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FARM-RETAIL PRICE SPREADS, JULY 1948 ^{1/}

Retail Prices of Farm Food Products
Rise to New Record in July

Retail prices of farm food products advanced nearly 1 percent from June to July. Retail cost of a family "market basket" ^{2/} of farm food products rose from \$703 in June to a new all-time high of \$709 in July. The level of retail prices measured by the retail cost for July 1948 was more than 11 percent higher than a year earlier.

Retail food prices for August are not yet available, but weekly wholesale prices published by the Bureau of Labor Statistics show declines from mid-July to late August that average nearly 2 percent for foods and more than 4 percent for farm products.

Prices Received by Farmers for Food Products
Remain Below the January Record

Prices received by farmers for food products rose more than 4 percent from mid-June to mid-July, carrying the farm value of the "market basket" up from \$362 in June to \$377 in July. The farm value in July fell below the January record of \$381 by slightly more than 1 percent. From July 1947 to July 1948, the farm value of the market basket advanced by nearly 15 percent. A preliminary estimate for mid-August shows the farm value higher than in July by only a small fraction of 1 percent.

Food Marketing Charges in July
Nearly 3 Percent Below June

Charges for marketing the foods in the family market basket declined to \$340 in mid-June from a record high of \$345 in mid-May and continued the decline to \$331 in July. Marketing charges in July were the lowest since March when they amounted to \$318 for the market basket. In January, when prices received by farmers reached their highest point,

^{1/} Based on latest available retail price data.

^{2/} The "market basket" contains quantities of farm food products equal to 1935-39 average annual purchases per family of 3 average consumers. Full details are presented in USDA Misc. Pub. 576. "Price Spreads Between Farmers and Consumers for Food Products, 1913-44."

Table 1.- THE MARKET BASKET: Retail cost of 1935-39 average annual purchases of farm food products by a family of three average consumers, farm value of equivalent quantities sold by producers adjusted for value of byproducts, marketing margin, and farmer's share of the consumer's food dollar, 1913-47.

Year	: Retail cost : : 1/ : : Dollars	: Farm value : : adjusted : : for : : byproducts : : 2/ : : Dollars	: Margin : : Dollars	: Marketing charges : : (including tax : : and payment : : adjustments) : : 3/ : : Dollars	: Farmer's : : share : : 4/ : : Percent	: Marketing : : charges as : : percentage : : of retail : : cost : : 5/ : : Percent
1913-15 average	268	123	145	145	46	54
1920	568	245	323	323	43	57
1922	408	163	245	245	40	60
1929	435	183	252	252	42	58
1933	276	89	187	185	32	67
1935-39 average	340	137	203	201	40	59
1940	317	128	189	189	40	60
1941	347	154	193	192	44	55
1942	407	196	211	211	48	52
1943	458	236	222	227	52	50
1944	450	237	213	225	53	50
1945	459	247	212	228	54	50
1946	528	283	245	254	54	48
1947	643	5/343	5/300	299	53	47
1947--July	638	5/328	5/310	5/309	5/51	48
August	650	341	309	308	52	47
September .	667	363	304	303	54	45
October ...	664	367	297	297	55	45
November ..	669	363	306	305	54	46
December ..	684	373	311	311	55	45
1948--January ...	695	381	314	314	55	45
February ..	673	347	326	325	52	48
March	664	346	318	318	52	48
April	5/682	350	5/332	5/332	51	49
May	5/691	346	5/345	5/345	50	50
June	5/703	5/362	341	5/340	51	48
July	709	377	332	331	53	47

- 1/ Calculated from retail prices collected by the Bureau of Labor Statistics and the Bureau of Agricultural Economics.
- 2/ Payments to farmers for equivalent quantities of farm produce minus imputed value of byproducts obtained in processing.
- 3/ Marketing charges equal margin minus processor taxes plus Government payments to marketing agencies.
- 4/ Farmer's share of consumer's food dollar calculated from farm value before addition of producer payments.
- 5/ Revised.

those marketing charges totaled \$314. Marketing charges for food increased more than 7 percent during the last 12 months--from \$309 in July 1947 to \$331 in July 1948.

From mid-July 1947 to mid-July 1948 retail cost of the market basket increased \$71. This increase in retail costs was divided between farmers and marketing agencies--farm value received an increase of \$49 and marketing charges an increase of \$22.

Farmer's Share of Retail Food Dollar
Rises to 53 Cents in July

At mid-July the farmer's share of the consumer's dollar spent for farm food products averaged 53 cents--the highest since the record-matching share of 55 cents in January. The farmer's share rose from a 5-year low of 50 cents in May to 51 cents in June and 53 cents in July. The revised estimate of the farmer's share for July 1947 was 51 cents and the 1935-39 prewar average was 40 cents.

Meat Products Show Greatest Price Increase
From June to July

Retail prices of meat products rose more than 3 percent from mid-June to mid-July to lead price rises among all food groups. Increases in retail prices averaged 1 percent for dairy products and 1 percent for miscellaneous products. Negligible increases were also shown for canned fruits and vegetables and for poultry and eggs. These increases were largely offset by a 5-percent decline in retail prices of fresh vegetables and a 1-percent decline in cereal products other than bakery.

