, food products accounted for 75.6% of the dollars spent in grocery stores, down from 77.1% in 1982 and 78.4% in 1975. This trend reflects the increasing expansion of grocery store product lines into non-foods and general merchandise as retailers seek the higher profit margins these products afford.

COMPONENTS OF FOOD MARKETING BILL

	1979	1980	1981	1982	1983
	Percent of Total Marketing Bill				
Labor[1/]	45.3	44.9	44.9	44.6	45.2
Packaging	11.3	11.7	11.3	11.0	11.0
Transportation[2/] (rail & truck)	7.1	7.1	7.0	6.9	6.8
Fuel & power	4.7	5.0	5.4	5.5	5.5
Corporate profit (before taxes)	6.1	6.1	5.9	6.1	6.2
Other[3/]	25.5	25.2	25.5	25.9	25.3

Source: National Food Review, Winter 1984

1/ Includes supplements to wages and salaries, such as pensions and health insurance premiums. Also includes imputed earnings of proprietors, partners and family workers not receiving stated remuneration.

2/ Does not include local handling charges.

3/ Includes business taxes, depreciation, rent, advertising, interest, and numerous other costs.

FOOD CHAIN OPERATING DATA, 1979-1983

Year	All Firms		Northeast Firms	
	Gross Margin	Total Expenses	Gross Margin	Total Expenses
	(Percent of Sales)			
1979	21.71	21.40	21.46	21.32
1980	22.03	21.41	21.79	21.57
1981	22.32	21.79	22.08	21.91
1982	22.92	22.29	23.22	22.79
1983	23.89	23.28	23.22	23.21

Source: Operating Results of Food Chains, Cornell University 1983-84.

MARKET BASKET OF FARM FOODS PRICE INDEXES, 1979-84

Period	Retail Cost	Farm Value	Farm Retail Spread	Farmer's Share
				(Percent)
1979	222.7	227.3	220.0	38
1980	238.8	239.8	238.3	37
1981	257.1	246.4	263.4	36
1982	266.4	248.8	276.8	35
1983 1/	268.7	240.3	285.5	33
1984 August	281.4	253.3	297.9	33

Source: Agricultural Outlook, USDA, October 1984.

1/ Preliminary

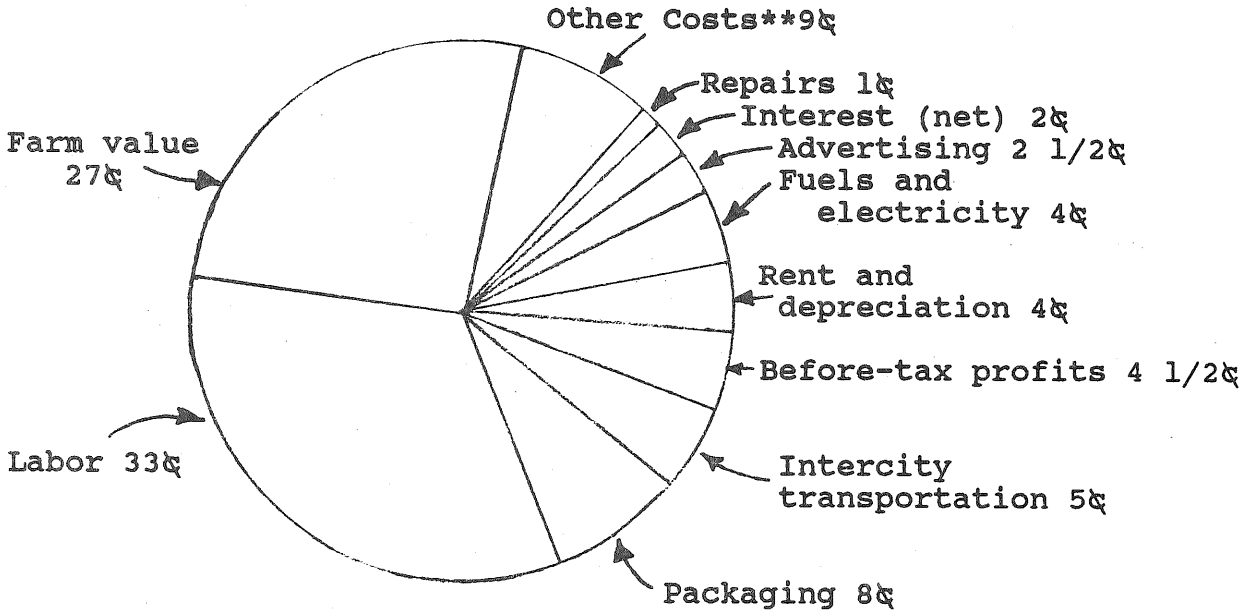
MARKET BASKET STATISTICS

Category	Relative Weight	Changes from Previous Years					
		1979	1980	1981	1982	1983P	1984F
		(Percent)					
Retail cost	100	11.7	7.2	7.7	3.8	1.1	3 - 6
Farm value	33	10.7	5.5	2.8	1.0	-2.3	4 - 7
Farm-to-retail spread	67	12.3	8.3	10.5	5.1	3.0	2 - 5

Source: National Food Review, USDA, Winter 1984.

P = Preliminary
F = Forecast

WHAT A DOLLAR SPENT ON FOOD* PAID FOR IN 1983 (Preliminary)



*Includes food-at-home and food-away-from-home

**Other costs include property, taxes and insurance, accounting and professional services, promotion, bad debts, and many miscellaneous items.

Source: National Food Review, USDA, #26, Spring, 1984.

MAJOR FOOD MARKETING COSTS

Category	Changes from Previous Year 1981	1982	1983P	1984F
		(Percent)		
Food marketing costs	11	5	3	4 - 7
Labor	10	7	4	3 - 6
Packaging	7	- 2	0	3 - 6
Fuel and power	19	5	1	5 - 8
Transportation	16	7	1	3 - 6

Source: National Food Review, USDA, Winter 1984.

P = Preliminary
F = Forecast

FOOD EXPENDITURES AS PERCENT OF DISPOSABLE INCOME, 1975-1984

Year	Total Food, Beverages and Other Groceries	Total Food, Except Alcoholic Beverages	Food Except Alchoholic Beverages: At Home	Food Except Alchoholic Beverages: Away From Home
1975	22.8	16.9	12.7	4.2
1976	22.6	16.8	12.5	4.3
1977	22.2	16.5	12.2	4.3
1978	21.8	16.3	12.0	4.3
1979	21.9	16.5	12.1	4.4
1980	21.8	16.4	12.1	4.3
1981	21.5	16.2	12.0	4.2
1982	21.2	16.1	11.7	4.4
1983 Qtr 1	20.9	15.8	11.3	4.4
Qtr 2	21.0	15.7	11.4	4.4
Qtr 3	20.8	15.6	11.2	4.4
Qtr 4	20.5	15.3	11.0	4.3
1984 Qtr 1	20.3	15.2	10.9	4.4
Qtr 2	20.2	15.2	10.9	4.3

Source: National Food Review, Fall 1984.

FOOD CHAIN EARNINGS AFTER TAXES, UNITED STATES 1979-1983

Year	Earnings as a Percent of: Sales	Total Assets	Net Worth
1979	0.80	4.55	11.66
1980	0.89	4.92	12.55
1981	0.88	4.75	11.53
1982	0.86	4.33	9.90
1983	0.94	4.52	9.87

Source: Operating Results of Food Chains, Cornell University, 1983-84.

HOW AN AVERAGE HOUSEHOLD DOLES OUT ITS DOLLARS IN GROCERY STORES EACH WEEK

	1983	1982	Change
PERISHABLES			
Baked goods	$ 2.99	$ 3.22	- 7.7%
Dairy	3.83	3.92	- 2.3
Frozen foods	2.60	2.46	+ 5.7
Fresh meat and provisions	9.03	9.67	- 7.1
Fresh fish	.51	.47	+ 8.5
Fresh poultry	1.31	1.30	+ 0.8
Produce	4.99	5.50	-10.2
Total	$25.26	$26.54	- 5.1
DRY GROCERY (FOOD)			
Beer	$ 2.48	$ 2.37	+ 4.6
Wine and liquor	.52	.31	+67.7
Baby food (excluding cereals, formulas)	.33	.29	+11.1
Cereal and rice	.96	.85	+12.2
Candy and chewing gum	.60	.59	+ 1.7
Canned foods			
Fruits	.33	.34	- 3.0
Juices and drinks	.59	.55	+ 7.3
Meat and poultry	.35	.35	--
Milk	.09	.09	--
Seafood	.40	.41	- 2.5
Soups	.31	.30	+ 3.3
Vegetables	.65	.61	+ 6.6
Coffee and tea	1.24	1.26	- 1.6
Dried foods	.49	.50	- 2.0
Jams, jellies and preserves	.41	.43	- 4.9
Macaroni, spaghetti, noodles	.19	.19	--
Desserts	.11	.10	+10.0
Soft drinks	1.30	1.43	-10.0
Sugar	.37	.37	--
Misc.	3.27	2.36	+38.6
Total	$14.99	$13.70	+ 9.4
Total Foods	$40.25	$40.24	--
DRY GROCERY (NON-FOOD)			
Paper goods	1.78	1.75	+ 1.7
Soaps, detergents	1.12	1.02	+ 9.6
Other households supplies	.21	.22	- 4.8
Pet foods	1.12	.97	+15.2
Tobacco products	2.19	1.95	+12.3
Misc.	.92	.41	+124.4
Total	$ 7.34	$ 6.42	+14.3
GENERAL MERCHANDISE/HBA			
Health and beauty aids (non-Rx)	$ 2.12	$ 2.14	- 0.9
Prescriptions	.31	.28	+ 1.1
Housewares	.64	.66	- 3.1
All other general merchandise	2.55	2.42	+ 5.3
Total	$ 5.62	$ 5.50	+ 2.2
GRAND TOTAL	$53.21	$52.16	+ 2.0

Source: Supermarket Business, September 1984.

UNITED STATES FARM BALANCE SHEET
Current Dollars, January 1

Item	1950	1960	1970	1980	1983	1984[a]
	--Billion Dollars--					
Assets						
Real Estate	77.6	137.2	215.8	755.9	772.5	792.0
Livestock	12.9	15.3	23.5	61.4	52.9	51.3
Machinery	12.2	22.7	32.3	96.7	111.0	113.8
Crops	7.6	7.7	10.9	33.5	42.1	37.0
Household	8.6	9.2	9.6	17.2	22.6	23.5
Total Nonreal Estate	(41.3)	(54.9)	(76.3)	(208.8)	(228.6)	(225.6)
Deposits & Currency	9.1	9.2	11.9	15.9	17.4	18.2
U.S. Savings Bonds	4.7	4.7	3.7	4.0	3.5	3.6
Coop. Investment	2.0	4.2	7.2	20.2	26.8	28.2
Total Financial	(15.8)	(18.1)	(22.8)	(40.1)	(47.7)	(50.0)
Total	134.7	210.2	314.9	1004.8	1048.8	1067.6
Claims						
Real Estate Debt	5.6	12.0	29.2	85.4	109.5	111.9
Nonreal Estate Debt	6.9	12.8	23.8	80.4	106.8	103.2
Total Debt	12.5	24.8	53.0	165.8	216.3	215.1
Owner's Equity	122.2	185.4	261.9	839.0	832.5	852.5
Total	134.7	210.2	314.9	1004.8	1048.8	1067.6
Percent Equity	91	88	83	83	79	80

[a]Preliminary
Source: Economic Indicators of the Farm Sector: Income and Balance Sheet Statistics. ERS, USDA. Agricultural Finance Outlook and Situation. December 1983, ERS, USDA.

CHANGES IN STRUCTURE, U.S. FARM BALANCE SHEET
Current Dollars, 1950-1984

Item	1950	1960	1970	1980	1983	1984
	--Percent of Total--					
Assets						
Real Estate	57	65	68	75	74	74
Livestock	10	7	8	6	5	5
Machinery	9	11	10	10	11	11
All Other	24	17	14	9	10	10
Total	100	100	100	100	100	100
Liabilities						
Real Estate Debt	45	49	55	52	51	52
Nonreal Estate Debt	55	51	45	48	49	48
Total	100	100	100	100	100	100

NEW YORK FARM BALANCE SHEET
In Current Dollars, Including Farm Households

Item	January 1984 Million Dollars	Percent
Assets		
Real Estate	$ 7,534	58
Livestock	1,126	9
Machinery & Vehicles	2,346	18
Crops Stored	520	4
Household Items & Equipment	462	4
Deposits & Currency	393	3
Coop. Investments	548	4
Savings Bonds	61	0[b]
Total Assets	$12,990	100
Liabilities & Equity		
Real Estate Debt	$ 1,345	38
Nonreal Estate Debt	2,150	62[a]
Total liabilities	$ 3,495	100
Equity	9,495	
Total liabilities & Equity	12,990	

[a] All emergency loans are included under nonreal estate. This overestimates nonreal estate loan volume and underestimates real estate loan volume.

[b] Less than 0.5 percent.

CHANGES IN NEW YORK FARM BALANCE SHEET
Current Dollars, January 1

Item	1960	1970	1980	1983[a]	1984
Total Assets	$3,579	$5,428	$11,698	$13,029	$12,990
Total Debts	547	843	2,527	3,247	3,495
Owner's Equity	3,032	4,585	9,171	9,782	9,495
Percent Equity	85	81	78	75	73

[a] Revised

NEW YORK FARM CREDIT OUTSTANDING
January 1, 1984

Credit Type & Source	Million Dollars	Percent Change from 1983	Percent Change from 1979
Real Estate Loans			
Commercial Banks	$ 113	6	-18
Federal Land Banks	527	0	45
Farmers Home Administration[a]	206	1	154
Insurance Companies	28	-7	56
Individuals & Others	470	1	40
Total	$1,333	3	51
Nonreal Estate Loans			
Commercial Banks[b]	$ 977	35	147
Production Credit Assoc.	395	-2	40
Farmers Home Administration[a]	318	-4	35
Merchants, Dealers, Individuals & Others	404	6	166
Commodity Credit Corporation	56	-22	
Total	$2,150	13	98
Total Debt	3,495	8	74

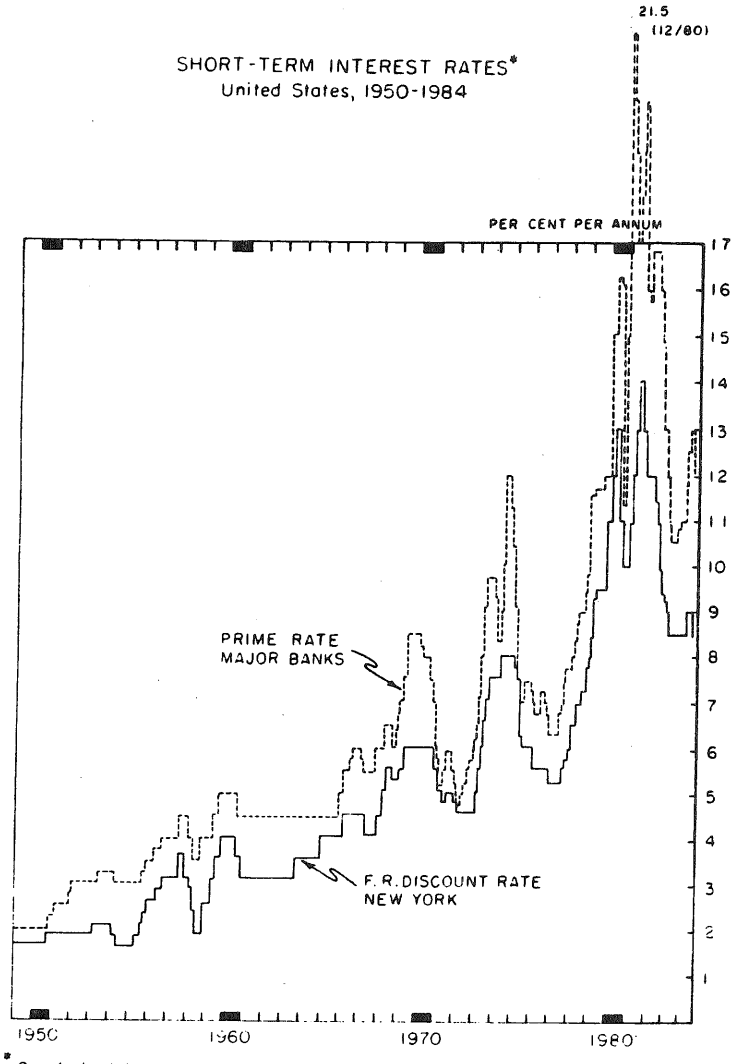
[a]All emergency loans are included under nonreal estate. This overestimates nonreal estate loan volume and underestimates real estate loan volume.

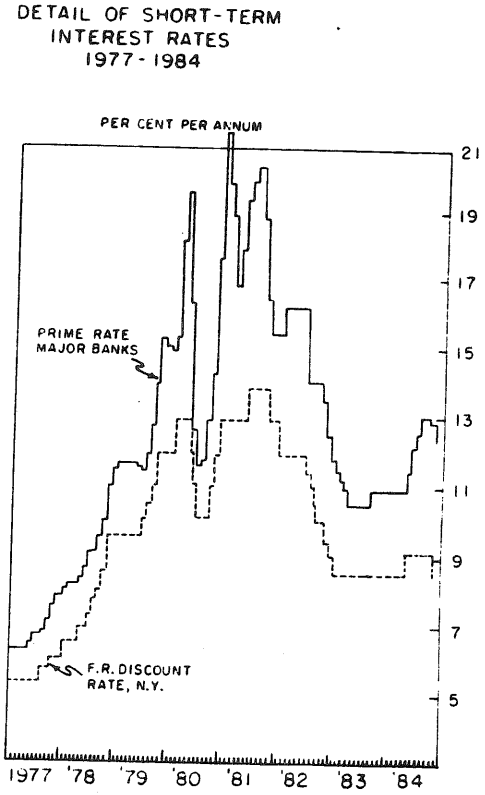
[b]Includes loans made outside of New York State by New York City banks. Both the level of bank loans and the rate of increase are exagerated by this inclusion.

Source: ERS, USDA.

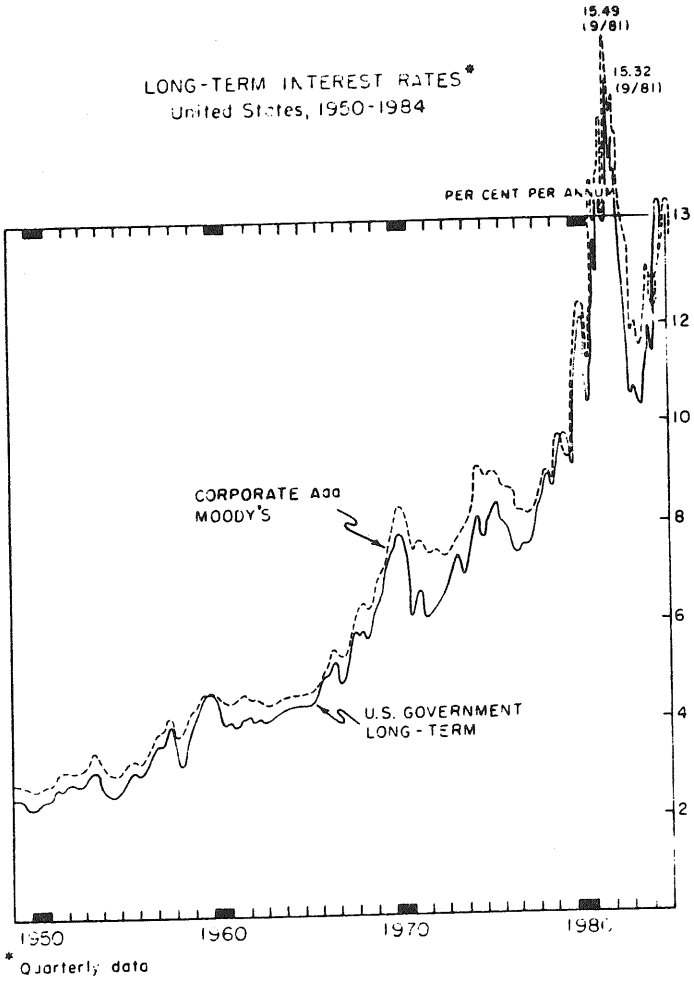
During 1983 the total value of United States farm assets increased about two percent. The value of livestock continued a modest decline. Crop inventories declined significantly, primarily due to the PIK (payment-in-kind) program. Total U.S. farm debt was basically constant during 1983. Some shift towards a higher proportion of long term debt did occur as farmers apparently attempted to reduce their debt payment burden by restructuring loan terms.

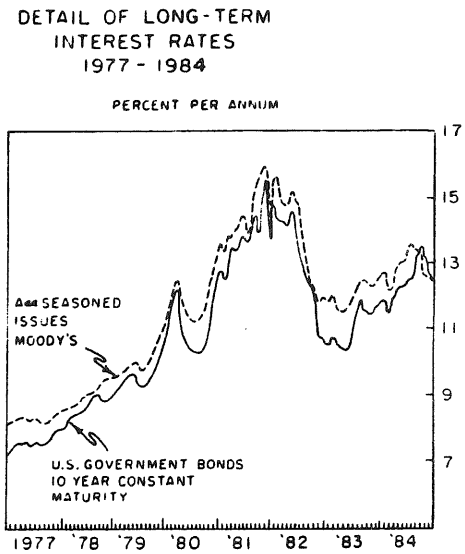
New York State farm assets remained about constant throughout 1983. A modest increase in the value of real estate was offset by a significant drop in the value of livestock, primarily dairy catle, and some decine in the value of machinery and equipment. New York farm debt increased about eight percent as farmers made limited investments, debt repayment was slowed and some funds were borrowered to cover cash flow deficits. The 1984 financial performance of the New York farm sector is likley to be similar to 1983.





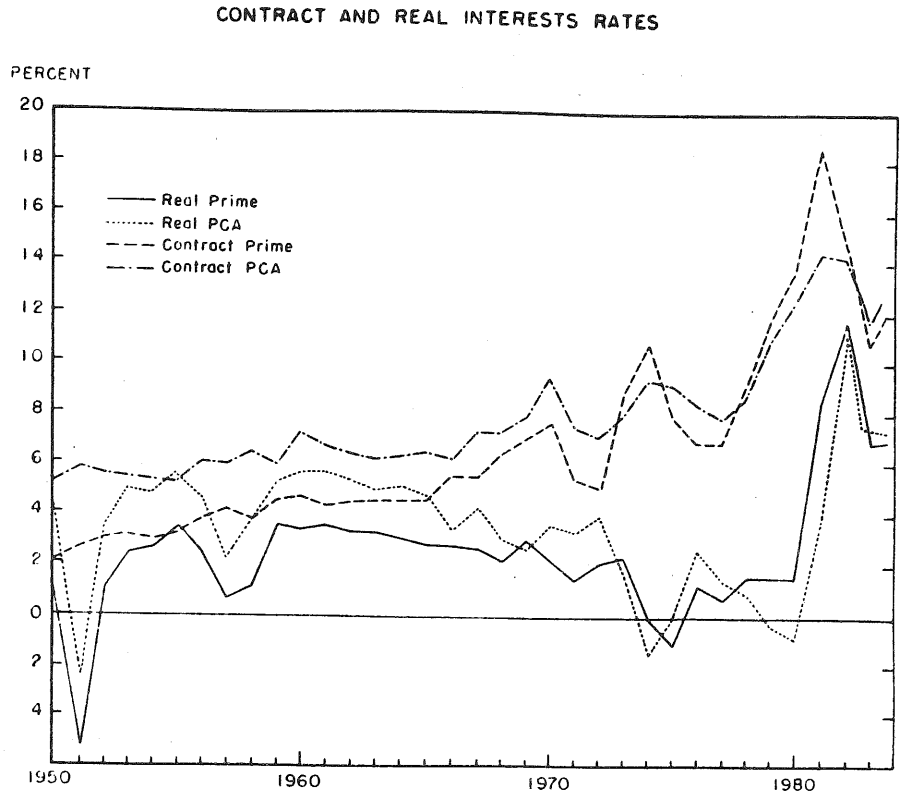
Short term interest rates peaked in mid-1981 and then declined irregularly throughout 1981, 1982 and into 1983. After remaining stable throughout much of mid-1983, rates rose gradually until mid-1984. During late 1984 rates returned to approximately mid-1983 levels. Rates are expected to decline modestly in very early 1985 and then trend upward. They could reach mid-1984 levels by late 1985.





Long term interest rates peaked in late 1981 and declined throughout 1982 into 1983. From mid-1983 until mid-1984 rates increased irregularly and then declined continuously during late 1984. Rates will likely decline into early 1985 and then gradually rise throughout the rest of the year. Rates should approach mid-1984 levels by late 1985.

Large budget deficits contribute to high interest rates. Continued resistance to monetization of the deficit will keep real interest rates high but will limit inflationary pressures. Increasing the money supply to force interest rates down in the face of large deficits can be expected to ultimately increase inflation rates and, thus, contract interest rates.



Following nearly a decade when real interest rates were very low or negative, real interest rates moved up sharply in 1981 and reached an unprecedented new high in 1982. During 1983 interest rates were lower and the inflation rate higher than experienced in the preceding year (December to December basis), resulting in decline in real interest rates. Average interest rates and the inflation rate were both higher in 1984 resulting in little change in real rates.

Farm Level Interest Rates

Farm Level interest rates generally increased modestly throughout most of 1984 except for some decline in bank rates late in the year. Average rates for the year were about the same as or slightly higher than average rates for 1983. Rates are expected to drift modestly lower during early 1985 and then rise gradually throughout the rest of the year. Average rates in 1985 should be similar to those experienced in 1984 although rates may be modestly lower at spring planting time than they were one year earlier.

CHANGE IN FARM REAL ESTATE VALUES, UNITED STATES

Figure 1

Percent Change in Average Value of Farm Real Estate per Acre, April 1983-April 1984

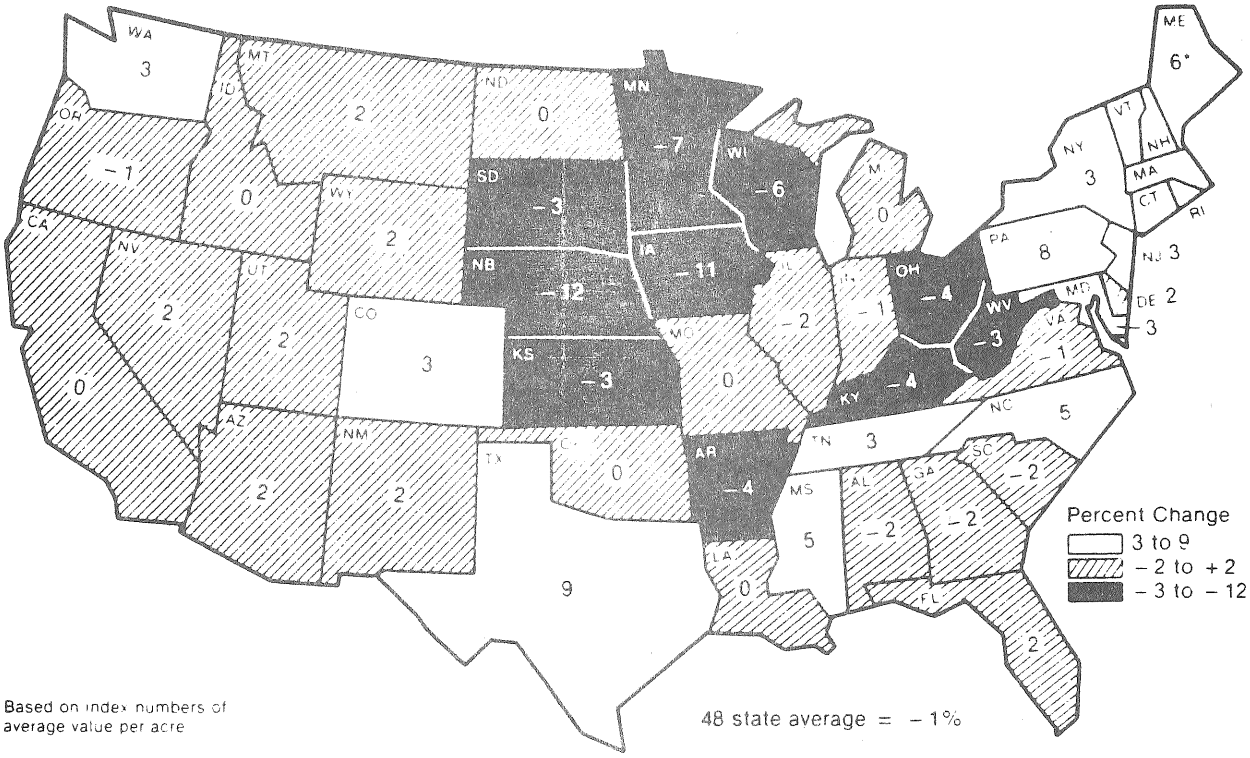
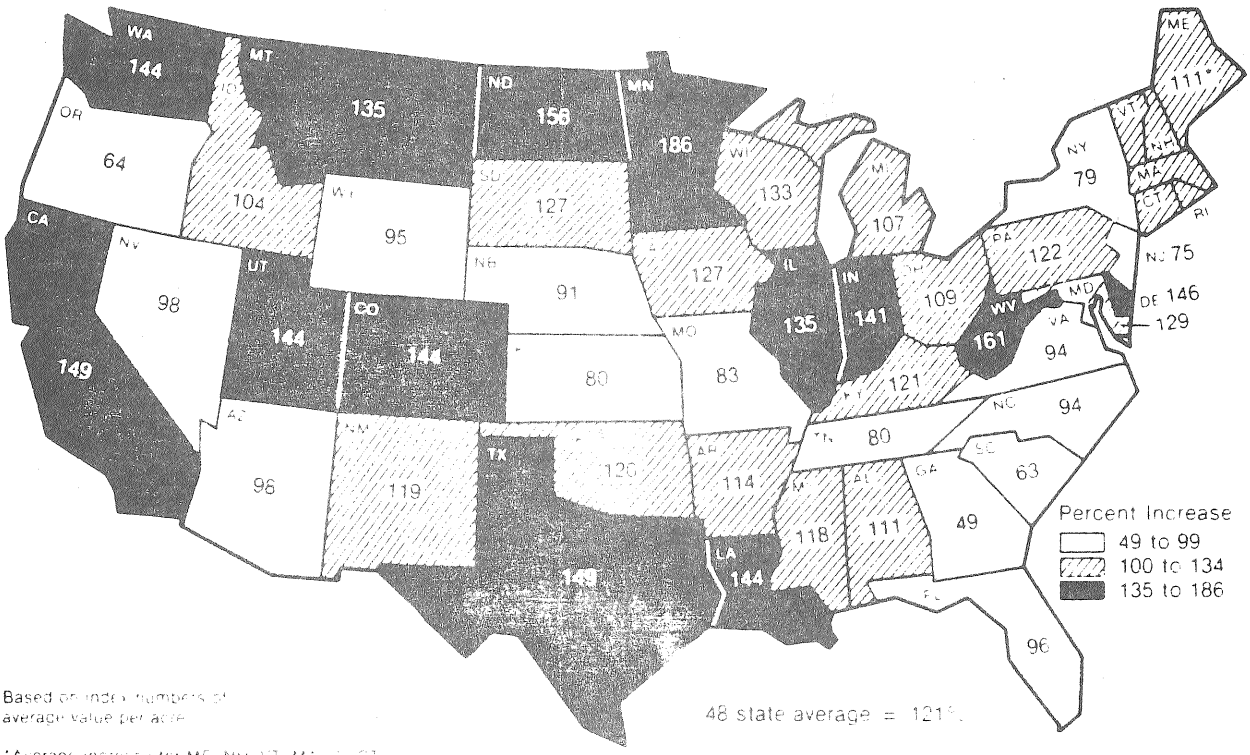


Figure 2

Percent Increase in Average Value of Farm Real Estate per Acre, March 1974-April 1984



REAL VALUE PER ACRE OF UNITED STATES FARMLAND

Figure 3

Index of Real Value per Acre of U.S. Farmland

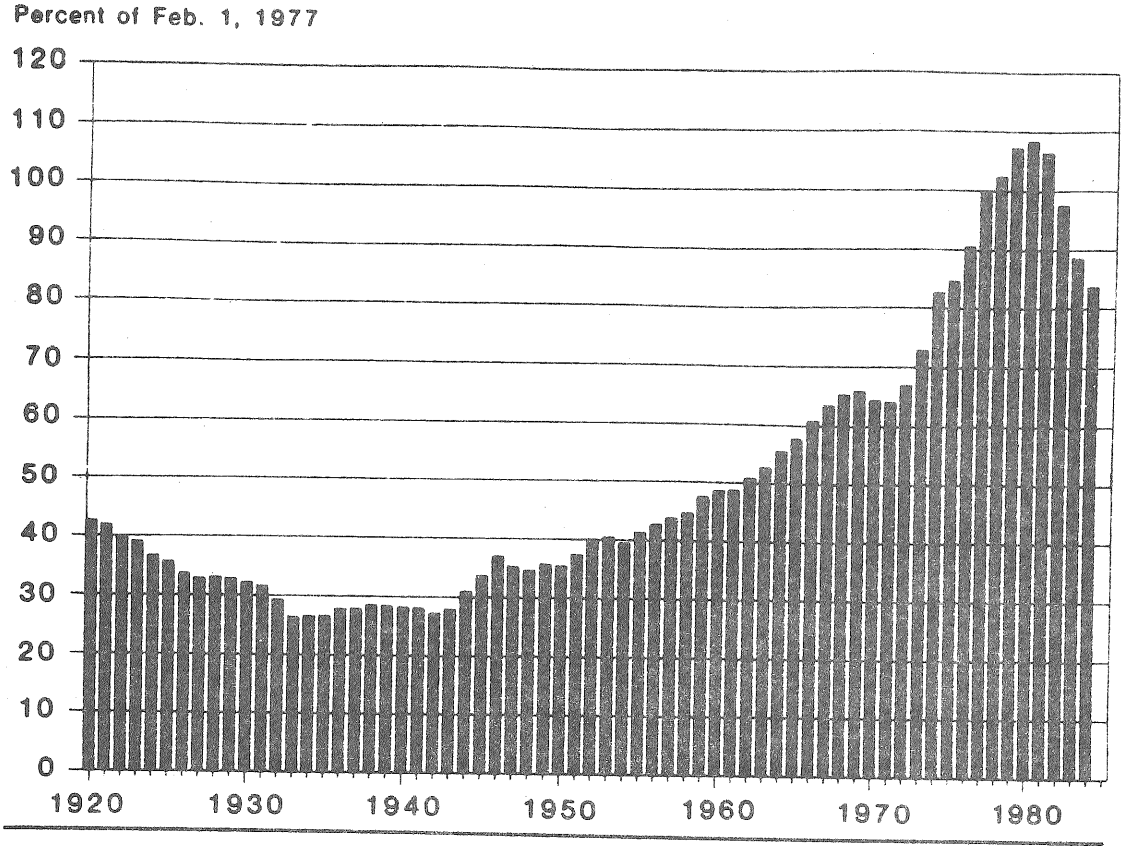
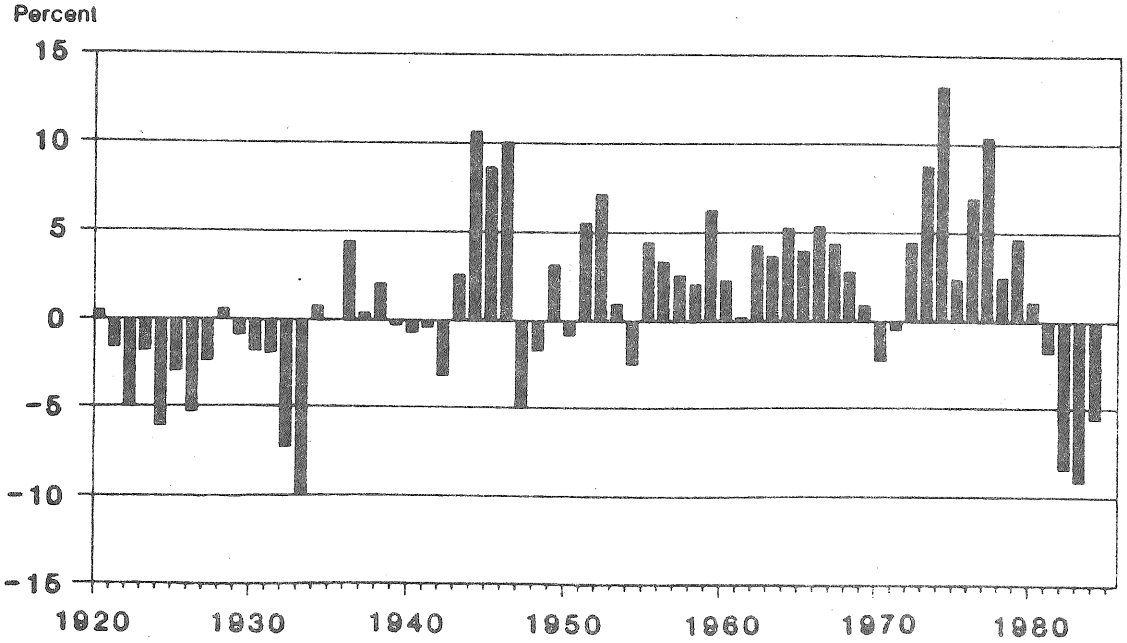


Figure 4

Change in Real Value per Acre from Previous Year



Reported as of March 1, 1920-75, February 1, 1976-81, and April 1, 1982 to date. Excludes Alaska and Hawaii.
The indexes of real farmland value have been computed by dividing the nominal land value indexes by the Consumer Price Index.

INDEXES OF FARM REAL ESTATE VALUES PER ACRE

Table 1.—Farm real estate values: Indexes of the average value per acre of land and buildings, by State, grouped by farm production region, Feb. 1, 1976-1981; and April 1, 1982-84[1]

State	1976	1977	1978	1979	1980	1981	1982	1983	1984	Percent change 1983-84
					1977 = 100					
Northeast										
Maine[2]	92	100	110	126	135	143	149	152	162	6
New Hampshire[2]	92	100	110	126	135	143	149	152	162	6
Vermont[2]	92	100	110	126	135	143	149	152	162	6
Massachusetts[2]	92	100	110	126	135	143	149	152	162	6
Rhode Island[2]	92	100	110	126	135	143	149	152	162	6
Connecticut[2]	92	100	110	126	135	143	149	152	162	6
New York	95	100	102	113	119	126	132	129	133	3
New Jersey	100	100	103	111	120	123	128	125	129	3
Pennsylvania	83	100	112	127	140	144	133	128	138	8
Delaware	86	100	112	129	151	158	143	143	146	2
Maryland	95	100	117	133	166	188	178	160	165	3
Lake States										
Michigan	79	100	112	124	138	157	152	141	141	0
Wisconsin	84	100	118	139	159	179	174	165	155	-6
Minnesota	80	100	112	131	154	179	174	155	144	-7
Corn Belt										
Ohio	76	100	113	138	156	160	137	121	116	-4
Indiana	76	100	112	130	150	161	140	122	121	-1
Illinois	74	100	110	125	135	144	131	117	115	-2
Iowa	74	100	104	119	139	150	139	121	108	-11
Missouri	85	100	115	127	154	165	153	133	133	0
Northern Plains										
North Dakota	89	100	106	119	136	145	149	142	142	0
South Dakota	84	100	117	132	141	150	150	140	136	-3
Nebraska	88	100	96	120	137	151	143	129	114	-12
Kansas	89	100	101	117	134	137	136	126	122	-3
Appalachian										
Virginia	92	100	108	128	139	149	143	144	143	-1
West Virginia	95	100	102	126	150	160	177	177	172	-3
North Carolina	95	100	103	122	141	155	149	150	158	5
Kentucky	85	100	113	133	147	153	154	149	143	-4
Tennessee	91	100	112	122	136	146	138	131	135	3
Southeast										
South Carolina	91	100	102	114	130	137	136	128	125	-2
Georgia	93	100	111	118	132	139	128	124	122	-2
Florida[3]	93	100	108	120	141	157	149	152	155	2
Alabama	94	100	105	120	149	176	174	165	162	-2
Delta States										
Mississippi	95	100	115	129	156	198	189	174	183	5
Arkansas	89	100	110	137	163	188	196	174	167	-4
Louisiana	92	100	115	132	169	200	199	195	195	0
Southern Plains										
Oklahoma	91	100	110	121	143	156	164	156	156	0
Texas	93	100	111	124	144	158	185	191	208	9
Mountain States										
Montana	87	100	111	121	142	148	157	146	149	2
Idaho	89	100	108	117	134	144	151	140	140	0
Wyoming[5]	93	100	104	118	126	135	140	133	136	2
Colorado	86	100	107	126	147	161	164	161	166	3
New Mexico[4, 5]	91	100	104	126	166	178	185	176	180	2
Arizona[4, 5]	95	100	104	126	167	179	186	177	181	2
Utah[4, 5]	90	100	106	127	169	181	188	179	183	2
Nevada[4, 5]	100	100	111	134	178	190	198	188	192	2
Pacific States										
Washington	86	100	107	118	124	146	152	152	157	3
Oregon	95	100	109	120	132	144	145	138	137	-1
California	100	100	113	138	166	201	221	223	223	0
48 States	86	100	109	125	145	158	157	148	146	-1

[1]These indexes are based on USDA surveys. For some years, they show changes that differ from those shown by the dollar values in table 3. [2]Indexes for 1976-84 were estimated by combining survey data to obtain an average rate of change for these 6 New England States. [3]Indexes for 1976-82 were estimated using the average of the percentage changes in the Georgia and Alabama indexes. [4]Indexes for 1979-80 were estimated by combining survey data to obtain an average rate of change for these 4 Mountain States. [5]Indexes for 1981-1984 were estimated using the average of the percentage changes in the Montana, Idaho, and Colorado indexes.

