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Price pressures may moderate for the next few months but civilian supplies of some commodities, especially durables, are expected to be reduced over the longer run while incomes are expected to increase. Thus, inflationary pressures are expected to strengthen again later this year. Agricultural production in 1951 is expected to exceed the previous record established in 1949 if weather conditions are average or better, largely because of increased output of livestock products. These conclusions are reached in a recent USDA review of demand and price prospects.

The number of farms in the United States in 1950 was 5,379,043, according to a recent report of the Census Bureau. The decline from 1945 was 480,126, due in part to changes in the definition of a farm. The 1950 number of farms and the per cent decline from 1945 for Seventh District states follows: Illinois, 195,246, 4.4 per cent; Indiana, 166,633, 5.3 per cent; Iowa, 203,189, 2.8 per cent; Michigan, 155,575, 11.2 per cent; and Wisconsin, 168,567, 5.2 per cent. A farm, for census purposes, is a tract of three or more acres on which agricultural products, exclusive of a home garden, with a value of $150 or more were produced in 1949, also, places of less than three acres if the value of agricultural products sold amounted to $150 or more.

Current trade expectations regarding meat price controls are about as follows: dollars and cents ceilings on beef within a week at levels that will reflect approximately January 15 live cattle prices; price ceilings on carcass beef by grade at wholesale, publication of equivalent live cattle prices by grade, and requirements that packers keep average paying prices for cattle within these levels; and a flat ceiling on hogs by the end of April, possibly around $22.50 at Chicago, no variation by grade or weight. Packers generally expect continued strong meat prices during the summer, at ceiling levels.

Farm machinery manufacturers may order as much steel for June as their monthly average use in the first six months of 1950, according to a recent National Production Authority order—M-55. Companies caught in a squeeze may appeal for an adjusted base. This action is said to have been in response to strong recommendations by interested farm and industry groups. The USDA is attempting to help plants obtain necessary materials to maintain production currently but apparently is unable to fill all needs.

Social security tax returns are due this month for the first time for those farmers regularly employing hired labor.

The deferment policy for farm workers was clarified somewhat recently with the announcement that registrants employed in the production of substantial quantities of agricultural commodities necessary to the national health, safety, or interest may be deferred, at the discretion of local boards, if they cannot be replaced because of a shortage of persons with such skills or if their loss would materially reduce the effectiveness of the production activity.

The planting season is off to a slow start, according to the Illinois Crop Reporting Service which estimates that only one per cent of the oats was planted by April 3, compared with a usual of about 25 per cent for that date. The situation is not yet serious except for the southern part of the state. A late spring in the Corn Belt probably would result in a substantial shift in acreage from oats to corn and soybeans.

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