During the 12 months from mid-July 1947 to mid-July 1948, increases in retail prices averaged 19 percent for meats, 16 percent for dairy products, 9 percent for all-grain products, 4 percent for all fresh and processed fruits and vegetables, and 1 percent for miscellaneous products. The only important exception was a 10-percent decline in retail prices for the group of canned fruits and vegetables, but this did not prevent the increase for the total group of all fruits and vegetables. A number of other individual products showed declines in retail prices during the year. These included white flour, apples, cabbage, potatoes, prunes, and sugar.

Prices received by farmers in local markets showed average increases, from June to July, of 7 percent for meat animals (excluding imputed value of byproducts), 5 percent for poultry and eggs, 2 percent for all fruits and

: C O R R E C T I O N S :

: In issue for August 1948 :

: :

: Page 7, first two lines of first paragraph :

: under "Transportation" should read "transportation" :

: charges account for roughly 10 percent of the total :

: market charges for all food products" :

: :

: Page 26 table 8; "Food expenditure, Actual," for:

: 1947, should read \$340 instead of \$304. :

vegetables, and 2 percent for all ingredients of bakery products. Price decreases at the farm level averaged 3 percent for fresh vegetables, 3 percent for miscellaneous products, and 1 percent for cereal products other than bakery. During the 12 months ending at mid-July 1948, increases in farm value averaged 27 percent for meat products, 19 percent for dairy products, and 7 percent for poultry and eggs. The farm value of canned fruits and vegetables declined by 10 percent but the farm value of fresh fruits and vegetables showed an increase of 1 percent.

Among meat products, price increases during the year ending at mid-July 1948 were greatest for beef, amounting to 28 percent at retail and 35 percent in prices received by farmers. Increases for lamb averaged 24 percent at retail, and 27 percent to farmers. Retail prices of pork, including lard, increased 8 percent, whereas farmers received an increase of 18 percent in the price at which hogs were sold.

From July 1947 to July 1948 the retail price of white bread rose 11 percent, although the return to farmers for an equivalent quantity of wheat declined 5 percent, and marketing charges, including cost of other bread ingredients, rose 14 percent.

Marketing Charges Lower for Meat, Poultry, and Produce

Poultry and eggs show the largest decline in marketing charges from June to July among major food groups--an average of 11 percent. Declines for other products averaged 6 percent for meats, 6 percent for fresh vegetables, and 1 percent for dairy products. Among meats, the sharpest decline in marketing charges was 14 percent for pork (including lard) and the declines for beef and lamb averaged 1 and 2 percent, respectively. Comparison of July 1948 with July 1947 shows increases in marketing charges for all food groups, except declines of 10 percent for canned fruits and vegetables and 2 percent for miscellaneous products. The increases averaged 13 percent for bakery and other cereal products, 12 percent for dairy products, 7 percent for all fruits and vegetables, 5 percent for poultry and eggs, and 3 percent for meat products.

The farmer's share of the consumer's dollar spent for meat products rose from a 6-year low of 64 cents in May to 70 cents in June and 73 cents in July. This was 5 cents higher than the share of 68 cents in July 1947 and it compares with the 1935-39 average of 53 cents. Among meats, the sharpest advance in the farmer's share was for pork (including lard), which rose from 68 cents in June to 73 cents in July. The farmer's share of the retail dollar spent for dairy products rose from 60 cents in June to 61 cents in July, compared with prewar average of 50 cents. For poultry and eggs, the farmer's share rose from 67 cents to 71 cents compared with 66 cents in 1935-39. The farmer's share of the retail dollar spent for fresh vegetables rose from 35 cents in June to 36 cents in July, but it was only slightly higher than the prewar average of 34 cents for 1935-39.

For a few products the farmer's share of the retail dollar in July 1948 was less than the prewar 1935-39 average. These products include eggs, down from 77 to 74 cents; cornmeal, down from 47 to 46 cents; and apples, down from 41 to 38 cents.

NEW PUBLICATIONS

1. "Marketing and Manufacturing Margins for Hides and Skins, Leather, and Leather Products", by L. D. Howell, Agricultural Economist. USDA Technical Bulletin 961, July 1948. 87 pp., illus.

This report deals with the spread between prices of hides and skins, and prices to consumers for finished products, the component charges and costs involved, and the possibilities of reducing them. Break-downs of the consumer's dollar are developed for 1939 and estimated break-downs by agencies are presented for each of the years 1935-46. A quantity of data on marketing margins and charges and costs is summarized and analyzed.

2. "Analysis of Hedging and Other Operations in Grains Futures", by L. D. Howell, Agricultural Economist. USDA Technical Bulletin 971, August 1948. 83 pp., illus.

Market operations in grain futures are analyzed with respect to relation of cash prices to prices of futures contracts, protection afforded by futures as hedges, relation of futures trading to market price fluctuations and to farm prices and gains and losses from other operations. Data analyzed are for the period 1924-25 to 1940-41. Data for more recent years were excluded as they were considered to be abnormal with respect to trading in grain futures.