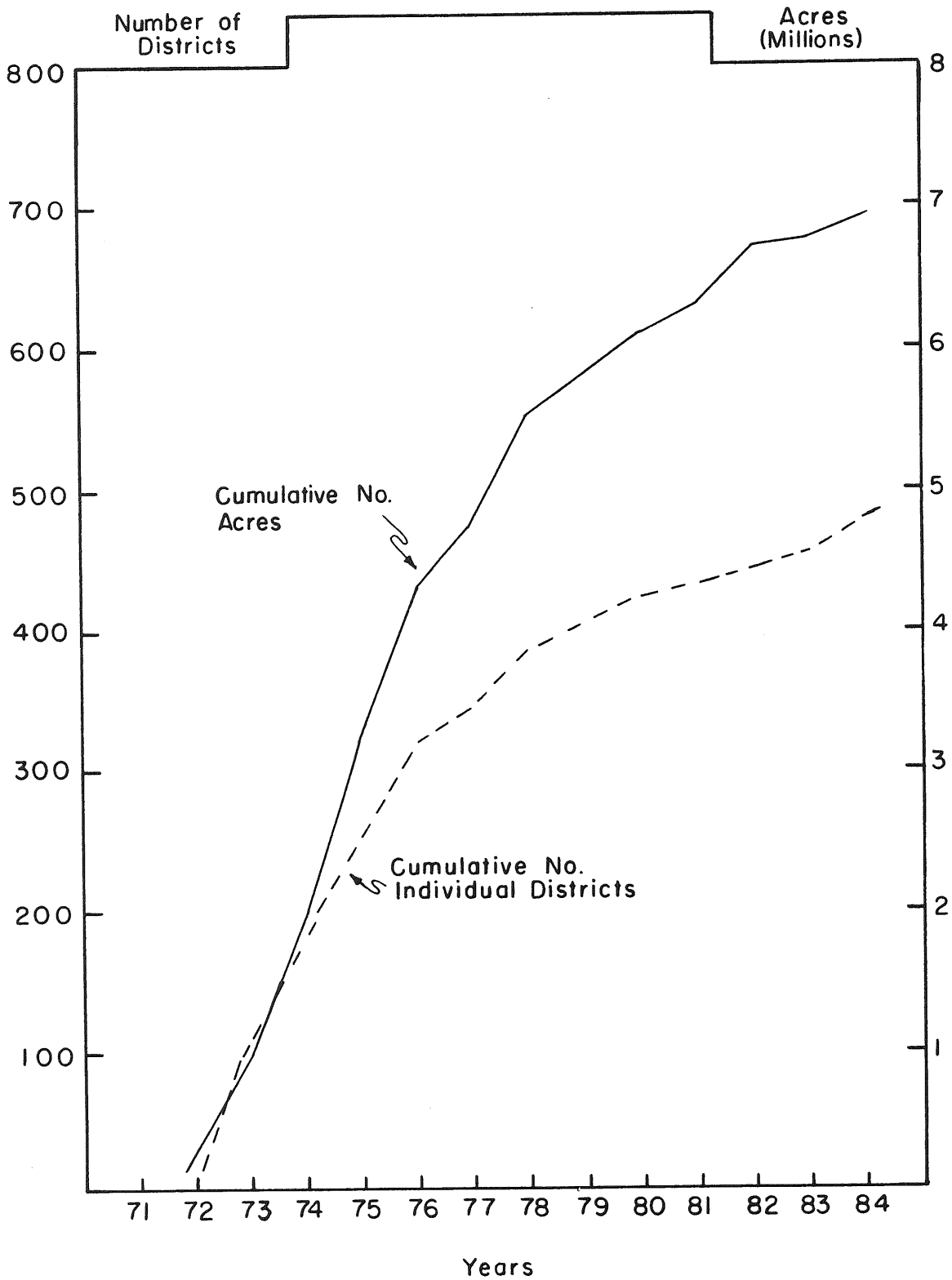
AVERAGE VALUE PER ACRE OF UNITED STATES FARM REAL ESTATE

Table 3.—Farm real estate values: Average value per acre of land and buildings, by State, grouped by farm production region, Feb. 1, 1976-81; and April 1, 1982-84[1]

State	1976	1977	1978	1979	1980	1981	1982	1983	1984
					Dollars				
Northeast									
Maine	375	414	464	538	579	612	636	649	691
New Hampshire	625	696	787	919	988	1,045	1,087	1,109	1,181
Vermont	496	533	584	660	710	751	781	797	849
Massachusetts	1,044	1,138	1,261	1,443	1,552	1,641	1,707	1,741	1,854
Rhode Island	1,650	1,821	2,045	2,370	2,548	2,696	2,804	2,860	3,046
Connecticut	1,645	1,780	1,960	2,227	2,395	2,533	2,634	2,687	2,862
New York	553	587	600	670	708	749	786	770	793
New Jersey	2,106	2,211	2,386	2,701	2,926	2,998	3,118	3,056	3,148
Pennsylvania	820	994	1,115	1,273	1,404	1,447	1,332	1,279	1,381
Delaware	1,114	1,250	1,350	1,500	1,755	1,843	1,659	1,659	1,692
Maryland	1,280	1,353	1,579	1,800	2,251	2,556	2,416	2,174	2,239
Lake States									
Michigan	609	778	877	975	1,082	1,232	1,192	1,109	1,109
Wisconsin	496	598	718	856	980	1,105	1,073	1,019	958
Minnesota	529	672	761	901	1,061	1,231	1,197	1,065	990
Corn Belt									
Ohio	846	1,099	1,224	1,483	1,678	1,727	1,474	1,297	1,245
Indiana	888	1,188	1,357	1,589	1,833	1,972	1,715	1,492	1,477
Illinois	1,062	1,458	1,625	1,858	2,013	2,133	1,940	1,727	1,692
Iowa	920	1,259	1,331	1,550	1,811	1,941	1,802	1,568	1,396
Missouri	456	548	641	726	878	941	872	759	759
Northern Plains									
North Dakota	236	274	300	347	399	423	436	414	414
South Dakota	163	194	227	256	273	290	291	271	263
Nebraska	363	420	412	525	600	660	626	563	495
Kansas	342	398	418	501	573	590	585	544	528
Appalachian									
Virginia	633	701	774	930	1,009	1,080	1,040	1,050	1,040
West Virginia	393	430	459	592	704	751	829	829	804
North Carolina	676	759	830	1,051	1,215	1,331	1,284	1,297	1,362
Kentucky	514	619	715	861	955	991	996	966	927
Tennessee	528	618	736	860	953	1,024	972	923	951
Southeast									
South Carolina	515	600	653	773	879	930	918	863	846
Georgia	507	581	685	777	868	915	842	817	801
Florida	763	861	981	1,149	1,352	1,507	1,432	1,461	1,490
Alabama	425	477	527	639	792	935	922	876	858
Delta States									
Mississippi	408	461	567	681	825	1,047	1,000	920	966
Arkansas	475	542	606	770	921	1,061	1,104	983	944
Louisiana	575	665	818	1,001	1,288	1,519	1,511	1,481	1,481
Southern Plains									
Oklahoma	345	394	450	512	604	662	696	661	661
Texas	274	299	337	386	448	492	576	593	646
Mountain States									
Montana	134	157	176	196	229	239	254	236	241
Idaho	386	454	515	585	669	717	753	700	700
Wyoming	98	110	121	144	153	164	170	162	165
Colorado	219	256	273	322	376	412	419	411	423
New Mexico	86	101	112	143	190	203	211	200	204
Arizona	122	138	154	199	264	282	294	279	285
Utah	227	271	308	400	530	567	590	561	572
Nevada	98	112	140	191	253	271	282	268	273
Pacific States									
Washington	438	535	602	692	725	854	888	888	915
Oregon	294	342	414	504	556	605	611	580	574
California	711	759	914	1,186	1,426	1,735	1,905	1,925	1,925
48 States	397	474	531	628	725	795	789	743	739

[1]These values are based on land-value benchmarks obtained from the Census of Agriculture. For intercensal years, interpolations and extrapolations are made using the indexes in table 1. For some years, the dollar values show changes that differ from the changes shown in table 1.

GROWTH IN THE NUMBER AND ACRES IN AGRICULTURAL DISTRICTS, FORMED, AND CERTIFIED IN NEW YORK STATE, 1972-1984*



*Through November 1984
Source: NYS Dept. of Agriculture & Markets

Original Agricultural Districts Formed or Certified Before
8-Year Review by County, New York State
January, 1972 - November 30,1984

County	1972		1973		1974		1975		1976		1977		1978	
	No.	Acres	No.	Acres	No.	Acres	No.	Acres	No.	Acres	No.	Acres	No.	Acres
Albany					1	15,779			2	10,504	1	13,042	1	1,358
Allegany	1	793	1	11,268					1	2,826	3	14,773		
Broome	1	893			1	7,250	1	9,050	1	49,200			1	56,032
Cattaraugus			1	6,419	1	19,688	2	9,130			1	12,000		
Cayuga			1	6,013							1	8,350	2	153,259
Chautauqua	3	45,745	1	17,126	5	66,456	1	36,178						
Chemung									1	3,780	1	12,551		
Chenango	1	2,902	4	48,984	2	23,362	1	5,779	2	19,965	1	11,673	2	36,471
Clinton			1	5,462			3	39,578					1	13,467
Columbia			2	69,000	2	61,974	4	19,400	2	63,400				
Cortland			7	62,655	3	35,152	1	7,468						
Delaware			1	29,500	4	108,664	3	20,705	2	28,213	1	13,813	6	94,747
Dutchess	1	4,500	6	60,188	7	95,886	2	11,926	2	9,008				
Erie	1	10,652	4	39,642	2	24,685	1	24,200	2	13,608	1	18,225	1	18,600
Essex			3	16,515	1	11,150	1	3,840						
Franklin					1	3,863			1	1,856				
Fulton											1	15,000		
Genesee							2	42,885	1	4,527			1	2,140
Greene			1	2,223	1	12,733							1	3,487
Herkimer			1	3,311									2	84,100
Jefferson									1	16,100				
Lewis							2	58,526	2	151,035			1	72,950
Livingston	1	2,900	3	60,931			1	11,466	2	21,664	1	10,745		
Madison			1	2,700			2	36,506	6	50,020				
Monroe			1	10,000	1	35,124	2	25,490	1	30,120				
Montgomery			1	58,146			3	114,141	3	44,800				
Niagara	1	985			1	2,126	2	23,927	1	11,000			2	40,000
Oneida			9	33,509	2	5,785	5	42,831	9	29,249	2	12,110	4	15,970
Onondaga			4	11,056	1	13,334	3	86,677			1	53,650	1	27,300
Ontario	1	5,300	2	11,597	1	22,118	1	2,163	1	62,017				
Orange	2	24,433	17	83,943	1	2,656	1	6,200			2	30,800		
Orleans							2	36,912	1	8,585			1	6,000
Oswego							2	13,175	1	4,600	3	16,281	2	17,946
Otsego			1	8,750			1	13,838	2	41,312			2	13,829
Rensselaer			1	11,000			3	40,800	1	7,500			1	11,225
St. Lawrence			1	1,207	2	41,121	2	320,875	1	47,100				
Saratoga			1	13,861	1	14,200							1	9,497
Schoharie	2	9,490			4	88,151							2	5,407
Seneca			1	4,000	7	84,163			2	16,600				
Steuben			1	11,660			3	35,800	4	143,745	1	5,059	1	28,753
Suffolk														
Sullivan			1	7,175	2	11,013	3	31,360	1	2,200			1	2,000
Tioga	1	17,000	1	4,815							1	67,000		
Tompkins			3	32,880	1	25,162			1	7,277				
Ulster	1	4,700	5	18,827	6	30,358	3	8,898	5	9,376	2	2,985		
Washington	2	42,860	5	26,609	4	50,650	7	41,477	1	18,853	1	14,659	2	16,018
Wayne			1	2,054	2	3,842	3	134,043	1	77,521	1	73,396		
Wyoming					2	19,425			1	53,093			1	32,000
Yates					1	73,072					1	36,138		
Total	19	173,153	94	793,026	70	1,008,942	73	1,315,244	65	1,060,654	27	442,250	40	762,556

Original Agricultural Districts Formed or Certified Before
8-Year Review by County, New York State
January 1, 1972 - November 30, 1984

County	1979		1980		1981		1982		1983		1984		Total	
	No.	Acres	No.	Acres	No.	Acres	No.	Acres	No.	Acres	No.	Acres	No	Acres
Albany													5	40,683
Allegany	1	1,394	2	6,648			1	12,564					10	50,266
Broome													5	122,425
Cattaraugus							1	3.361					6	50,598
Cayuga			1	64.179			1	93,620					6	325,421
Chautauqua					1	20,197							11	185,702
Chemung													2	16,331
Chenango	4	41,729	2	106,734	2	14,415	2	4,571			1	1,415	24	318,000
Clinton							1	1,200			1	1,563	7	61,270
Columbia													10	213,774
Cortland													11	105,275
Delaware													17	295,642
Dutchess													18	181,508
Erie	1	6,590	1	30,380			1	43,853	1	8,250			16	238,685
Essex									2	12,156			7	43,661
Franklin													2	5,719
Fulton													1	15,000
Genesee					1	27,469			1	21,459	2	51,717	8	150,197
Greene			1	10,464									4	28,907
Herkimer													3	87,411
Jefferson	2	16,441	2	18,645			1	47,663	1	531	2	7,543	8	106,923
Lewis													5	282,511
Livingston							1	15,846					9	123,552
Madison							2	9,043			1	6,635	12	104,904
Monroe													5	100,734
Montgomery													7	217,087
Niagara							1	24,746					9	102,784
Oneida	1	12,990	2	13,021	1	2,028	1	2,551					36	170,044
Onondaga													10	195,586
Ontario	1	59,539					2	37,949			1	3,569	10	200,683
Orange													23	148,032
Orleans	1	8,085					1	9,341					6	68,923
Oswego	1	11,961					2	19,000					11	82,963
Otsego	1	7,119									1	13,340	8	98,188
Rensselaer			1	16,020			1	14,625					8	101,170
St. Lawrence					1	56,521							7	466,824
Saratoga	1	38,400					1	2,907					5	78,865
Schoharie	1	2,814									1	3,531	10	109,393
Seneca							2	15,704					12	120,467
Steuben							1	23,600			3	35,106	14	283,723
Suffolk	1	3,145			1	1,028	1	1,091	1	3,600			4	8,864
Sullivan													8	53,748
Tioga			1	3,503	1	20,000							5	112,318
Tompkins	2	53,401	1	38,244									8	156,964
Ulster													22	75,144
Washington	2	18,662	1	1,418	1	13,872					1	1,686	27	246,764
Wayne													8	290,856
Wyoming					1	55,800					1	58,774	6	219,092
Yates													2	109,210
Total	20	282,270	15	309.256	10	211,330	24	383,235	6	45,996	15	45,996	478	6,972,791

Net Acreage Decrease or Increase by County Resulting
From 157 Agricultural District Reviews
Through June 1984

County	Decrease	Increase
Albany		7,109
Allegany	84	
Broome	2,060	
Cattaraugus		16,745
Cayuga		62,280
Chautauqua		1,803
Chemung		2,132
Chenango		32,155
Clinton		1,819
Columbia		5,489
Cortland		25,763
Delaware		16,327
Dutchess*		
Erie		6,165
Essex		3,590
Fulton*		
Genesee		2,334
Greene		1,093
Herkimer		10,076
Jefferson		1,562
Lewis		29,101
Livingston*		
Madison		9,183
Monroe		40,274
Montgomery	5,557	
Niagara		24,757
Oneida		23,895
Onondaga		234
Ontario		25,715
Orange		9,935
Orleans		2,703
Oswego*		
Otsego		2,173
Rensselaer		5,835
St. Lawrence	17,884	
Saratoga*		
Schoharie*		
Seneca		36,968
Steuben		21,041
Suffolk*		
Sullivan		101,293
Tioga		93,585
Tompkins		6,636
Ulster*		
Washington		21,722
Wayne		837
Wyoming		28,913
Yates		627
Total	25,585	681,869

Source: New York Department of Ag & Markets

*County data missing or incomplete

WORKERS ON FARMS JULY 8-14, 1984
New York and United States

	New York		United States	
	Number	Percent	Number	Percent
	thousands		thousands	
Self-employed	34	32	1,487	40
Unpaid	25	24	828	22
Hired	46	44	1,435	38
Total	105	100	3,750	100
Hired - expected to be employed:				
150 days or more	27	59	678	47
149 days or less	19	41	757	53
Total	46	100	1,435	100

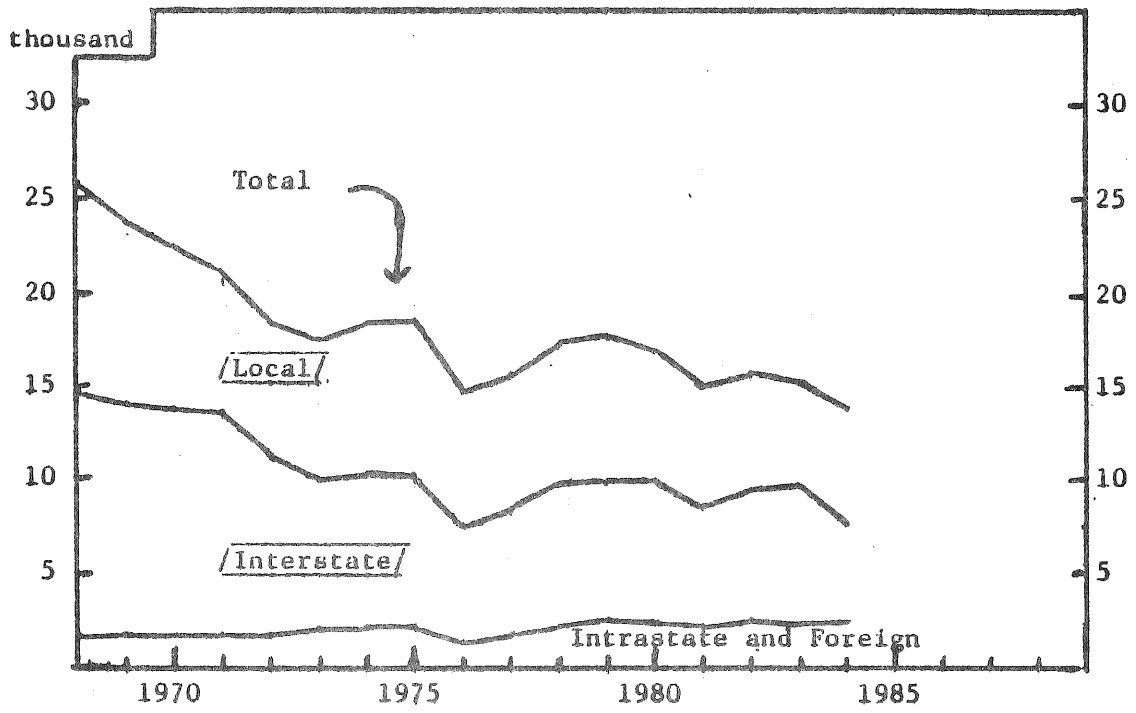
SOURCE: Farm Labor, Crop Reporting Board, USDA, August 21, 1984.

There were about 3.7 million workers on U.S. farms during the week of July 8-14, 1984, according to the annual U.S. Department of Agriculture farm labor survey. In addition, there were 326 thousand agricultural service workers such as crew leaders and custom crews doing farm work across the country that week. In New York, there were 105 thousand workers on farms in July, not including the agricultural service workers for which the information was not available for the state. The number of workers on New York farms in July 1984 was 14 thousand larger than the previous year.

In New York, about 56 percent of the workforce on farms consisted of self-employed or family members, and about 44 percent hired workers. This was somewhat similar to the breakdown on all U.S. farms where a slightly higher percentage of the workers were self-employed and a smaller proportion were unpaid family or hired help.

Farm work in New York is still highly seasonal, although not to the same extent as in the United States in total. About 59 percent of the 46 thousand hired workers on New York farms expected to be employed 150 days or more, compared to only 47 percent on U.S. farms.

NUMBER OF HIRED SEASONAL FARM WORKERS
AT THE PEAK PERIOD IN NEW YORK (September 16-30) 1968-1984
By Origin of Workers for ES-223 Agricultural Reporting Areas



The number of hired seasonal workers on farms in New York generally reaches a peak during the last two weeks of September. Changes in acreage and weather conditions causes variation in total employment and the composition of the workforce from one year to the next. In 1984, the number of interstate seasonal workers was less than in previous years, while foreign workers, mainly from the British West Indies, continued to increase in number. Seasonal workers reported by the Department of Labor are largely limited to those employed in fruit and vegetable harvest.

Year	Total Workers	Local	Inter-state	Intra-state	Foreign
1971-75	18.8	7.8	9.1	.4	1.5
1976-80	16.5	7.4	7.0	.2	1.8
1981	15.0	6.4	6.5	.2	2.0
1982	15.7	6.4	6.8	.2	2.3
1983	15.4	5.7	7.3	.2	2.2
1984	13.9	6.3	5.1	.1	2.4

SOURCE: Agricultural Employment Bulletin, New York State Department of Labor.

LABOR COSTS FOR REGULAR HIRED WORKERS*
New York Cost Account Farms, 1983

Item	Dairy Farms Per Worker	Dairy Farms Per Hour	Fruit Farms Per Worker	Fruit Farms Per Hour
Number of farms reporting	15		3	
Number of workers	52		20	
Hours worked per year	3,078		2,569	
Gross wage	$13,109	$4.26	$11,626	$4.53
Social Security and Worker's Compensation	1,534	.50	1,526	.59
Other benefits	3,676	1.19	1,902	.74
Total	$18,319	$5.95	$15,054	$5.86

*Excluding operators.

Cost Account farms keep detailed records of all phases of their operations. This provides information not readily available elsewhere, such as the hours worked and labor costs on these "better than average" New York farms. Total wages and benefits for 52 workers on 15 dairy farms in 1983 amounted to $18,319 for the year, or $5.95 per hour. The 20 regular hired workers on 3 fruit farms averaged $15,054 for the year, or $5.86 per hour.

Part-time and piecework labor is hired for seasonal help or to assist at busy times. The fruit farms used more part-time and piecework help than the dairy farms and paid higher wages per hour. Pieceworkers on fruit farms earned $7.74 per hour compared to part-time workers that earned $5.27 per hour on fruit farms and $4.41 per hour on dairy farms.

COST FOR HIRED PART-TIME AND PIECEWORK LABOR
New York Cost Account Farms, 1983

Item	Average Cost Per Hour: Dairy Farms Part-time	Fruit Farms Part-time	Fruit Farms Piecework
Number of farms reporting	17	3	3
Hours reported per farm	2,288	5,128	13,484
Gross wage	$3.94	$4.65	$6.23
Social Security and Worker's Compensation	.35	.60	.79
Other benefits	.12	.02	.72
Total	$4.41	$5.27	$7.74

LABOR COSTS FOR REGULAR HIRED WORKERS ON DAIRY FARMS
New York Cost Account Farms, 1975-1983

Year	Annual Hours Worked	Annual Cost Per Worker: Gross Wage	Soc. Sec. & Work Comp.	Other Benefits	Total Labor Cost Per Worker: Annual	Per Hour
	hours	- dollars -				
1975	3,251	8,378	892	2,245	11,515	3.54
1976	3,140	7,401	740	2,301	10,442	3.33
1977	3,154	8,490	1,071	2,027	11,588	3.67
1978	3,200	9,909	1,427	2,359	13,695	4.28
1979	3,114	10,136	1,561	2,964	14,661	4.71
1980	3,190	12,078	2,045	3,906	18,029	5.65
1981	3,218	12,594	1,592	3,826	18,012	5.60
1982	3,281	12,874	1,563	3,377	17,814	5.43
1983	3,078	13,109	1,534	3,676	18,319	5.95

Labor costs on New York Cost Account farms have risen sharply in the past eight years. These farms tend to be above average in size and rates of production, but wages still vary widely between farms. Average labor cost for regular workers on these dairy farms increased from $3.54 per hour in 1975 to $5.95 in 1983, a jump of 68 percent. Over the same period the per hour cost of part-time workers on Cost Account dairy farms rose 93 percent, and for piecework workers on Cost Account fruit farms the increase amounted to 80 percent.

COSTS FOR HIRED PART-TIME AND PIECEWORK LABOR
New York Cost Account Farms, 1975-1983

Year	Part-time Workers on Dairy Farms: Gross Wage	Soc. Sec. & Work. Comp.	Other Benefits	Total Per Hour	Piecework Workers on Fruit Farms: Gross Wage	Soc. Sec. & Work. Comp.	Other Benefits	Total Per Hour
	- dollars -							
1975	2.08	.17	.03	2.28	3.61	.25	.45	4.31
1976	2.30	.19	.01	2.50	3.93	.38	.46	4.77
1977	2.52	.27	.03	2.82	4.19	.38	.41	4.98
1978	2.73	.33	.02	3.08	5.05	.53	.36	5.94
1979	3.12	.37	.07	3.56	5.49	.81	.64	6.94
1980	3.50	.40	.01	3.91	5.28	.59	.94	6.81
1981	3.71	.44	.05	4.20	5.62	.63	1.21	7.46
1982	3.79	.37	.07	4.23	6.20	.55	.76	7.51
1983	3.94	.35	.12	4.41	6.23	.79	.72	7.74

CROP PRODUCTION
United States and New York
1982-84[1]

Crop	Acres Harvested 1982	1983	1984	Yields Per Acre 1982	1983	1984	Production 1982	1983	1984
United States	(million)			(bu.)			(million bu.)		
Corn grain	72.7	51.4	71.1	113.2	81.0	105.9	8,235	4,166	7,527
Sorghum	14.2	9.8	14.2	59.0	48.7	57.3	841	479	813
Oats	10.6	9.1	8.1	58.4	52.6	58.4	617	477	472
Barley	9.1	9.7	11.2	57.3	52.3	53.9	522	508	606
Wheat	77.9	61.4	66.2	35.5	39.4	38.8	2,765	2,420	2,570
Soybeans	69.4	62.5	66.8	31.5	26.2	28.5	2,190	1,636	1,902
New York	(thousand)			(bu.)			(thousand bu.)		
Corn grain	765	600	740	92	90	95	70,380	54,000	70,300
Oats	280	200	185	65	57	57	18,200	11,400	10,545
Wheat	125	160	170	44	46	46	5,438	7,360	7,820
				(tons)			(thousand tons)		
Corn silage	630	590	N.A.	13.5	13.5	N.A.	8,505	7,965	N.A.
All hay	2,300	2,270	2,310	2.30	2.33	2.47	5,283	5,284	5,706
Alfalfa[2]	975	930	950	2.70	2.80	3.00	2,633	2,604	2,850

SOURCE: USDA Crop Production and New York Crop Reporting Service

[1]All 1983 data are preliminary and subject to revision. Estimates for the United States are as of November 9, 1984. New York estimates are as of October 1984.

[2]Includes alfalfa mixtures.

Crop production in the United States and New York rebounded sharply in 1984 from last year's drought-striken and PIK influenced crop. Corn grain acreage was up 38 percent nationally to 71 million acres. Yield per acre is projected at 106 bushels, up 31 percent from 1983 but below record 1982 yields. This gives 7.5 billion bushels produced, up 81 percent from last year's U.S. crop.

Oat production was down 1 percent, with a 19 percent rise in the barley crop.

Wheat acreage rose by 5 million acres while yields fell slightly, giving a production increase of 6 percent to 2.6 billion bushels.

Soybean production is forecast at 1.9 billion bushels, up 16 percent from 1983.

New York crop production was less severely affected by last year's PIK program and drought, and rebounded less sharply in 1984. Corn production is forecast to be 70 million bushels, 30 percent above last year and about the same as 1982. The oat crop is down 8 percent. Wheat is up 6 percent from last year and 44 percent above the 1982 crop. The hay crop is up 8 percent from levels of the past two years, with a 9 percent rise in the production of alfalfa hay.

GRAIN AND FEED

CORN AND FEED GRAIN BALANCE SHEETS

Item	1981/82	1982/83	1983/84 (Est.)	1984/85 (Proj.)[1]
Supply	CORN (million bushels)			
Beginning Stocks (Oct. 1)	1,034	2,174	3,120	722
Production	8,119	8,235	4,166	7,527 ± 195
Imports	1	1	2	1
Total	9,154	10,410	7,288	8,250 ± 195
Disappearance				
Feed	4,202	4,522	3,726	4,000 ± 250
Food, Ind. and Seed	811	898	974	1,050 ± 30
Total domestic	5,013	5,420	4,700	5,050 ± 300
Exports	1,967	1,870	1,866	2,075 ± 175
Total	6,980	7,290	6,566	7,125 ± 400
Ending Stocks (Sept. 30)	2,174	3,120	722	1,125 ± 250
Season average farm price	$2.50	$2.68	$3.20	$2.65-$2.95
Supply	FEED GRAINS[2] (million metric tons)			
Beginning Stocks	34.6	68.2	97.3	31.4
Production	246.2	250.2	136.0	231.9 ± 4
Imports	.3	.3	.6	.5
Total	281.1	318.7	234.0	263.9 ± 4
Disappearance				
Feed	128.5	139.4	117.0	124.8 ± 10
Food, Ind. and Seed	25.8	28.0	29.9	31.9 ± 1
Total domestic	153.7	167.4	146.8	156.7 ± 10
Exports	58.6	54.0	55.7	61.3 ± 6
Total	212.9	221.4	202.5	218.0 ± 15
Ending Stocks	68.2	97.3	31.4	45.9 ± 10

SOURCE: Agricultural Supply and Demand Estimates, USDA.

[1]The chances are about 2 out of 3 that the final outcome will fall within the indicated ranges.

[2]Marketing year beginning October 1 for corn and sorghum, June 1 for barley and oats.

The fall 1983 corn supply of 8.2 billion bushels is up 13 percent from 1983 but 21 percent below the 1982 record supply. Feed use is projected to rise 7 percent. Exports are expected to rise 11 percent above 1983 levels. Total utilization is expected to rise 8 percent to 7.1 billion bushels leading to a carryover in the fall of 1985 of 1.1 billion bushels, 56 percent above the 1984 level but well below levels of the prior two years.

Feedgrain supplies are dominated by corn, so changes in supply and demand are similar. The total supply of feedgrains is about 13 percent above last year. Domestic feed use in the 1984-85 marketing year is projected to rise 7 percent. Exports are expected to increase 10 percent. Carryover stocks at the end of the 1984-85 marketing year are projected to be 46 million metric tons, up 46 percent from the 1984 level.

WHEAT AND SOYBEAN BALANCE SHEETS

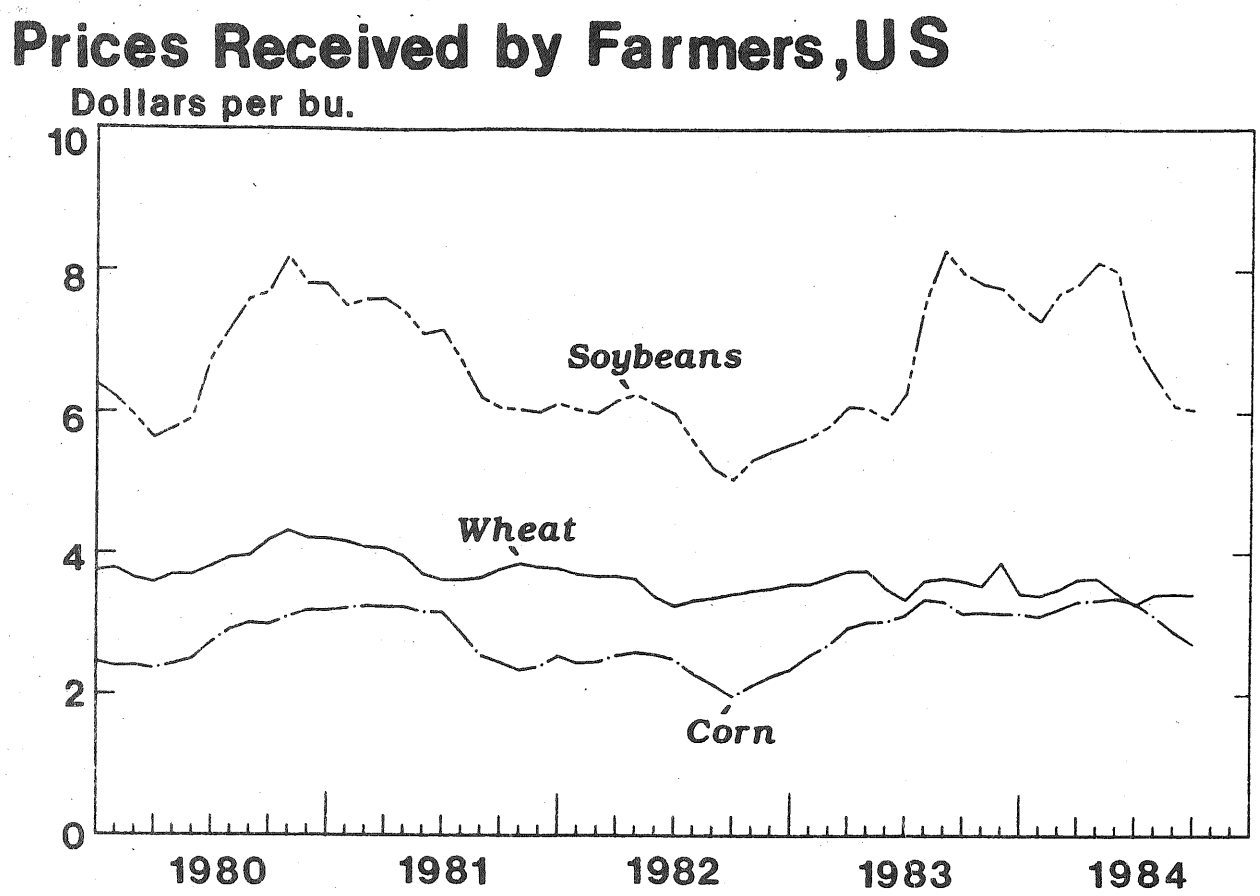
Item	1981/82	1982/83	1983/84(Est.)	1984/85 (Proj.)[1]
Supply	WHEAT (million bushels)			
Beginning Stocks (June 1)	989	1,159	1,515	1,398
Production	2,785	2,765	2,420	2,570 ± 36
Imports	3	8	4	5
Total	3,777	3,932	3,939	3,973 ± 36
Disappearance				
Food	602	616	635	645 ± 5
Seed	110	97	101	97 ± 5
Feed	135	195	376	325 ± 75
Total domestic	847	908	1,112	1,067 ± 80
Exports	1,771	1,509	1,429	1,525 ± 120
Total	2,618	2,417	2,541	2,592 ± 150
Ending Stocks (May 31)	1,159	1,515	1,398	1,381 ± 150
Season average farm price	$3.65	$3.55	$3.54	$3.35-$3.55
Supply	SOYBEANS (million bushels)			
Beginning Stocks (Sept. 1)	313	254	345	175
Production	1,989	2,190	1,636	1,902 ± 60
Total	2,302	2,444	1,981	2,077 ± 60
Disappearance				
Crushings	1,030	1,108	983	1,000 ± 40
Exports	929	905	740	790 ± 40
Seed, Feed & Residual	89	86	83	87
Total	2,048	2,099	1,806	1,877 ± 60
Ending Stocks (Aug. 30)	254	345	175	200 ± 40
Season average farm price	$6.04	$ 5.69	$7.75	$6.00-$7.20

SOURCE: Agricultural Supply and Demand Estimates, USDA.

[1]The chances are about 2 out of 3 that the final outcome will fall within the indicated ranges.

The 1984 United States wheat supply is a record 4 billion bushels, up slightly from the 1983 level. Domestic food use is projected to increase slightly and feed use to decline 4 percent. Exports are expected to rise 7 percent. Carryover on May 31, 1985 is projected to be 1.4 billion bushels, down slightly from the 1984 level.

The 1984 soybean crop is projected at 1.9 billion bushels, up 16 percent from the 1983 level but 13 percent below the 1982 crop. Crushings are projected to be up 2 percent and exports to increase 7 percent from year earlier levels. Carryover in the fall of 1985 is projected to be 200 million bushels, up 14 percent from 1984 but still less than two-thirds of the 1983 level.



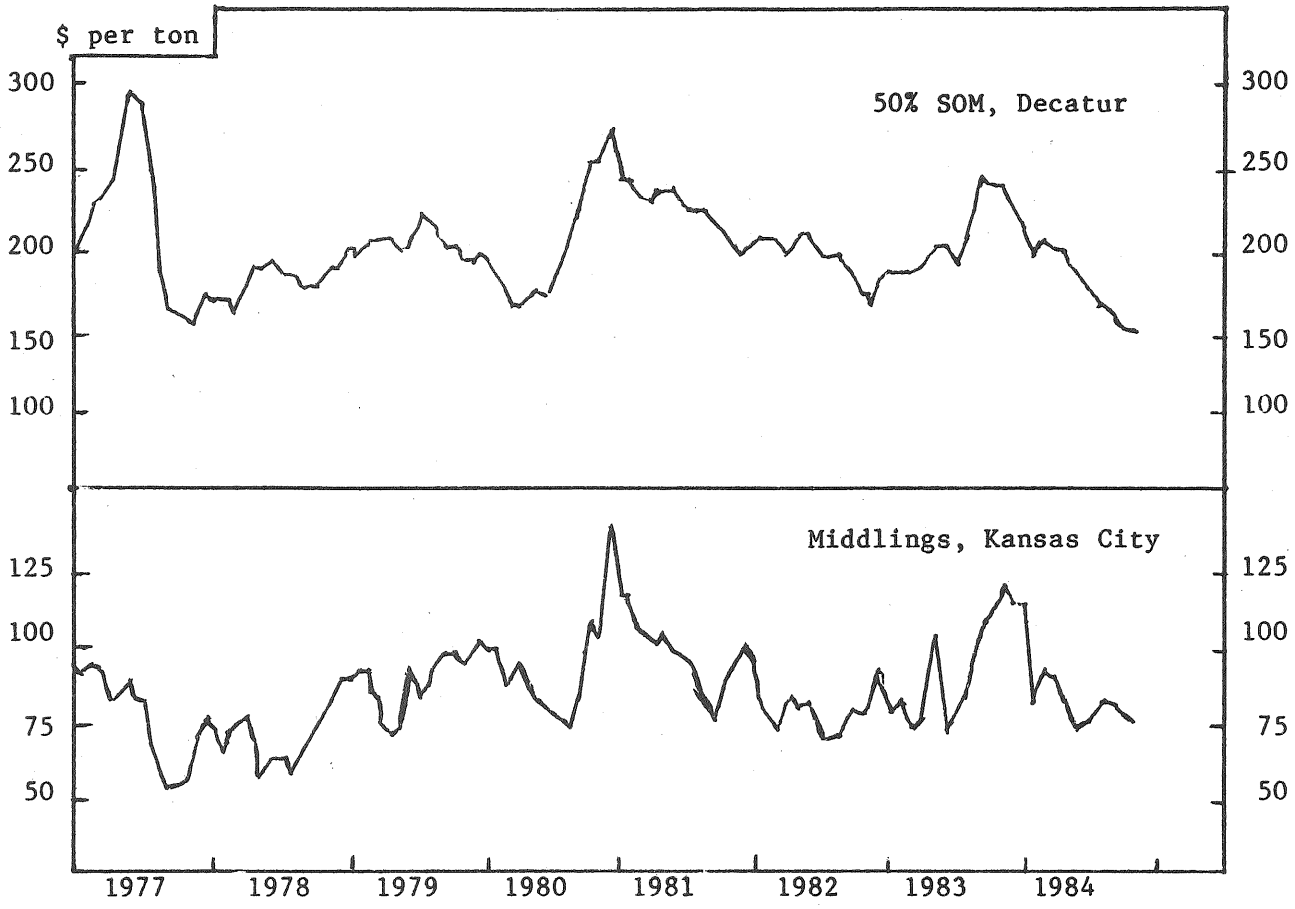
Source: USDA Agricultural Prices

Prices received by U.S. farmers for corn and soybeans fell substantially beginning in mid-1984 as a result of favorable crop prospects. Wheat prices also declined but less drastically. The October, 1984 corn price was $2.72 per bushel, 43¢ below the October 1983 level. The average soybean price in October, 1984 was $6.04 which was $1.92 below the level a year earlier. The October 1984 wheat price of $3.42 was 19¢ below the October 1983 price. The average price received by N.Y. farmers for corn in mid-October 1984 was $3.50, about the same as a year earlier.

The USDA projection (as of November 13) of the season average price for the 1984 corn crop is in the range of $2.65 to $2.95. The midpoint of $2.80 is 40¢ below the season average price for the 1983 crop. Also, the $2.80 is only 8¢ above the October 1984 price, suggesting that seasonal price increases may be rather small.

As of November 13, the USDA projected a season average soybean price in the range of $6.00 to $7.20. The midpoint, $6.60 is $1.15 below the average price received for the 1983 crop. The $6.60 midpoint is 56¢ above the October 1984 price, suggesting but not guaranteeing the possibility of substantial seasonal price increase.

MONTHLY PRICES OF SOYBEAN MEAL AND MIDDLINGS,
1977 TO DATE

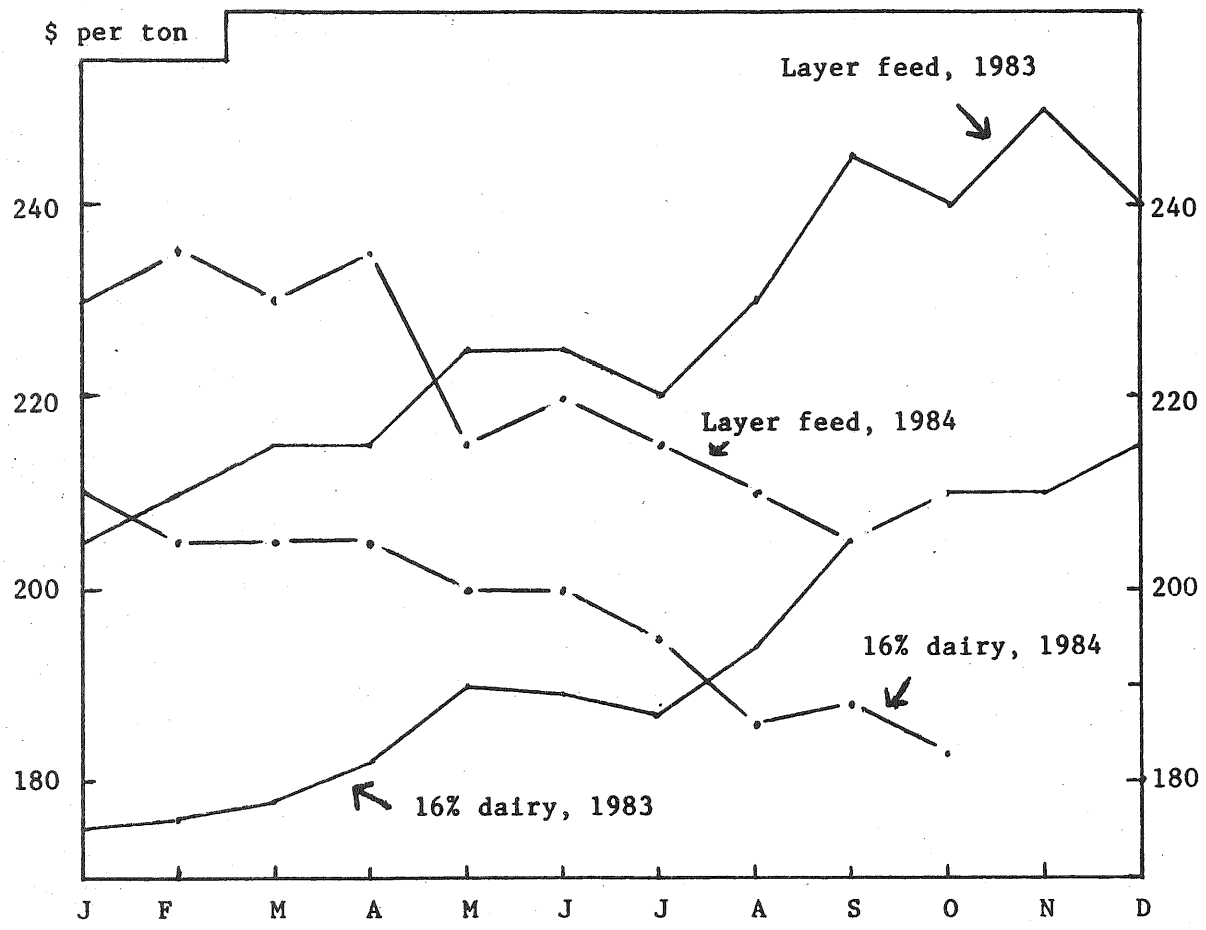


Source: USDA Feed Situation and Feedstuffs

Prices of soybean oil meal (50%, Decatur) declined from about $220 per ton in January 1984 to about $150 in November. November 1984 prices were the lowest in several years. While seasonal increases will occur, soybean meal prices are likely to be well below year earlier levels during the first half of 1985.

Prices of byproduct feeds such as middlings generally declined during 1984. Prices of byproduct feeds continue to fluctuate widely, suggesting that feed manufacturers and farmers need to continually evaluate the ingredient markets when formulating rations.

PRICES OF DAIRY AND LAYER FEEDS
By Months, 1983 and 1984



Source: USDA Agricultural Prices and New York Crop Reporting Service

During 1984, dairy and layer feed prices were on a generally declining trend from January until fall. This was in marked contrast to the upward trend of feed prices during all of 1983. In October 1984, 16% dairy feed was $27 and layer feed $30 per ton below year earlier levels.

Feed prices are likely to increase moderately during the winter and spring of 1985. With moderate seasonal price increases, both 16% dairy and layer feed prices are likely to be well below year earlier levels until at least May, 1985.

	1984		1985	
Month	Dairy feed	Layer feed	Dairy feed	Layer feed
Jan	210	230	___	___
Feb	205	235	___	___
Mar	205	230	___	___
Apr	205	235	___	___
May	200	215	___	___
June	200	220	___	___
July	195	215	___	___
Aug	186	210	___	___
Sept	188	205	___	___
Oct	183	210	___	___
Nov	___	___	___	___
Dec	___	___	___	___

1985 DAIRY OUTLOOK

Overview

POSITIVE FACTORS

- Production cost unchanged.
- Assessments end March 31.
- Continued favorable economic climate during first half of 1985.
- Continued increase in commercial demand for milk and dairy products.
- Favorable milk-feed price ratio early in year.

NEGATIVE FACTORS

- Very large number of replacement heifers.
- Few if any attractive farm or nonfarm alternatives to dairy.
- Likelihood of two 50¢/cwt. cuts in price support on April 1st and July 1st.

UNCERTAINTIES

- Production response due to improved price-cost relationships and technology.
- 1985 farm bill provisions.
- Effectiveness of the national milk promotion program.

NEW YORK DAIRY SITUATION AND OUTLOOK
1982, 1983, Preliminary 1984 and Projected 1985

Item	Year				Percent Change	
	1982	1983	1984	1985	83 to 84	84 to 85
Number of milk cows (000's)	919	940	931	936	+1.0	+0.5
Milk per cow (lbs.)	12,129	12,378	12,493	12675	+0.5	+1.5
Total milk production (mil. lbs.)	11,147	11,635	11,631	11864	-0.5	+2.0
Blended milk price ($/cwt.)[a/]	13.26	13.23	13.02	12.64	-1.6	-2.5
Index of prices paid by dairy farmers	148	159[b/]	163[b/]	158[b]	+2.5	-3.0

a/ NY-NJ Blend Price, 201-210 mile zone, 3.5% fat. Effective farm price after milk price assessments for 1984 is $12.52 and projected 1985 is $12.51.

b/ Includes milk price and promotion assessments.

Table 1

U.S. Milk Supply and Utilization
1977-1985

	1977	1978	1979	1980	1981	1982	1983[a]	1984[b]	1985[c]
	(billion pounds)								
Supply									
Production	122.7	121.5	123.4	128.5	133.0	135.8	140.0	136.0	138.0
Farm Use	2.8	2.7	2.5	2.3	2.3	2.4[a]	2.3	4.5	3.0
Marketings	119.8	118.8	120.9	126.2	130.7	133.4[a]	137.6	131.5	135.0
Beginning Commercial Stocks	5.3	4.9	4.5	5.4	5.8	5.4	4.6	5.2	5.3
Imports	2.0	2.3	2.3	2.1	2.3	2.5	2.6	2.7	2.8
TOTAL SUPPLY	127.1	126.0	127.7	133.7	138.8	141.3	144.8	139.4	143.1
Utilization									
Commercial Disappearance	116.1	118.8	120.2	119.2	120.5	122.4[a]	122.8	125.1	127.6
Ending Commercial Stocks	4.9	4.5	5.4	5.8	5.4	4.6	5.2	5.3	5.4
Net Government Removals	6.1	2.7	2.1	8.8	12.9	14.3	16.8	9.0	10.1
TOTAL USE	127.1	126.0	127.7	133.7	138.8	141.3	144.8	139.4	143.1

Source: Dairy Outlook and Situation, U.S. Department of Agriculture.

[a]Revised.

[b]Preliminary.

[c]Estimated by Andrew Novakovic, Department of Agricultural Economics, Cornell University.

The U.S. Situation and Outlook

Nineteen eighty-four will be remembered in the record books as the year of the asterisk. When he signed the Dairy Production Stabilization Act (DPSA) into law in November 1983, the President initiated a set of program changes and a sequence of events without precedent. The DPSA combines four major actions. First, it lowered the support prices by 50¢/cwt. last December, and it authorizes future 50¢/cwt. reductions in April and July, 1985. Second, it authorizes a direct assessment of 50¢/cwt. against all farm marketings of milk from December, 1983 through March, 1985. Third, it offers payments of $10/cwt. of milk "diverted" to farmers who agree to sell less milk in 1984 and the first quarter of 1985 than they did during a base period. Fourth, all farmers were required to contribute 15¢/cwt. of milk marketed to a new national dairy promotion and research program, although credits of up to 10¢/cwt. were allowed for contributors to similar regional or statewide programs.

Although it was generally accepted that the first three components of the new dairy policy would tend to decrease production and the promotion component would tend to increase consumption, there were wide differences in the estimates of the magnitudes of these adjustments.

Although the price cut and assessment began on December 1, 1983, the milk diversion program did not really begin until February 1, 1984, when the sign-up period ended. Consequently, milk production did not begin to turn down nationally until March. In New York, it took an extra month before production decreased relative to year earlier levels. California is the only state (among the 48 contiguous states) that has increased its production in 1984, which it has done by a rather sizeable three or four percent.

Although the diversion program caused a reduction in milk production, it had no effect on the demand for milk by processors. Other factors, however, led to commercial demand that was unusually strong throughout 1984. Lower dairy prices and a continually stronger economy appear to deserve most of the credit for the increase, since the new promotion program did not get under way until September.

The combination of strong commercial sales reduced production, and the desire of all dairy processors to keep their plants as full as possible led to shortage conditions which in turn caused milk prices to increase. Despite the 50¢ cut in support price, by September the monthly average price of milk actually exceeded year earlier levels; moreover, only in April was the monthly price the full 50¢ lower than the year earlier level. Upward pressures on price were particularly great in those regions of the country where participation in the diversion program was the highest, e.g., the Southeast. In these areas, premiums of up to $3/cwt. were paid by fluid milk processors to attract milk from manufacturers in the upper midwest and elsewhere.

Although commercial sales improved considerably in 1984 and farm level demand was strong, a considerable amount of milk still ended up in CCC stocks in the form of cheese, nonfat dry milk, or butter. The combination of intense competition for a smaller farm milk supply and a continuing large surplus of milk production compared to commercial use has left many farmers puzzled about the dairy situation in 1984 and what to expect in 1985. Specific supply, use, and price estimates for 1984 and possible changes in 1985 are discussed below.

Milk Supplies

As shown in Table 1, total milk supplies from current production, beginning commercial stocks, and imports were down 4.4% in 1984, primarily due to a 2.9% decrease in milk production. Although still under quota, imports ran slightly

higher than last year and are the highest they have been in 11 years. Beginning commercial stocks were higher than the unusually low level at the beginning of 1983.

Milk Utilization

Commercial sales of dairy products (as measured by commercial disappearance) ran about 2% above year earlier levels. Early reports of commercial sales indicated even greater increases. Nonetheless, this is a large increase in the commercial use of milk.

With production down and consumption up, net removals of dairy products under the price support program were cut tremendously, over 46%. Unfortunately, this still left the equivalent of nine billion pounds of milk that was not sold commercially in 1984. This represents 6.6% of the milk produced in the U.S., down from 12% in 1983. This is also about equal to the level of net removals in 1980, when it first became apparent to the majority of the dairy industry that a serious problem was developing.

The cost of the price support program for the fiscal year that ended September 30, 1984 has not yet been published. The net cost may be as much as one billion dollars below the previous year; however, this can be a bit deceiving. On a cash basis, the USDA has received assessment revenue throughout the year; however, it has only paid for two quarters out of the three in which the diversion program was in effect. Even on an accrual basis, net expenditures will be down substantially.

Prices

As shown in Table 2, farm and wholesale dairy prices in 1984 are estimated to be about 19¢/cwt. below 1983 levels, or 21¢/cwt., if one includes the assessments in both years. Retail prices of dairy products are estimated to have increased only slightly and at much less the rate of increase in food prices or consumer prices in general. By some measures, in fact, retail prices for whole and lowfat milk are lower in 1984 than 1983. This is especially significant insofar as many industry analysts were skeptical that lower farm prices would be reflected in consumer prices.

The Outlook

Everyone interested in the dairy industry is wondering what happens after April 1, 1985, when the milk diversion program and assessment expire. Projections for 1985 are almost as difficult to make as they were last year; nonetheless, an attempt is reported in Table 1. The basic assumptions that shape this forecast are as follows. Although there certainly will be some voluntary and not-so-voluntary retirements in 1985, milk production seems certain to increase after the diversion program expires. While many who signed up for the maximum "diversion" under the milk diversion program may permanently retire, the majority of the program participants would be foolish not to return to full capacity operation once the $10 payments cease. On top of this will be the normal increases in production per cow, favorable feed prices, and a large stock of replacement heifers.

On the other hand, commercial sales of milk can also be expected to increase, given moderate, perhaps even lower, prices and a new promotion program that is in full swing. Since the April 1 and July 1 price cuts are optional, depending on expected CCC net removals, there has been considerable speculation as to whether the Secretary will lower the price on one or both occasions. It is assumed here that the Secretary will have the option and that he will exercise it, as he has said he will several times.

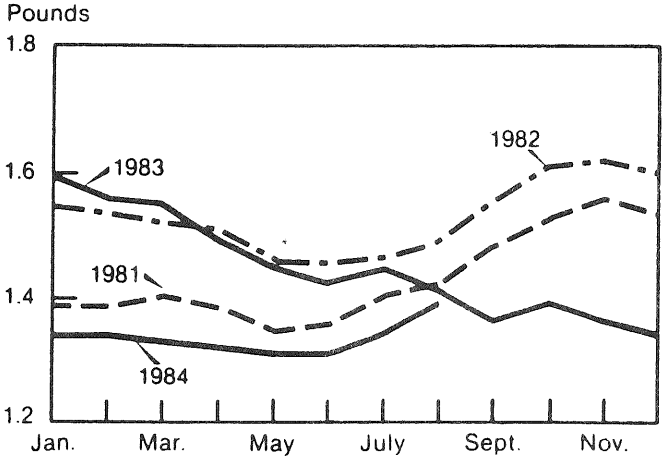
Given these assumptions, on July 1, 1985 the support price for milk will be one dollar lower than it was during 1984. CCC purchase prices for cheese and butter will be about ten cents per pound lower and the nonfat dry milk price will be about six cents lower. Despite these reductions, we expect that for the year the gross price of all milk will be about 40¢/cwt. lower or about $13/cwt. Given that the assessment expires March 31, this means that the effective price, i.e., including assessment, may be almost the same in 1985 as it was in 1984, i.e., about $12.87/cwt.

Milk production is projected to be up two billion pounds or about 1.5%. This would make milk production in 1985 second only to the 1983 record of 140 billion pounds. Assuming that farm use also returns closer to normal levels after the diversion program expires, commercial marketings are projected to increase 3.5 billion pounds or 2.7 percent. Given slight increases in beginning commercial stocks and imports, this implies a 3.7 billion pound increase in total supply.

Commercial disappearance is projected to increase about two percent, or about as much as it did in 1984. This may be conservative if the promotion program proves to be particularly successful; however, an increase in commercial disappearance of almost five billion pounds in two years is much more than anything seen in recent history.

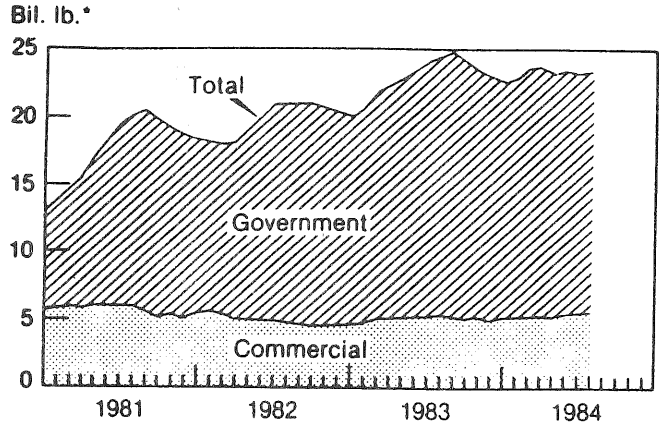
Assuming a small increase in ending commercial stocks, this leaves net removals at just over ten billion pounds, up one billion pounds from 1984. Even under the most favorable, plausible assumptions about changes in production and commercial disappearance, it seems unlikely that net removals could be less than 8.5 billion pounds or so. Whether net removals are 8.5 or 10 billion pounds, either magnitude indicates that the problem of substantial milk supplies in excess of commercial use will continue to be a problem, and that government costs under the price support will likely exceed the politically sensitive one billion dollar level.

Milk/16-Percent Feed Price Relationship*



*Pounds of 16% protein ration equal in value to one pound of milk sold to plants and dealers.

Dairy Product Stocks ○



○As of first of month. *Milk equivalent, fat solids basis.

Table 2

Farm Prices for Milk, CCC Purchase, Wholesale, and Retail Prices for Cheese, Butter, and Nonfat Dry Milk and Selected Retail Price Indices
1977-1984

	1977	1978	1979	1980	1981	1982	1983	1984[c]
Farm Milk ($/cwt., ave. fat):								
All Milk	9.72	10.58	12.03	13.05	13.76	13.59	13.57[d]	13.38[e]
Grade A	9.96	10.79	12.23	13.21	13.94	13.73	13.74[d]	13.55[e]
Grade B	8.70	9.65	11.09	12.05	12.73	12.66	12.60[d]	12.40[e]
Milk/Feed Ratio	1.39	1.53	1.55	1.48	1.43	1.53	1.44[d]	1.40[e]
Cheese (¢/lb.):								
CCC Purchase, Natural Cheddar, Grade A or higher, blocks[a]	96.6	102.6	115.5	132.0	140.0	140.0	139.1	134.8
Wholesale, American Cheddar (40 pound blocks), f.o.b. Wisconsin Assembly Points	96.8	107.1	123.8	133.0	139.4	138.3	138.3	138.1
Retail, American (1/2 lb. pieces)	177.9	191.2	214.0	235.0	255.7	263.5	265.2	267.0
Butter (¢/lb.):								
CCC Purchase, Grade A or higher, Chicago[a]	98.2	106.4	121.5	140.2	149.0	149.0	148.5	143.3
Wholesale, Grade A, Chicago (1 lb.)	98.4	109.8	122.4	139.3	148.0	147.7	147.3	149.0
Retail, Grade AA, sticks (1 lb.)	135.3	149.1	168.3	187.8	199.3	204.6	206.6	207.6
Nonfat Dry Milk (¢/lb.):[b]								
CCC Purchase, Spray Process, Extra Grade, Unfortified[a]	66.6	70.9	78.9	89.1	94.0	94.0	93.7	91.0
Wholesale (1 lb.)	66.5	71.4	80.0	88.7	94.0	94.0	93.2	90.8
Retail Price Indices (1967=100.0):								
Fluid Whole Milk	162.3	171.7	191.4	208.4	220.2	221.4	222.9	223.3
All Dairy Products	173.9	185.6	207.1	227.4	243.6	247.0	249.9	252.2
All Food	192.2	211.4	234.5	254.6	274.6	285.7	291.7	303.0
All Consumer Prices	181.5	195.4	217.4	246.8	272.4	289.1	298.4	311.0

Source: Dairy Outlook and Situation, U.S. Department of Agriculture.

[a]Simple annual average of announced support price.
[b]There are no retail price data for nonfat dry milk.
[c]Estimated.
[d]Excludes assessments averaging 48¢/cwt. for the year.
[e]Excludes 50¢/cwt. assessment.

Number of Producers Delivering Milk, Simple Average of Months per Year
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983	1984[a]
New York-New Jersey	18030	17596	17555	17656	17485	17434	16870
New England	7769	7506	7352	7042	6923	6812	6672
Middle Atlantic	7539	7219	7287	7327	7168	7033	6892
E. Ohio-W. Pennsylvania	7024	6592	6379	6199	6219	6322	6227
N.Y. State Orders (Buffalo & Rochester)	1415	1375	1365	1337	1311	1286	1259
Regional Total	41777	40288	39938	39561	39106	38887	37920

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Estimated.

The number of producers in the Northeast Federal and State order markets declined by 967, or 2.5 percent in 1984. This represents a sizeable increase in the attrition rate from the previous four years when producer numbers declined an average of 350, or less than 1% annually.

The higher dropout rate this year can most likely be attributed to the severe cost-price squeeze during the first half of the year, the diversion program, and generally tighter credit conditions.

Receipts of Milk from Producers by Regulated Handlers, Million Pounds
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983[a]	1984[b]
	(million pounds)						
New York-New Jersey	9877	10157	10560	10925	11094	11643	11355
New England	5046	5089	5221	5093	5253	5483	5247
Middle Atlantic	5420	5391	5634	5940	6043	6140	5829
E. Ohio-W. Pennsylvania	3434	3369	3379	3356	3486	3750	3662
N.Y. State Orders (Buffalo & Rochester)	1058	1093	1091	1081	1090	1172	1160
Regional Total	24835	25099	25885	26395	26966	28188	27253

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Revised.

[b]Estimated.

Producer receipts of milk in Northeast order markets declined by 935 million pounds, or 3.3 percent in 1984.

The largest percentage declines occurred in the New England and Middle Atlantic orders, which were down 4.3 and 5.1 percent, respectively.

The lower receipts were primarily a result of the federal milk diversion program that was in effect throughout the year.

In 1985, producer receipts are expected to increase 1%, as the diversion program comes to an end in March, and most economic indicators will signal dairy farmers to produce more milk.

Producer Milk Used in Class I by Regulated Handlers, Million Pounds
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983[a]	1984[b]
			(million pounds)				
New York-New Jersey	4719	4594	4612	4561	4523	4457	4538
New England	2920	2926	2879	2821	2762	2788	2796
Middle Atlantic	2995	2906	2899	2866	2792	2884	2899
E. Ohio-W. Pennsylvania	2059	2035	1979	1933	1942	1954	2012
N.Y. State Orders (Buffalo & Rochester)	476	459	443	459	447	441	437
Regional Total	13169	12920	12812	12640	12466	12524	12682

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Revised.

[b]Estimated.

Class I fluid milk sales in the Northeast order markets increased 1.3 percent in 1984. This represents the second year in a row that fluid milk sales have increased following seven consecutive years of decline.

Fluid sales increased most in the Eastern Ohio-Western Pennsylvania (+3.0%) and the New York-New Jersey (+1.8%) orders, the Western New York State orders (-0.9%) were the only markets showing a decline.

The increased promotion monies resulting from the national assessment should be a positive factor in 1985. Fluid sales are expected to increase an additional 1 percent in the coming year.

Producer Milk Used in Class I as Percentage of All Producer Milk Received by Regulated Handlers
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983[a]	1984[b]
				(percent)			
New York-New Jersey	48	45	44	42	41	38	40
New England	58	58	55	55	53	51	53
Middle Atlantic	55	53	51	48	46	47	50
E. Ohio-W. Pennsylvania	60	60	59	58	56	52	55
N.Y. State Orders (Buffalo & Rochester)	45	44	43	42	41	38	38

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Revised.

[b]Estimated.

The Class I fluid utilization is impacted by the volume of fluid sales in a market and the total supply of milk. Increased fluid sales and lower producer receipts caused utilization to increase by from 2 to 3 percentage points in four out of the five Northeast market orders.

A higher Class I utilization means that a greater proportion of total receipts was allocated to fluid use at the higher Class I price, thus increasing the blend price to producers.

Class I utilization should remain relatively stable in the coming year as increasing producer receipts offset any gains in Class I sales.

Minimum Class I Prices for 3.5% Milk
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983	1984[a]
				($/cwt.)			
New York-New Jersey[1]	11.54	13.02	13.92	14.83	14.73	14.78	14.49
New England[2]	11.86	13.19	14.09	15.00	14.76	14.82	14.52
Middle Atlantic[3]	12.06	13.56	14.45	15.36	15.26	15.32	15.02
E. Ohio-W. Pennsylvania[4]	11.14	12.62	13.62	14.53	14.43	14.49	14.19
N.Y. State Orders[3] (Buffalo & Rochester)	12.00	13.48	14.38	15.29	15.19	15.25	14.95

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Estimated.

[1]201-210 mile zone.

[2]21st zone.

[3]Priced at major city in the marketing area.

[4]Pittsburgh district.

Fluid milk prices in the Northeast orders were down 2 percent in 1984 following small increases in the previous year.

The Class I price for the New York-New Jersey market declined by 29 cents per cwt. in 1984 following a five-cent increase in 1983.

A further decline in Class I prices of from 1 to 2 percent is projected for the coming year.

Minimum Class II Prices for 3.5% Milk
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983	1984[a]
				($/cwt.)			
New York-New Jersey[1]	9.58	10.91	11.88	12.58	12.49	12.50	12.26
New England[2]	9.58	10.91	11.88	12.58	12.49	12.50	12.26
Middle Atlantic[3]	9.60	10.93	11.90	12.60	12.51	12.52	12.32
E. Ohio-W. Pennsylvania[4]	9.57	10.91	11.88	12.58	12.49	12.49	12.27
N.Y. State Orders[1] (Buffalo & Rochester)	9.53	10.86	11.83	12.53	12.44	12.45	12.21

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Estimated.

[1]201-210 mile zone.

[2]21st zone.

[3]Priced at major city in the marketing area.

[4]Pittsburgh district.

The Northeast market order price for Class II manufacturing milk declined by 1.8 percent in 1984.

The New York-New Jersey Class II price declined by 23 cents from $12.50 per cwt. in 1983 to $12.27 in 1984.

Class II prices are expected to decline further in 1985 in response to lower price supports in April and July.

Minimum Blend Prices for 3.5% Milk
Northeast Federal and State Marketing Orders
1978-1984

Markets	1978	1979	1980	1981	1982	1983[a]	1984[b]
				($/cwt.)			
New York-New Jersey[1]	10.38	11.74	12.64	13.39	13.26	13.23	13.02
New England[2]	10.86	12.18	13.06	13.90	13.61	13.59	13.37
Middle Atlantic[3]	10.91	12.29	13.20	13.95	13.80	13.85	13.68
E. Ohio-W. Pennsylvania[4]	10.56	12.03	12.90	13.67	13.53	13.46	13.34
N.Y. State Orders[1] (Buffalo & Rochester)	10.51	11.88	12.82	13.57	13.43	13.36	13.18

Source: Annual Federal Milk Order Market Statistics and Annual Statistical Reports for State Orders.

[a]Revised.

[b]Estimated.

[1]201-210 mile zone.

[2]21st zone.

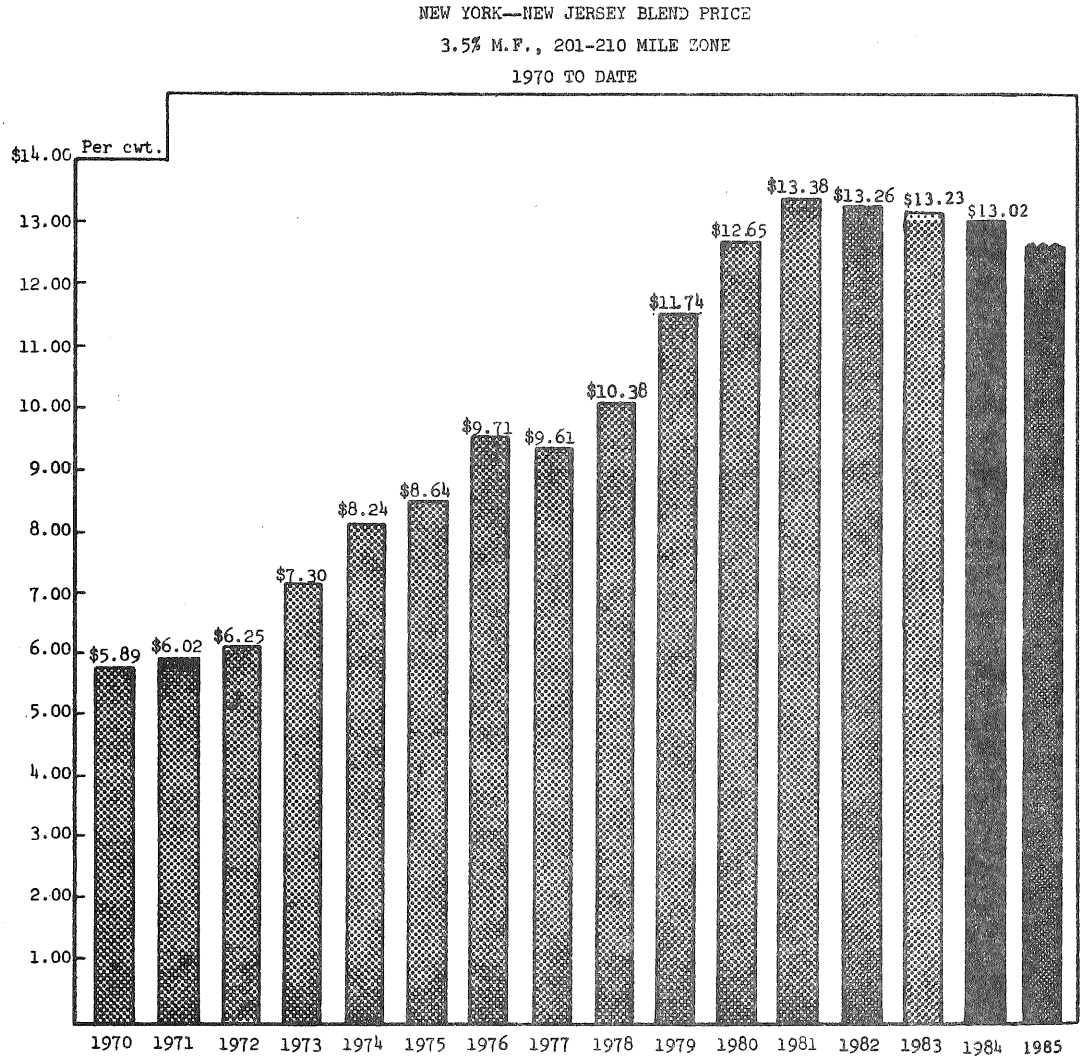
[3]Priced at major city in the marketing area.

[4]Pittsburgh district.

During 1984 the blend price of milk declined by 1 percent or more in all of the Northeast order markets.

The greatest declines occurred in the New York-New Jersey and New England markets where the blend price dropped by 1.6%, or 21 and 22 cents, respectively. The smallest decline occurred in the E. Ohio-W. Pennsylvania Order where the blend price in 1984 was down 12 cents per cwt., or 1% lower than in 1983.

In 1985, Northeast order blend prices are expected to decline between 1 and 2 percent due to lower support prices and larger marketings.



N.Y.-N.J. Blend Price, 3.5% M.F., 201-210 Mile Zone, 1978-1982

Month	1978	1979	1980	1981	1982	1983	1984
January	$ 9.82	$11.49	$12.25	$13.46	$13.35	$13.35	$12.99
February	9.87	11.57	12.24	13.46	13.30	13.35	12.79
March	9.65	11.12	12.08	13.20	13.02	13.01	12.55
April	9.60	10.95	11.96	13.00	12.82	12.85	12.36
May	9.55	10.93	11.90	12.83	12.61	12.64	12.26
June	9.60	11.03	11.92	12.83	12.63	12.61	12.29
July	10.16	11.60	12.48	13.33	13.16	13.12	12.84
August	10.84	12.23	13.01	13.68	13.59	13.59	13.39
September	11.12	12.51	13.31	13.83	13.74	13.75	13.74
October	11.45	12.64	13.57	13.87	13.81	13.74	13.83
November	11.54	12.62	13.54	13.74	13.71	13.63	13.79*
December	11.42	12.25	13.44	13.41	13.41	13.07	13.43*
Average	10.38	11.74	12.65	13.38	13.26	13.23	13.02*

*Estimates

Source: Price Announcements, Office of the Administrator, New York-New Jersey Milk Marketing Area.

Milk Price Projections
New York-New Jersey Blend Price, 3.5 Percent, 201-210 Mile Zone
Last Quarter 1984 - First Half 1985

Month	1983	1984	Difference
October	$13.74	$13.83a	$ +.09
November	13.63	13.79p	+.16
December	13.07	13.43p	+.36
Annual Average	13.23	13.02p	-.21

	1984	1985	
January	12.99	13.22	+.23
February	12.79	13.13	+.34
March	12.55	12.80	+.25
April	12.36	12.44	+.08
May	12.26	12.10	-.16
June	12.29	12.03	-.26
Six Month Average	12.54	12.62	+.08
Annual Average Blend Price	13.02	12.64	-.40
Annual Effective Price	12.52	12.51	-.01

a=actual; p=projected; e=effective price to N.Y.-N.J. producers would reflect a 50 cent per hundredweight deduct for 1984 and a 12.5 cent deduct for 1985.

Assumptions Associated With These Projections

1. Support Price - Based on present legislation, the secretary of Agriculture may reduce the support price by 50 cents per hundredweight on April 1, and July 1, 1985 if he anticipates CCC purchases will exceed 6 billion and 5 billion pounds of milk equivalent respectively. Based on current supply-demand projections it is assumed that both price reductions will be implemented.

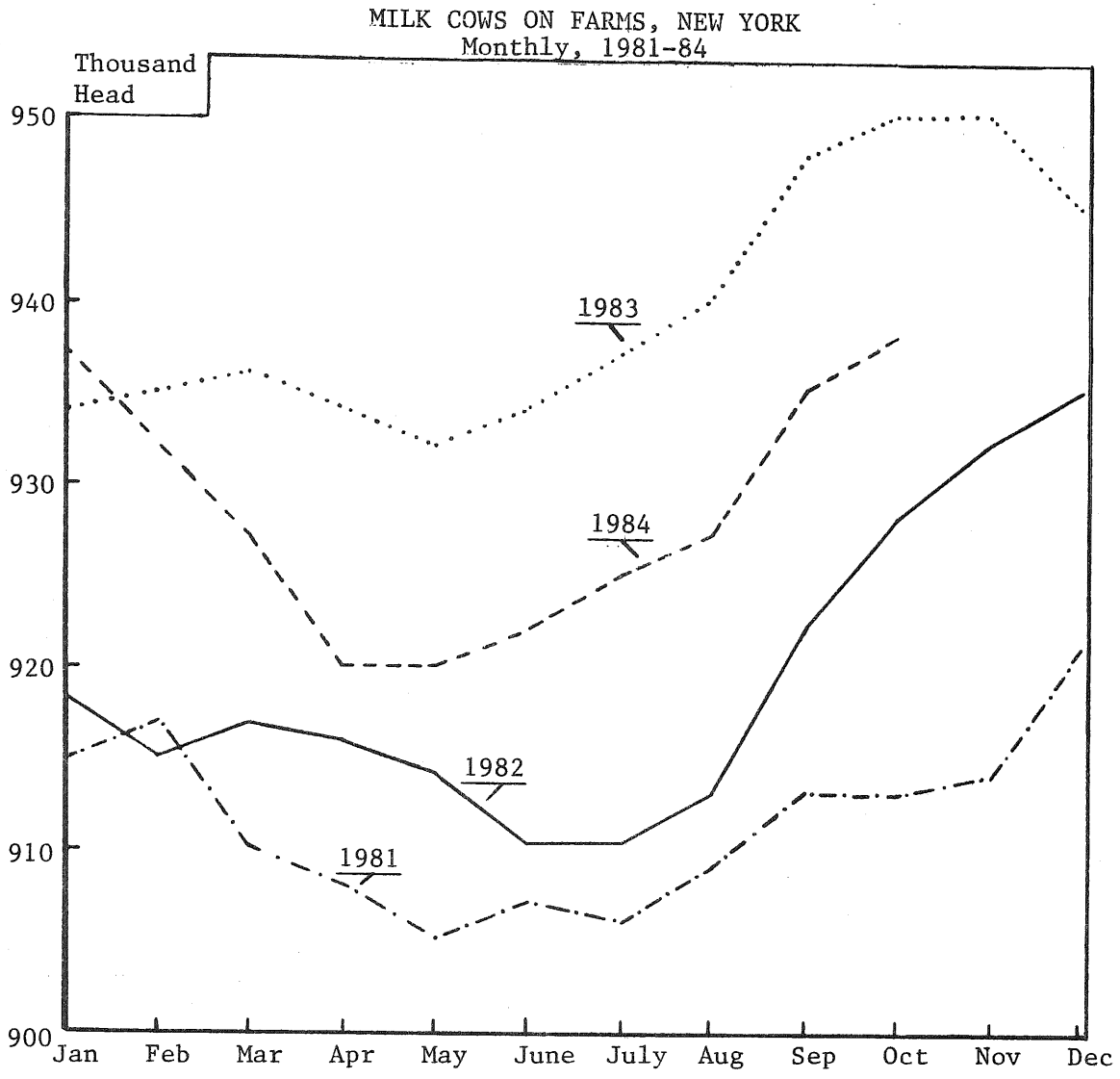
2. Dairy Diversion Program - The diversion program and 50 cent per hundredweight assessment will expire on March 31, 1985. We are not anticipating an extension of the present program. The 50 cent per hundredweight assessment will be in affect for 3 months which will result in an annualized deduct of 12.5 cents (13 cents) for the coming year.

3. Milk Production - Milk supplies in 1985 will depend in large measure upon the production response of producers currently in the diversion program and the number of replacement heifers that enter the milking herd. Higher milk prices in early 1985 along with lower feed prices and low cull cow prices are expected to result in a 1 to 2 percent increase in milk production.

4. Commercial Sales - Commercial sales of milk and dairy products are expected to increase by 1 to 2 percent with additional promotion expenditure and favorable market conditions.