Table 2 .- Price spreads between farmers and consumers - food products: Retail price, farm value of equivalent quantities sold by producers, byproduct adjustment, marketing margin, and farmer's share of retail price, July 1948

Commodity	Unit	Farm equivalent	Retail	Farm value of equivalent quantities sold by producers				Marketing margin for farmer's share by-products	Government marketing taxes (-) and payments (+)	Adjusted margin (marketing payments to producers)	Government payments to producers	Adjusted farm value	Adjusted farmer's share	
				Dollars	Dollars	Dollars	Dollars							Dollars
Market basket			708.89	---	---	377.46	351.43	53	-.36	351.06	.66	378.01	68	
Meat products			219.77	172.13	12.36	159.79	69.99	73	---	59.99	---	169.78	73	
Dairy products			136.46	82.43	---	82.43	53.03	61	---	53.03	---	82.43	61	
Poultry and eggs			1935-39 annual average	53.39	37.84	---	37.84	16.55	71	---	16.55	---	37.84	71
Bakery and other cereal products, all ingredients		Farm produce equivalent of annual family purchases	97.03	---	---	28.31	66.72	29	-.05	66.67	.07	28.38	29	
Grain			---	27.89	5.32	22.27	---	23	---	---	---	---	---	
Bakery products, all ingred.			---	1/	---	13.22	---	---	-.05	---	.07	13.29	---	
Grain			---	70.08	28.46	---	28.46	44.64	---	---	---	28.46	38	
Other cereal products			---	21.48	4.30	---	4.30	17.18	---	---	---	4.30	20	
All fruits and vegetables			---	182.97	54.40	---	54.40	98.57	---	---	---	54.40	38	
Fresh fruits and vegetables			---	118.51	49.27	---	49.27	75.24	---	---	---	49.27	38	
Fresh vegetables			---	70.08	28.46	---	28.46	44.64	---	---	---	28.46	38	
Canned fruits and vegetables			---	21.48	4.30	---	4.30	17.18	---	---	---	4.30	20	
Miscellaneous products			---	50.27	---	---	14.70	36.57	29	-.38	36.24	.46	16.18	30
				Cents	Cents	Cents	Cents	Percent	Cents	Cents	Cents	Cents	Percent	
Beef (Good grade)		2.16 lb. Good grade cuttle	Pound	80.3	2/08.5	7.3	61.2	19.1	76	---	19.1	---	61.2	76
Lamb		2.16 lb. hogs	Pound	73.8	56c	6.4	50.2	23.3	89	---	23.3	---	50.2	88
Pork (including lard)		1.41 lb. hogs	Pound	49.1	38.5	.6	36.0	13.1	73	---	13.1	---	36.0	73
Butter		Butterfat and farm butter	Pound	88.7	69.8	---	69.8	20.1	77	---	20.1	---	69.8	77
Cheese, American		10.08 lb. milk	Pound	68.0	41.2	---	41.2	24.8	82	---	24.8	---	41.2	82
Evaporated milk		1.95 lb. milk	14-oz. can	15.7	9.06	---	9.06	6.6	88	---	6.6	---	9.06	88
Fluid milk		Farm retail and wholesale milk	Quart	20.3	13.55	---	13.55	6.7	87	---	6.7	---	13.55	87
Eggs		1.05 doz.	Dozen	84.2	47.2	---	47.2	17.0	74	---	17.0	---	47.2	74
Chicken		1.188 lb. chickens	Pound	54.8	36.2	---	36.2	18.1	67	---	18.1	---	36.2	67
White bread		.912 lb. wheat	Pound	14.5	3.09	.57	2.52	1.20	17	---	1.20	---	2.52	17
Whole wheat bread		.890 lb. wheat	Pound	3/	2.33	.17	2.16	---	---	---	---	---	2.16	---
Rye bread		.862 lb. wheat and .304 lb. rye	Pound	3/	3.16	.63	2.62	---	---	---	---	---	2.62	---
Soda crackers		1.408 lb. wheat	Pound	3/	4.77	.88	3.89	---	---	---	---	---	3.89	---
Corn flakes		1.06 lb. corn	8-oz. pkg.	12.3	4.88	1.71	3.17	9.1	28	---	9.1	---	3.17	28
Corn meal		1.348 lb. corn	Pound	8.8	4.86	.79	4.08	4.7	48	---	4.7	---	4.08	48
Flour, white		1.41 lb. wheat	Pound	8.7	4.77	.88	3.89	4.8	45	---	4.8	---	3.89	45
Macaroni		1.89 lb. wheat	Pound	3/	7.17	2.79	4.38	---	---	---	---	---	4.38	---
Rice		1.68 lb. rough rice	Pound	20.2	11.43	1.64	9.89	10.3	49	---	10.3	---	9.89	49
Rollod oats		2.05 lb. oats	Pound	13.9	5.56	1.13	4.42	9.5	32	---	9.5	---	4.42	32
Wheat cereal		3.017 lb. wheat	28-oz. pkg.	3/	10.21	1.21	8.30	---	---	---	---	---	8.30	---
Apples		.0224 bu. apples	Pound	12.5	4.77	---	4.77	7.7	38	---	7.7	---	4.77	38
Grapefruit		.0185 box for fresh use	Each	3/	2.92	---	2.92	---	---	---	---	---	2.92	---
Oranges		.0613 box for fresh use	Dozen	48.8	19.0	---	19.0	27.8	41	---	27.8	---	19.0	41
Beets		.0259 bu. beets for market	Bunch	3/	2.85	---	2.85	---	---	---	---	---	2.85	---
Beans, snap		.0378 bu. snap beans for market	Pound	26.2	8.81	---	8.81	11.4	44	---	11.4	---	8.81	44
Cabbage		1.10 lb. cabbage for market	Pound	5.4	2.01	---	2.01	3.4	37	---	3.4	---	2.01	37
Carrots		.0222 bu.	Bunch	10.9	3.33	---	3.33	7.6	31	---	7.6	---	3.33	31
Lettuce		.0185 ort.	Head	14.5	6.10	---	6.10	8.4	42	---	8.4	---	6.10	42
Onions		1.06 lb.	Pound	11.1	3.72	---	3.72	7.4	34	---	7.4	---	3.72	34
Potatoes		.0174 bu.	Pound	5.8	2.89	---	2.89	2.9	50	---	2.9	---	2.89	50
Spinach		.0638 bu. for market	Pound	12.8	7.54	---	7.54	5.5	57	---	5.5	---	7.54	57
Sweetpotatoes		.0204 bu.	Pound	4/	5.34	---	5.34	---	---	---	---	---	5.34	---
Grapefruit juice, canned		.045 box grapefruit for processing	No. 2 can	3/	.86	---	.86	---	---	---	---	---	.86	---
Peaches, canned		1.89 lb. California cling peaches	No. 3 1/2 can	3/	4.97	---	4.97	26.2	16	---	26.2	---	4.97	16
Beans, green, canned		.88 lb. snap beans for processing	No. 2 can	3/	4.41	---	4.41	---	---	---	---	---	4.41	---
Corn, canned		3.08 lb. sweet corn for processing	No. 2 can	20.1	3.18	---	3.18	16.9	18	---	16.9	---	3.18	18
Peas, canned		.89 lb. peas for processing	No. 2 can	14.8	4.03	---	4.03	10.8	27	---	10.8	---	4.03	27
Tomatoes, canned		2.41 lb. tomatoes for processing	No. 2 can	16.8	3.45	---	3.45	13.4	21	---	13.4	---	3.45	21
Prunes		1 lb. dried California prunes	Pound	21.1	8.00	---	8.00	13.1	38	---	13.1	---	8.00	38
Navy beans		1 lb. Mich. and W. Y. pea beans	Pound	21.1	10.41	---	10.41	10.7	49	---	10.7	---	10.41	49
Beet sugar		7.18 lb. sugar beets	Pound	9.7	4.31	.22	4.09	5.6	42	-.54	5.1	.86	4.94	51
Cane sugar		15.99 lb. sugar cane	Pound	9.4	5.18	.46	4.71	4.7	50	-.54	4.2	.91	5.62	60
Corn sirup		.054 bu. corn	24 oz.	3/	6.87	---	2.12	4.75	---	---	---	---	4.75	---
Margarine		Cottonseed, soybeans, and skim milk	Pound	42.7	---	---	14.88	29.0	34	-.60	28.4	---	14.88	34
Solid and cooking oil		Cottonseed and corn	Pint	3/	---	---	16.80	---	---	---	---	---	16.80	---
Vegetable shortening		Cottonseed and soybeans	Pound	42.9	---	---	17.94	28.0	42	---	26.0	---	17.94	42
Peanut butter		1.72 lb. farmers' stock peanuts	Pound	3/	---	---	17.9	---	---	---	---	---	17.9	---