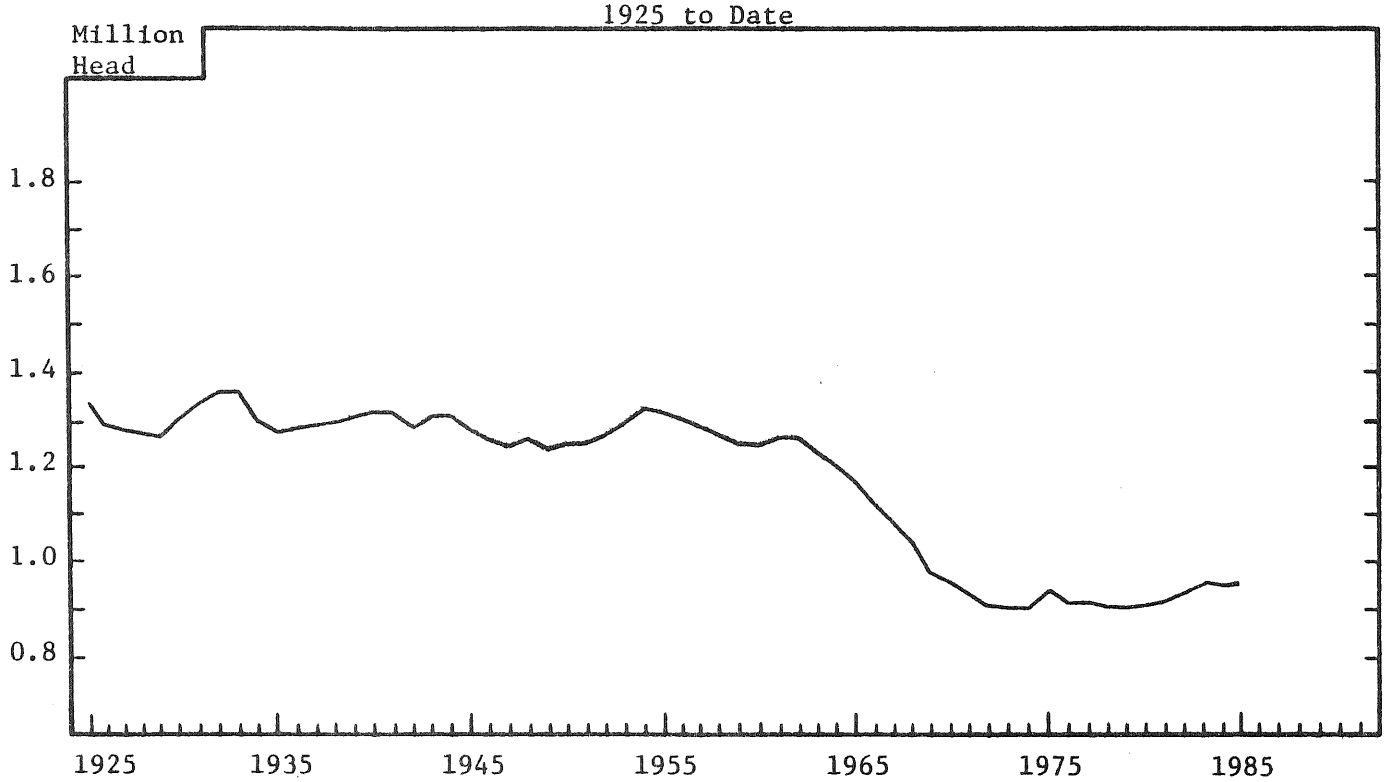
5. CCC Purchases and Government Stocks - Government removals are expected to increase to 10 billion pounds of milk equivalent for 1985 due to increased marketings. This would result in an increase in government stocks from present levels.

December 3, 1984 W.C. Wasserman



As seen in the above chart, 1984 monthly cow numbers have been between 1983 and 1982 levels with the exception of January. Following a steady increase from May 1983 to 950,000 head in October, cow numbers began to decline in December 1983, dropping to a low of 920,000 in April and May of 1984. The dairy diversion program, lower farm milk prices, and farm financial stress from falling asset values have encouraged a reduction in cow numbers.

NUMBER OF MILK COWS, NEW YORK
1925 to Date



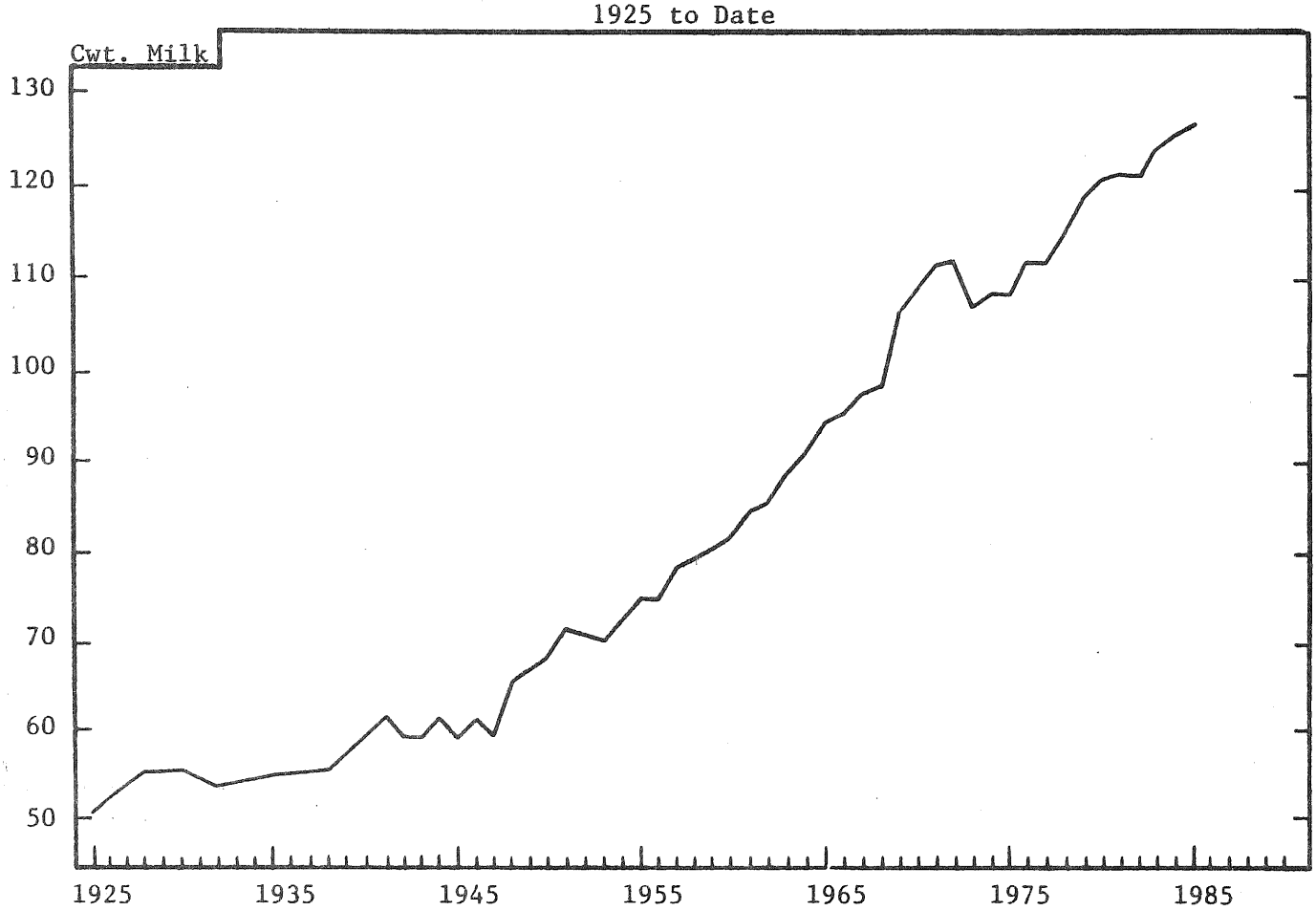
Source: New York Dairy Farm Report (to 1974)
New York Crop and Livestock Report (1975-present)

Heifers as a percent of cow numbers on January 1, 1984 decreased 1.1 percent from 1983; however, this is still 7.1 percent higher than the average of heifers as percent of cow numbers for 1974-1982. The average number of milk cows on New York farms during 1984 decreased to 931,000 head, 9,000 less than 1983. Cow numbers are projected to have the same seasonal pattern as previous years and average 5,000 head greater in 1985 than in 1984.

Year	Milk Cows 1,000 head	Year	Milk Cows 1,000 head
1961	1,253	1974	905
1962	1,253	1975	917
1963	1,217	1976	912
1964	1,196	1977	914
1965	1,165	1978	906
1966	1,109	1979	905
1967	1,069	1980	911
1968	1,039	1981	912
1969	969	1982	919
1970	950	1983	940
1971	935	1984	931*
1972	920	1985	936**
1973	903		

*Preliminary
**Projected

ANNUAL MILK PRODUCTION PER COW, NEW YORK
1925 to Date



Source: New York Dairy Farm Report (to 1974)
New York Crop and Livestock Report (1975-present)

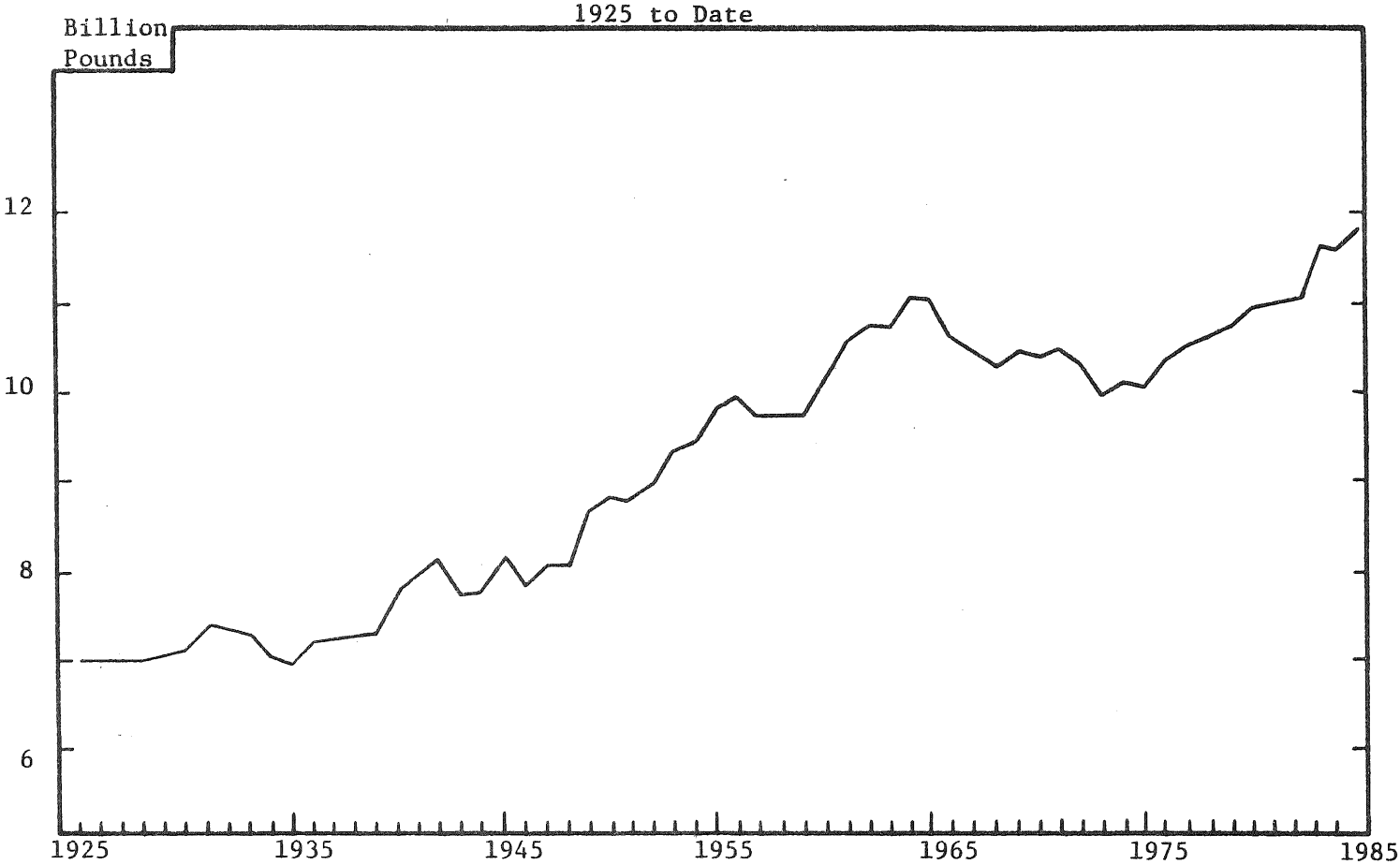
Milk production per cow averaged 12,493 pounds in 1984, an increase of 0.5 percent over 1983. Milk production per cow had increased steadily since 1960 with the exception of 1973 and 1974 and a small decline in 1982.

During 1985, milk production per cow is expected to increase by one and one-half percent, to 12,675 pounds. The milk-feed price ratio should be more favorable in 1985.

Year	Pounds of Milk Produced per Cow	Pounds of Grain per Cow	Year	Pounds of Milk Produced per Cow	Pounds of Grain per Cow
1961	8,450	2,610	1974	10,853	4,100
1962	8,530	2,840	1975	10,866	3,780
1963	8,880	2,910	1976	11,182	4,040
1964	9,160	3,090	1977	11,186	4,030
1965	9,470	3,290	1978	11,488	4,140
1966	9,540	3,330	1979	11,800	4,230
1967	9,780	3,410	1980	12,046	4,340
1968	9,835	3,440	1981	12,137	4,250
1969	10,682	3,730	1982	12,075	4,350
1970	10,885	3,980	1983	12,437	4,350
1971	11,156	4,000	1984	12,493*	4,460*
1972	11,202	3,990	1985	12,675**	4,525**
1973	10,773	4,200			

*Preliminary **Projected

TOTAL MILK PRODUCTION, NEW YORK
1925 to Date



Source: New York Agricultural Statistics

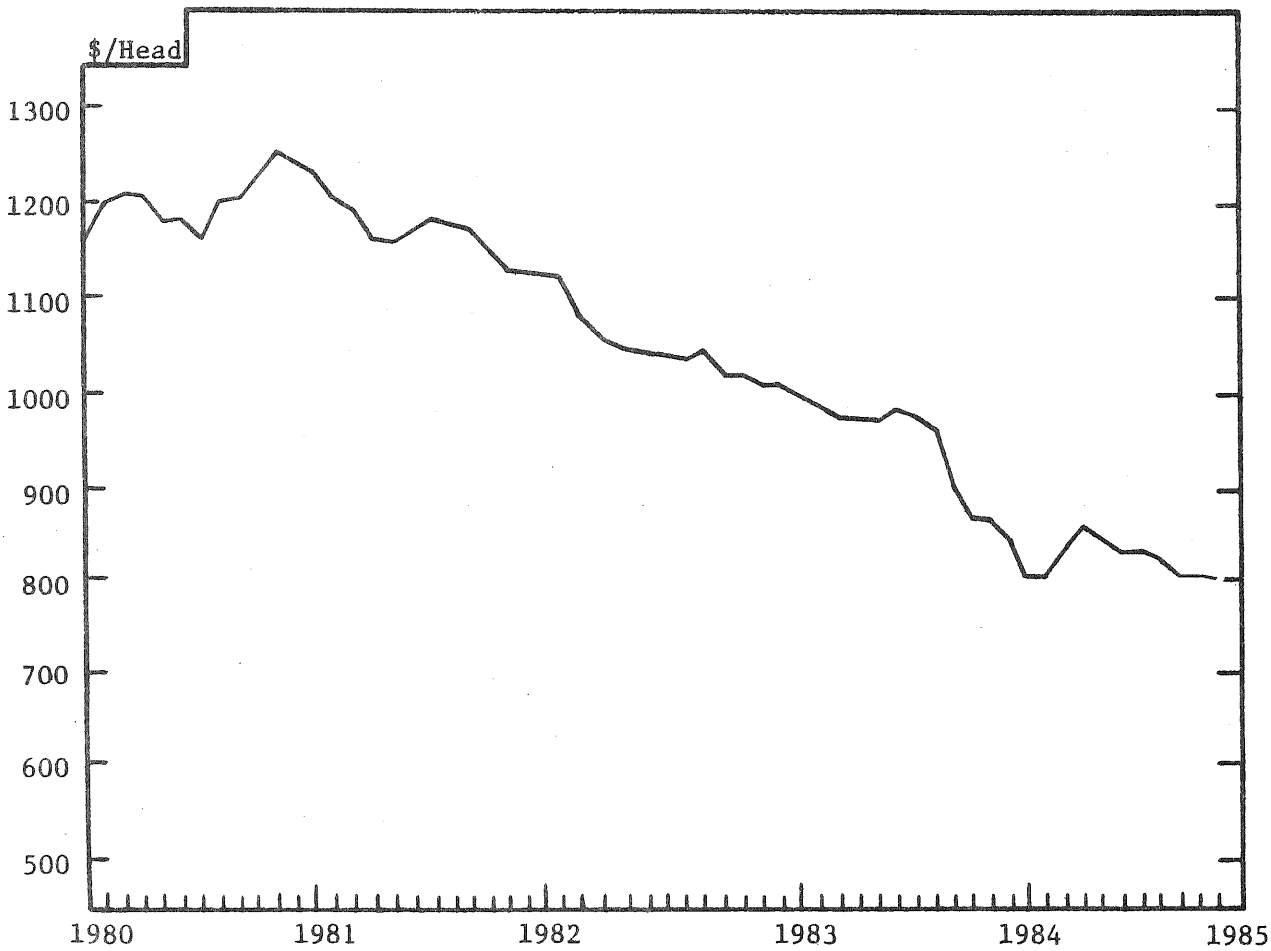
Total milk production in 1984 is estimated at 11,631 million pounds, down 0.5 percent over 1983. A decrease in cow numbers of 1.0 percent and a small milk production per cow increase of 0.5 percent accounts for the smaller production.

Milk production is projected to increase two percent in 1985. This results from more favorable milk-feed price ratios leading to increased milk production per cow. Cow numbers are projected to increase as a result of large heifer numbers placing continued upward pressures on cow numbers. The uncertainty over dairy policy later in the year makes projections of farmers' responses difficult.

Year	Total Production New York State million pounds	Year	Total Production New York State million pounds
1961	10,588	1974	9,822
1962	10,688	1975	9,964
1963	10,807	1976	10,198
1964	10,955	1977	10,224
1965	11,033	1978	10,408
1966	10,580	1979	10,630
1967	10,455	1980	10,974
1968	10,219	1981	11,069
1969	10,351	1982	11,097
1970	10,341	1983	11,691
1971	10,431	1984	11,631*
1972	10,306	1985	11,864**
1973	9,728		

*Preliminary **Projected

PRICES OF MILK COWS, SLAUGHTER COWS AND CALVES, NEW YORK
Milk Cows 1979 to Date



Source: New York Agricultural Statistics

Milk cow prices have steadily declined since their peak in late 1980. Prices for milk cows during 1984 were $100 to $200 lower than a year earlier.

Milk cow prices will likely decline further during 1985, but not nearly as much as they did in 1984. A decline of about $50 per head is likely.

	Milk Cows, $/Head		Slaughter Cows, $/Cwt.		Calves, $/Cwt.	
Month	1983	1984	1983	1984	1983	1984
January	$1,000	$ 800	$37.10	$34.50	$59.90	$59.40
February	990	800	38.90	38.60	62.60	79.10
March	980	840	39.10	39.50	59.60	75.00
April	970	860	40.40	39.20	65.60	74.80
May	970	850	42.70	39.90	77.60	80.30
June	980	840	42.00	39.70	70.60	78.20
July	970	840	38.60	38.30	54.30	63.10
August	960	830	36.70	37.60	52.10	62.60
September	910	810	36.20	35.30	53.00	66.70
October	870	810	34.40	34.20	55.20	71.90
November	870	800*	32.30	31.50*	52.30	65.00*
December	850	---	32.90	---	53.20	---

* Preliminary

INDEX OF PRICES PAID BY NEW YORK DAIRY FARMERS
(1977=100)

Item	Weight	1980	1981	1982	1983	1984*	1985**
Feed	.31	129.3	141.4	128.5	141	141	134
Purchased animals	.03	247.9	242.6	216.5	195	170	160
Fuel & energy	.05	176.5	211.3	208.9	205	206	206
Fertilizer	.05	142.6	150.0	149.2	139	142	145
Seed	.02	139.4	146.4	156.9	160	169	170
Machinery	.18	130.5	147.2	161.3	172	182	187
Building & fencing supplies	.08	127.6	133.7	135.3	138	138	139
Farm services & rent	.08	129.0	137.0	143.0	147	151	153
Agricultural chemicals	.01	102.3	110.8	119.3	125	128	130
Interest rates	.07	137.8	155.6	161.4	145	151	154
Farm wage rates	.09	132.4	140.1	140.6	151	150	150
Taxes	.03	127.4	133.1	142.4	152	161	168
Prices Paid, Not Including Assessment		137	149	148	153	156	155
Prices Paid, Including Assessment & Promotion Increase		--	--	--	159	163	158

Source: New York Crop Reporting Service

*Preliminary
**Estimated

The index of prices paid by New York dairy farmers increased two percent in 1984. Purchased animals and farm wage rate categories decreased, feed and building and fencing supplies remained unchanged, while all other categories increased by up to six percent.

Taxes and machinery prices are expected to show the largest increase of any category in 1985, increasing by four and three percent, respectively. Feed and purchased animals are the only categories expected to trend downward. Prices paid by New York dairy farmers are expected to average 155 during 1985, a small decrease from 1984.

COST AND RETURNS ESTIMATES PER HUNDREDWEIGHT OF MILK
Specialized Dairy Farms by Region, United States, 1983

Region	Returns per Cwt. Milk	Returns per Cwt. Total	Variable Costs	Total Costs	Return to Operator's Labor & Mgmt.
1. Southern Plains (TEXAS)	$14.55	$15.46	$9.51	$13.00	$2.46
2. Pacific (CA,WA)	13.18	14.03	9.27	11.76	2.27
3. Upper Midwest (MN,WI,MI,SD)	13.34	14.64	6.76	13.05	1.59
4. Northeast (NY,PA,OH,NEW ENGLAND)	13.86	14.89	8.03	13.56	1.33
5. Appalachia (KY,TN,VA,NC,GA)	14.10	15.04	9.60	14.60	.44
6. Corn Belt (IN,IL,IA,MO)	13.53	14.57	8.44	15.09	-.52
National average	13.60	14.68	8.02	13.40	1.28

SOURCE: USDA, ERS, Economic Indicators of the Farm Sector, Costs of Production, 1983.

The Agriculture and Consumer Protection Act of 1973 directed the Secretary of Agriculture to make annual estimates of the costs of producing a number of major agricultural commodities. One of these is milk. The most recent set of estimates was issued in 1984 as part of the Economic Indicators of the Farm Sector series by the ERS. Cost estimates were developed by the USDA for six major producing regions in the United States.

Over the past 10 years the differences in prices received for milk at the farm between regions have narrowed substantially. The highest prices received nationally are in the south and the lowest in the Pacific region. The spread is now about $1.40 per hundredweight. There are important differences in average production costs between regions. the USDA estimates are based on a consistent methodology and appear reasonable in relation to other data and information from the six designated regions. The three regions where much of the milk is produced are also those with the lowest variable costs per hundredweight and high returns to operator's labor and management.

The average costs of production for fluid milk on the following page are calculated from whole farm financial records for specialized dairy farms in the New York Farm Business Summary. This annual series of cost estimates shows the nature of changes from year to year using a consistent method of calculation but is quite different from the USDA budget estimates.

AVERAGE COST PER HUNDREDWEIGHT OF PRODUCING MILK*
New York Dairy Farms, 1975 to 1983

Item	1975	1977	1979	1981	1982	1983
Cash Operating Expenses						
Hired labor	$ .74	$ .84	$ .99	$ 1.20	$ 1.29	$ 1.25
Purchased feed	2.51	2.90	3.37	3.62	3.40	3.59
Purchased animals	.23	.27	.50	.23	.19	.16
Vet & medicine	.14	.17	.22	.28	.29	.28
Breeding fees	.11	.12	.15	.18	.19	.19
Other dairy expenses	.48	.58	.74	.89	1.02	1.47
Machinery repairs	.51	.57	.69	.81	.81	.77
Auto expenses (farm share)	.03	.03	.04	.04	.04	.04
Gas & oil	.29	.31	.43	.62	.59	.49
Lime & fertilizer	.49	.49	.62	.72	.71	.63
Seeds & plants	.16	.16	.20	.23	.23	.21
Spray & other crop expense	.13	.13	.16	.21	.18	.19
Land, building, fence repair	.15	.16	.21	.22	.21	.18
Taxes	.22	.27	.28	.35	.34	.34
Insurance	.15	.18	.20	.23	.23	.21
Electricity (farm share)	.15	.17	.21	.27	.30	.31
Telephone (farm share)	.03	.04	.04	.05	.05	.05
Interest paid	.66	.72	1.00	1.43	1.54	1.40
Miscellaneous	.24	.25	.31	.41	.43	.44
Total	$7.42	$8.36	$10.36	$11.99	$12.04	$12.20
Other Expenses						
Depreciation: machinery & buildings	$ .79	$ .89	$1.06	$1.56	$1.60	$1.56
Unpaid labor	.11	.12	.13	.14	.14	.12
Operator(s) labor	.75	.93	.91	.99	.93	.89
Operator(s) management	.48	.54	.68	.76	.75	.76
Interest on farm equity capital	.91	.98	1.22	1.32	1.27	1.20
Total	$3.04	$3.46	$4.00	$4.77	$4.69	$4.53
Gross Farm Operating Cost	$10.46	$11.82	$14.36	$16.76	$16.73	$16.73
Less: Non-milk cash receipts	.88	1.04	1.78	1.58	1.47	1.49
Increase in feed & supplies	.24	.00	.40	.11	.03	.26
Increase in livestock	.15	.08	.38	.25	.35	.24
NET COST OF MILK PRODUCTION	$9.19	$10.70	$11.80	$14.82	$14.88	$14.74
AVERAGE FARM PRICE OF MILK	$8.65	$ 9.76	$11.90	$13.66	$13.56	$13.64
Return per cwt. to operator's labor, capital, & management	$1.60	$1.51	$2.91	$1.91	$1.63	$1.75
Rate of return on farm equity capital	2.0%	0.2%	5.4%	0.6%	-0.2%	0.4%

*Using farm unit (whole farm) method.
SOURCE: New York Farm Business Summary data.

These cost estimates indicate that production costs decreased $0.14 per hundredweight in 1983 compared with 1982 while receipts increased $0.08 per hundredweight. The result was an increase of $0.12 per hundredweight in the return to operator's labor, management, and equity capital. This is the first year that there has been a decrease in milk production costs. The decrease is due to a greater increase in feed and supplies and is in spite of the milk assessment that contributed to the $0.45 increase in other dairy expenses.

In addition to the cash operating expenses, values are placed on unpaid family labor, the operator's labor, a charge is made for management, and interest on equity capital is calculated at a rate of five percent. Together with depreciation these charges amounted to $4.53 per hundredweight in 1983. Adjustments were also made to reflect income and expenses for crop and livestock sales so that the net costs center on fluid milk production.

CHANGES IN NUMBER AND SIZE OF NEW YORK DAIRY FARMS: 1974 to 1984

Between 1974 and 1984, the number of dairy farms in New York decreased by 4,300 or from roughly 18,000 to 13,700 farms. Thus, nearly twenty-five percent of the farms that were producing milk in 1974 were not in dairying in 1984. The decline was much higher among smaller farms. Farms with less than 30 cows declined by 76 percent over the 10-year period, while those with 60 or more cows increased by one-half.

However, in 1984, many small farms still exist. About seven percent of the farms kept less than 30 cows, and 22 percent of the total number of farms were in the 20 to 39 cow size range. About 12 percent of the farms kept 100 or more cows.

The change in the size distribution of herds has been very rapid since 1974. In that year, 7 percent of the dairy farms in New York State kept fewer than 20 cows. By 1984, this had decreased to less than 2 percent. Meanwhile, dairy farms that kept 60 or more cows increased from 22 to 43 percent of the total.

The concentration of cows in larger herds is also increasing. In 1974, roughly 10 percent of the cows were kept in herds with 100 or more cows; herds with 100 or more cows had nearly 30 percent of the total number of cows in 1984.

CHANGE IN NUMBER OF DAIRY FARMS BY SIZE OF HERD*
New York State, 1969, 1974, 1979, and 1984**

Cows per farm	1969	1974	1979	1984	Change between 1974 and 1984	
					Number	Percent
Under 20	3,200	1,300	350	200	-1,100	-85
20 - 29	4,200	2,500	1,000	700	-1,800	-72
30 - 39	5,750	4,300	3,000	2,300	-2,000	-47
40 - 49	4,500	3,600	2,300	2,100	-1,500	-42
50 - 59	2,200	2,400	2,700	2,500	+ 100	+ 4
60 - 99	2,400	2,800	4,000	4,300	+1,500	+54
100 - 149	425	600	775	875	+ 275	+46
150 - 199	200	325	400	450	+ 125	+38
200 and over	125	175	225	275	+ 100	+57
TOTAL	23,000	18,000	14,750	13,700	-4,300	-24

*Source: Cornell Producer Panel of Dairymen

**Estimates for 1974, 1979 and 1984 by G. J. Conneman

COMMERCIAL NON-CITRUS FRUIT PRODUCTION, NEW YORK AND UNITED STATES

Fruit	New York 1981	1982	1983	1984	United States 1981	1982	1983	1984
	thousand tons							
Apples	400	565	550	530	3,877	4,058	4,157	4,117
Grapes	150	157	191	195	4,458	6,554	5,494	5,019
Tart Cherries	4	11	12	13	67	155	77	150
Pears	17	19	19	20	897	804	775	688
Peaches	5	6	8	6	1,391	1,147	895	1,275
Sweet Cherries	2	4	3	2	153	156	180	182
Total NY's Major Fruit Crops	578	762	783	766	10,843	12,874	11,578	11,431

AVERAGE FARM PRICES OF NON-CITRUS FRUITS, NEW YORK AND UNITED STATES

Fruit	New York 1981	1982	1983	1984	United States 1981	1982	1983	1984
	dollars per ton							
Apples								
Fresh	420	290	338		308	264	298	
Processed	127	114	102		102	118	104	
All Sales	256	178	196		222	200	212	
Grapes	254	234	226		297	232	200	
Tart Cherries	902	296	920	406	890	282	932	494
Pears	219	201	271		187	183	170	
Peaches	472	542	464		266	288	296	
Sweet Cherries	622	608	596	575	683	694	617	556

VALUE OF UTILIZED PRODUCTION NON-CITRUS FRUITS, NEW YORK AND UNITED STATES

Fruit	New York 1981	1982	1983	1984	United States 1981	1982	1983	1984
	million dollars							
Apples								
Fresh	73.5	59.5	73.5		686	598	687	
Processed	28.6	41.0	33.9		166	211	191	
All Sales	102.3	100.5	107.4		853	808	876	
Grapes	38.2	36.8	43.2		1,323	1,361	1,071	
Tart Cherries	3.2	3.1	10.6	5.1	59	35	72	69
Pears	3.7	3.8	5.1		167	147	132	
Peaches	2.1	3.3	3.7		353	304	259	
Sweet Cherries	0.7	1.9	1.7	1.3	100	93	103	92
Total NY's Major Fruit Crops	150.2	149.4	171.7		2,855	2,748	2,513	

*May not add from total of fresh and processed due to rounding errors.

APPLE PRODUCTION, UNITED STATES AND CANADA, 1979-1983, FIVE-YEAR AVERAGE PRODUCTION AND 1984 FORECAST, 1,000 42-POUND BUSHELS

State or Province	1979	1980	1981	1982	1983	Average 1979-83	August 1 Forecast 1984	% Change 1979-83	% Change from 1983
Maine	2,048	2,024	1,905	2,119	2,000	2,019	1,905	- 6	- 5
New Hampshire	1,381	1,381	1,071	1,333	1,357	1,305	1,286	- 1	- 5
Vermont	1,167	1,190	667	1,191	1,095	1,062	1,048	- 1	- 4
Massachusetts	2,262	2,381	1,976	2,381	2,310	2,262	2,381	+ 5	+ 3
Rhode Island	119	131	107	143	119	124	131	+ 6	+10
Connecticut	1,071	1,000	905	1,310	1,048	1,067	1,071	0	+ 2
New York	24,643	26,191	19,048	26,905	26,190	24,595	25,238	+ 3	- 4
New Jersey	2,619	2,619	2,262	3,333	2,381	2,643	2,619	- 1	+10
Pennsylvania	12,738	13,571	9,524	12,500	11,905	12,048	11,905	- 1	0
Delaware	310	321	312	345	321	322	321	0	0
Maryland	2,024	2,143	1,667	1,905	1,667	1,881	1,786	- 5	+ 7
West Virginia	6,190	5,833	4,762	5,476	5,000	5,452	5,714	+ 5	+10
Virginia	11,190	10,000	11,071	11,905	10,833	11,000	11,905	+ 8	+14
North Carolina	8,619	9,762	8,929	4,048	9,881	8,248	8,929	+ 8	-10
South Carolina	833	762	857	143	429	605	952	+57	+122
Georgia	833	857	1,071	357	476	719	1,071	+49	+125
Total East	78,047	80,166	66,134	75,394	77,012	75,352	76,262	+ 1	+ 2
Ohio	2,500	4,048	2,381	3,571	2,381	2,976	3,214	+ 8	+35
Indiana	1,667	1,690	1,619	1,833	1,333	1,628	1,571	- 4	+18
Illinois	2,619	2,405	2,452	2,095	2,143	2,343	2,167	- 8	+ 1
Michigan	16,190	21,429	15,714	23,333	17,857	18,905	19,048	+ 1	+ 7
Wisconsin	1,286	1,548	1,405	1,333	1,310	1,376	1,262	- 8	- 4
Minnesota	347	548	524	595	524	510	452	-11	-14
Iowa	288	200	262	274	286	262	143	-45	-50
Missouri	1,667	1,333	1,476	1,071	1,071	1,324	1,143	-14	+ 7
Kansas	357	262	333	298	321	314	214	-32	-33
Kentucky	500	452	500	286	333	414	333	-20	0
Tennessee	238	190	262	107	202	200	214	+ 7	+ 6
Arkansas	571	238	548	238	524	424	571	+35	+ 9
Total Central	28,960	34,343	27,476	35,034	28,285	30,676	30,332	- 1	+ 7
Colorado	2,381	1,667	1,786	952	2,024	1,762	1,548	-12	-24
New Mexico	333	286	405	286	143	291	179	-38	+25
Utah	1,214	1,238	1,286	1,286	1,381	1,281	1,071	-16	-22
Idaho	2,976	3,929	3,214	3,000	3,048	3,233	2,619	-19	-14
Washington	62,357	71,548	65,714	62,262	71,429	66,662	69,048	+ 4	- 3
Oregon	4,048	4,643	3,690	3,571	3,690	3,928	3,214	-18	-13
California	14,286	12,381	14,905	11,429	10,952	12,791	12,143	- 5	+11
Total West	87,595	95,691	91,000	82,786	92,667	89,948	89,822	0	-3
Total U.S.	193,383	210,200	184,610	193,214	197,964	195,974	198,416	+ 1	0
Nova Scotia	2,420	2,475	2,860	3,100	2,850	2,741	2,950	+ 7	+ 4
Ontario	7,371	8,994	6,499	8,348	8,362	7,915	7,823	- 1	- 6
Quebec	4,788	6,221	2,378	4,100	3,416	4,181	4,500	+ 8	+32
New Brunswick	310	280	260	315	330	299	274	- 8	-17
British Columbia	7,939	11,036	9,814	9,208	9,619	9,523	8,559	-10	-11
Total Canada	22,828	29,006	21,811	25,071	24,577	24,659	24,107	- 2	
Total U.S. and Canada	216,711	239,206	206,421	218,285	222,541	220,633	222,523	+ 1	

FRESH APPLES: EXPORTS AND IMPORTS, U.S., 1977/78 - 1983/84 SEASONS
42 POUND UNITS

Area of Distribution	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
	1,000 42-pound units						
Canada	2,570	2,576	3,156	2,072	3,463	2,240	2,040
Europe	1,359	953	1,132	2,036	1,888	1,291	1,377
Mexico & Central America	600	501	744	827	545	235	252
Caribbean	229	255	343	404	337	370	289
South America	756	502	676	1,552	1,687	1,727	401
Middle East	974	1,134	1,272	2,491	1,926	2,127	2,520
Africa	18	55	64	89	48	30	7
Far East	1,265	1,420	4,852	6,386	4,040	6,105	4,530
Pacific Area	98	123	130	174	421	197	255
Other	---	---	44	2	12	24	389
Total Exports	7,870	7,520	12,412	16,032	14,368	14,346	11,672
Total Imports	2,999	2,948	3,653	4,142	3,508	4,627	5,480

SOURCE: Foreign Agricultural Service, Horticultural and Tropical Products Division.

Fresh apple exports from the U.S. have increased dramatically during the period 1976-1983. Exports increased from 6.3 million bushels in 1976/77 to 16.0 million bushels in 1980/81. Since then, imports have decreased each year and amounted to only 11.7 million bushels last year. The strong U.S. dollar has been the major reason for declining exports. Exports to Taiwan fell by 1.3 million bushels last year due to quality problems, heavy domestic fruit production in Taiwan, and perhaps because apples are losing some of the appeal as gifts that was once present. Exports to Venezuela fell by one million bushels, after increasing steadily for four years, due to a ban on a number of agricultural enterprises, including apples.

The potential for fresh apple exports this year does not appear to be improved, given the continued strength of the U.S. dollar. The apple crop in Western Europe is expected to be 11 percent above a year ago. France, the largest exporter in the European Community, expects a 19 percent larger crop. Canada, which remains our largest export market for fresh apples, does not offer much potential this year given an average domestic production and a weak and declining dollar relative to the U.S. dollar.

APPLE JUICE: IMPORTS INTO THE UNITED STATES, 1977/78 - 1983/84 SEASONS[1]

Season	Million Gallons[2]	Million 42-lb. Bushel Equivalents[3]	Percent of U.S. Domestic Production of Apples
1977-78	41.6	11.6	7.1
1978-79	62.8	17.5	9.7
1979-80	45.9	12.8	6.6
1980-81	70.3	19.7	9.4
1981-82	76.4	21.3	11.5
1982-83	139.8	38.9	20.1
1983-84	145.2	40.4	20.4

SOURCE: Foreign Agricultural Service, Horticultural and Tropical Products Division.

[1] Includes pear juice, but volume is believed to be negligible.

[2] Expressed in single-strength (natural juice) equivalents.

[3] Computed on the basis of one gallon single-strength juice = 0.2785 bushels.

Imports of single-strength apple juice have increased dramatically since the 1977-78 season, from 41.6 million gallons to 145.2 million gallons, a 249 percent increase. On the basis of a 42 pound bushel, this translates into the equivalent of 40.4 million bushels for 1983/84, compared with domestic production of 198 million bushels, fresh apple exports of 11.7 million bushels, and fresh apple imports of 5.5 million bushels. Imports of single-strength juice, expressed on a fresh equivalent basis, now account for an estimated 40.4 million bushels. Expressed as a percentage of domestic production, this amounts to over 20 percent of the U.S. crop.

The major importers into the U.S. in the most recent three years have been Argentina (35.5 million gallons annually), West Germany (25.3 million gallons annually), and South Africa (10.5 million gallons annually). The growth in imports from West Germany has been phenomenal.

APPLES IN COLD STORAGE BY VARIETY FOR EASTERN AND WESTERN NEW YORK AS OF OCTOBER 31, 1981, 1982, 1983, AND 1984

Variety and Area	Apples in Cold Storage*			
	10/31/81	10/31/82	10/31/83	10/31/84
	thousand bushels			
McIntosh:				
Eastern New York	1,566	2,466	2,251	2,027
Western New York	406	846	575	658
Total	1,972	3,312	2,826	2,685
Rome:				
Eastern New York	541	680	497	490
Western New York	304	328	176	271
Total	845	1,008	673	761
Red Delicious:				
Eastern New York	882	1,106	1,318	1,111
Western New York	400	473	637	483
Total	1,282	1,579	1,955	1,594
Golden Delicious:				
Eastern New York	410	299	474	223
Western New York	240	221	184	180
Total	650	520	658	403
R.I. Greening:				
Eastern New York	15	25	**	20
Western New York	537	834	**	653
Total	552	859	718	673
Cortland:				
Eastern New York	189	383	313	271
Western New York	168	310	246	250
Total	357	693	559	521
Northern Spy:	160	200	270	299
Idared:	451	622	537	639
All Other Varieties:	613	986	874	933
Total All Varieties:				
Eastern New York	3,945	5,381	5,299	4,652
Western New York	2,937	4,398	3,771	3,856
Total New York State	6,882	9,979	9,070	8,508

SOURCE: State of New York Department of Agriculture and Markets, Apples in Cold Storage, October reports.

*Includes apples in controlled atmosphere storage.
**Not listed to avoid disclosure of individual operations.

APPLES IN CONTROLLED ATMOSPHERE STORAGE
NEW YORK STATE AS OF OCTOBER 31, 1980, 1981, 1982, 1983, AND 1984

Variety and Area	10/31/80	10/31/81	10/31/82	10/31/83	10/31/84
	thousand bushels				
McIntosh:					
Eastern New York	1,768	1,156	1,792	1,710	1,489
Western New York	205	163	232	184	251
Total	1,973	1,319	2,023	1,894	1,740
Rome:					
Eastern New York	425	467	548	416	380
Western New York	34	90	106	43	97
Total	459	557	654	459	477
Red Delicious:					
Eastern New York	1,116	703	864	950	800
Western New York	337	229	216	299	230
Total	1,453	932	1,080	1,249	1,030
Golden Delicious:	79	163	89	161	171
Cortland:	227	143	219	209	146
Other Varieties:	502	482	649	752	900
Total All Varieties:					
Eastern New York	3,917	2,791	3,720	3,661	3,251
Western New York	776	805	994	1,063	1,213
Total New York State	4,693	3,596	4,714	4,724	4,464

(These apples are included in the stocks of apples in cold storage; thus by deducting the figures in this table from their counterpart in the previous table, the volume of apples in regular storage can be ascertained.)

SOURCE: State of New York Department of Agriculture and Markets, Apples in Cold Storage, November reports.

Apples in cold storage in New York as of the end of October amounted to 8.5 million bushels, six percent less than a year ago. Controlled atmosphere holdings were 4.5 million, also six percent below a year ago. Controlled atmosphere holdings in Western New York are now 1.2 million bushels, compared with 0.78 million bushels in 1980. Golden Delicious are in somewhat short supply in regular storage, while Idareds are in above normal supply.

APPLES: NEW YORK MONTHLY COLD STORAGE HOLDINGS, CROP YEARS 1965-1984[1]

CROP YEAR	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY
	thousand bushels								
1965/66	4,007	9,043	8,585	6,949	5,420	3,841	2,433	1,298	410
66/67	2,309	7,972	7,683	6,165	4,489	2,992	1,807	947	350
67/68	2,844	8,319	7,915	6,394	4,547	2,993	1,680	818	275
68/69	3,539	8,472	7,630	6,276	4,601	3,263	1,957	1,056	325
69/70	2,606	8,637	8,447	6,598	5,271	3,750	2,420	1,313	571
1970/71	2,801	8,831	8,419	6,948	5,434	3,787	2,147	1,207	501
71/72	1,565	8,360	8,892	7,303	5,426	3,872	2,438	1,388	485
72/73	1,624	6,737	6,614	5,014	3,812	2,735	1,729	949	259
73/74	2,025	7,490	5,967	5,010	3,973	2,699	1,741	913	206
74/75	2,457	8,734	8,113	6,708	4,834	3,387	2,122	1,090	423
1975/76	3,028	8,888	8,038	6,274	5,017	3,712	2,496	1,475	740
76/77	2,847	8,017	6,976	5,345	4,243	3,021	1,825	915	359
77/78	3,360	8,900	8,426	6,665	5,084	3,315	2,002	1,119	363
78/79	2,862	9,640	9,149	7,878	5,715	4,052	2,581	1,657	657
79/80	3,684	9,561	8,833	7,094	5,226	3,679	2,293	1,367	457
1980/81	2,804	9,215	9,335	7,820	6,140	4,593	3,222	1,981	1,060
1981/82	2,513	6,882	5,985	4,816	3,838	2,566	1,703	938	298
1982/83	3,196	9,779	10,600	7,935	5,667	4,153	2,884	2,081	890
1983/84	1,840	9,070	9,349	7,055	5,331	4,047	2,661	1,622	N.A.
1984/85	1,675	8,508							

[1] Ending month inventories.

SOURCE: State of New York Department of Agriculture and Markets, Apples in Cold Storage.

PRICES RECEIVED BY NEW YORK GROWERS FOR FRESH APPLES,
MONTHLY AVERAGE PRICE PER 42-POUND BUSHEL, 1971-1984 CROP YEARS

CROP YEAR	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APR	MAY	JUNE	SEASON AVERAGE
1971/72	2.94	2.31	2.10	2.56	2.69	2.77	2.60	2.73	2.94	2.94	
1972/73	3.65	3.15	3.82	4.12	4.20	4.41	4.62	5.04	5.67	5.46	
1973/74	4.91	4.75	5.80	5.88	6.09	6.30	6.30	6.51	6.51	6.30	5.88
1974/75	4.70	4.20	4.07	3.99	4.79	5.12	5.75	6.09	6.30	6.30	5.04
1975/76	5.04	3.82	3.91	4.82	4.87	4.41	6.09	6.01	5.54	5.54	4.96
1976/77	4.66	4.41	5.04	5.21	5.29	5.38	6.13	6.09	6.26	6.51	5.38
1977/78	5.04	5.25	5.46	5.46	5.46	5.67	6.09	6.51	6.72	6.93	5.75
1978/79	6.30	5.46	5.46	5.04	5.25	5.25	5.67	6.09	6.09	6.30	5.67
1979/80	5.04	5.25	5.67	7.14	7.35	7.56	8.61	9.24	9.45	9.87	7.35
1980/81	7.18	7.48	6.51	7.39	7.22	7.43	7.73	7.77	8.06	8.40	7.56
1981/82	8.61	8.19	8.82	8.40	8.82	9.03	8.82	9.66	10.08	10.08	8.82
1982/83	6.09	5.67	5.67	6.13	6.05	6.13	6.30	6.09	6.30	6.30	6.09
1983/84	6.97	6.72	6.30	6.30	6.93	7.14	7.77	N.A.	N.A.	N.A.	7.10*
1984/85	6.80*										

*Preliminary estimate.

SOURCE: New York Crop Reporting Service, New York Agricultural Statistics, 1983.

The season average price for last year's crop of apples sold for fresh market utilization was $7.10 per 42-pound bushel, up 17 percent from the 1982 season's average. The preliminary prices for fresh apples recorded in New York in October of this year was $6.80, down slightly from the October 1983 price of $6.47. Fresh apple prices are expected to average below last year for most of the growers in New York State. However, packout percentage should be improved due to larger size, signalling higher returns for fresh apple growers. Processing prices are marginally improved, while prices for juice apples are much stronger than last year.

RECEIPTS AND UTILIZATION OF APPLES AT PROCESSING PLANTS, NEW YORK, CROPS OF 1970-1983

Crop Year	Net receipts[1]	Receipts from other states & Canada (included in preceding column)	Used for cider & apple juice[2]	Used for canning or applesauce	Used for freezing	Used for other products[3]
	thousand pounds					
1970	559,286	11,369	186,892	293,074	62,270	17,050
1971	520,403	13,550	170,213	278,841	57,835	13,514
1972	476,826	27,973	152,279	241,404	70,995	12,148
1973	410,794	28,777	140,325	194,666	56,912	18,891
1974	555,945	13,063	161,106	292,647	40,870	61,322
1975	419,453	8,619	148,866	208,630	42,013	19,944
1976	463,489	23,303	184,904	195,480	59,484	23,621
1977	492,020	26,168	190,791	218,919	34,306	48,004
1978	600,595	27,579	239,447	260,497	40,689	59,962
1979	632,201	35,122	308,069	226,642	41,473	56,017
1980	667,313	44,193	349,518	229,704	39,883	48,208
1981	455,408	42,929	238,100	164,700	22,557	27,819
1982	730,418	51,932	336,475	288,301	42,618	63,024
1983	618,616	38,347	342,809	212,154	26,179	37,474

[1] Apples received at a plant and then transferred to another plant for processing are included only in plant where processed.

[2] Includes juice used to make concentrate.

[3] Among other products for which these apples were used are jelly, apple butter, drying, mincemeat, and fresh sliced apples for pies in upstate areas. Beginning in 1974 apples used in making vinegar are excluded from cider and juice category and included under "other products".

SOURCE: State of New York Department of Agriculture and Markets, Fruit Reports (most recently, No. 4-84).

Processing plants in New York utilized 618.6 million pounds of apples from the 1983 crop, a 15 percent decline from the record 1982 utilization. Apples utilized for juice accounted for 342.8 million pounds, or 55 percent of the total apples processed in 1983. The trend toward increased utilization for juice and cider has been continuing for the last 10 years.

APPLES: REPRESENTATIVE TRUCK RATES, MARCH, 1980-1984

Commodity, area, and city	March 1980	March 1981	March 1982	March 1983	March 1984
	dollars per package				
Apples (tray packed carton):					
Yakima, Washington area to:					
Atlanta	2.41	2.71	2.69	N.A.	3.25
Chicago	1.98	2.03	2.08	2.08	2.31
Dallas	2.17	2.44	2.42	2.56	2.64
Los Angeles	1.39	1.50	1.39	1.47	1.50
New York City	3.04	3.25	3.25	3.25	3.44
Hudson Valley, NY area to:					
Atlanta	.94	1.30	1.11	1.11	N.A.
New York City	.42	.58	.56	.53	.61

SOURCE: ERS, USDA, Fruit Outlook & Situation, July issues, 1981-1984.

APPLES: PER CAPITA CONSUMPTION, PRODUCT WEIGHT BASIS, 1973-83

Year	Fresh	Canned	Canned Juice	Frozen	Dried
	pounds				
1973	16.1	3.4	2.56	.62	.14
1974	16.5	3.1	2.54	.33	.11
1975	19.1	3.1	2.86	.47	.13
1976	17.1	2.3	3.32	.39	.14
1977	16.9	2.5	3.31	.44	.12
1978	17.5	2.6	4.26	.39	.13
1979	17.6	2.5	5.28	.33	.13
1980	19.1	2.4	4.77	.35	.10
1981	16.8	2.1	6.45	.37	.16
1982	17.9	2.0	7.15	.43	.11
1983	18.5	2.4	8.58	.32	.11

SOURCE: ERS, USDA, Fruit Situation and Outlook, July 1984.

FARM PRICES RECEIVED AND PAID BY FARMERS, 1979-1983.

	1979	1980	1981	1982	1983
	1977=100				
Prices Received					
All farm products	132	134	139	133	134
All crops	116	125	134	121	127
Fruit	144	124	130	175	126
Fresh market fruit	151	128	132	186	127
Prices Paid					
Prod. items, int., taxes, & wage rates	125	139	151	154	159
Production items	125	138	148	150	153
Agricultural chemicals	96	102	111	119	125
Fuels & energy	137	188	213	210	202
Tractors & self-propelled machinery	122	136	152	165	174
Wage rates	117	126	137	143	147

SOURCE: Crop Reporting Board, SRS, USDA, Agricultural Prices 1983 Summary.

GRAPES: NEW YORK GROWN, RECEIVED BY WINERIES AND PROCESSING PLANTS, 1979-83

Variety	1979	1980	1981	1982	1983
	tons				
Concord	119,875	123,121	103,077	105,840	128,390
Catawba	9,452	11,990	9,659	13,786	14,286
Niagara	6,575	9,207	8,113	9,372	9,874
Delaware	4,092	5,101	5,980	4,031	7,412
Aurora	N.A.	6,713	6,847	5,718	8,901
de Chaunac	N.A.	2,921	2,520	3,198	3,611
Baco Noir	N.A.	1,971	1,002	1,601	1,775
Seyval Blanc	N.A.	898	415	746	1,086
Rougeon	N.A.	735	612	424	795
Marechal Foch	N.A.	425	429	395	445
Vitis Vinifera (all)	N.A.	749	329	463	729
Total of all varieties	158,966	166,225	146,500	154,000	186,500

SOURCE: Fruit, New York Crop Reporting Service, 1-80, 1-81, 1-82, 1-83, and 2-84.

GRAPES: PRICES PAID FOR NEW YORK GROWN GRAPES PROCESSED, 1979-1983

	1979	1980	1981	1982	1983
American Varieties					
Catawba	273	287	339*	332*	271*
Concord	204	196	197*	196*	177*
Delaware	377	417	439	429	316
Dutchess	445	453	492	493	409
Elvira	205	221	232	232	211
Ives	408	430	414	420	299
Niagara	220	245	306*	313*	216*
French Hybrids					
Aurora	337	374	423	425	357
Baco Noir	366	377	402	410	362
de Chaunac	253	254	262	255	205
Marechal Foch	379	371	386	389	291
Rougeon	298	291	341	316	226
Seyval Blanc	412	398	565	547	423
Vitis Vinifera					
All varieties	414	858	1,040	1,235	821
Average all varieties	225	220	249*	231*	223*

*Preliminary estimates of future payments by cooperatives have been included based upon historical data.

SOURCE: Fruit, New York Crop Reporting Service, No. 1-83 and 2-84.

Concords are by far the predominant variety grown and processed in New York. There were over 128 thousand tons of Concords from New York processed in 1983. Over the past five years, Concords have comprised 71 percent of total tonnage utilized. The second leading variety is Catawba (14.3 thousand tons in 1983) and Niagara (9.9 thousand tons).

In general, the prices for red varieties (e.g. Concord, de Chaunac) have trended downward during the period 1979-83, while white varieties (e.g. Niagara, Aurora, Seyval Blanc) have trended upward. For 1983, however, with a large crop and large inventories held by processors, prices were down by 9-34 percent, with decreases for most white as well as red varieties. In 1984, announced prices for the major processors were similar to last year, but some processors cut grower allocation, resulting in more grapes and reduced prices on the open market.

GRAPE PRODUCTION, 1982, 1983, AND 1984 (FORECAST)

	1982	1983	1984	Percent Change 1983-84
		(tons)		
New York	157,000	191,000	195,000	+ 2.1
Arizona	15,100	14,600	13,600	- 6.9
Arkansas	10,500	10,000	10,000	0.0
California	6,076,000	4,907,000	4,480,000	- 8.7
Michigan	58,500	60,000	48,000	-20.0
Ohio	9,000	11,500	12,000	+ 4.4
Pennsylvania	47,000	62,500	60,000	- 4.0
Washington	168,900	227,000	185,000	-18.5
Other States	12,200	10,600	15,500	+46.2
United States	6,554,200	5,494,200	5,019,100	- 8.7

STANDARD WINE REMOVED FROM FERMENTERS, BY STATES, CROP YEARS 1979 THROUGH 1983[1 2 3]

State	1979		1980		1981		1982		1983[4]		
	1,000 Gallons	% of Total	1,000 Gallons	% of Total	1,000 Gallons	% of Total	1,000 Gallons	% of Total	1,000 Gallons	% of Total	% Change 1982-83
California	397,212	92.5	472,382	92.1	421,330	91.1	514,279	92.5	382,735	90.1	-25.6
New York	19,141[5]	4.5	29,796	5.8	30,304	6.6	29,101	5.2	29,123	6.9	+ 0.1
Washington	375	0.1	1,026	0.2	1,220	0.3	2,276	0.4	3,109	0.7	+36.6
Virginia	1,824	0.4	2,466	0.5	2,354	0.5	2,517	0.5	2,243	0.5	-10.9
Ohio	811	0.2	997	0.2	1,127	0.2	896	0.2	706	0.2	-21.2
Michigan	1,002	0.2	906	0.2	932	0.2	882	0.2	551	0.1	-37.5
New Jersey	149	0.0	241	0.0	335	0.1	315	0.1	540	0.1	+71.4
Oregon	342	0.1	318	0.1	308	0.1	558	0.1	502	0.1	-10.0
Arkansas	510	0.1	275	0.1	405	0.1	425	0.1	471	0.1	+10.0
Pennsylvania	168	0.0	179	0.0	255	0.1	289	0.1	316	0.1	+ 9.3
Missouri	341	0.1	345	0.1	195	0.0	282	0.1	262	0.1	- 7.1
Florida	102	0.0	97	0.0	107	0.0	128	0.0	222	0.1	+73.4
Wisconsin	63	0.0	66	0.0	61	0.0	71	0.0	75	0.0	+ 5.6
Iowa	78	0.0	85	0.0	78	0.0	75	0.0	73	0.0	- 2.7
Indiana	62	0.0	71	0.0	41	0.0	54	0.0	45	0.0	-16.7
Other States[6]	7,049	1.6	3,401	0.7	3,573	0.8	4,021	0.7	3,847	0.9	- 4.3
Total	429,230	100.0	512,651	100.0	462,625	100.0	556,169	100.0	424,820	100.0	-23.6

[1]Removals of still wine from fermenters. Excludes substandard wine produced as distilling material. Also excludes increases after fermentation by amelioration, sweetening, and addition of wine spirits.

[2]Crop year is July 1 to June 30.

[3]Percentages less than 0.05 percent are rounded to zero.

[4]March-June removals estimated.

[5]Possibly understated by as much as 10 million gallons.

[6]Includes states which remove significant quantities of wine but are not reported separately to avoid disclosure of individual operations.

SOURCES: Wines and Vines, July 1984 as compiled from Economic Research Department, Wine Institute, from reports of Bureau of Alcohol, Tobacco and Firearms; and U.S. Treasury Department.

WINE PRODUCTION IN THE WORLD BY SELECTED COUNTRIES, 1977-1982

Country	1982	1981	1980	1979	1978	1977
			T,000 Gallons			
France	2,092.3	1,506.1	1,828.2	2,207.0	1,536.7	1,382.9
Italy	1,919.2	1,862.5	2,286.3	2,228.0	1,913.7	1,692.7
Spain	984.4	908.8	1,114.9	1,322.1	766.9	596.8
Soviet Union	914.7	909.3	845.4	810.3	685.0	841.7
Argentina	660.0	571.5	615.6	711.9	563.2	613.4
United States	515.0	430.6	475.5	423.9	426.9	418.1
West Germany	406.9	189.1	122.4	216.1	192.8	225.7
Portugal	265.3	234.4	268.7	377.8	174.2	182.5
South Africa	236.4	204.1	219.8	166.5	160.2	127.4
Romania	229.8	200.7	200.8	234.3	207.4	231.2[2]
Yugoslavia	226.6	169.3	215.9	178.1	155.3	166.4
Hungary	179.2	129.4	150.8	137.0	129.8	152.4
Chile	161.2	142.7	156.5	148.2	148.3	161.8
Greece	144.5	145.3	142.5	138.5	148.1	136.9
Austria	129.6	55.1	81.5	73.3	88.9	68.5
Bulgaria	129.1	128.7	111.3	118.9	72.1	75.4
Australia	106.4	98.9	109.4	88.5	87.8	101.2
Brazil	72.7	76.6[2]	76.6[2]	76.6	75.3[2]	69.8
Czechoslovakia	51.8	23.8	35.3	38.1	36.7	40.4
Switzerland	48.5	22.5	22.2	29.2	20.6	34.4
Algeria	38.4	70.3	79.5	71.0	52.8	60.8
Cyprus	21.9	25.1	25.1	33.6	24.0	20.3
Uruguay	21.4	14.5[2]	14.5[2]	14.5[2]	11.9[2]	11.9
Tunisia	13.6	14.7	16.3	16.2	20.9	23.8
Canada	12.4	13.7[2]	13.7[2]	13.7	10.3[2]	12.9
New Zealand	11.9	9.0[1]	9.0	11.1	10.7	9.2
Turkey	10.3	10.6[1]	10.6	16.6	9.7	9.2[2]
Morocco	8.9	13.6	22.5	23.8	14.5	24.4
Japan	8.2	12.0[1]	12.0	6.4	4.8	4.4
Albania	5.8	5.5[2]	5.5[2]	5.5[2]	5.5[2]	5.3
Israel	5.0	5.4	4.8	9.8	9.8	9.5
Mexico	3.9[2]	5.0	5.0	4.5	4.0	3.2

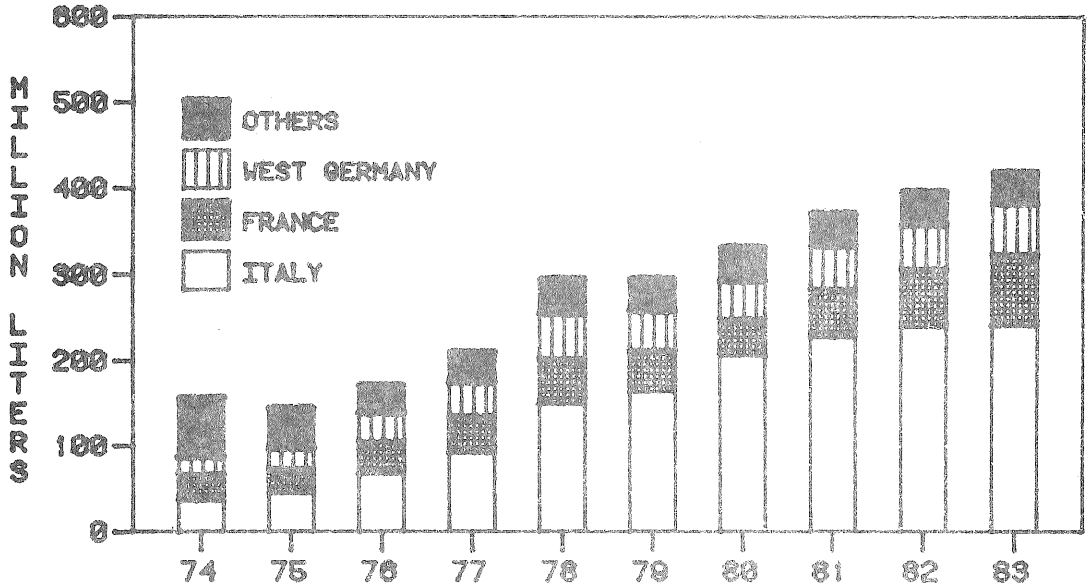
[1] Production in previous year. Figure for year shown not available. [2] Estimated.
SOURCES: Wines and Vines, July 1984, as compiled from Economic Research Department, Wine Institute; International Wine Office, Paris; Bureau of Alcohol, Tobacco and Firearms.

PER CAPITA CONSUMPTION OF WINE, BY COUNTRIES

Country	1982[1]	1980	1975	1970	1965
			Gallons		
France	22.72	24.04	27.39	28.83	31.07
Italy	21.87	21.13	28.40	29.32	28.80
Portugal	20.70	18.49	23.71	20.26	28.77
Argentina	19.45	20.15	22.11	24.25	22.67
Spain	15.06	15.85	19.55	16.25	16.64
Chile	14.45	13.29	11.48	11.60	14.95
Switzerland	12.80	12.44	11.44	10.30	10.12
Luxembourg	12.23	12.73	10.90	10.00	10.00
Greece	11.62	11.87	10.04	10.57	10.36
Austria	9.25	9.38	9.40	9.99	7.87
Hungary	7.85	9.25	9.77	9.96	8.67
Romania	7.63	7.63	8.72	6.10	7.71
Yugoslavia	7.45	7.45	7.56	7.11	6.21
Uruguay	6.60	6.60	6.63	6.87	8.00
West Germany	6.55	6.74	6.13	4.28	3.88
Bulgaria	5.81	5.81	5.28	4.91	5.47
Australia	5.05	4.60	2.96	2.25	1.27
Belgium	4.97	3.79	4.49	3.17	2.27
Denmark	4.17	3.38	3.03	1.56	1.08
U.S.S.R.	3.80	3.80	3.53	3.01	2.60
Holland	3.49	3.14	2.43	1.36	0.89
Czechoslovakia	3.17	3.17	2.91	2.80	1.35
Cyprus	2.12	2.59	1.64	2.17	3.17
Sweden	2.77	2.54	2.20	1.69	1.14
Poland	2.59	2.59	1.95	1.48	1.27
S. Africa	2.52	2.40	2.77	2.96	1.85
Canada	2.32	2.21	1.76	0.58	0.73
United States	2.22	2.21	1.71	1.31	0.98
United Kingdom	1.91	1.97	1.24	0.76	0.58
Finland	1.36	1.26	1.36	1.08	0.70

[1] Per capita consumption data are not available for a few countries which are believed to have between one and three gallons consumption per person.
SOURCES: Wines and Vines, July 1984 as compiled from Economic Research Department, Wine Institute; International Wine Office, Paris; Bureau of Alcohol, Tobacco and Firearms; and Bureau of the Census.

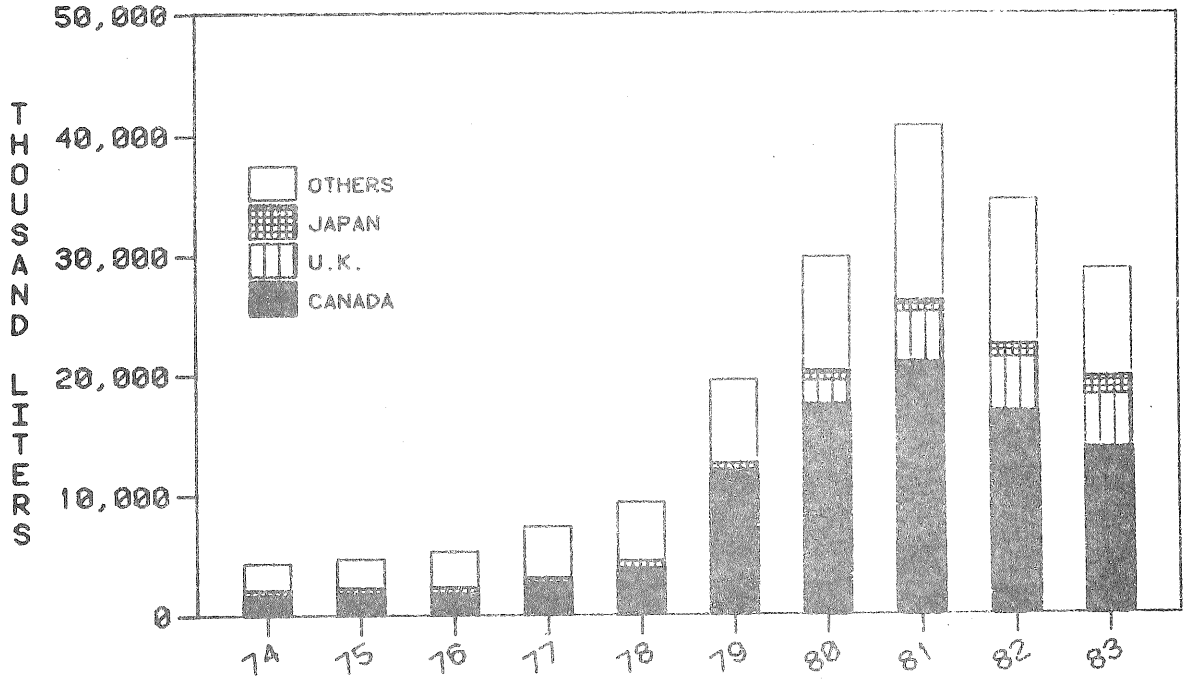
U.S. WINE IMPORTS BY COUNTRY OF ORIGIN, 1974-83 1/



1/ GRAPE WINE UNDER 14% ALCOHOL.

SOURCE: U.S. DEPARTMENT OF COMMERCE.

U.S. WINE EXPORTS BY COUNTRY OF DESTINATION, 1974-83 1/



1/ MOSTLY GRAPE WINES, EXCLUDING CIDER.

SOURCE: U.S. DEPARTMENT OF COMMERCE

SOURCE: F.A.S./U.S.D.A., Foreign Agriculture Circular 3-84.

WINE ENTERING DISTRIBUTION CHANNELS IN THE U.S. BY STATES 1979 TO 1983

STATE	1979	1980	1981	1982	1983	1983 Rank
			1,000 Gallons			
NORTHEAST						
Connecticut	7,759	8,419	8,698	9,106	9,825	12
Delaware	947	1,077	1,202	1,262	1,328	47
District of Columbia	4,095	4,141	4,376	4,281	4,329	26
Maine	1,913	1,983	2,127	2,123	2,136	37
Maryland	8,068	8,581	9,294	9,394	9,255	15
Massachusetts	15,215	16,378	17,919	18,210	18,260	7
New Hampshire	3,363	3,431	3,440	3,434	3,365	30
New Jersey	19,586	21,644	23,484	24,383	24,656	5
New York	48,167	50,584	52,883	52,845	53,077	2
Pennsylvania	16,127	16,887	16,948	17,170	16,559	8
Rhode Island	2,910	3,194	3,176	3,363	3,069	32
Vermont	1,402	1,506	1,578	1,605	1,615	43
West Virginia	1,062	1,097	1,630	1,672	1,535	46
Total Northeast	130,614	138,922	146,755	148,848	149,009	--
OTHER STATES						
Alabama	2,810	3,878	4,396	4,184	4,067	28
Alaska	1,070	1,172	1,348	1,425	1,537	45
Arizona	5,682	5,920	7,127	7,014	7,780	20
Arkansas	1,435	1,586	1,670	1,730	1,794	40
California	97,970	104,471	108,791	109,921	116,465	1
Colorado	7,913	8,503	7,867	8,590	8,730	16
Florida	20,446	23,127	25,077	26,642	2,077	3
Georgia	5,602	6,545	6,882	7,262	7,876	19
Hawaii	2,427	2,705	2,628	2,879	2,727	34
Idaho	1,487	1,677	1,837	1,705	1,736	41
Illinois	22,285	23,709	24,910	25,062	24,244	6
Indiana	5,144	5,744	6,018	6,132	6,234	24
Iowa	2,087	2,342	2,400	2,302	2,223	36
Kansas	1,738	1,656	1,810	1,954	1,898	39
Kentucky	1,982	2,222	2,327	2,608	2,751	33
Louisiana	6,115	6,455	6,979	7,637	7,592	21
Michigan	15,173	15,778	16,326	15,651	15,417	9
Minnesota	5,900	6,389	6,822	6,912	6,823	23
Mississippi	1,431	1,538	1,586	1,649	1,636	42
Missouri	5,920	6,190	6,546	6,533	6,846	22
Montana	2,000	1,673	1,574	1,560	1,555	44
Nebraska	1,735	1,852	1,960	1,983	1,948	38
Nevada	3,741	4,005	4,204	4,198	4,385	25
New Mexico	2,211	2,535	2,485	2,751	2,631	35
North Carolina	7,078	7,312	7,619	7,924	8,186	18
North Dakota	641	683	709	714	706	50
Ohio	12,807	14,147	14,434	14,641	14,281	10
Oklahoma	2,624	2,925	2,945	3,172	3,166	31
Oregon	7,350	8,170	8,187	8,553	8,605	17
South Carolina	3,019	3,358	3,661	3,931	3,984	29
South Dakota	722	763	790	743	717	49
Tennessee	3,046	3,379	3,658	3,950	4,069	27
Texas	17,050	18,785	21,444	23,836	25,667	4
Utah	1,072	1,147	1,186	1,231	1,192	48
Virginia	8,016	8,346	8,994	9,179	9,275	14
Washington	11,547	13,072	13,992	13,697	14,210	11
Wisconsin	8,147	8,888	9,204	8,841	9,802	13
Wyoming	599	674	695	699	659	51
UNITED STATES TOTAL	438,636	472,500	497,911	508,246	519,499	
% NORTHEAST OF U.S.	29.8%	29.4%	29.5%	29.3%	28.7%	--

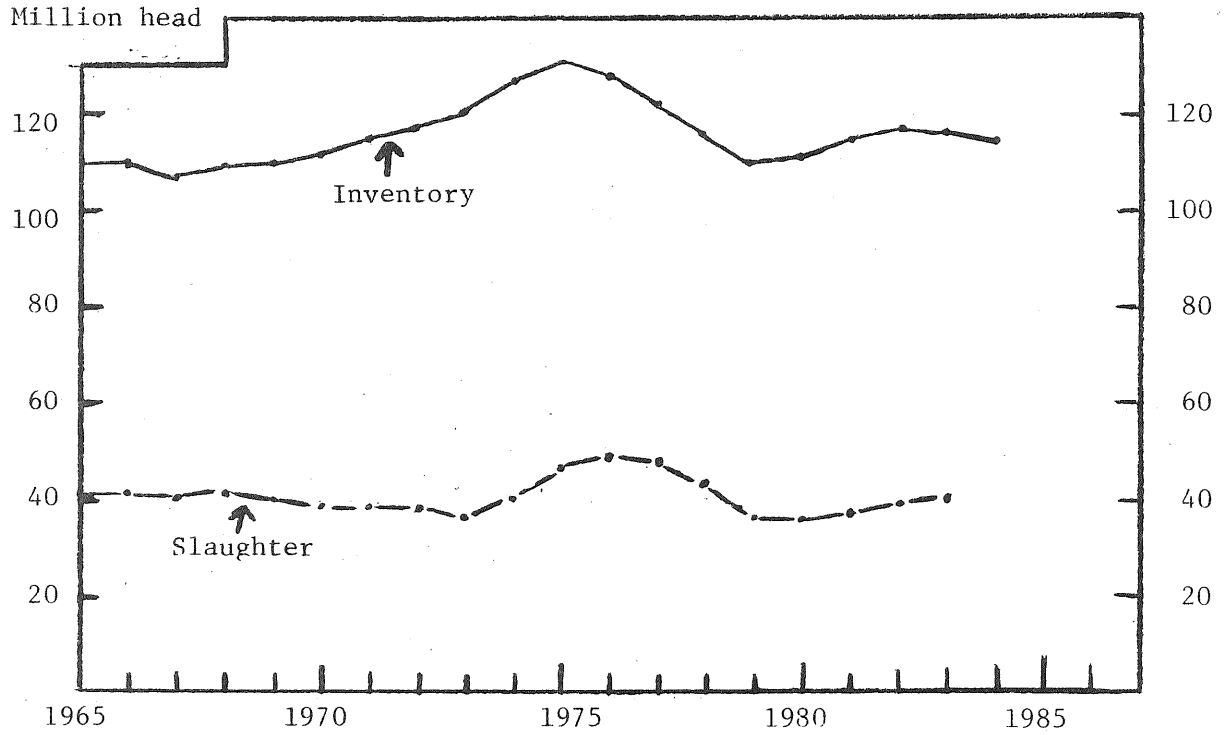
SOURCE: Wines and Vines, July 1984.

PER CAPITA WINE CONSUMPTION IN THE U.S. BY STATES 1972, 1982, AND 1983

State	1972	1982	1983	Change From 1982	1983 Rank
		gallons		percent	
NORTHEAST					
Connecticut	1.78	2.91	3.13	+ 7.6	11
Delaware	1.32	2.10	2.19	+ 4.3	18
District of Columbia	4.76	6.84	6.95	+ 1.6	1
Maine	1.22	1.87	1.86	- 0.5	24
Maryland	1.51	2.20	2.15	- 2.3	19
Massachusetts	1.88	3.17	3.17	--	10
New Hampshire	1.92	3.62	3.51	- 3.0	4
New Jersey	2.15	3.28	3.30	+ 0.6	5
New York	2.29	3.01	3.00	- 0.3	13
Pennsylvania	1.13	1.45	1.39	- 4.1	31
Rhode Island	2.22	3.53	3.21	- 9.1	8
Vermont	2.27	3.09	3.08	- 0.3	12
West Virginia	0.51	0.85	0.78	- 8.2	45
OTHER STATES					
Alabama	0.45	1.06	1.03	- 2.8	41
Alaska	1.95	3.21	3.21	--	8
Arizona	1.72	2.43	2.63	+ 8.2	16
Arkansas	0.69	0.75	0.77	+ 2.7	47
California	3.45	4.45	4.63	+ 4.0	3
Colorado	1.89	2.80	2.78	- 0.7	14
Florida	1.75	2.55	2.54	- 0.4	17
Georgia	0.79	1.29	1.37	+ 6.2	33
Hawaii	1.34	2.89	2.67	- 7.6	15
Idaho	1.38	1.75	1.76	+ 0.6	25
Illinois	1.60	2.19	2.11	- 3.7	20
Indiana	0.63	1.12	1.14	+ 1.8	39
Iowa	0.41	0.79	0.77	- 2.5	47
Kansas	0.59	0.81	0.78	- 3.7	45
Kentucky	0.51	0.71	0.74	+ 4.2	49
Louisianna	1.52	1.74	1.71	- 1.7	26
Michigan	1.39	1.71	1.70	- 0.6	27
Minnesota	1.01	1.67	1.65	- 1.2	29
Mississippi	0.57	0.64	0.63	- 1.6	51
Missouri	0.99	1.32	1.38	+ 4.5	32
Montana	0.82	1.94	1.90	- 2.1	22
Nebraska	0.80	1.25	1.22	- 2.4	37
Nevada	3.70	4.79	4.92	+ 2.7	2
New Mexico	1.70	2.01	1.88	- 6.5	23
North Carolina	1.09	1.32	1.35	+ 2.3	34
North Dakota	0.82	1.06	1.04	- 1.9	40
Ohio	1.02	1.36	1.33	- 2.2	35
Oklahoma	0.78	0.98	0.96	- 2.0	43
Oregon	2.44	3.21	3.23	+ 0.6	7
South Carolina	1.01	1.22	1.22	--	37
South Dakota	0.83	1.07	1.02	- 4.7	42
Tennessee	0.58	0.85	0.87	+ 2.4	44
Texas	1.02	1.55	1.63	+ 5.2	30
Utah	0.72	0.78	0.74	- 5.1	49
Virginia	1.10	1.67	1.67	--	28
Washington	2.24	3.20	3.30	+ 3.1	5
Wisconsin	1.34	1.86	2.06	+10.8	21
Wyoming	0.98	1.37	1.28	- 6.6	36
UNITED STATES	1.62	2.22	2.25	+ 1.4	--

SOURCE: Wines and Vines, July 1984.

CATTLE AND CALVES ON FARMS, JANUARY 1, AND
TOTAL CATTLE AND CALF SLAUGHTER - U.S.



SOURCE: Livestock and Meat Situation USDA, Livestock Slaughter, USDA, Meat Animals, New York Crop Reporting Board.

Milk cow slaughter resulting from the dairy diversion program was high until mid-April, representing one-half of total cows slaughtered. The percent of cows slaughtered that were dairy cows decreased to the mid-thirties by early fall. Beef cow slaughter through September was also above year-earlier levels so that total cow slaughter for 1984 could be 20 percent greater than 1983. Fed beef production for 1984 may be 2 to 3 percent lower than 1983. Thus, total beef production for 1984 may be unchanged from 1983.

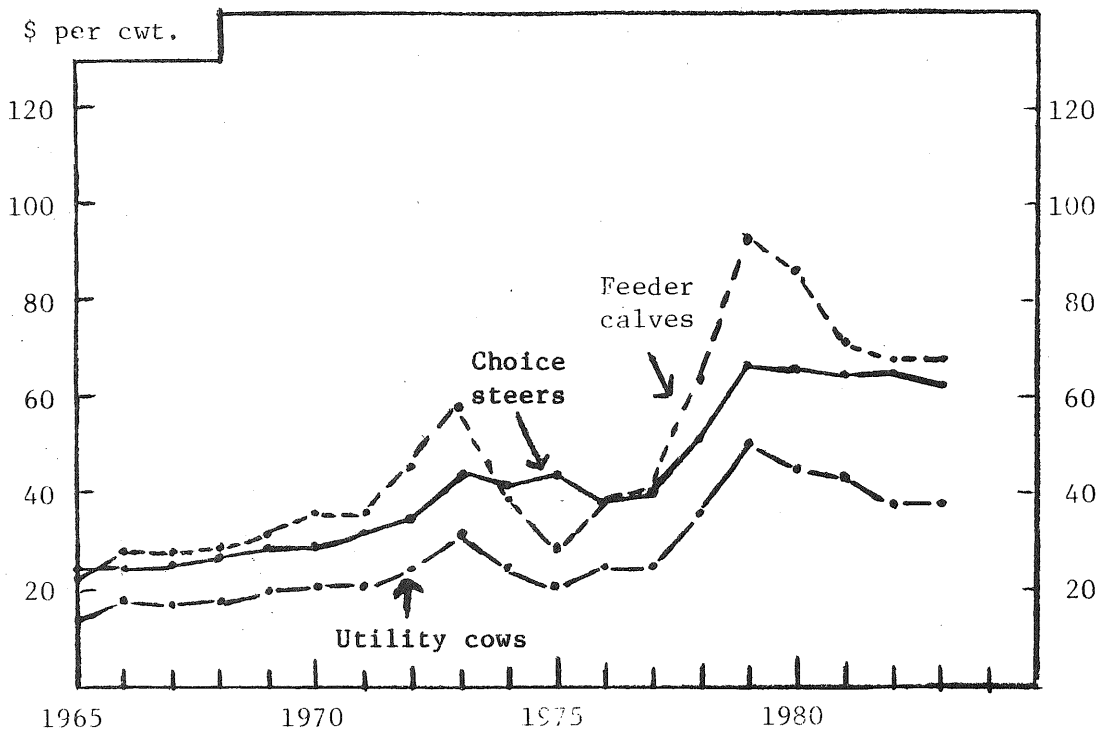
Beef production should decline 5 to 8 percent through the remainder of 1984 and into 1985. Prices for choice steers may average in the upper $60. This will strengthen feeder calf prices. Cull cow prices should also strengthen through the first half of 1985, because of lower beef and pork production. A large projected increase in broiler production, however, may limit price increases of cull cows and pork.

CATTLE AND CALVES ON FARMS, JANUARY 1
& TOTAL CATTLE & CALF SLAUGHTER

Year	Inventory Jan. 1	Commercial Slaughter	Commercial Production
	(1,000 head)		(mil. lbs.)
1965	109,000	40,959	
1970	112,369	39,097	21,505
1971	114,578	39,274	21,733
1972	117,862	38,832	22,250
1973	121,539	35,936	21,089
1974	127,788	39,799	22,843
1975	132,028	46,120	23,672
1976	127,976	48,004	25,667
1977	122,810	47,373	24,986
1978	116,375	43,722	24,009
1979	110,864	36,502	21,262
1980	111,192	36,395	21,469
1981	114,321	37,751	22,214
1982	115,604	38,864	25,366
1983	115,199	39,726	23,060
1984	114,040		23,053

Source: USDA Livestock and Meat Statistics, and Livestock and Poultry Outlook and Situation Report.