1/ Retail estimate discontinued.
 2/ Gross farm value before adjusting for Good grade premium was 55.7 cents.
 3/ Retail price quotation discontinued.
 4/ Retail price not available.

Table 3 -- Price spreads between farmers and consumers - food products: Retail price and farm value, July 1948, compared with the 1935-39 average, July 1947 and June 1948.

Commodity	Retail unit	Retail price						Net farm value 1/					
		1935-39 average		July 1947		June 1948		1935-39 average		July 1947		June 1948	
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Hot bucket		340.47	2/338.09	2/702.81	708.89	+11	+1	137.46	2/328.35	2/362.09	377.46	+16	+4
Meat products		88.09	184.22	212.69	219.77	+19	+3	46.35	2/126.92	2/146.87	159.78	+27	+7
Dairy products		67.27	116.82	2/133.96	135.46	+16	+1	33.47	2/ 89.41	2/ 80.45	82.43	+19	+2
Poultry and eggs		26.47	2/ 50.18	53.27	53.39	+6	3/	17.66	35.41	35.89	37.94	+7	+6
Bakery and other cereal products:	1935-39 annual average	55.08	2/ 89.55	2/ 97.23	97.08	+9	5/	11.59	2/ 28.29	2/ 28.28	28.31	3/	3/
All ingredients	quantities purchased	55.08	2/ 89.55	2/ 97.23	97.08	+9	5/	11.59	2/ 28.29	2/ 28.28	28.31	3/	3/
Grain	per family of three consumers	36.63	55.35	4/	4/	---	---	5.41	2/ 13.01	2/ 12.98	13.22	+2	+2
Other cereal products		18.46	2/ 36.00	2/ 38.18	37.98	+6	-1	5.98	15.28	15.30	15.09	-1	-1
All fruits and vegetables		77.58	147.73	2/155.78	152.97	+4	-2	23.91	2/ 55.80	2/ 53.62	54.40	-3	+2
Fresh fruits and vegetables		57.64	110.45	2/121.55	118.61	+7	-2	20.30	2/ 44.91	2/ 44.58	45.27	+1	+2
Fresh vegetables		35.32	64.40	73.95	70.09	+9	-5	11.48	2/ 24.25	2/ 23.22	25.45	+5	-3
Canned fruits and vegetables		14.14	25.79	21.45	21.48	-10	5/	1.92	2/ 4.78	4.31	4.50	-10	3/
Miscellaneous products		25.97	49.79	2/ 49.68	50.27	+1	+1	4.77	2/ 13.52	15.08	14.70	+9	-3
		Cents	Cents	Cents	Cents	Percent	Percent	Cents	Cents	Cents	Cents	Percent	Percent
Beef (Good grade)	Pound	29.1	62.7	78.0	80.3	+28	+3	16.2	2/ 45.2	2/ 58.3	61.2	+35	+4
Lamb	Pound	26.8	59.2	72.8	73.5	+24	+1	13.2	2/ 39.4	49.0	50.2	+27	+2
Pork (including lard)	Pound	22.8	45.3	47.1	49.1	+8	+4	11.7	2/ 30.6	31.8	36.0	+18	+3
Butter	Pound	35.0	2/ 74.6	2/ 88.0	88.7	+19	+1	23.9	2/ 55.7	67.5	68.5	+23	+2
Cheese, American	Pound	25.9	2/ 53.3	2/ 64.1	66.0	+24	+3	13.6	2/ 30.9	39.9	41.2	+33	+3
Evaporated milk	14-oz. can	7.5	12.9	15.5	16.7	+22	+1	2.86	2/ 6.38	8.28	9.08	+42	+9
Fluid milk	Quart	11.4	18.0	20.1	20.3	+13	+1	6.32	2/ 12.02	13.29	13.55	+13	+2
Eggs	Dozen	29.0	63.8	62.5	64.2	+1	+3	22.3	47.1	44.7	47.2	3/	+6
Chicken	Pound	30.0	2/ 47.2	55.9	54.3	+15	-3	15.9	31.9	34.6	36.2	+13	+5
White bread	Pound	9.1	13.1	5/ 14.5	14.5	+11	0	1.08	2.64	2.49	2.52	-5	+1
Whole wheat bread	Pound	9.6	14.6	5/ 14.5	14.5	---	---	.90	2.27	2.20	2.16	-5	-3
Rye bread	Pound	10.0	15.6	5/ 14.5	14.5	---	---	1.04	3.06	2.67	2.82	-14	-2
Soda crackers	Pound	16.0	23.5	5/ 14.5	14.5	---	---	1.67	4.08	3.85	3.89	-5	+1
Corn flakes	8-oz. pkg.	7.9	9.9	12.3	12.3	+24	0	.84	2.78	2.82	3.17	+14	+12
Corn meal	Pound	3.0	2/ 7.5	8.7	8.8	+17	+1	1.40	4.03	4.27	4.06	+1	-5
Flour, white	Pound	3.9	2/ 8.8	2/ 8.8	8.7	-1	-1	1.67	4.08	3.85	3.89	-5	+1
Macaroni	Pound	14.9	19.7	5/ 20.0	20.2	+20	+1	1.87	4.35	5.21	4.38	3/	-18
Rice	Pound	7.2	16.9	2/ 20.0	20.2	+20	+1	2.37	8.38	9.95	9.99	+18	-1
Roller oats	Pound	7.3	11.6	2/ 13.9	13.9	+20	0	1.74	4.64	5.35	4.42	-5	-17
Wheat cereal	28-oz. pkg.	24.2	5/ 13.9	5/ 13.9	13.9	+20	0	3.66	2/ 8.28	8.40	8.30	3/	-1
Apples	Pound	4.9	12.7	2/ 12.7	12.5	-2	-2	2.03	2/ 6.59	4.28	4.77	-28	+11
Grapefruit	Each	6/	5/	5/	5/	---	---	3/	2/ 3.94	2.14	2.92	-26	+36
Oranges	Dozen	29.8	41.5	2/ 42.9	46.8	+13	+9	11.0	15.0	14.9	19.0	+46	+28
Beets	Bunch	6/	5/	5/	5/	---	---	6/	2/ 1.94	2/ 5.70	2.85	+47	-50
Beans, snap	Pound	11.3	14.8	20.0	20.2	+86	+1	4.49	2/ 6.19	2/ 8.25	8.81	+42	+7
Cabbage	Pound	3.4	5.8	8.3	5.4	-7	-14	.81	2.56	2.04	2.01	-21	-1
Carrots	Bunch	5.4	9.7	14.1	10.9	+12	-23	1.69	2/ 4.11	2/ 5.55	3.33	-19	-40
Lettuce	Head	8.7	11.9	13.4	14.5	+22	+8	2.89	2/ 6.01	5.64	6.10	+1	+8
Onions	Pound	4.5	8.1	11.5	11.1	+37	-3	1.30	2/ 3.30	2/ 4.47	3.72	+13	-17
Potatoes	Pound	2.5	5.9	6.2	5.8	-2	-6	1.25	2/ 2.92	3.25	2.89	-1	-11
Spinach	Pound	7.2	12.3	10.6	12.8	+4	+21	2.84	2/ 6.38	5.10	7.34	+15	+44
Sweetpotatoes	Pound	4.0	10.1	12.4	5/	---	---	1.65	5.12	5.02	5.34	+4	+6
Grapefruit juice, canned	No. 2 can	6/	10.9	5/	5/	---	---	6/	1.80	.90	.86	-52	-4
Peaches, canned	No. 2 1/2 can	18.7	32.4	31.0	31.2	-4	+1	2.53	2/ 5.92	4.65	4.70	-21	+1
Beans, green, canned	No. 2 can	11.4	16.6	5/	5/	---	---	1.95	2/ 4.70	4.33	4.41	-6	+2
Corn, canned	No. 2 can	12.1	18.7	20.1	20.1	+7	0	1.50	2/ 3.02	3.13	3.18	+5	+2
Peas, canned	No. 2 can	15.6	15.5	14.7	14.8	-5	+1	2.29	2/ 3.80	3.87	4.03	+6	+4
Tomatoes, canned	No. 2 can	9.4	20.1	16.8	16.8	-16	0	1.49	2/ 3.87	3.45	3.45	-6	0
Prunes	Pound	10.0	25.3	21.0	21.1	-17	3/	2.99	12.80	8.00	8.00	-38	0
Navy beans	Pound	6.5	19.6	21.2	21.1	+8	3/	3.02	13.66	2/ 11.75	10.41	-24	-12
Beet sugar	Pound	5.7	10.4	2/ 9.5	9.7	-7	+1	1.73	3.95	4.09	4.09	+4	0
Cane sugar	Pound	5.5	10.1	2/ 9.4	9.4	-7	0	1.78	2/ 4.20	4.71	4.71	+12	0
Corn sirup	24 oz.	11.5	15.5	5/	5/	---	---	1.79	4.81	4.85	4.75	-1	-2
Margarine	Pound	18.1	39.9	44.1	43.7	+10	-1	4.30	2/ 13.16	2/ 14.72	14.68	+12	3/
Salad and cooking oil	Pint	24.5	5/	5/	5/	---	---	4.44	2/ 15.28	19.44	18.90	+10	-14
Vegetable shortening	Pound	19.5	41.3	42.4	42.9	+4	+1	5.21	2/ 16.17	17.99	17.94	+11	3/
Peanut butter	Pound	17.6	33.0	5/	5/	---	---	6.1	16.4	17.9	17.9	+9	0