STEER AND COW PRICES AT SELECTED MARKETS



SOURCE: Livestock and Meat Statistics, Livestock and Meat Situation, New York Crop Reporting Board.

With current hog inventories down 6 percent (September 1 market hogs under 60 lbs), but lower feed costs, pork production for first-quarter 1985 should be down 3 percent as producers market slightly heavier hogs. Second-quarter 1985 production will be mostly from the September-November 1984 pig crop, which may be down 2 percent from 1983.

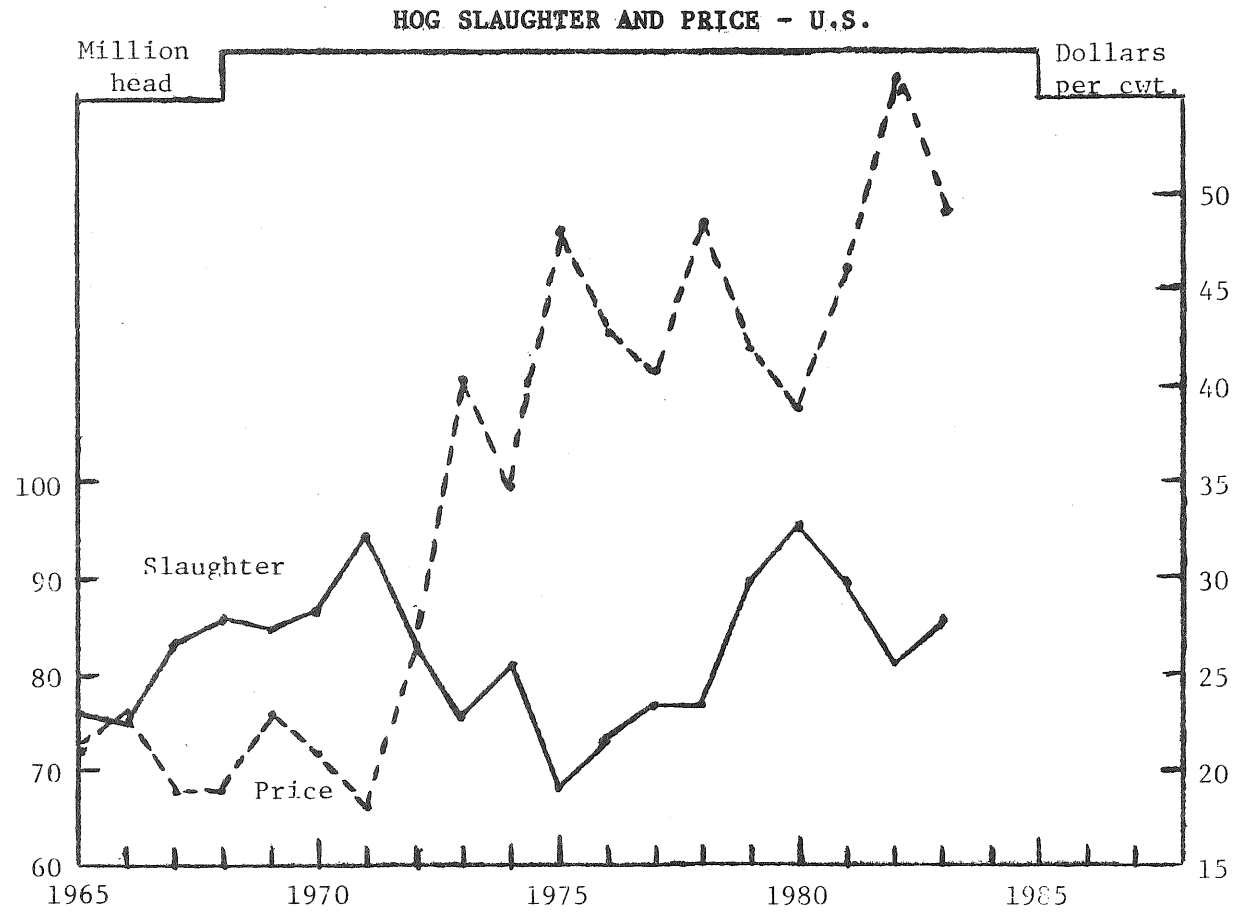
Because of continued negative feeding margins during 1984, producers indicated in September 1984 (10 major producing states) that they intend to farrow 1.91 million sows during December 1984 through February 1985, down 1 percent from a year earlier. However, more favorable weather this winter than last, and a general rise in litter sizes, may lead to a larger pig crop than last year.

Hog prices in first-half 1985 are projected to average $51 to $56 per cwt. up from $48 in 1984. Hog prices may decline slightly during the last half of 1985.

STEER AND COW PRICES

Year	Choice Steers 1/	Feeder Calves 2/	Utility Cows 1/
1969	29.66	32.89	20.29
1970	29.34	36.73	21.32
1971	32.39	36.84	21.62
1972	35.78	46.54	25.21
1973	44.54	59.73	32.82
1974	41.89	39.23	25.56
1975	44.61	29.48	21.09
1976	39.11	38.82	25.31
1977	40.38	41.41	25.32
1978	52.34	64.24	36.79
1979	67.75	93.10	50.10
1980	66.96	86.67	45.72
1981	63.84	72.43	41.93
1982	64.22	68.01	39.96
1983	62.57	68.85	39.35
1984*	65.79	68.42	40.45

1/ At Omaha. 2/ Medium frame steer calves, Kansas City. *Estimates



SOURCE: Livestock Slaughter and Livestock and Meat Statistics, New York Crop Reporting Board.

For 1984, imports of pork products (mostly Canada and Denmark) may total 900 million pounds, up 28 percent from 1983. Live hog imports (all from Canada) may reach 1 to 1.5 million in 1984 compared to .4 million in 1983. The increased imports are largely due to the strong dollar. Exports of pork products during 1984 may total only 185 million pounds, down 16 percent from 1983.

Lamb and mutton production for 1984 will be about 358 million pounds, down 2 percent from 1983. Although the January 1 inventory of all sheep and lambs were down 5 percent in 1984, the rate of mature sheep slaughter was high during early 1984 because of poor forage conditions in Texas. A smaller lamb crop lead to seasonally high lamb prices of $61 (San Angelo) during the summer of 1984.

Because of herd liquidation since 1982, production of sheep and mutton in 1985 may only be 320 million pounds, down 11 percent from 1984. With this reduced production and expected price strength throughout the red meats, lamb prices may average $63 to $70 (San Angelo) for 1985.

HOG SLAUGHTER AND PRICES

Year	Thous. Head Slaughtered	Dollar per Cwt.*
1965	76,394	21.30
1970	86,962	21.95
1975	68,687	48.32
1980	96,074	39.48
1982	82,197	55.44
1983	87,242	48.00
1984**	84,000	49.00

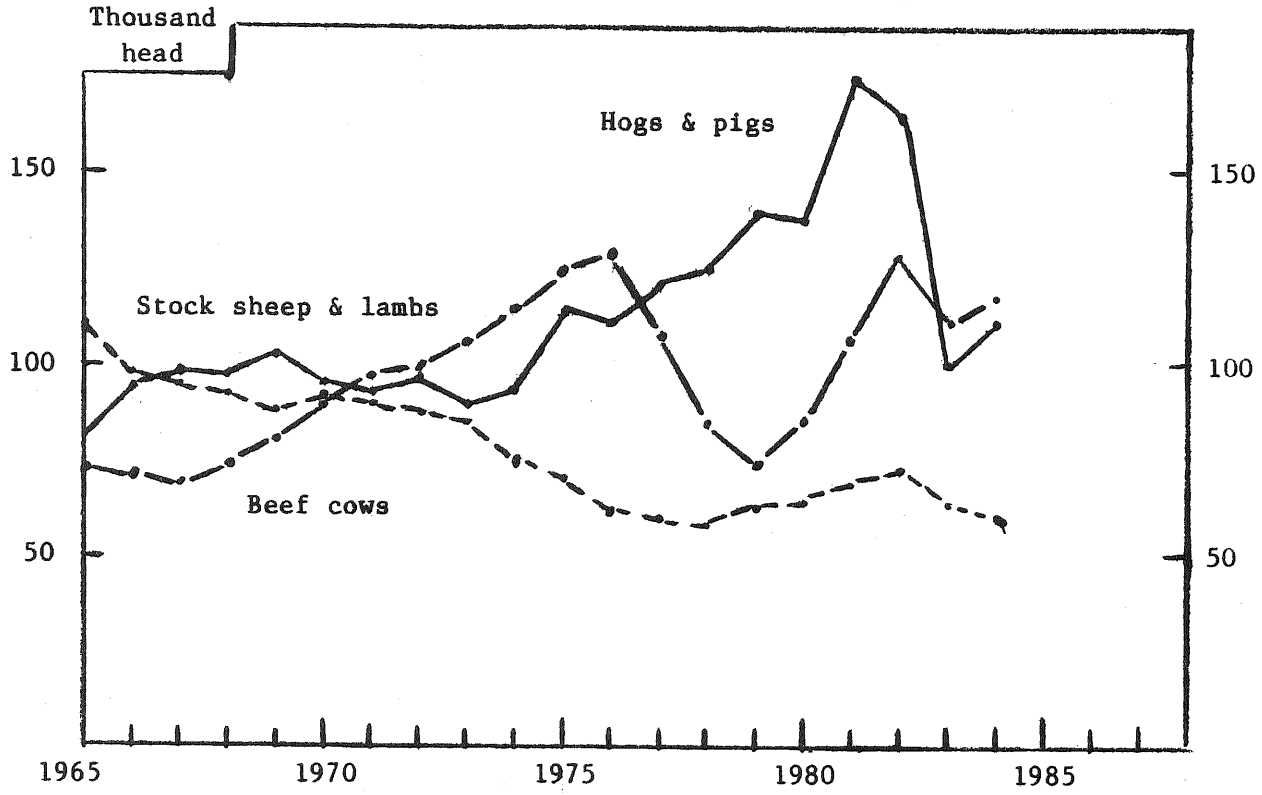
*Barrows & gilts, 7 markets.
**Estimates.

SHEEP & LAMBS ON FARMS, JANUARY 1 & PRICES RECEIVED FOR LAMBS, U.S.

Year	Sheep and Lambs	Price Per Cwt.
	(mil. head)	(dollar)
1965	25.1	22.80
1970	20.4	26.40
1975	14.5	42.10
1980	12.7	63.60
1982	13.0	56.44
1983	11.9	58.00
1984*	11.4	$63.00

*Estimates

NUMBERS OF HOGS, SHEEP & BEEF CATTLE ON NEW YORK FARMS
January 1, 1960-1983



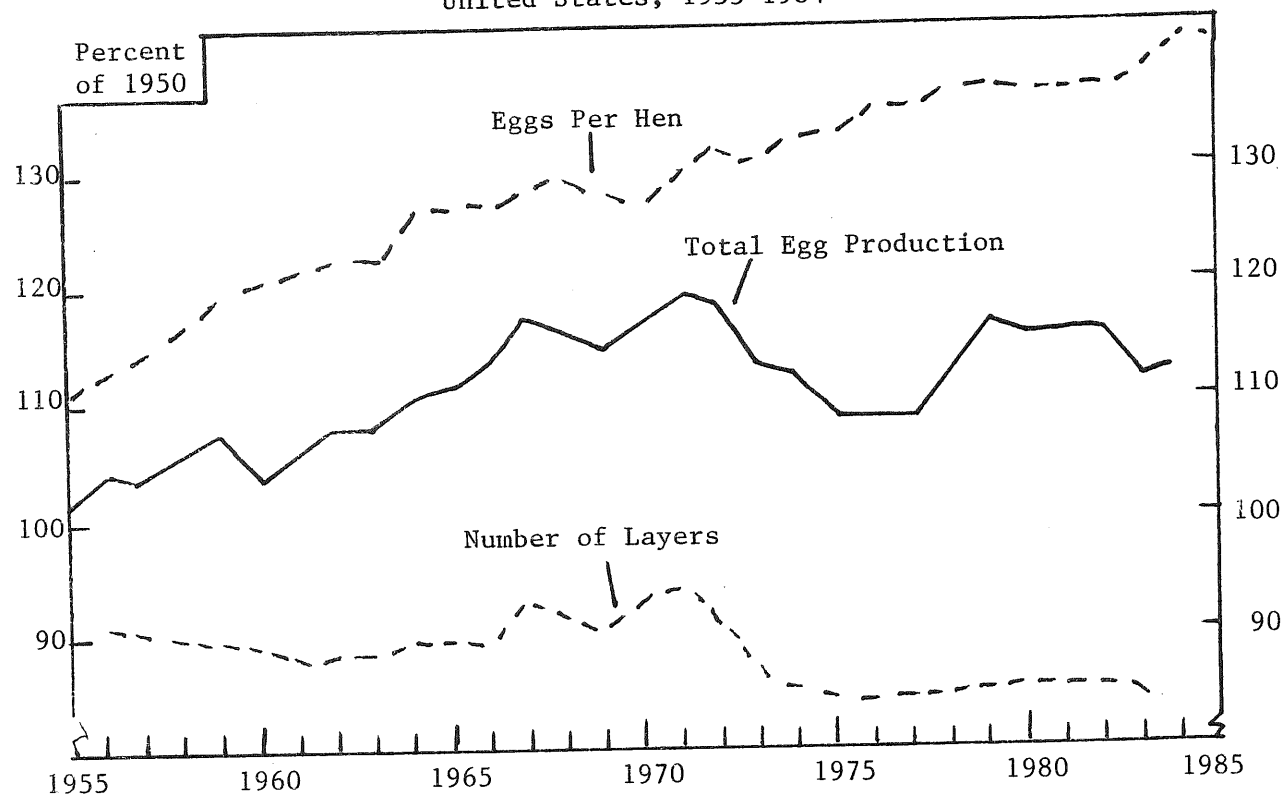
LIVESTOCK NUMBER ON NEW YORK FARMS, JANUARY 1, 1950-1983

Year	Hogs & Pigs	Sheep & Lambs		Beef Cattle	
	Total 1/	Stock Ewes 2/	Sheep & Lambs Total 2/	Cows 3/	Steers and Heifers over 500 lbs. 4/
	---thousand head---				
1950	217	92	124	15	45
1960	133	116	150	58	59
1970	95	74	92	94	83
1975	115	55	71	125	75
1980	139	43	65	85	64
1981	175	45	69	110	72
1982	165	49	70	129	72
1983	100	43	63	120	76
1984	110	41	61	127	76

Source: New York Crop Reporting Service.

1/ Series converted to hogs and pigs in 1964 (previously hogs only). Revised again in 1973. Data from December 1 survey of previous year.
2/ Series revised in 1973 (ewes 1 year and older).
3/ Series revised in 1973 and converted to beef cows (cows and heifers prior to 1971).
4/ Series revised in 1973 and converted to steers over 500 pounds and heifers not kept for replacements (steers and calves prior to 1970).

NUMBERS OF LAYERS, EGGS PER HEN, AND EGG PRODUCTION
United States, 1955-1984



Source: N.Y. Crop Reporting Service and U.S.D.A.

Year	Number* of Layers	Eggs Per Hen	Egg Production
	(millions)	(number)	(billions)
1950	340	174	59.0
1955	309	192	59.5
1960	295	209	61.6
1965	301	218	65.6
1966	304	218	66.2
1967	314	221	69.3
1968	309	221	68.2
1969	307	220	67.5
1970	314	218	68.3
1971	315	223	70.1
1972	307	228	69.9
1973	293	228	66.6
1974	286	231	65.9
1975	278	233	64.6
1976	274	235	64.5
1977	275	236	64.6
1978	281	239	67.3
1979	288	240	69.3
1980	287	242	69.8
1981	287	243	69.6
1982	286	244	69.6
1983	276	247	68.2
1984**	276	247	68.2

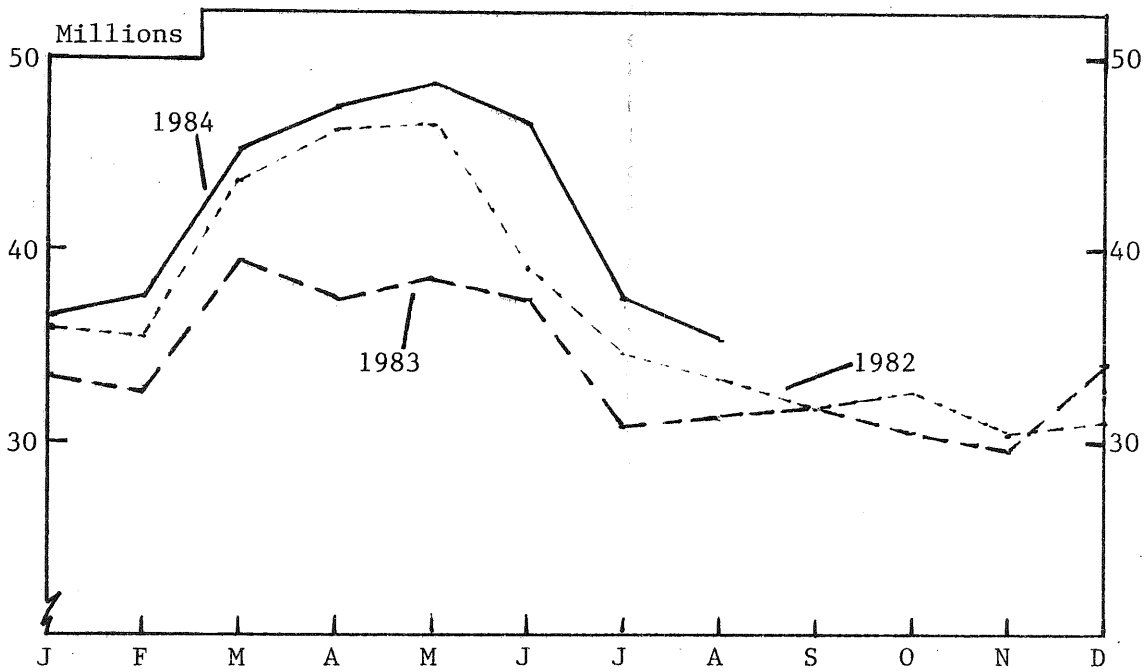
* Av. no. layers on hand during year.
** Projected, based on first two quarters.

The number of layers on United States poultry farms reached a low of 274 million in 1976 then increased in 1977, 1978, and 1979. Expansion in the egg production industry during 1979 resulted in the largest number of layers on United States poultry farms since 1973. 1984 numbers will be considerably lower than the 286 million of 1982.

The number of eggs produced per hen in 1984 is expected to be about the same as in 1983. There has been a long time upward trend in eggs per hen; however, at the rate of 247 eggs per hen, future gains will be slow. Technological and management improvements will likely result in continued small improvement in the number of eggs laid.

EGG-TYPE CHICKS HATCHED

United States, 1982 - 1984



SOURCE: U.S.D.A.

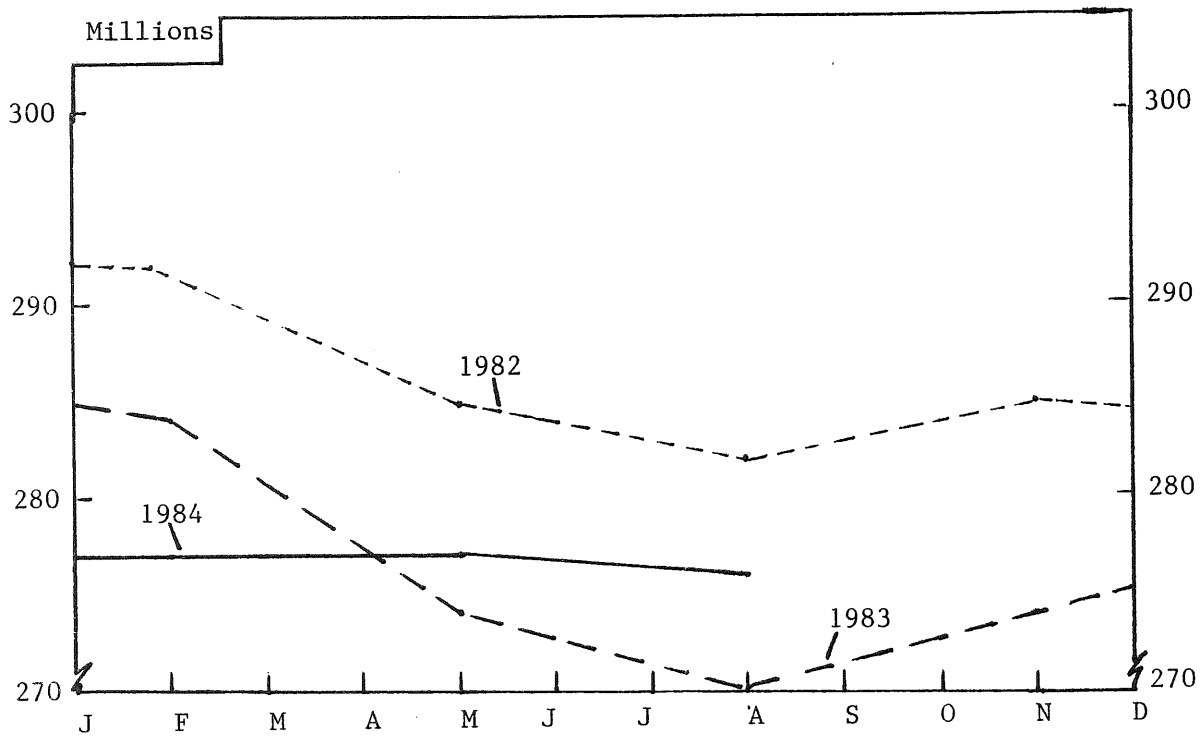
EGG-TYPE CHICKS HATCHED, U.S.

Month	1982	1983	1984
		- millions -	
January	36.0	33.2	36.9
February	35.5	32.9	37.7
March	43.8	39.2	45.1
April	46.2	37.2	47.2
May	46.5	38.4	48.8
June	39.0	37.5	46.5
July	34.6	30.9	37.8
August	33.4	31.1	35.1
September	31.7	31.9	-
October	32.3	30.6	-
November	30.2	29.4	-
December	31.0	34.2	-
TOTAL	444	406.5	

The hatch of egg-type chicks during the first eight months of 1984 was above that of 1982. Preliminary data indicate that the size of hatch for 1984 will probably be up 18-20% from 1983. The increase in hatch of egg type chicks will results in a significant increase in the size of the U.S. flock.

A seasonal pattern still exists in numbers of egg-type chicks hatched. Fall hatches in recent years have been about 30% below the peak spring hatches. Ten years ago the fall hatches were about 60% below the spring peak, so seasonal variation has been reduced.

NUMBER OF LAYERS ON FARMS, BY MONTH
United States, 1982 - 1984



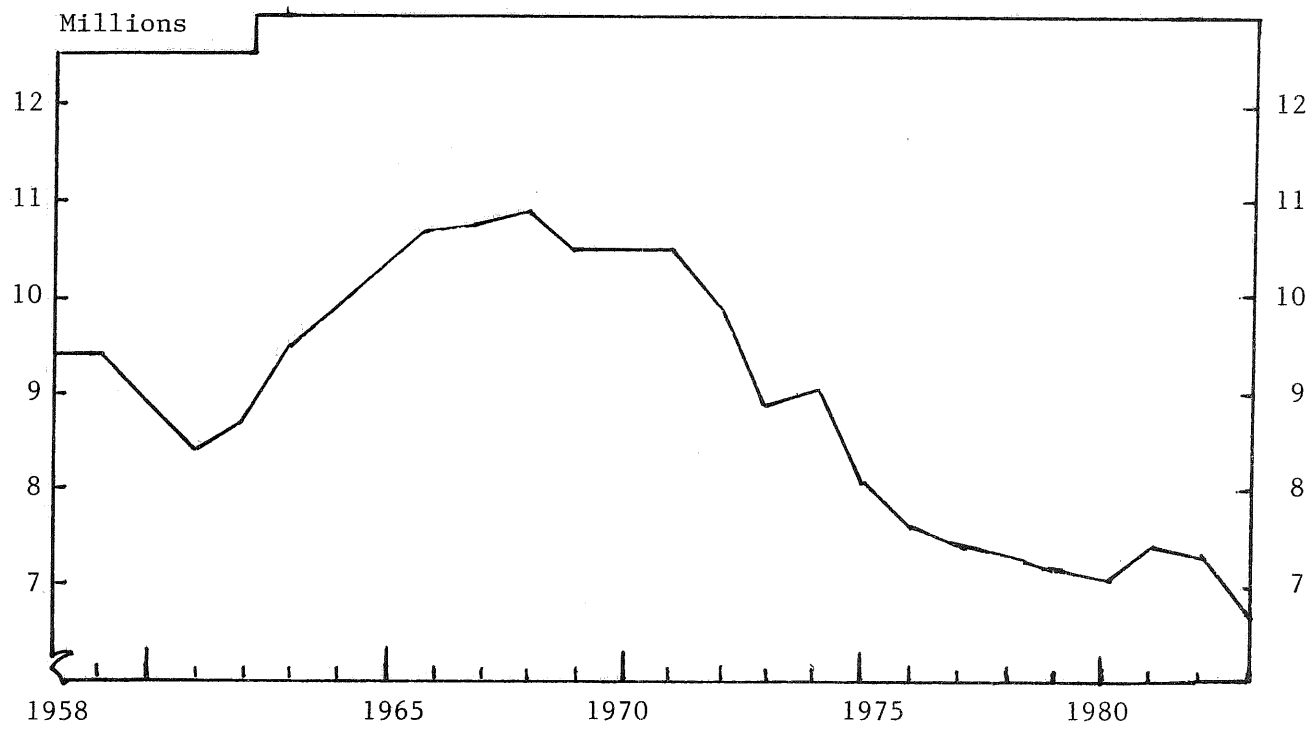
SOURCE: N.Y. Crop Reporting Service and U.S.D.A.

NUMBER OF LAYERS ON FARMS, U.S.

Month	1981	1982	1983	1984
		- millions -		
January	293			
February	291	292	284	277
March	289			
April	285			
May	283	285	274	277
June	281			
July	282			
August	283	282	269	276
September	284			
October	288			
November	291	285	274	-
December	292			
Average	287	286	276	-

Number of layers on U.S. farms the first nine months of 1984 was about the same as the same nine month period in 1983. Removal of layers due to the Avian Influenza outbreaks and an effort by poultry producers to reduce flock size resulted in the significant reduction in numbers by the end of 1983 and the beginning of 1984.

LAYERS ON NEW YORK FARMS, 1958 - 1983



SOURCE: N.Y. Crop Reporting Service

LAYERS ON NEW YORK FARMS

Month	1981	1982	1983	1984
		-thousands-		
January	7,625	7,625	7,050	6,676
February	7,375	7,500	6,925	6,675
March	7,275		6,875	6,676
April	7,400	7,400*	6,938	
May	7,400		7,038	
June	7,325		6,926	
July	7,400	7,300*	6,775	
August	7,250		6,775	
September	7,275		6,725	
October	7,375	7,300*	6,750	
November	7,425		6,750	
December	7,600	7,300	6,676	
Annual	7,392	7,368	6,850	

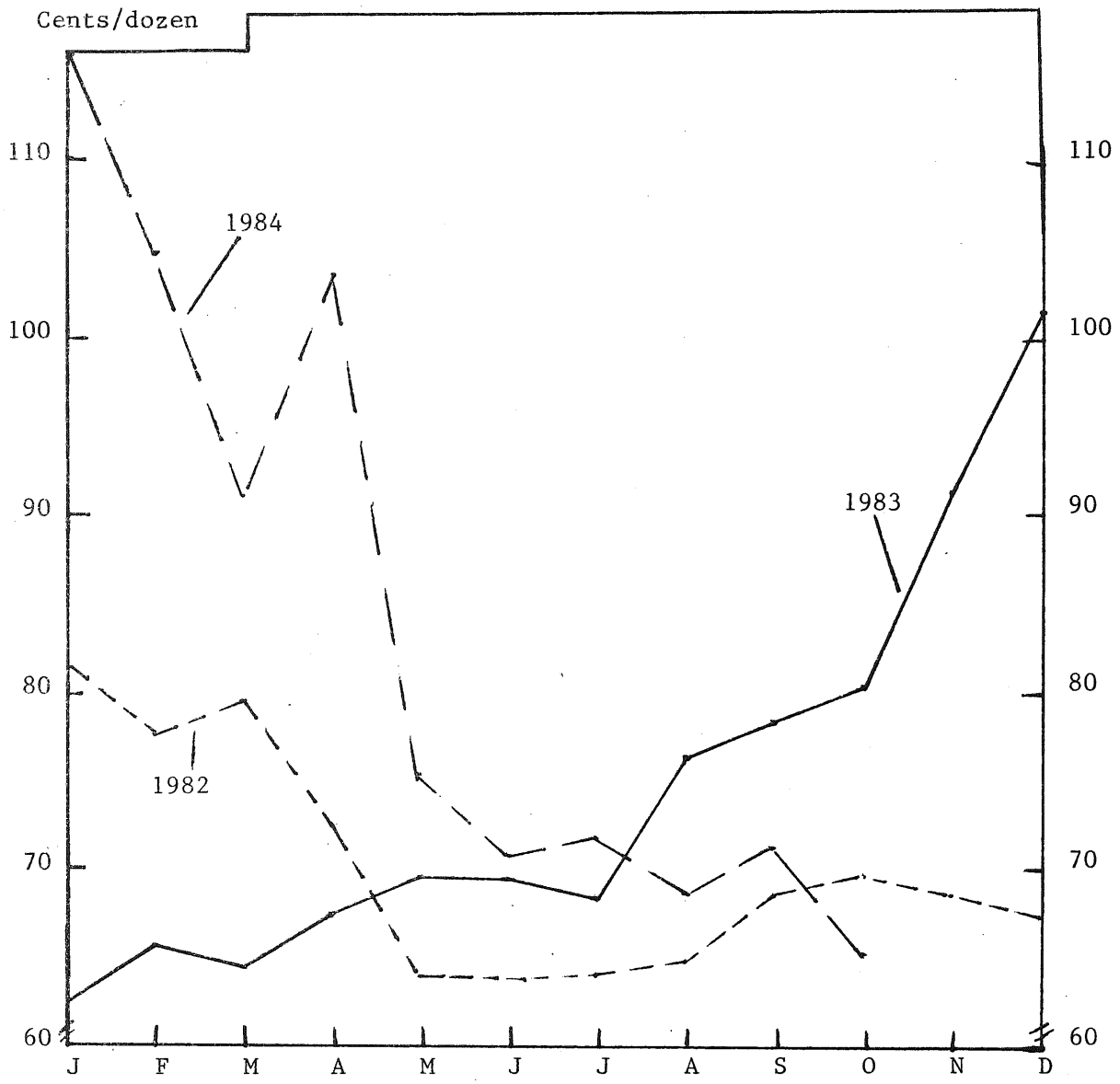
* Three month average.

The number of layers on New York farms has been declining since the mid 60's but showed some increase in 1981 and 1982. The number of layers on New York farms increased to 7.3 million in 1981 and held nearly constant for 1982. Figures for 1983 and the first quarter of 1984 show a decline in the number of layers in New York.

Layer numbers on New York farms declined sharply during the 1950s but turned up again during the 1960s when new types of housing and equipment were introduced. Numbers declined from 10.5 million in 1970 to approximately 7.5 million in 1978, or by about 30%. Numbers held relatively constant through 1982 when another decline was observed. Many of the facilities installed in the sixties currently need to be replaced. Triple and four deck cages and other systems for increasing the density in existing houses could help numbers to increase. Increased transportation costs favor locally produced products and stimulated interest in expansion in New York.

PRICES OF GRADE A CARTONED LARGE EGGS

New York, 1982-1984



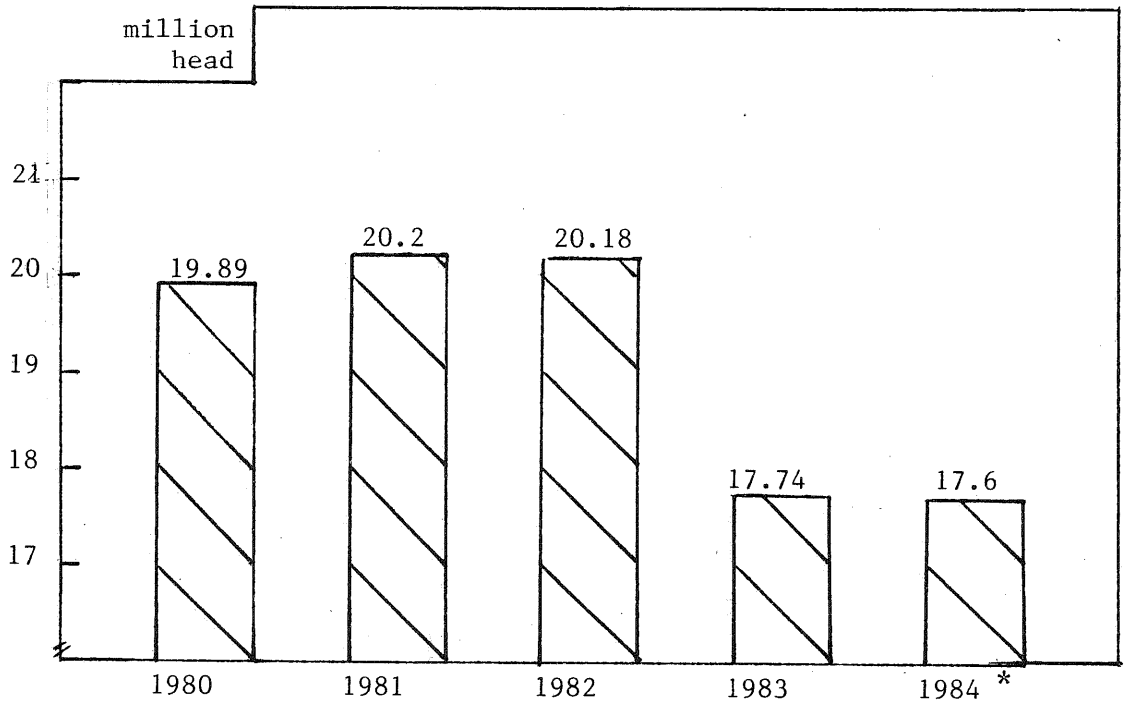
SOURCES: U.S.D.A. Poultry and Egg Situation and Urner Barry

PRICES OF GRADE A CARTONED LARGE EGGS

Month	1980	1981	1982	1983	1984
		- cents/dozen -			
January	62.5	75.6	81.4	62.7	115.0
February	60.0	71.3	77.7	65.7	104.8
March	64.0	71.0	79.4	64.1	91.0
April	60.3	73.4	72.2	67.6	103.7
May	55.1	66.8	64.0	69.9	75.9
June	59.0	67.1	63.9	69.7	70.7
July	68.1	71.8	64.0	68.2	71.7
August	69.9	73.3	64.8	76.5	68.8
September	71.4	74.7	68.6	78.6	71.2
October	68.8	75.7	69.5	80.2	65.3
November	78.7	81.9	68.6	91.8	
December	81.1	76.8	67.2	101.9	

Prices of Grade A cartoned large eggs, delivered to retailers in New York, improved noticeably during late 1983 and early 1984. Prices during the latter part of 1984 decreased significantly and have remained in the high 60's and low 70's.

MATURE CHICKEN SLAUGHTER, U.S., 1980-1984

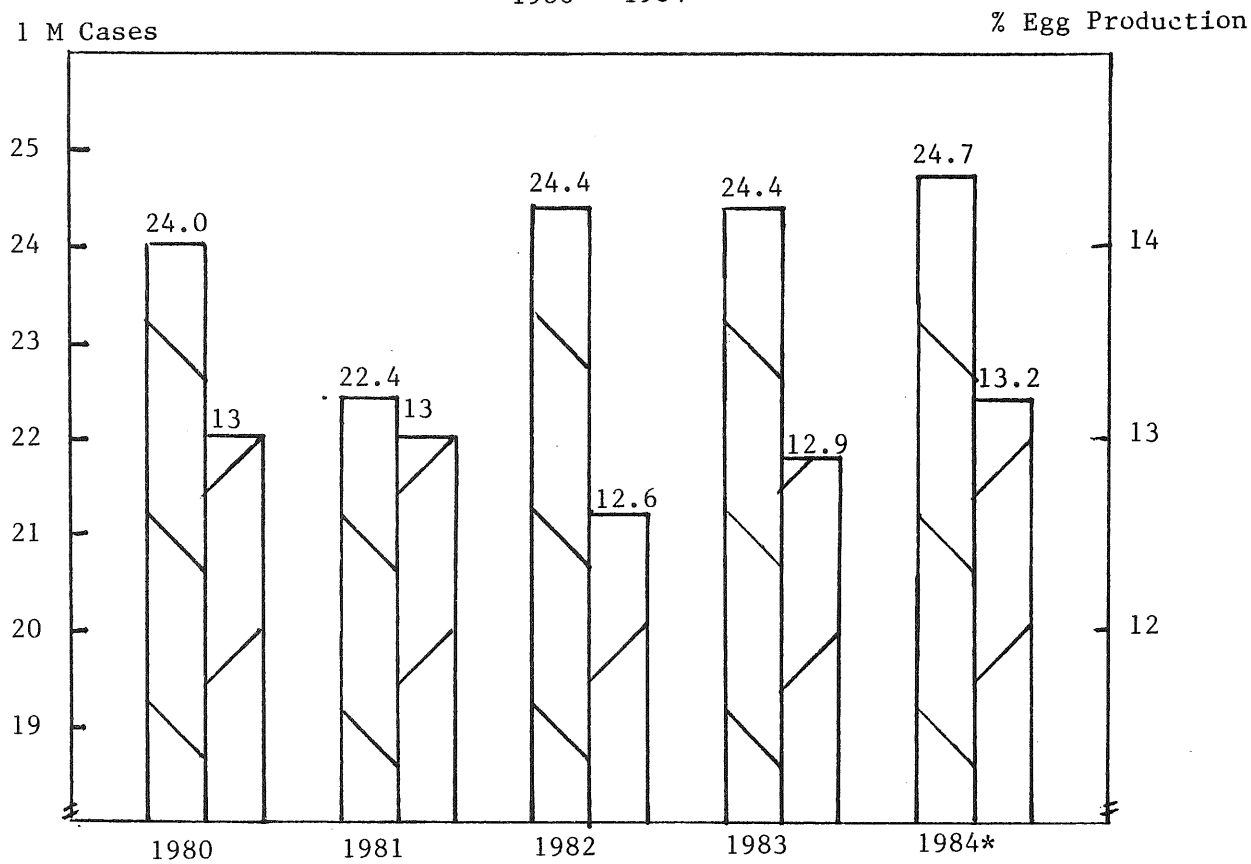


* Annualized based on January-June figures.
SOURCE: U.S.D.A., Poultry Slaughter

Mature chicken slaughter reports the spent fowl culling from commercial egg as well as breeder flocks. The rates of culling which can be inferred from these figures are useful in projecting future flock sizes.

Slaughter of mature chickens during the first half of 1984 was down 11.5% compared to year earlier figures. This was a result of the overall laying flock size reduction during the later part of 1983 and early 1984.

EGGS BROKEN COMMERCIALLY
CASES AND EGG PRODUCTION, U.S.
1980 - 1984



* Projected from first half figures

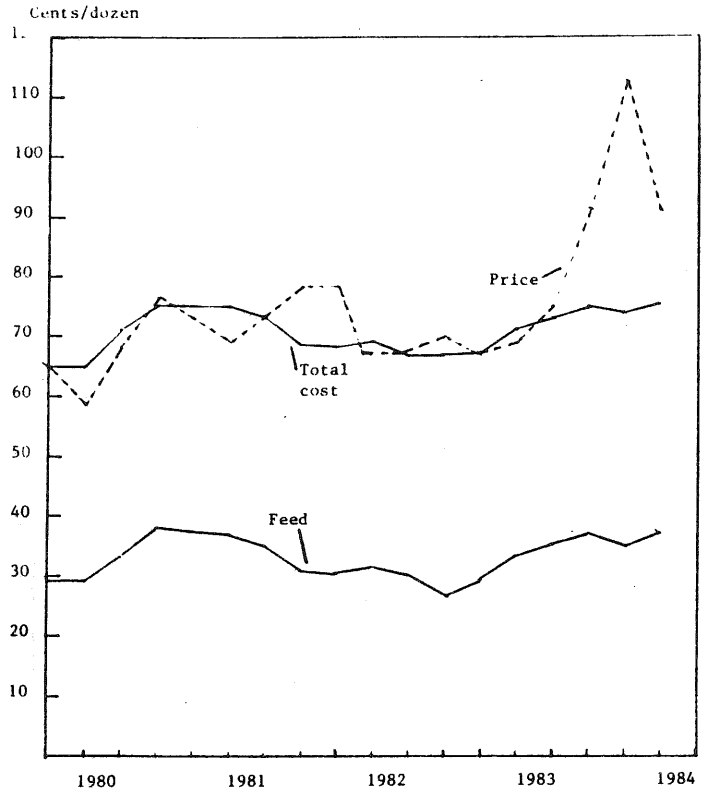
Number, 1 M

Percentage

Source: U.S.D.A., Livestock and Poultry, Situation and Outlook

Commercially broken eggs are utilized by the food processing industry. Since 1977 nearly 20 million cases have been broken annually with the level rising to over 24 million cases during the past several years. Data for the first half of 1984 show a modest but continued upward trend in both numbers and percentage. No significant changes in demand by egg breakers is expected for 1985.

ESTIMATED COSTS AND RETURNS FOR MARKET EGGS, 1980-1984



The U.S.D.A. quarterly estimates of costs and returns for market eggs provide good indicators of the relative profitableness of the egg industry. It also is a useful tool in predicting future conditions since the profitableness of the business has a strong effect on the management decisions made by the poultrymen.

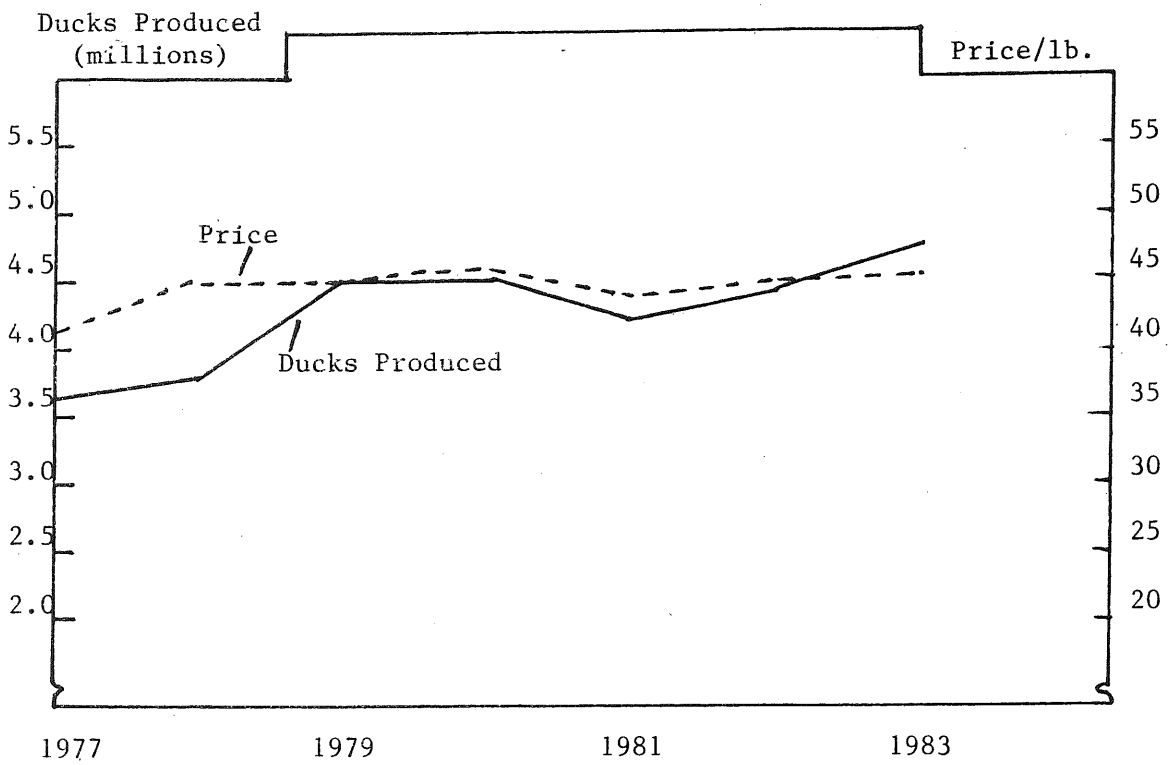
During the first half of 1984, strong prices led in a large degree by production declines attributable to Avian Influenza led to price levels and net returns not seen in recent years. It was a period of much needed profitability for the industry. However by the second half production rebounded with prices sinking substantially, especially for small eggs. By November some strength has returned to the market.

ESTIMATED COSTS AND RETURNS FOR MARKET EGGS, 1980-1984

Calendar Quarters		Production Costs/Doz. Feed	Production Costs/Doz. Total	Cartoned Large Eggs Total Cost	Cartoned Large Eggs Av. Prices	Net Return
1980	I	29.7¢	44.8¢	65.3¢	64.2¢	-1.1
	II	28.9	44.0	64.5	58.6	-5.9
	III	33.1	49.4	70.7	68.1	-2.6
	IV	38.2	54.5	75.8	76.3	0.5
1981	I	37.7	54.0	75.3	72.7	-2.6
	II	37.3	53.6	74.9	68.8	-6.1
	III	35.7	52.0	73.3	72.9	-0.4
	IV	30.5	46.8	68.1	78.1	10.0
1982	I	30.3	46.9	68.0	78.9	10.94
	II	31.3	47.9	69.0	67.0	-2.0
	III	30.0	45.5	66.6	67.0	0.4
	IV	27.1	45.2	66.3	70.1	3.8
1983	I	29.7	47.2	67.7	66.4	-1.2
	II	33.5	51.0	71.5	69.2	-2.3
	III	35.6	53.1	73.6	75.3	1.7
	IV	37.7	55.2	75.7	90.7	15.0
1984	I	35.4	53.6	74.3	113.0	28.6
	II	36.7	54.9	75.6	90.6	15.0

Source: U.S.D.A. Poultry and Egg Situation

NUMBER OF DUCKS PRODUCED AND PRICE, N.Y., 1977-1983



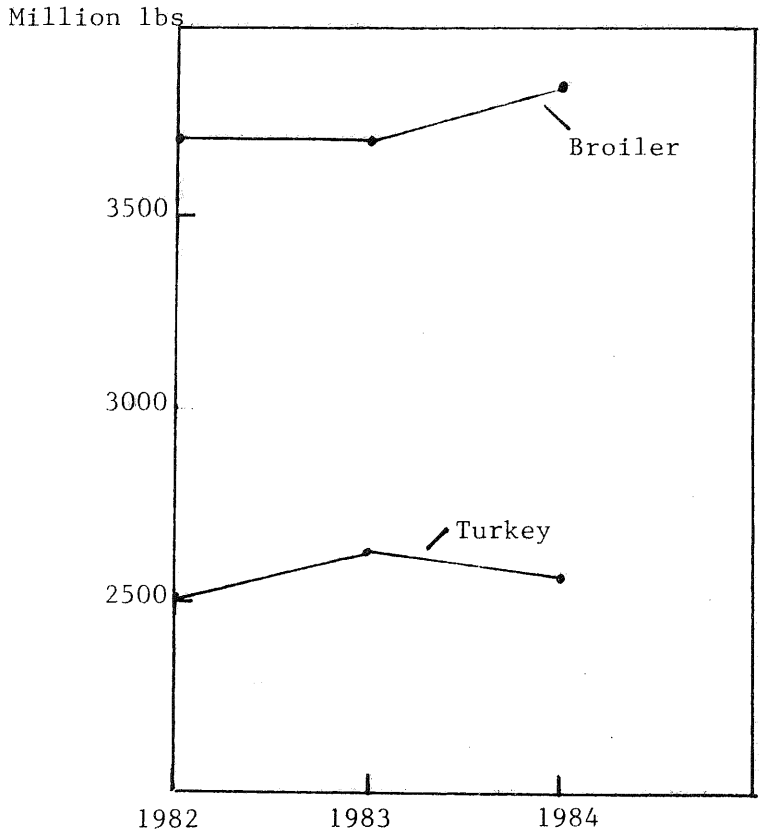
Source: N.Y. State Crop Reporting Service

Ducks are an important segment of the poultry industry in New York, providing gross annual incomes of about 14 million dollars. The duck growers are concentrated on Long Island. 1983 figures show a slight increase in numbers produced as well as in gross income. Income figures do not include revenues from feather sales, an important source of total receipts.

Year	Number Produced (thou.)	Lbs. Produced (Live) (thous. lb.)	Price/lb. (Live)	Gross Income* (thou. $)
1970	4,950	32,152	27.0	8,681
1971	4,650	30,000	27.0	8,100
1972	4,300	28,000	28.0	7,840
1973	3,850	25,000	40.0	10,000
1974	3,800	24,500	45.0	11,025
1975	3,750	23,900	41.0	9,800
1976	3,750	23,700	42.0	9,955
1977	3,600	23,200	42.0	9,744
1978	3,850	24,500	45.0	11,025
1979	4,400	28,200	44.0	12,408
1980	4,400	28,800	45.0	12,960
1981	4,200	27,700	44.0	12,188
1982	4,450	29,500	45.0	13,275
1983	4,700	31,400	45.0	14,130

* Income from meat sales only.

BROILER AND TURKEY MEAT PRODUCED
United States, 1982-1984



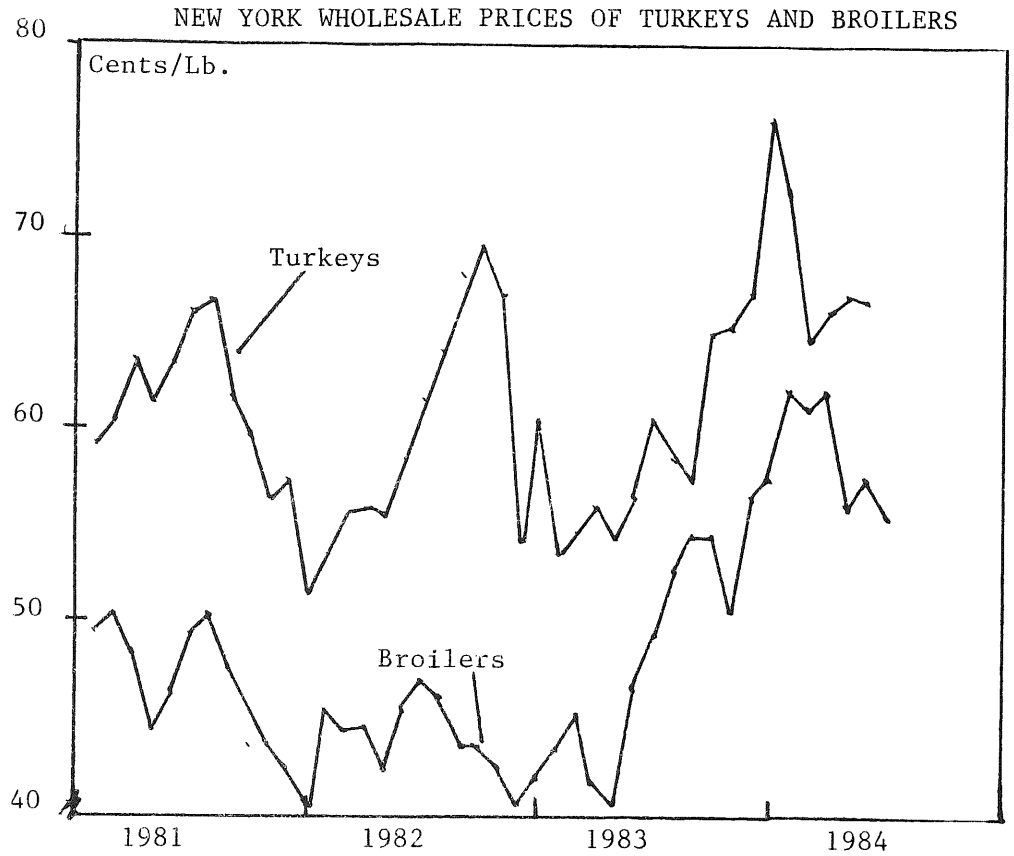
Source: U.S.D.A. Poultry and Egg Situation

Turkey production has been held about steady through 1984 with no increases anticipated until 1985. Numbers in 1984 were down but the decline is nearly balanced by an increase in slaughter weights. Broiler production is up in 1984, especially during the second half, and will continue the trend into 1985. Increases are projected in the neighborhood of 5%. Despite higher output prices will hold and even advance as red meat supplies continue the current decline. Expected price increases however are projected to be only moderate.

BROILER AND TURKEY MEAT PRODUCED, U.S.

Year	Broilers Million Pounds	Turkeys Million Pounds
1982	3704	2505
1983	3705	2634
1984*	3855	2565

* Preliminary - based on first half figures.



Source: U.S.D.A. Poultry and Egg Situation

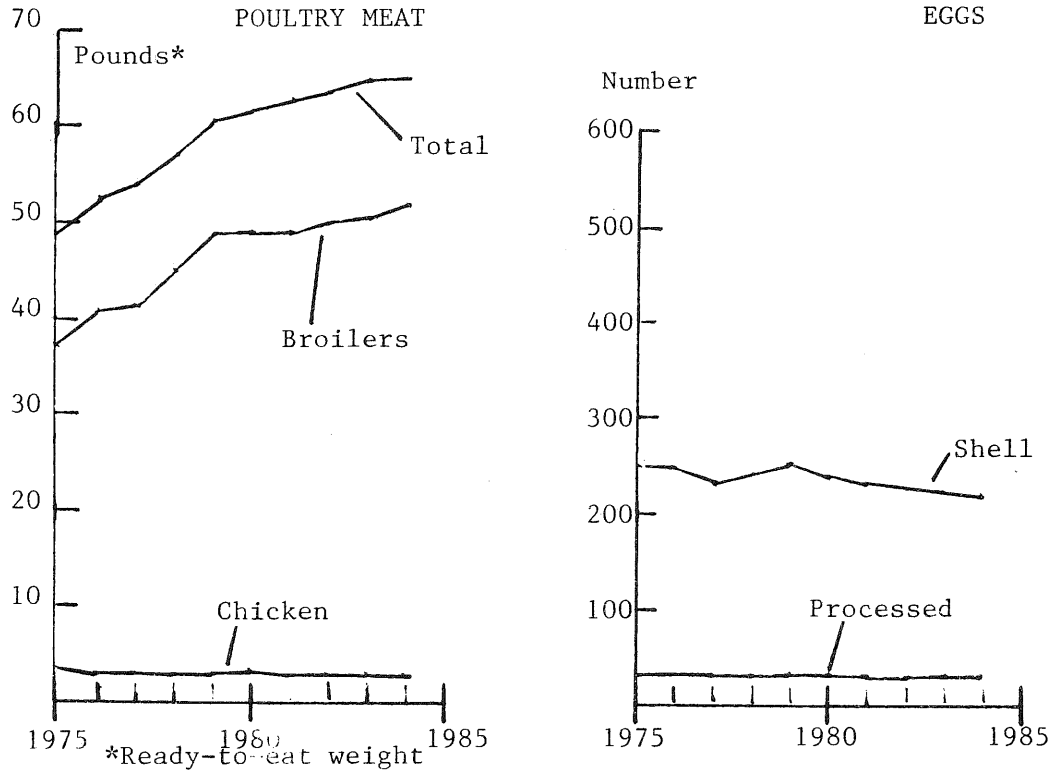
Broiler prices have been stronger during most of 1984 compared to those in the latter part of 1983. Favorable returns during much of 1984 have caused producers to expand, however, production gains have been limited by the hatchery supply flocks.

Turkey prices during the first half of 1984 were above the levels for the same period of 1983. Returns to producers were not favorable during the first half of 1984 as prices were not generally strong enough to offset higher production costs. Second half returns should be more favorable as prices increase for the holiday season.

NEW YORK WHOLESALE PRICES OF TURKEYS AND BROILERS

	Hen Turkey Wholesale Prices				Broiler Prices Nine City Average			
Month	1981	1982	1983	1984	1981	1982	1983	1984
January	59.4	53.6	53.6	72.2	49.5	45.2	43.1	62.1
February	60.7	55.8	54.9	64.7	50.3	44.5	45.2	61.2
March	63.8	56.0	56.0	66.1	48.2	44.8	41.9	62.0
April	61.2	55.8	54.4	67.0	44.4	42.6	40.9	56.0
May	63.5	58.8	56.6	66.8	46.3	45.8	46.9	57.6
June	66.2	61.8	60.9		49.3	47.0	49.1	55.5
July	66.8	64.1	58.5		50.2	46.1	52.8	
August	61.8	68.0	57.6		47.3	43.4	54.2	
September	59.5	69.6	65.0		43.6	43.6	54.5	
October	56.4	67.2	65.1		43.7	42.3	50.4	
November	57.3	54.2	67.0		42.5	40.3	56.3	
December	51.7	60.8	76.1		40.1	42.0	57.1	

PER CAPITA CONSUMPTION OF POULTRY AND EGGS, U.S., 1975-1984

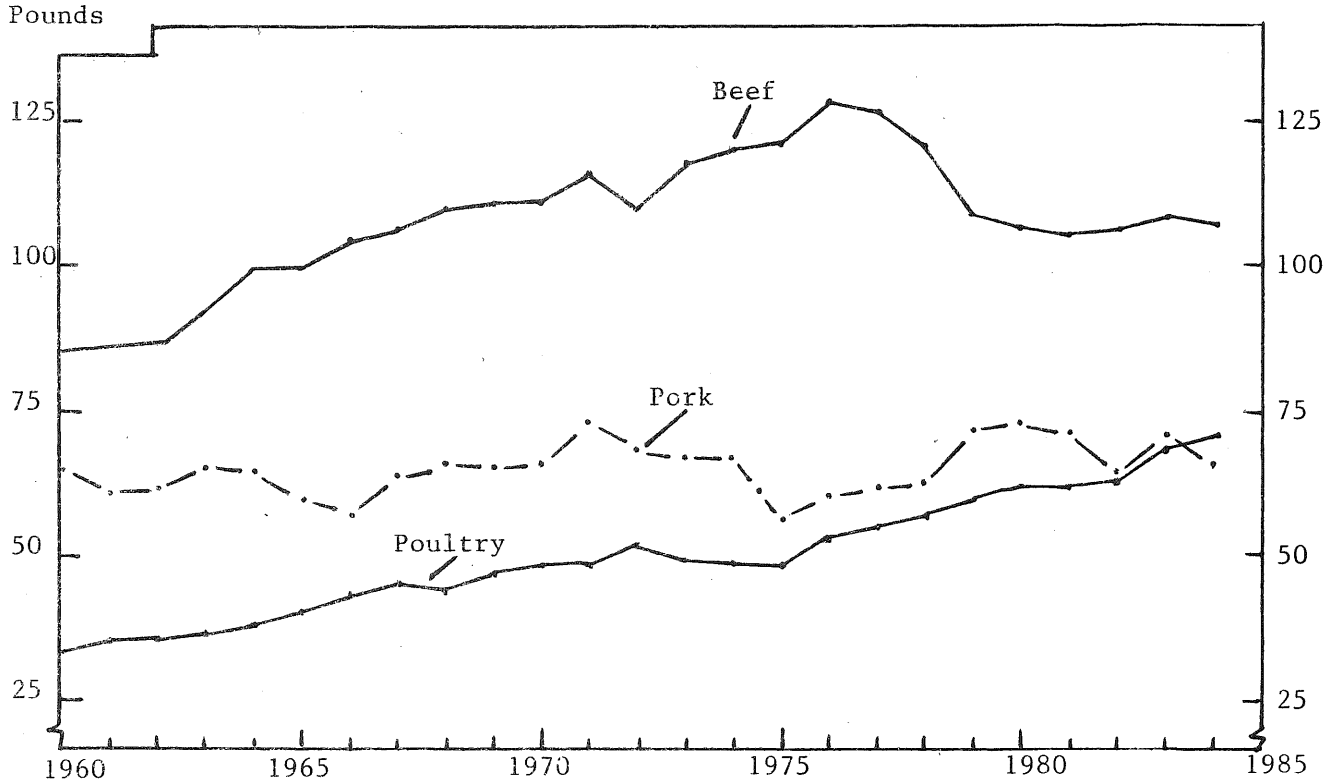


Per capita consumption of poultry meat continues its general upward movement at a somewhat accelerated rate this year. The increase is attributable to increases in both broiler and turkey consumption (65.1 total pounds per capita for the year) as consumers apparently chose these products to make up for cyclically low beef supplies. Turkey meat consumption increased to 11.2 pounds per person. Egg consumption remained about the same as 1982. Total egg consumption per person in 1983 was 261 eggs. 1984 is expected to show continued modest increases in broiler consumption due in part to reduced red meat supplies in the second half and into 1985, while egg consumption will likely follow production down overall as a result of tight supplies in the first half. Restored production and lower prices should stimulate usage into 1985.

	Poultry Meat				Eggs		
Year	Broilers	Chickens	Turkey	Total	Shell	Processed	Total
		- pounds -				- number eggs -	
1965	29.6	3.8	7.4	40.8	285	29	314
1970	36.9	3.6	8.0	48.5	277	34	311
1975	36.9	3.4	8.6	49.2	248	31	279
1976	40.4	2.9	9.2	52.5	241	33	274
1977	41.7	3.2	9.2	54.1	235	37	272
1978	44.7	3.7	9.4	57.8	242	36	278
1979	48.8	2.9	9.2	60.9	247	36	283
1980	48.9	3.1	9.9	61.9	242	36	278
1981	48.6	3.1	10.7	62.4	237	35	272
1982	50.0	3.1	10.8	63.8	231	34	265
1983	50.9	3.0	11.2	65.1	227	34	261
1984*	52.0	2.8	10.8	65.6	223	36	259

* Projections based on first half only.
Source: U.S.D.A., Livestock and Poultry, Situation and Outlook

PER CAPITA CONSUMPTION OF BEEF, PORK AND POULTRY
United States, 1960-1984



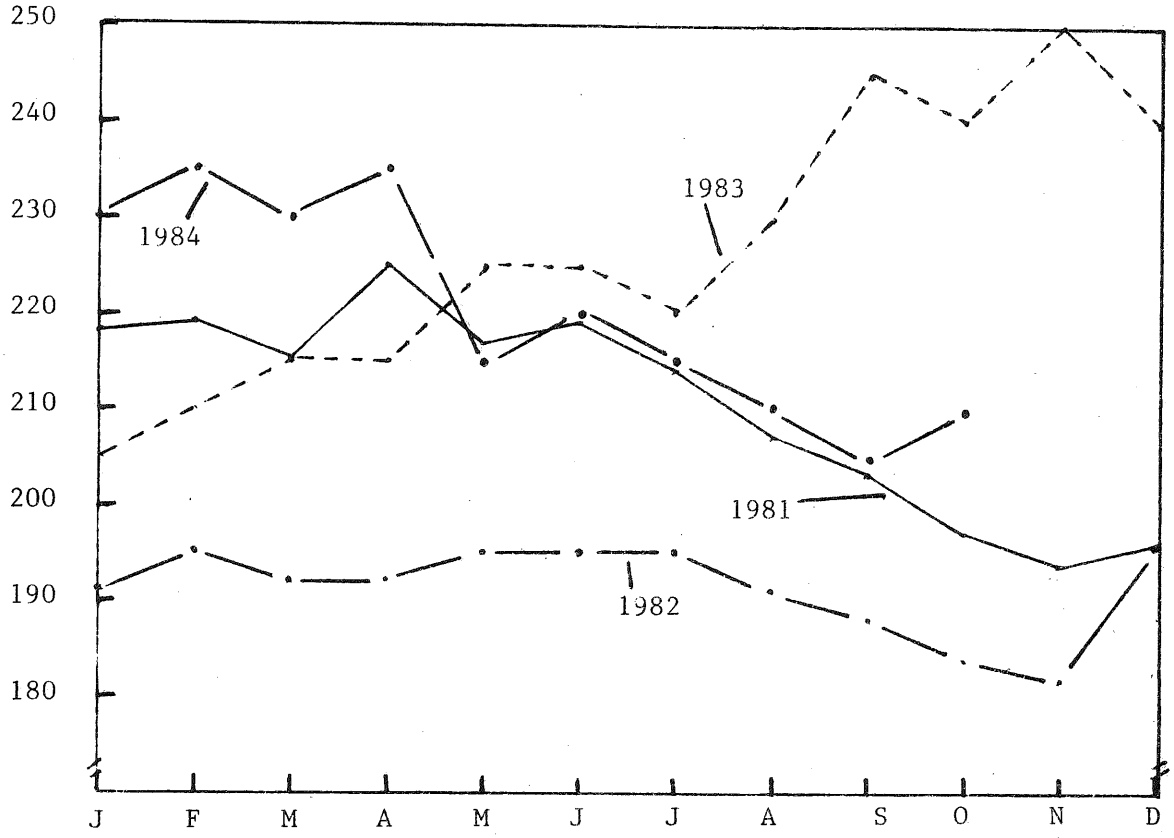
Source: U.S.D.A., Livestock and Poultry: Outlook and Situation

Per capita red meat consumption was up 1% in the first half of 1984 compared to a year earlier. Most of the increase was due to beef. Poultry consumption remained steady. Higher feed prices with declining margins will push red meat production down in the second half. Leading the anticipated decline is pork, down a projected 8-10% with beef off about half that amount. Broiler production will gain about 4%, but with a small decline in turkey, total meat consumption will be off nearly 5%. The same general trend will continue into 1985 with pork and beef still down and turkey turning up. Broiler production will be up again but not sufficiently to prevent the slippage in total consumption. As a result of the supply decline, prices are expected to increase, but only moderately, except for pork.

	Pounds consumed per person				
Year	Beef*	Pork	All Red Meats	Poultry	Total Meat
1975	120.1	56.1	182.4	49.2	231.6
1976	129.3	59.5	194.7	52.5	247.2
1977	125.9	61.5	193.0	54.1	247.1
1978	120.1	61.4	186.1	57.1	243.2
1979	107.6	70.2	181.3	60.9	242.2
1980	105.2	72.2	182.1	61.9	244.0
1981	104.3	69.9	177.8	62.4	240.2
1982	106.3	62.7	170.6	63.8	234.4
1983	108.4	66.1	176.2	65.0	241.2
1984**	106.6	63.8	172.0	65.6	237.6

* Includes veal.
** Projected.

FARM PRICES OF COMPLETE LAYING FEED RATIONS
New York, 1981-1984



Reduced feed grain production in 1984 led to significant price increases. Feed prices for New York farmers are likely to continue high into the first half of 1985.

	U.S. Average*			New York*			
Month	1981	1982	1983	1981	1982	1983	1984
January	218	193	186	218	191	205	230
February	219	195	188	219	195	210	235
March	215	190	189	215	192	215	230
April	215	191	198	225	192	215	235
May	217	195	202	217	195	225	215
June	219	194	201	219	195	225	220
July	214	194	202	214	195	220	215
August	207	200	208	207	191	230	210
September	203	187	218	203	188	245	205
October	197	185	218	197	184	240	210
November	194	182	220	194	182	250	
December	196	185	219	196	196	240	

Source: U.S.D.A. Agricultural Prices and N.Y. Crop Reporting Service
* dollars per ton

POTATOES, VEGETABLES, AND DRY BEANS: FARM VALUE OF PRODUCTION
New York, 1980-1984

	1980	1981	1982	1983	1984*
	- million dollars -				
Potatoes, Long Island	47.9	32.5	21.5	32.6	22.3
Upstate	49.7	42.6	35.4	43.7	36.2
Total	97.6	75.1	56.9	76.3	58.5
Vegetables, Fresh Market	155.2	153.2	128.2	168.0	130.0
Vegetables, Processing	31.6	33.7	36.1	31.7	36.0
Dry Beans	16.3	10.1	6.2	7.0	9.7
Total	300.7	272.1	227.4	283.0	234.2

* Estimated.
SOURCE: USDA - Vegetable, Field Crops, and Potato reports.

As of late Fall, 1984, it appears that New York vegetable, potato, and dry bean growers as a group may experience severely reduced gross returns from 1984 crops as a result of lower prices for major commodities such as potatoes, onions, cabbage, and dry beans. Returns of $234 million in 1984 may be comparable to those of 1982, but will be substantially below the levels of 1980, 1981 and 1983. Production was higher in 1984 than in 1983 for several crops, but large national supplies and export competition brought severely depressed prices.

Upstate potato growers harvested 500 acres more than last year and their yields were up moderately higher, but prices are down and so is the value of the crop. On Long Island a sharp reduction in potato acreage more than offset higher yields and resulted in the smallest crop in recent years.

As usual, weather conditions during the growing season presented New York vegetable growers with a real challenge. For the second year in a row, onion yields in Orange County were severely depressed as well as being reduced in other growing areas which combined with depressed national markets will lower sales revenues. The cabbage market has also been slow following record returns last year. Other fresh market vegetables have also been under competitive pressure from foreign and other domestic supplies.

Indications are that production of processing vegetables in New York may have increased this year resulting in a modest increase in total returns. A favorable outlook for prices of the finished product may bring an increase in acreage sought by processors next season.

A larger national dry bean crop this year than last along with uncertain export prospects has reduced prices well below last season. New York growers experienced more favorable yields on a larger acreage this year and so may still obtain a significant increase in total returns from this crop.

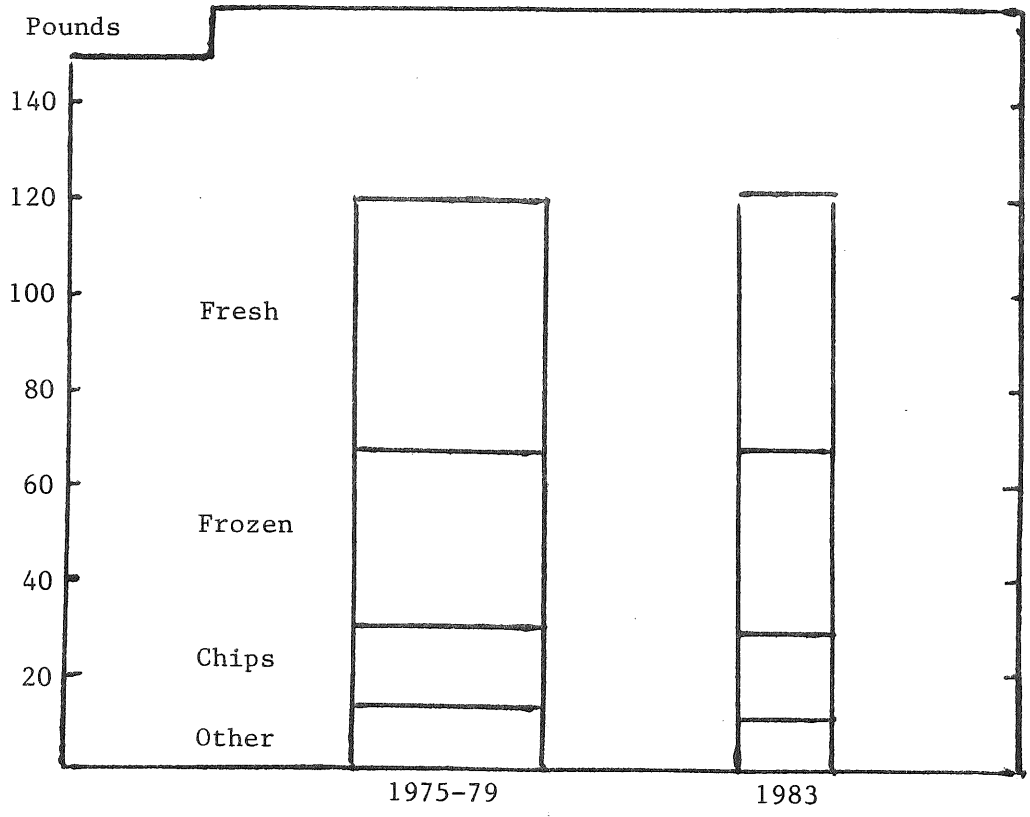
POTATOES: U.S. PRODUCTION BY SEASONAL GROUPS, 1981-1984

		1981	2982	1983	Ind. 1984
		million hundredweight			
Winter		2.2	2.3	2.2	2.6
Spring		20.7	21.1	18.3	23.2
Summer		20.0	22.8	18.7	22.9
Fall		295.6	308.9	294.7	310.1
Maine		26.5	27.0	22.6	21.8
New York:	Long Island	5.3	5.1	4.1	3.7
	Upstate	6.9	6.5	5.6	6.3
Pennsylvania		5.2	4.9	4.3	4.9
Other East		2.3	2.0	1.6	1.4
Total East		46.2	45.5	38.2	38.1
Michigan		7.0	10.5	9.8	11.8
Wisconsin		18.2	22.6	18.9	21.4
Minnesota		13.3	11.5	10.3	13.0
North Dakota		20.1	17.2	20.5	21.9
Other Central		3.2	4.5	3.9	5.1
Total Central		61.8	66.3	63.4	73.2
Idaho		84.5	91.8	86.1	85.9
Colorado		11.6	12.8	13.9	16.1
Washington		52.9	52.8	54.1	56.0
Oregon		21.7	21.1	20.7	22.3
California		6.9	7.6	7.8	8.0
Other West		9.8	11.0	10.5	10.5
Total West		187.4	197.1	193.1	198.8
UNITED STATES		338.6	355.1	333.9	358.8

U.S. 1984 potato production as of October 1 was forecast at 358.8 million hundredweight, up 7.5 percent over last year and fractionally higher than two years ago. The sharpest increases were in the Spring and Summer crops following the short crop last season, with the 1984 Fall crop only 5.2 percent over last year. The greatest increase in this year's Fall crop occurred in the Central States where production climbed almost 10 million hundredweight for a 15.5 percent increase, compared to a 5.7 million hundredweight increase in the West equal to only a 3 percent increase over the previous year. Potato production in the East was about the same this year as last, with declines in Maine and on Long Island about offsetting increases in upstate New York and Pennsylvania.

The increase in supplies available for market brought lower prices early in the season.

PER CAPITA CONSUMPTION OF POTATOES



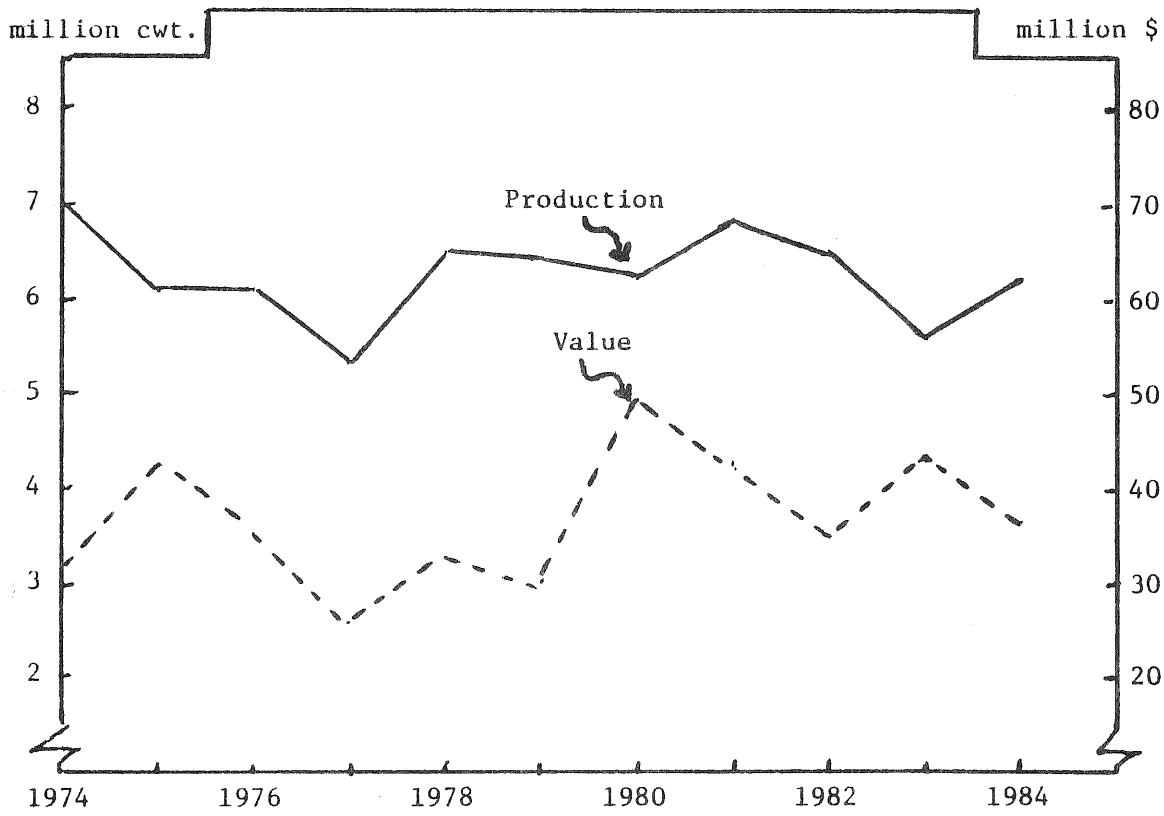
Per capita consumption of potatoes has remained relatively stable in recent years, varying with changes in production but showing little shift in utilization. Use for frozen products and for potato chips is increasing gradually, while use for other products such as canned potatoes and potato flour appears to be declining. Fresh use accounts for about 45 percent of consumption and processed products 55 percent.

PRODUCTION AND PER CAPITA CONSUMPTION OF POTATOES

		Per Capita Consumption					
				Processed 1/			
Year	Total Production	Total Fresh and Processed	Fresh	Total 2/	Frozen	Chips and Shoestring	Other 2/
	mil. cwt.	- pounds -					
1975-79	348.7	120.3	53.7	66.6	36.3	16.5	13.8
1980	302.9	117.7	55.8	61.9	33.7	16.9	11.3
1981	338.6	112.6	47.2	65.4	36.3	17.0	12.1
1982	351.1	115.6	50.0	65.6	36.2	17.4	11.7
1983 3/	333.9	121.2	54.1	67.1	37.5	18.1	11.2
1984 Ind.	358.8						

1/ Fresh weight basis. 2/ Includes dehydrated, canned, and flour.
3/ Preliminary.
SOURCE: USDA, Vegetable Outlook and Situation, November 1984.

POTATOES: PRODUCTION AND FARM VALUE
UPSTATE NEW YORK

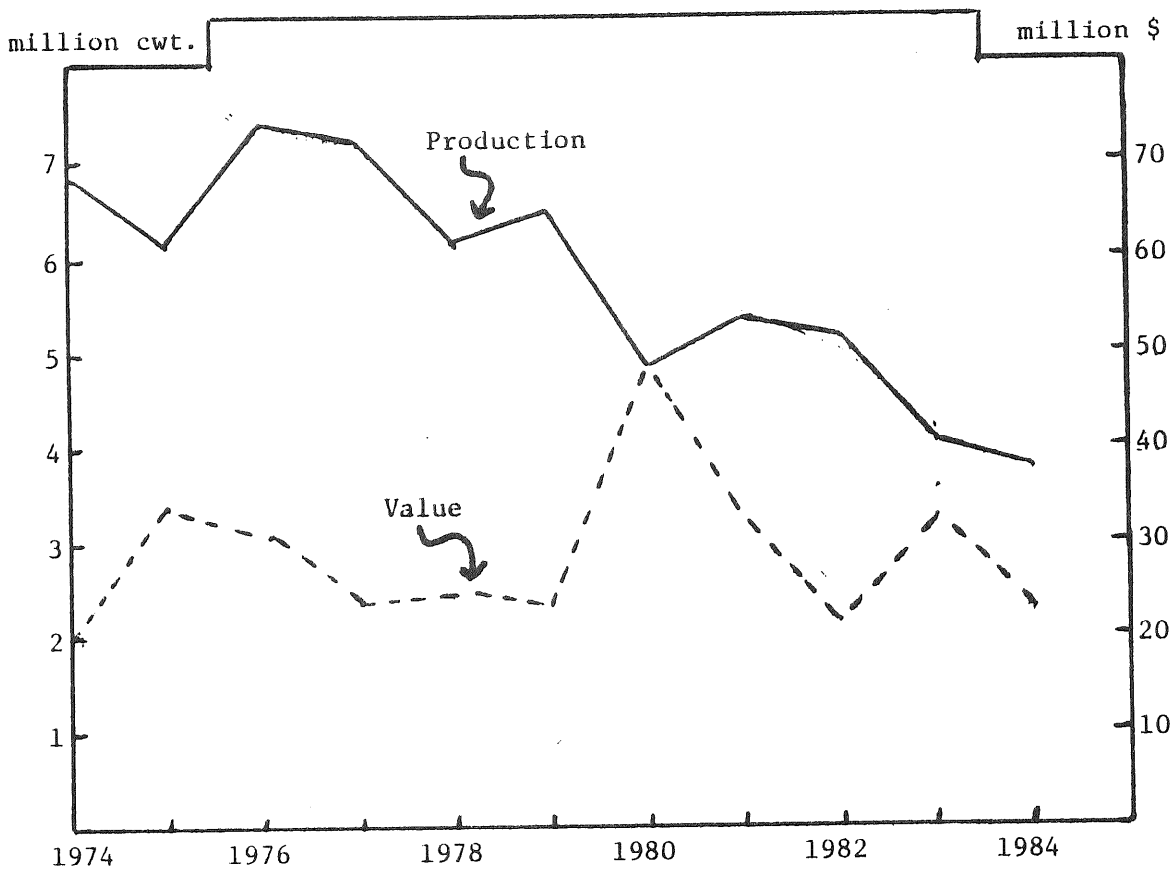


Unfavorable weather at planting time and variable conditions during the growing season reduced upstate New York potato production below the level of recent years although the crop was larger this year than last season. Prices were sharply lower at harvest but may recover later in the year.