1/ Adjusted to exclude imputed value of non-food byproducts obtained in processing.
 2/ Revised.
 3/ Less than 0.5 percent.
 4/ Retail estimate discontinued.
 5/ Retail price quotation discontinued.
 6/ Price data not available.

Table 4 - Price spreads between farmers and consumers - food products: Marketing charges, and farm value as percentage of retail price, July 1948 compared with the 1935-39 average, July 1, 1947 and June 1948.

Commodity	Retail unit	Margins 1935-39 average	Marketing Charges 1/						Farm value as percentage of retail price			
			1935-39 average	July 1947	June 1948	July 1948	Percentage change to July, 1948 from:		1935-39 average	July 1947	June 1948	July 1948
			Dollars	Dollars	Dollars	Dollars	Dollars	Percent	Percent	Percent	Percent	Percent
Market basket		203.02	201.08	2/309.36	2/340.34	331.05	+7	-3	40	2/61	2/62	53
Meat products		41.74	40.85	2/56.30	2/63.82	59.99	+3	-6	53	2/66	2/70	73
Dairy products		33.80	33.80	2/47.41	2/53.61	53.03	+12	-1	50	59	60	61
Poultry and eggs	1935-39 annual average	8.81	8.81	2/14.77	17.38	15.55	+5	-11	66	2/71	67	71
Bakery and other cereal products, all ingredients	quantities purchased	43.70	43.04	2/61.01	2/66.90	68.67	+13	3/	21	2/32	29	29
Grain	per family of three	31.22	30.94	2/40.29	4/	4/	---	---	16	24	---	---
Bakery products, all ingred.	average	12.48	12.10	2/20.72	22.88	22.69	+10	3/	32	42	40	40
Other cereal products	consumers	---	---	---	---	---	---	---	---	---	---	---
All fruits and vegetables		53.67	53.67	2/91.93	2/102.26	98.57	+7	-4	31	38	2/34	36
Fresh fruits and vegetables		37.34	37.34	2/66.54	2/76.98	73.24	+12	-5	56	2/41	37	38
Fresh vegetables		21.84	21.84	2/40.15	2/47.73	44.64	+11	-6	34	2/38	2/35	38
Canned fruits and vegetables		12.22	12.22	2/19.01	17.14	17.18	-10	3/	14	20	20	20
Miscellaneous products		21.20	20.96	2/35.94	2/34.47	35.24	-2	+2	18	2/27	30	29
			Cents	Cents	Cents	Cents	Percent	Percent	Percent	Percent	Percent	Percent
Beef (Good grade)	Pound	12.9	12.9	2/17.5	2/19.2	19.1	+9	-1	56	2/72	2/75	76
Lamb	Pound	13.6	13.6	2/19.8	23.8	23.3	+18	-2	49	67	67	68
Pork (including lard)	Pound	10.9	10.3	2/14.7	15.3	13.1	-11	-14	52	2/68	66	73
Butter	Pound	11.1	11.1	2/18.9	2/20.7	20.1	+6	-3	68	2/75	2/76	77
Cheese, American	Pound	12.3	12.3	2/22.4	2/24.2	24.8	+11	+2	53	2/68	2/62	62
Evaporated milk	14-oz. can	4.6	4.6	2/8.5	2/7.2	8.6	+2	-8	38	2/49	53	58
Fluid milk	Quart	5.1	5.1	6.0	6.8	6.7	+12	-1	55	67	66	67
Eggs	Dozen	6.7	6.7	16.7	17.8	17.0	+2	-4	77	74	72	74
Chicken	Pound	13.1	13.1	2/16.3	21.3	18.1	+8	-15	56	2/68	62	67
White bread	Pound	8.0	7.9	10.5	12.0	12.0	+14	0	12	20	17	17
Whole wheat bread	Pound	8.7	8.6	12.3	5/	5/	---	---	9	16	---	---
Rye bread	Pound	9.0	8.9	12.4	5/	5/	---	---	10	20	---	---
Soda crackers	Pound	14.3	14.2	19.4	5/	5/	---	---	10	17	---	---
Corn flakes	8-oz. pkg.	7.1	7.1	7.1	9.5	9.1	+28	-4	11	28	23	26
Corn meal	Pound	1.6	1.6	2/3.5	4.4	4.7	+34	+7	47	54	49	46
Flour, white	Pound	2.2	2.1	2/4.7	2/4.9	4.8	+2	-2	43	46	2/44	46
Macaroni	Pound	13.0	12.9	15.3	5/	5/	---	---	13	22	---	---
Rice	Pound	4.8	4.7	8.5	2/10.0	10.3	+21	+3	33	50	50	49
Rollod oats	Pound	5.6	5.6	7.0	2/8.5	8.5	+36	+12	24	40	38	32
Wheat cereal	128-oz. pkg.	20.5	20.2	5/	5/	5/	---	---	15	---	---	---
Apples	Pound	2.9	2.9	5.1	2/8.4	7.7	+26	-8	41	52	2/34	38
Grapefruit	Each	6/	---	5/	5/	5/	---	---	6/	---	---	---
Oranges	Dozen	18.8	18.8	2/25.5	2/25.0	27.8	-2	-1	37	31	35	41
Beets	Bunch	6/	---	5/	5/	5/	---	---	---	---	---	---
Beans, snap	Pound	6.8	6.8	2/8.6	2/11.8	11.4	+33	-3	40	2/42	2/41	44
Cabbage	Pound	2.6	2.6	3.2	2/4.3	3.4	+6	-21	24	44	2/32	37
Carrots	Bunch	3.7	3.7	2/5.8	2/8.5	7.6	+38	-11	31	2/42	2/39	31
Lettuce	Head	5.1	5.1	2/6.9	7.8	8.4	+42	+8	41	51	42	42
Onions	Pound	3.2	3.2	2/4.8	2/7.0	7.4	+54	+8	29	2/41	2/39	34
Potatoes	Pound	1.3	1.3	3.0	2.9	2.9	-3	0	50	2/49	52	50
Spinach	Pound	4.4	4.4	2/5.9	2/5.5	5.5	-7	0	39	2/52	2/48	57
Sweetpotatoes	Pound	2.4	2.4	5.0	7.4	6/	---	---	41	51	40	---
Grapefruit juice, canned	No. 2 can	6/	---	9.1	5/	5/	---	---	6/	---	---	---
Peaches, canned	No. 2 1/2 can	16.2	16.2	26.5	26.4	26.5	0	3/	14	17	15	16
Beans, green, canned	No. 2 can	9.4	9.4	2/11.8	5/	5/	---	---	17	2/28	---	---
Corn, canned	No. 2 can	10.6	10.6	15.7	17.0	16.9	+8	-1	12	18	16	16
Peas, canned	No. 2 can	13.3	13.3	11.7	10.8	10.6	-8	0	15	25	26	27
Tomatoes, canned	No. 2 can	7.9	7.9	2/16.4	13.4	13.4	-18	0	18	18	21	21
Prunes	Pound	7.0	7.0	12.5	13.0	13.1	+5	+1	30	51	38	38
Navy beans	Pound	3.5	3.5	5.9	2/9.5	10.7	+81	+13	46	70	55	49
Beet sugar	Pound	4.0	3.6	6.0	2/5.0	5.1	-15	+2	30	58	2/43	42
Cane sugar	Pound	3.7	3.5	5.3	2/4.2	4.2	-21	0	32	2/43	2/50	50
Corn sirup	24 oz.	9.7	9.7	10.7	5/	5/	---	---	16	31	---	---
Margarine	Pound	13.8	13.2	2/26.1	28.8	28.4	+9	-1	24	33	33	34
Salad and cooking oil	Pint	20.1	20.1	5/	5/	5/	---	---	18	2/35	---	---
Vegetable shortening	Pound	14.3	14.3	2/28.1	24.4	25.0	+2	2/	27	---	---	---
Peanut butter	Pound	11.5	11.2	16.6	5/	5/	---	---	35	2/39	42	42

1/ Margin between retail cost and net farm value (table 3), minus Government marketing taxes plus Government marketing payments, as given below. (Tax paid by marketing agency denoted by minus sign, payment by Government to agency by plus sign.)