Year	Harvested Acreage	Yield Per Acre	Production	Value Per Cwt.	Value of Production
	acres	cwt.	1,000 cwt.	dollars	1,000 dol.
1970-74	29,840	236	7,046	4.15	29,248
1975-79	23,600	258	6,108	5.43	33,194
1980	25,000	250	6,250	7.95	49,688
1981	25,000	275	6,875	6.40	44,000
1982	25,000	260	6,500	5.45	35,425
1983	24,500	230	5,635	7.75	43,671
1984 Ind.	25,000	250	6,250	5.80*	36,250*

* Based on October prices.

POTATOES: PRODUCTION AND FARM VALUE
LONG ISLAND



Long Island potato production continued to decline in 1984, largely due to the decrease of 5,200 acres in harvested area in the last two years. The combination of lower production and prices will result in a reduction of about one-third in the farm value of the crop this year compared to last.

Year	Harvested Acreage	Yield Per Acre	Production	Value Per Cwt.	Value of Production
	acres	cwt.	1,000 cwt.	dollars	1,000 dol.
1970-74	28,300	235	6,650	3.20	21,298
1975-79	23,020	289	6,651	4.11	27,309
1980	18,800	255	4,794	10.00	47,940
1981	18,500	290	5,365	6.20	33,263
1982	19,000	270	5,130	4.20	21,546
1983	16,300	250	4,075	8.00	32,600
1984 Ind.	13,800	270	3,726	6.00*	22,350*

* Based on October prices.

VEGETABLES FOR FRESH MARKET
AREA HARVESTED OR FOR HARVEST
New York, 1982-1984

	Harvested 1982	Harvested 1983	For Harvest 1984
	- acres -		
Sweet Corn	20,000	21,300	23,000
Cabbage: Long Island	1,200	1,100	NA
Upstate	7,500	7,200	NA
Onions*	14,000	13,300	14,100
Snap Beans	5,400	5,000	NA
Cauliflower*: Long Island	1,900	1,800	2,000
Upstate	1,800	1,700	1,900
Tomatoes	3,500	3,200	3,000
Lettuce	4,000	4,000	3,800
Cucumbers	3,500	3,100	NA
Carrots*	1,600	1,600	1,700
Celery	730	730	NA

* Includes acreage for both fresh market and processing.
SOURCE: New York Crop Reporting Service.

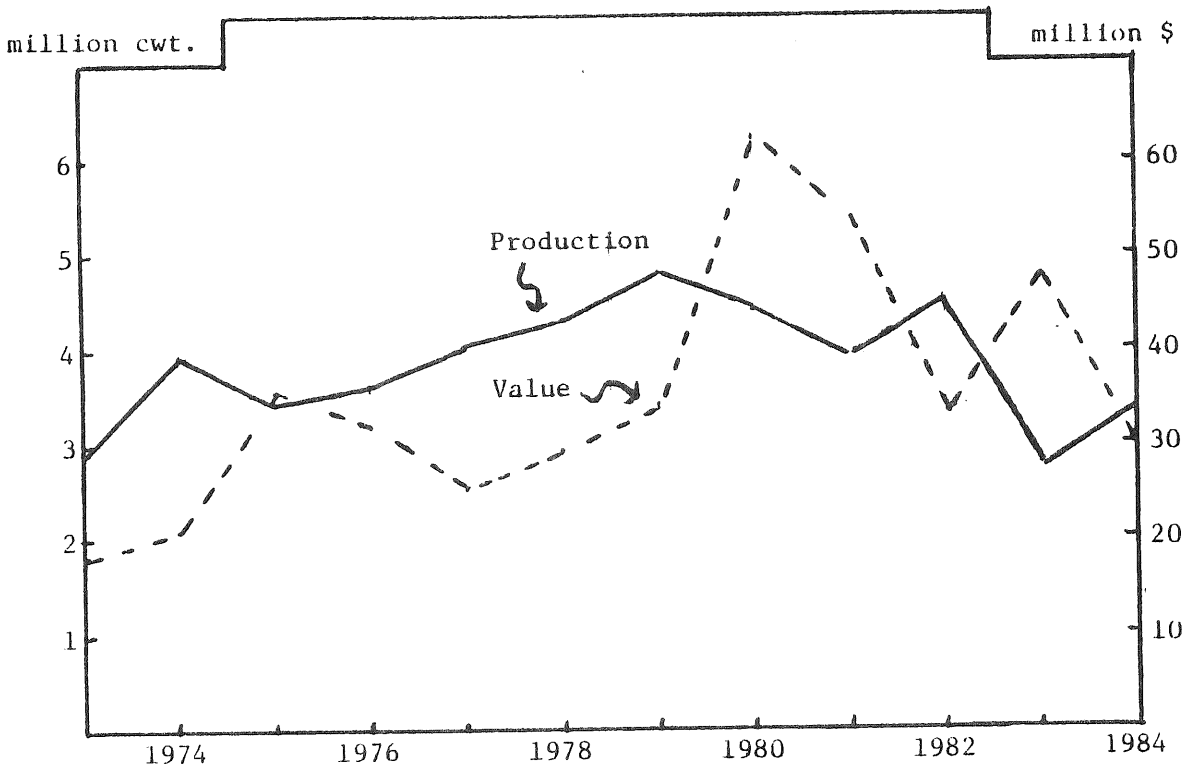
The acreage of vegetables for fresh market appears to be increasing in New York, especially for sweet corn and cauliflower. Unfavorable weather for a second year in a row severely reduced yields of onions in Orange County. Higher onion production in other areas, however, helped contribute to a somewhat greater output than last year although the total is still lower than the average of recent years.

NEW YORK ONIONS BY SECTIONS, 1982-1984

Section	Acreage 1982	Acreage 1983	Acreage For harv. 1984	Yield Per Acre 1982	Yield Per Acre 1983	Yield Per Acre Ind. 1984	Production 1982	Production 1983	Production Ind. 1984
	- acres -			hundredweight			- 1,000 cwt. -		
Orange County	7,650	7,250	7,500	330	205	220	2,525	1,486	1,650
Orleans-Genesee	2,900	2,850	2,900	340	215	240	986	613	696
Oswego	850	850	1,200	360	260	340	306	221	408
Madison County	1,100	1,000	1,000	280	195	200	308	195	200
Steuben-Yates-Ontario	950	850	950	295	210	300	280	179	285
Wayne and other	550	500	550	267	198	264	145	99	145
NEW YORK Total	14,000	13,300	14,100	325	210	240	4,550	2,793	3,384

SOURCE: New York Crop Reporting Service, Vegetables.

ONIONS: PRODUCTION AND FARM VALUE, NEW YORK

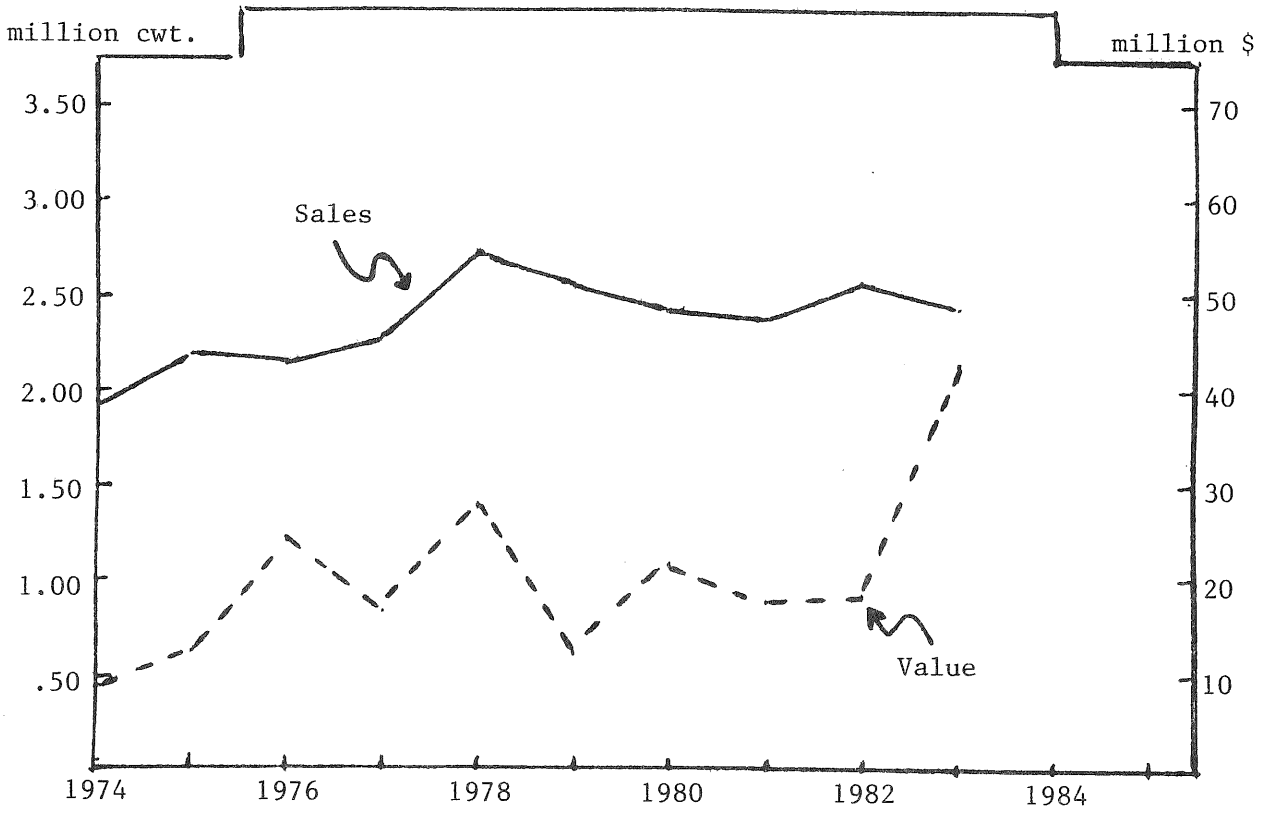


The 1984 crop of summer storage onions was estimated as of October 1 at 21.2 million hundredweight, up 10 percent from last year and 3 percent over 1982. The New York crop at 3.3 million hundredweight is 21 percent larger than last year but still substantially below the average of previous years. Large supplies especially in the West depressed markets early in the season.

Year	Harvested Acreage	Yield Per Acre	Production	Value Per Cwt.	Value of Sales
	acres	cwt.	1,000 cwt.	dollars	1,000 dol.
1970-74	13,220	273	3,607	5.40	16,712
1975-79	13,800	294	4,052	9.26	31,720
1980	14,800	310	4,433	15.10	62,612
1981	14,300	275	3,933	14.70	53,390
1982	14,000	325	4,550	8.23	33,521
1983	13,300	210	2,793	19.40	47,444
1984 Ind.	14,100	240	3,384	9.00*	30,500*

*Based on October prices.

CABBAGE UPSTATE FRESH MARKET: SALES AND FARM VALUE
New York, 1974-1983



Production and sales of fresh market cabbage in Upstate New York increased during the 1970s but have amounted to about 2.5 million hundredweight during the past few years with some minor fluctuations. The value of the crop, however, has varied widely from one year to the next. In 1983, freezing temperatures over the holiday season severely damaged the cabbage crop in Texas and Florida and brought record prices for New York storage cabbage during the winter. Increased production, possibly encouraged by last year's prices, has resulted in much lower prices and slow movement this year.

Year	Harvested Acreage	Yield Per Acre	Total Production	Sales	Price Per Cwt.	Value of Sales
	acres	cwt.	1,000 cwt.	1,000 cwt.	dollars	1,000 $
1975-79	7,420	374	2,772	2,380	7.13	16,980
1980	7,400	324	2,398	2,198	9.80	21,533
1981	7,200	325	2,340	2,145	8.25	17,696
1982	7,500	410	3,075	2,583	6.93	17,900
1983	7,200	370	2,664	2,371	18.00*	42,650*

* Preliminary.
SOURCE: New York Agricultural Statistics, 1983.

VEGETABLES FOR PROCESSING: PRODUCTION
New York, 1982-1984

Crop	1982 Total	1982 Contract	1983 Total	1983 Contract	1984 Contract
	- thousand tons -				
Snap Beans	100.4	97.7	88.2	86.1	87.5
Beets	61.6	NA	32.2	NA	NA
Cabbage for Kraut	81.4	NA	51.2	NA	NA
Sweet Corn	129.6	129.2	132.9	130.6	162.4
Green Peas	14.9	14.9	13.8	13.8	12.9

NA - Not Available.

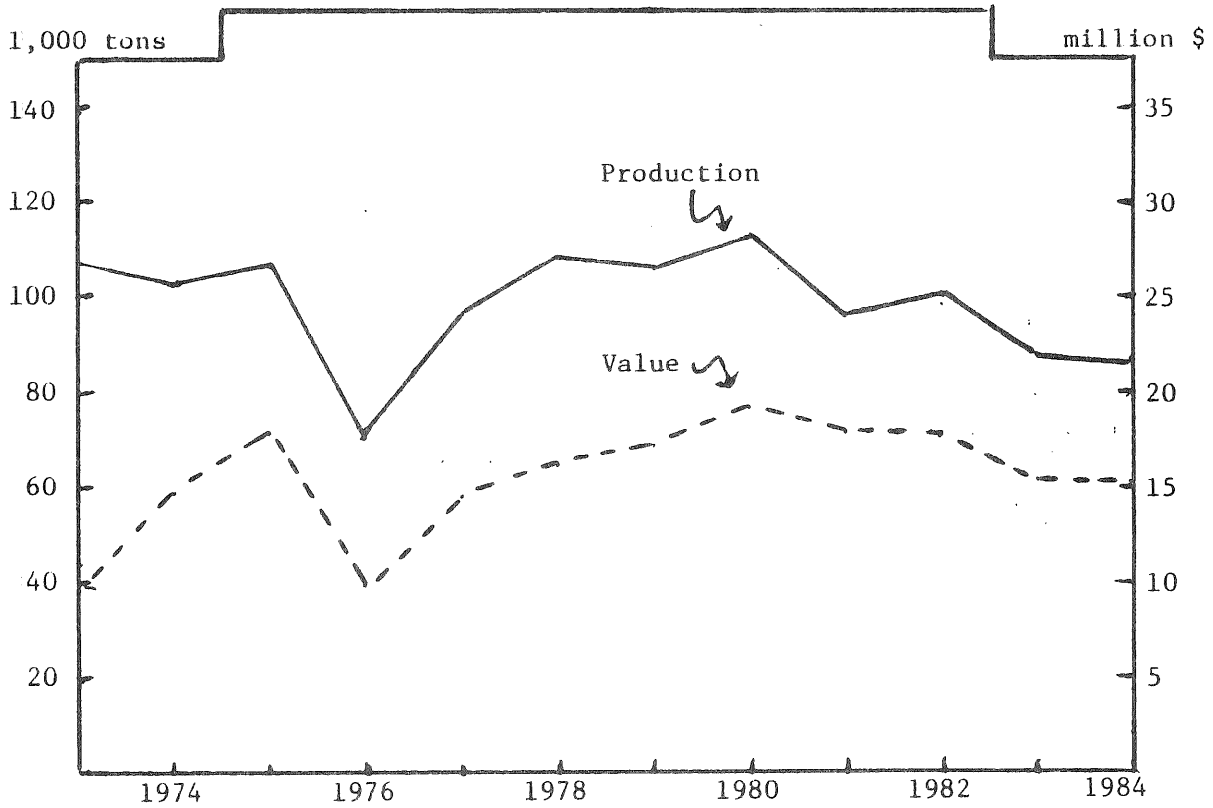
U.S. carryover supplies of canned and frozen vegetables, except for canned tomatoes and frozen lima beans, were down sharply this year compared to last and especially low for canned snap beans, beets, green peas and sauerkraut. An increase in production of the four principal vegetables for processing - snap beans, sweet corn, green peas, and tomatoes - of 13 percent was forecast earlier this season. Even with the increase in pack that will likely be forthcoming, some canned vegetables may be in short supply. There should be adequate supplies of frozen vegetables to meet market demand.

VEGETABLES FOR PROCESSING: PRODUCTION
United States, 1982-1984

	1982 Total	1982 Contract	1983 Total	1983 Contract	1984 Contract
Snap Beans	644.7	611.0	587.4	557.6	608.0
Sweet Corn	2,747.6	2,736.5	2,210.6	2,202.3	2,596.3
Green Peas	521.2	521.2	416.1	416.1	486.2
Tomatoes	7,299.0	7,093.2	7,032.2	6,877.1	7,522.1

SOURCE: Vegetables, USDA.

SNAP BEANS FOR PROCESSING: PRODUCTION AND FARM VALUE, NEW YORK



SOURCE: New York Crop Reporting Service.

Early indications are that the carryover of canned snap beans into the 1984-85 marketing season would be substantially below normal, amounting to only about 10 percent of recent seasonal supplies, and the 1984 pack only moderately higher than the previous year so that supplies for the coming year may be tight. The carryover and pack of frozen beans, however, should be sufficient to meet market demand without major changes in wholesale prices.

Year	Harvested Acreage	Yield Per Acre	Production	Value Per Ton	Total Value
	acres	tons	tons	dollars	1,000 dol.
1970-74	47,540	2.03	96,450	104.62	10,091
1975-79	45,980	2.12	97,300	152.80	14,874
1980	46,400	2.44	113,220	169.00	19,134
1981	38,900	2.47	96,080	185.00	17,775
1982	35,600	2.82	100,390	178.00	17,869
1983	33,800	2.61	88,220	178.00	15,703
1984*	33,000	2.65	87,450	180.00	15,750

* Based on August indications.

DRY EDIBLE BEANS: PRODUCTION BY STATES
1981-1984

	1981	1982	1983	Ind. 1984
	- thousand hundredweight -			
California	4,105	3,585	2,357	3,092
Colorado	2,683	2,128	1,680	2,040
Idaho	4,277	2,594	1,452	2,484
Michigan	7,198	7,975	4,550	4,290
Nebraska	4,025	3,286	2,188	2,925
New York	578	686	308	442
North Dakota	4,565	2,520	1,648	2,300
Other States	4,752	2,789	1,335	2,474
U.S. Total	32,183	25,563	15,518	20,047

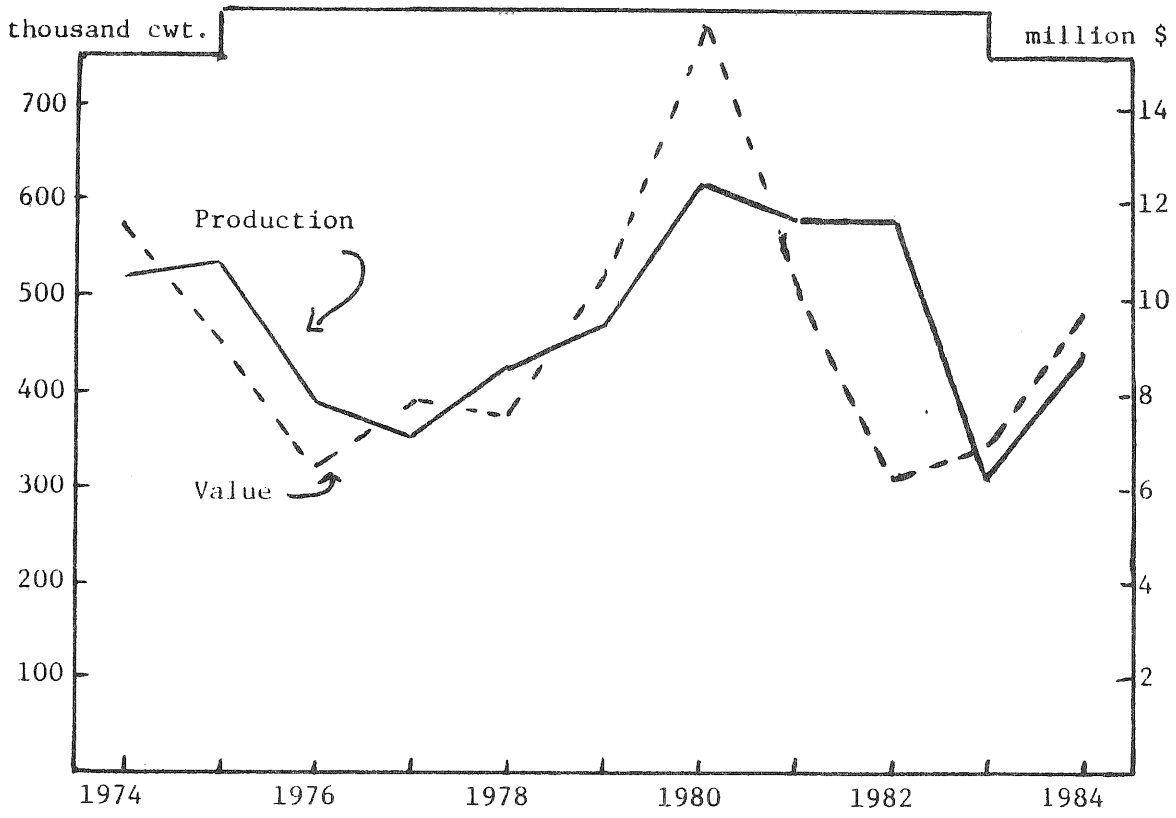
SOURCE: Crop Production, USDA.

U.S. 1984 dry bean production at 20.0 million hundredweight is 29 percent larger than the short crop of 1983, smaller than the crops of 1981 and 1982, but larger than the 18 million hundredweight crops considered typical of the 1970s. Increases in production were general across the country except for Michigan, and especially significant in Idaho and in states not considered major producers of dry beans. The short crop in Michigan will probably reduce available supplies of pea beans, and result in relatively higher prices for white beans in general. Supplies of colored beans may be more than adequate this year.

DRY EDIBLE BEANS: PRODUCTION BY CLASSES
United States, 1980-1983

	1980	1981	1982	1983
	- thousand hundredweight -			
Pea (Navy)	5,717	5,550	7,937	4,618
Great Northern	2,112	2,686	2,736	1,940
Pinto	10,008	14,029	6,980	4,106
Red Kidney	1,757	1,542	2,036	987
Pink	1,750	1,941	872	636
Black Turtle Soup	1,451	2,244	236	46
Large Lima	758	639	580	486
Baby Lima	447	661	530	485
Blackeye Ca.	698	875	1,050	608
Other classes	1,402	724	887	490
U.S. TOTAL	26,100	32,183	25,049	15,254

DRY EDIBLE BEANS: PRODUCTION AND FARM VALUE
NEW YORK



U.S. 1984 production of dry beans at 20.3 million hundredweight is about 30 percent larger than the small 1983 crop, and somewhat larger than the crops of the 1970s prior to the large Mexican purchases. This factor combined with weak export markets has put pressure on prices for some classes and movement has been slow. With increased acreage and higher yields in New York, however, the farm value of the crop this year should be substantially above the level of the past two years.

Year	Harvested Acreage	Yield Per Acre	Total Production	Average Farm Value	Value of Production
	thousand	pounds	thous. cwt.	dol. per cwt.	1,000 dol.
1970-74	49	1,121	547	15.39	8,416
1975-79	40	1,105	437	18.00	7,866
1980	48	1,280	614	26.50	16,271
1981	47	1,250	578	17.50	10,115
1982	49	1,200	588	11.50	6,210
1983	28	1,100	308	22.70	6,992
1984 Ind.	34	1,300	442	22.00*	9,700*

* Based on October prices.

Table 1: The Changing American Household

	1970	1982
"Families"	81.2%	73.1%
Married couples	70.5	59.4
Single parent		
Male headed	1.9	2.4
Female headed	8.7	11.3
Single person household	17.1	23.2
Others, non-family	1.7	3.7
Average household size	3.14	2.72

Source: Current Population Reports, Series P-23, No. 130, Table 7 and Figure 9.

Table 2: Marriage and Divorce

	1970	1982
Median age at first marriage		
Males	23.2	25.2
Females	20.8	22.5
Divorces per 1,000 married persons	47.0	114.0

Source: Current Population Reports, Series P-23, No. 130, Table A-1.

Table 3: Living Arrangements of Children under 18

	1970	1982
% living with:		
2 Parents	85.2	75.0
Mother only	10.8	20.0
Father only	1.1	1.9
Others	2.9	3.1

Source: Current Population Reports, Series P-23, No. 130, Table 11.

Table 4: Labor Force Participation Rates by Age and Sex (September, 1984)

Age	Male	Female
16-19	53.3	50.4
20-24	84.4	70.2
25-34	97.4	70.1
35-44	95.4	70.9
45-54	91.1	63.0
55-59	79.9	50.1
60-64	56.8	33.6
65-69	26.0	14.6
70 and over	11.9	4.4
65 and over	17.1	7.6
Overall LFPR, 1983	76.3	53.0
Overall LFPR, 1973	79.3	44.8
Overall unemployment, 1983	9.7	9.2
Overall unemployment, 1973	4.0	6.0

Source: Employment and Earnings, V. 31, #10, Tables A2 and A4.

Table 5: Employment of Family Members

	% with at least 1 full time worker	% with 1 worker	% with no employed person
All families	63.0	72.0	28.0
with children under 18	60.9	70.8	29.2
Married couples	71.6	80.0	20.0
with children under 18	72.4	81.7	18.3
Families maintained by women	38.4	49.5	50.5
with children under 18	26.6	38.3	61.7
Single parent families maintained by men	56.1	63.5	36.5
with children under 18	42.6	53.5	46.5

Source: Employment and Earnings, V31, #10, Table A68.

Table 6: Labor Force Participation Rates and Unemployment Rates in Families

	LFPR		Unemployment Rate	
	Males	Females	Males	Females
Married	79.3	53.3	3.8	5.6
spouse present	NA	NA	3.8	5.3
with employed spouse	92.1	62.1	3.3	5.2
with unemployed spouse	92.0	61.3	11.4	17.1
with spouse not in the labor force	64.7	20.5	3.9	5.7
Single parent families	74.3	61.1	7.1	10.1
Widowed, separated, divorced	NA	NA	7.8	7.7
Single persons	NA	NA	8.3	7.0

Source: Employment and Earning, V31, #10, Tables A10 and A11.

Table 7: Labor Force Participation of Married Women with Husbands Present

	1970	1982
No Children	66.6	79.8
Children under age 6	30.4	48.7
Children ages 6 to 17	51.0	66.9

Source: Current Population Reports, Series P. 23, #130, Figure 20.

Table 8: Median Weekly Earnings (second quarter, 1984)

	Total	White	Black	Hispanic
Overall	$501	$508	$366	$385
Married couples	545	551	460	412
One earner-husband	415	424	328	305
One earner-wife	204	206	175	a
Two earners (H&W)	686	693	614	561
Single parent families				
Maintained by Women	279	302	238	281
Maintained by Men	408	431	345	406

a) Sample was less than 100,000 so no medians were taken.

Source: Employment and Earnings, V31, #10, Table A71.

Table 9: Median Family Income, 1983

All families		$24,580
By race:		
White		25,757
Black		14,506
Hispanic		16,956
By region:		
Northeast		26,678
Midwest		24,730
South		22,495
West		25,592
By family type:		
Married couple, 1 earner		21,809
Married couple, 2 earners		32,107
Male householder		21,845
Female householder		11,789
By marital status and sex:		
	Male	Female
Married, spouse present	18,856	6,047
Married, spouse absent	12,143	6,890
Widowed	9,251	6,584
Divorced	16,092	10,959
Single	9,500	6,399

Source: Current Population Reports, Series P-60, No. 145, Table A and Table 9.

Table 10: Median Income, 1973-83

	Current $	1983 $
1973	$12,051	$26,926
1975	13,719	25,310
1977	16,009	26,231
1979	19,587	26,757
1981	22,388	24,451
1983	24,580	24,580

Source: Current Population Reports, Series P-60, No. 145, Table 2.

Table 11: Families Below the Poverty Line

	Below Poverty Line 1970	Below Poverty Line 1983	Below 125% of Poverty Line 1970	Below 125% of Poverty Line 1983
All persons	12.6%	15.2%	17.6%	20.3%
Persons 65 + over	24.5	14.1	33.9	22.4
Female headed households	38.1	40.2	46.4	47.8
Female headed households with children under 18	53.0	55.4	62.9	63.2
Poverty Lines, 1983				
1 Person 15-64	$5,180			
65 + over	4,775			
2 Persons 15-64	6,697			
65 + over	6,023			
3 Persons	7,938			
4 Persons	10,178			
5 Persons	12,049			
6 Persons	13,630			
7 Persons	15,500			
8 Persons	17,170			
9 or more Persons	20,310			

Source: Current Population Reports, Series P-60, No. 145, Tables 15, 16, and 1A.

Table 12: Median Income Deficit of Families in Poverty

	All Families	Female Headed
Total	$ 3,557	$ 3,983
White	3,225	3,697
Black	4,080	4,391
Hispanic	3,750	4,222

Source: Current Population Reports Series P60, No. 145, Table 20.

Table 13: Receipt of Non-Cash Benefits

	% of Families Receiving
Employer provided health insurance	59.0
Employer provided pension coverage	45.6
Medicare	24.6
Medicaide	10.2
Subsidized housing	3.4
Free/Reduced price school lunches	6.4
Food Stamps	8.5

Source: Current Population Reports, Series P-23, No. 130, Figure 31.

Table 14: Distribution of Family Income

	(Constant 1982 Dollars)		
Family Income ($)	1969	1976	1982
Less than 3,000	2	2	3
3,000-4,999	4	5	7
5,000-7,499	6	7	7
7,500-9,999	10	11	14
10,000-14,999	13	12	13
15,000-24,999	13	11	11
25,000-29,999	11	10	9
30,000-39,999	17	15	13
40,000-49,999	8	9	7
50,000 and more	9	12	10
Mean	27,603	28,860	26,259
Median	23,020	23,147	19,446

Source: Federal Reserve Bulletin, September 1984.

Table 15: Share of Family Income by Deciles

	1969	1976	1982
Lowest	1	1	1
Second	3	3	3
Third	5	4	4
Fourth	6	6	5
Fifth	8	7	7
Sixth	9	8	8
Seventh	11	10	10
Eighth	12	13	13
Ninth	16	16	16
Highest	29	32	33

Source: Federal Reserve Bulletin, September 1984.

Table 16: Population Distribution and Projections

Age	1982	2000	2030
17 and Under	27%	25.1%	21.6%
18-39	36.9	30.9	27.4
40-64	24.5	30.9	29.9
65 and Over	11.6	13.1	21.1

Source: Current Population Reports Series, P-23, No. 130, Figure 37.

Table 17: Age-Dependency Ratio

	1970	1982
Overall	78	62.9
Youth (number 18 and under per 100 persons 18-64)	60.6	44.1
Aged (number 65 and over per 100 persons 18-64)	17.5	18.8

Source: Current Population Reports, Series P-23, No. 130, Table A4.

Table 18: Consumer Installment Credit Outstanding
(millions of dollars)

	1982	1983	1984 (July)
Total	355,849	396,082	435,367
Automobile	131,086	142,449	159,649
Revolving	69,998	80,823	85,588
Mobile home	22,254	23,680	24,751
Other	132,511	149,130	165,379
Debt/Income ratio	.1376	.1443	.1459

Source: Federal Reserve Bulletin, Sept. 1984, Tables 1.55 and 2.17.

Table 19: Mortgage Debt

Conventional mortgages	1982	1983	1984 (July)
Purchase price (thousands)	94.6	92.8	97.1
Loan amount (thousands)	69.8	69.6	73.6
Loan/price ratio	76.6	77.1	78.2
Maturity	27.6	26.7	28.2
Fees as a percent of loan	2.95	2.40	3.13
Contract rate	14.47	12.20	11.97
Average monthly mortgage payment	857.87	736.41	760.61
Outstanding debt on 1-4 family units (in millions)	1,205,717	1,214,592	1,281,922

Source: Federal Reserve Bulletin, Sept. 1984, Tables 2.53 and 1.54.

Table 20: Families Holding Selected Assets

	1970	1977	1983
Liquid Assets			
Checking accounts	75%	81%	79%
CD's	8	14	20
Savings accounts	65	77	62
Money Market accounts	n.a.	n.a.	14
Savings Bonds	27	31	21
Other financial assets			
Stocks	25	25	19
Municipal bonds	} 2	2	3
Other bonds		2	3
Median holdings (1983 dollars)	2051	2542	1967
Mean holdings (1983 dollars)	11274	15224	12934
Total Financial Assets			
Median holdings (1983 dollars)	2307	3033	2300
Mean holdings (1983 dollars)	23295	24273	24128

Source: Federal Reserve Bulletin, September, 1984.

Table 21: Financial and Liquid Asset Holdings of Families, 1983

Characteristic	Percent of families owning liquid assets	Liquid assets (dollars)[1]		Total financial assets (dollars)	
		Mean	Median	Mean	Median
Family income (dollars)					
Less than 5,000	57	2,177	500	3,254	513
5,000–7,499	70	3,663	1,000	4,296	1,000
7,500–9,999	75	5,378	800	6,114	848
10,000–14,999	87	9,549	1,719	11,619	2,205
15,000–19,999	93	9,130	1,513	12,021	1,780
20,000–24,999	95	11,365	2,105	14,078	2,385
25,000–29,999	97	12,509	2,798	18,539	3,349
30,000–39,999	99	17,783	4,717	22,752	5,950
40,000–49,999	99	16,285	7,828	32,342	10,631
50,000 and more	99	45,541	19,886	125,131	31,658
Age of family head (years)					
Under 25	81	1,972	600	2,646	746
25–34	87	4,274	1,203	7,963	1,514
35–44	91	8,911	3,000	14,414	3,750
45–54	89	14,826	3,308	23,009	4,131
55–64	91	25,439	7,425	54,951	9,338
65–74	88	30,666	9,676	65,339	11,400
75 and over	86	26,481	7,885	37,060	10,350
Education of family head					
0–8 grades	72	9,552	1,490	10,598	1,502
9–11 grades	77	11,394	1,519	14,437	1,800
High school diploma	91	11,822	2,212	17,221	2,550
Some college	93	13,165	2,888	24,466	3,785
College degree	98	25,112	7,825	61,016	10,977
Occupation of family head					
Professional, technical	97	19,276	5,521	32,226	7,727
Manager	96	22,651	7,720	47,713	10,650
Self-employed manager	96	34,784	11,110	125,983	15,150
Clerical or sales	94	13,623	3,255	24,433	4,225
Craftsman or foreman	90	9,690	2,105	13,592	2,775
Operative, labor, or service worker	79	6,122	1,115	7,441	1,316
Farmer or farm manager	93	38,619	8,500	42,118	10,203
Miscellaneous	74	15,169	1,275	21,751	1,372
Housing status					
Own	94	18,385	5,000	34,534	6,069
Rent or other	78	6,759	1,000	12,010	1,100
Race of family head					
Caucasian	93	16,050	3,500	30,560	4,500
Nonwhite and Hispanic	66	6,217	961	7,339	1,000
Life-cycle stage of family head					
Under 45 years					
Unmarried, no children	89	4,980	1,303	7,920	1,700
Married, no children	91	6,338	2,384	9,479	2,894
Married, with children	92	6,460	1,677	10,177	1,842
45 years and over					
Head in labor force	93	20,962	6,230	42,790	8,199
Head retired	86	28,203	6,725	50,170	8,747
All ages					
Unmarried, with children	67	4,016	775	11,062	961
All families	**88**	**14,695**	**2,850**	**27,365**	**3,500**

Source: Federal Reserve Bulletin, Sept. 1984.

1. The figures for mean and median liquid and total financial assets in this table differ from those in table 9 because the latter include families without liquid or financial assets.

Table 22: Median amount of assets of families holding such assets, 1983

Dollars

Characteristic	Financial assets										Other assets	
	Liquid assets					Other financial assets						
	Checking account	Savings account	Money market account	Certificates of deposit	IRA or Keogh account	Savings bonds	Stocks	Bonds	Nontaxable holdings[1]	Trust	Property	Business
Family income (dollars)												
Less than 10,000	300	500	3,160	5,799	2,000	205	1,957	1,827	6,923	3,282	15,000	20,00
10,000–19,999	400	840	5,250	13,250	2,500	200	3,500	10,000	12,240	2,654	20,000	12,86
20,000–29,999	500	1,100	7,250	11,902	2,000	300	2,000	6,250	3,000	5,750	29,375	31,25
30,000–49,999	625	1,500	6,000	10,000	3,332	475	3,250	8,500	6,500	10,000	40,000	42,50
50,000 and more	1,700	3,837	14,000	18,046	4,500	500	13,512	20,000	26,604	15,000	83,000	100,00
Age of family head (years)												
Under 35	300	500	4,388	4,000	2,000	200	1,200	7,511	2,747	2,957	25,000	13,50
35–44	500	1,194	6,000	8,717	3,000	300	3,300	5,272	8,673	8,000	40,000	40,00
45–54	600	1,400	15,250	8,250	3,790	330	3,623	8,400	16,500	10,000	27,000	52,50
55–64	995	1,588	7,400	12,255	4,000	750	7,250	12,500	17,500	15,500	40,000	55,00
65 and over	987	2,412	11,156	19,892	6,000	846	10,150	20,500	21,932	20,791	40,000	83,20
Housing status												
Own	600	1,500	9,213	11,000	4,000	352	5,000	15,000	14,125	10,000	35,750	52,50
Rent or other	400	572	5,000	7,957	2,250	288	2,500	5,511	9,914	3,032	30,199	20,69
Race of family head												
Caucasian	535	1,240	8,000	10,000	4,000	326	4,673	10,000	15,726	10,000	40,000	47,70
Nonwhite and Hispanic	400	700	10,000	10,000	2,500	288	989	17,500	2,417	1,616	20,000	50,00
Life-cycle stage of family head												
Under 45 years												
Unmarried, no children	400	525	5,000	4,500	2,875	200	2,073	10,000	5,750	400	32,500	13,50
Married, no children	500	890	4,750	5,200	2,918	300	1,550	1,100	5,500	6,016	40,450	24,69
Married with children	350	1,000	6,000	5,400	2,376	200	2,500	5,272	7,676	2,960	31,546	30,00
45 years and over												
Head in labor force	750	1,550	10,000	10,000	4,000	500	5,040	10,000	22,500	12,872	40,000	55,00
Head retired	900	2,188	11,156	19,392	4,000	800	10,000	17,500	13,740	20,500	31,000	97,50
All ages												
Unmarried with children	264	460	4,000	5,000	1,728	263	1,650	850	10,298	3,200	20,250	13,39
All families	**500**	**1,151**	**8,000**	**10,000**	**4,000**	**325**	**4,016**	**10,000**	**14,125**	**10,000**	**35,000**	**50,00**

1. Municipal bonds and shares in certain mutual funds.

Source: Federal Reserve Bulletin, Sept. 1984.

Table 23: Selected characteristics of asset owners and assets, by type of asset, 1983.

Type of asset	Percent of all families owning	Median size of asset (dollars)	Median income of owners (dollars)	Median total financial assets of owners (dollars)	Percent held by selected families, ranked by income	
					Top 10 percent	Top 2 percent
Financial assets, total						
Liquid assets	88	2,850	21,600	3,501	51	30
Checking account	79	500	23,000	4,355	41	23
Savings account	62	1,151	23,580	4,839	26	8
Money market account	14	8,000	33,190	27,360	40	15
Certificates of deposit	20	10,000	26,000	26,750	33	15
IRA or Keogh account	17	4,000	38,170	20,961	48	17
Savings bonds	21	325	29,003	8,782	26	12
Other financial assets						
Stocks	19	4,016	33,438	22,626	72	50
Bonds	3	10,000	42,500	71,952	70	39
Nontaxable holdings[1]	3	14,125	52,575	115,250	86	71
Trust	4	10,000	32,128	25,395	46	34
Other assets						
Property	19	35,000	31,000	12,036	50	20
Business	14	50,000	32,138	11,300	78	33

1. Municipal bonds and shares in certain mutual funds.

Source: Federal Reserve Bulletin, Sept. 1984.