	July 1947 Dollars	June 1948 Dollars	July 1948 Dollars	July 1947 Cents	June 1948 Cents	July 1948 Cents
Market basket	-.38	-.38	-.38	---	---	---
Bakery & other cereal products, all ingred.	-.05	-.05	-.05	-.54	-.54	-.54
Bakery products, all ingredients	-.05	-.05	-.05	-.54	-.54	-.54
All fruits and vegetables	---	---	---	-.60	-.60	-.60
Miscellaneous products	-.33	-.33	-.33	---	---	---
Prunes	---	---	---	---	---	---
Beet sugar	---	---	---	---	---	---
Cane sugar	---	---	---	---	---	---

2/ Revised.
 3/ Less than 0.5 percent.
 4/ Estimate discontinued.
 5/ Retail price quotations discontinued.
 6/ Price data not available.

Table 5.- Farm Products: Indexes of prices at several levels of marketing, 1935-39 = 100

Year and Month	Foods			Fibers			Whole-sale prices received by farmers for cotton and wool	Whole-sale prices received by farmers for all products	Prices paid by city families for all commodities
	Retail prices of food products	Whole-sale prices of farm products	Prices received by farmers	Retail prices of clothing	Whole-sale prices of textile products	Prices received by farmers for cotton and wool			
1913	71	77	81	69	81	110	94	95	81
1914	73	80	82	91	70	77	96	94	80
1916	78	94	96	106	78	99	131	111	99
1918	108	134	151	171	128	193	279	195	141
1920	143	167	174	178	201	232	284	198	161
1929	122	126	126	133	115	127	167	138	123
1932	98	83	77	67	91	77	54	63	87
1935	98	102	106	100	97	100	109	104	100
1936	99	103	104	104	98	101	114	106	99
1937	103	106	108	114	103	107	111	114	105
1938	101	96	93	93	102	94	80	90	99
1939	99	93	89	89	100	98	87	86	97
1940	100	93	90	93	102	104	98	89	98
1941	105	102	105	112	106	119	131	108	105
1942	116	120	126	142	124	136	178	139	122
1943	124	135	135	172	130	137	190	161	134
1944	126	132	133	173	139	139	194	162	141
1945	128	135	134	180	146	141	201	169	144
1946	139	155	165	206	160	164	260	196	162
1947	159	189	213	250	186	198	295	238	197
1947									
July	158	187	211	6/239	185	6/198	6/325	239	195
Aug.	160	191	218	248	186	6/200	6/302	239	199
Sept.	164	196	227	264	188	6/201	285	245	202
Oct.	164	195	225	267	189	6/202	280	250	203
Nov.	165	196	225	264	190	204	291	247	206
Dec.	167	201	226	272	191	208	309	259	209
1948									
Jan.	169	204	228	277	192	6/209	301	262	213
Feb.	168	198	218	252	195	6/210	281	244	210
Mar.	167	195	220	252	196	211	290	245	210
Apr.	169	6/200	224	255	196	212	310	246	211
May	170	203	224	252	198	211	322	249	212
June	172	6/206	229	6/263	197	211	324	258	213
July	174	208	238	275	197	210	305	257	213

1/ Bureau of Labor Statistics, "Consumer Price Index for Moderate-Income Families in Large Cities" formerly called, "Cost of Living Index." 2/ Calculated from data compiled for "Price Spreads Between Farmers and Consumers for Food Products," Bureau of Agricultural Economics, 1945. 3/ Calculated from data of the Bureau of Labor Statistics. 4/ Cotton and wool prices weighted by production in the period 1935-39. 5/ Based on figures published by the Crop Reporting Board. 6/ Revised.

Table 6.- Indexes of consumer income and of hourly earnings in marketing
1935-39 = 100

Year and Month	Nonagri- cultural income payments ^{1/}	Monthly earnings : per employed factory worker ^{2/}	Hourly earnings in marketing enterprises			
			Class I steam railways ^{3/}	Food process- ing ^{4/}	Food market- ing ^{5/}	Cotton process- ing ^{4/}
1942	175	166	119	128	120	139
1943	216	196	121	139	130	152
1944	240	209	134	148	139	162
1945	248	202	135	154	146	176
1946	256	^{6/} 196	154	172	165	213
1947	281	220	168	196	185	253
<u>1947</u>						
June ...:	227	^{6/} 221	161	195	184	250
July ...:	278	^{6/} 219	160	196	185	251
August ..:	278	219	161	199	186	252
September:	301	225	179	197	189	254
October :	289	^{6/} 228	177	202	191	255
November:	292	229	185	205	194	271
December:	296	^{6/} 236	182	205	192	273
<u>1948</u>						
January :	297	233	183	205	195	277
February:	297	232	183	206	197	279
March ..:	296	233	181	207	196	278
April ...:	295	232	181	209	198	277
May	296	^{6/} 233	183	211	199	277
June ...:	301	^{7/}	181	212	200	277

- ^{1/} United States Department of Commerce estimates. Adjusted for seasonal variation. Revised series.
- ^{2/} Prepared in the Bureau of Agricultural Economics from data of the Bureau of Labor Statistics, not adjusted for seasonal variation.
- ^{3/} Compiled from data published by the Interstate Commerce Commission.
- ^{4/} Bureau of Labor Statistics.
- ^{5/} Weighted composite of earnings in steam railways, food processing, wholesaling, and retailing.
- ^{6/} Revised.
- ^{7/} Not available.

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