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THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
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SUMMARY

Domestic demand for poultry and eggs is likely to continue very strong through the remainder of 1948, as incomes will be at record high levels; red meat supplies will be smaller and prices higher. Supplies of both chicken meat and eggs will be slightly smaller than in the second half of last year, and prices will be somewhat higher. Supplies of turkey will be considerably smaller than in 1947 and prices will reach new record levels.

Relatively short feed supplies brought unfavorable relationships between egg prices and feed prices in the first half of this year and led to a sharp reduction in the number of chickens raised and to heavier culling rates. In June, the number of layers was 4 percent smaller than a year earlier and the number of chickens raised on farms was down 15 percent. Prospective large feed supplies and more favorable price relationships will provide strong incentives to farmers to retain larger than usual proportions of potential laying stock. However, largely because of the cut in the number of chickens raised it is likely that the number of layers and egg output will continue below a year earlier during the remainder of 1948. On January 1, 1949, numbers of layers probably will be less than a year earlier by between 5 and 10 percent.

Egg production for the remainder of 1948 will be supplemented by storage stocks which on July 1 were substantially larger than a year ago. Supplies of eggs in the remainder of the year will be only slightly smaller than a year earlier and per capita consumption in 1948 as a whole will be nearly equal to the 380 eggs consumed in 1947.

Marketings of chickens from farm flocks will be substantially smaller in the remainder of 1948 than a year earlier. However, marketings of broilers by specialized producers will be considerably greater. Supplies of chicken per person will be slightly smaller in 1948 than in 1947 but about one-fourth greater than in 1935-39.

The Agricultural Act of 1948 provides that prices of chickens and eggs shall be supported at 90 percent of parity through 1949. Turkey prices in 1949 will be supported at not less than 60 percent nor more than the levels at which the commodity was supported in 1948. Beginning January 1, 1950, the method of computing parity will be modified. The new method will result in parity prices relatively lower for eggs and higher for chickens and turkeys. At the discretion of the Secretary of Agriculture, prices of these products may be supported at any level up to 90 percent of the amended parity.

The Poultry and Egg Situation at a Glance

Item	Unit	Month	Average 1937-46	1947	1948	Month	Average 1937-46	1947	1948	Comments
				Eggs						
Farm production	Mil.doz.	May	466.2	510.7	499.3	June	380.6	432.3	418.2	
Average number of layers on farms	Million	"	322.5	339.9	323.6	"	303.3	329.7	311.4	Declined more than usual since January.
Rate of lay per hen	Number	"	17.3	18.0	18.2	"	15.0	16.0	16.1	A record.
Apparent civilian per capita disappearance	"	"	28.8	33.5	33.3	"	27.1	31.0	31.9	
Frozen egg production	Mil.lb.	"	---	78.9	50.1	"	---	82.7		
Dried egg production	"	"	---	14.0	5.5	"	---	14.2		Purchases for price support smaller than in 1947.
Prices received by farmers	Ct. per doz.	"	24.0	40.7	41.5	"	24.8	41.5	43.4	
Prices received by farmers as percentage of parity	Percent	"	91	97	90	"	93	93	91	Supply and demand for eggs in balance at slightly above support level.
Retail price (BAE)	Ct. per doz.	Apr.	32.6	56.3	59.3	May	33.0	57.2	59.3	
Egg-feed ratio	Lb.feed	May	10.4	10.5	8.9	June	10.7	10.3	9.5	Improving relative to average.
Stocks: 1/										
Shell	1,000 cases	May	6,850	3,452	4,903	June	7,985	4,203	5,662	Larger accumulations in second quarter for consumption in
Frozen	"	"	5,047	5,393	6,629	"	6,001	6,328	7,157	remainder of 1948.
Dried	Mil.lb.	"	---	39.0	3.9	"	---	43.8	11.2	
Chicks hatched	Million	"	223.6	230.1	203.2	"	102.5	90.6	97.4	Running larger for broiler production.
Chicks and young chickens on farms 1/	"	"	558.5	571.8	491.0	"	572.4	565.9	494.1	
Farm price of poultry ration	Dollars	"	2.32	3.86	4.64	"	2.32	4.03	4.59	Has declined from earlier months
				Chickens						
Prices received by farmers for chickens	Ct.per lb.	May	19.4	29.9	28.5	June	19.5	27.5	30.5	Highest on record except for September 1946.
Prices received by farmers as a percentage of parity	Percent	"	114	107	100	"	114	105	107	
Retail price of chickens (BAE)	Ct per lb.	April	35.2	49.1	55.0	May	35.5	50.0	56.2	At record level.
Prices received by farmers for turkeys	"	May	21.5	29.3	37.3	June	21.4	28.9	37.6	
Stocks: 1/										
Poultry, excluding turkeys	Mil.lb.	"	57.6	102.1	84.6	"	57.8	99.7	72.8	
Turkeys	"	"	32.6	85.6	33.3	"	29.4	71.6	27.6	
Chicken-feed ratio	Lb.feed	"	8.5	7.2	6.1	"	8.5	6.8	6.6	Improved over earlier
Turkey-feed ratio	" "	"	9.2	7.6	8.0	"	9.1	7.2	8.2	months of 1948.
Receipts of poultry at Central Western Primary Markets, per plant	1,000 lb.	"	10.9	10.4	19.0	"	16.0	15.5	17.5	

1/ End of month.

Egg Prices Now Advancing Seasonally

The demand for eggs in the United States was very high during the first half of 1948. This demand stemmed from record high per capita incomes and a strong demand for storing eggs. The per capita consumption of eggs during the first half of the year was about equal to that of the first half of 1947. Retail prices, however, averaged about 10 percent higher than in the first 6 months of last year. Also important in the strong demand for eggs was the high level of meat prices. In the first 6 months of this year, retail prices of all meat averaged 15 percent higher than a year earlier.

Supplies of meat in the remainder of 1948 will be around 10 percent smaller than in the second half of 1947. Retail meat prices will average substantially higher than a year earlier. As a result, the demand for eggs will continue at a very high level through the remainder of this year. This demand, balanced against the prospective supply, will lead to higher prices than prevailed in the second 6 months of 1947. However, the seasonal rise in egg prices from the May level of this year of 41.5 cents per dozen through next November and December may not be as great as the 40 percent (18.0 cents) advance of last year, because of the unusually small seasonal decline this spring.

Egg Production to Continue Moderately Smaller Than in 1947

The number of layers on farms at the beginning of 1948 was 1 percent less than at the beginning of 1947. During the first half of this year the rate of culling was somewhat greater than a year earlier because of less favorable relationships between feed prices and egg prices. By June, the number of layers on farms was 4 percent less than in June 1947. The rate of production per bird during the first half of 1948, however, was at a record level. Total egg production during the first 6 months of 1948 was smaller than a year earlier by only 2 percent. Egg production will decrease seasonally through November. Output during the second half of the year will continue below 1947; however, it will be augmented by the somewhat larger storage holdings of shell eggs which were accumulated during the second quarter of 1948. On July 1, the holdings of shell eggs in the United States totaled 5.7 million cases compared with 4.2 million cases on July 1, 1947. Consequently, supplies of eggs for consumption during the remainder of 1948 will be nearly as great as a year earlier.

Comparatively Few Eggs Purchased for Price Support in 1948

The national supply of eggs and the current demand for eggs during the first half of 1948 were in balance at slightly above the support level. The average price received by farmers per dozen eggs for the first half of 1948 was 44.0 cents compared with 40.5 cents per dozen in the first half of 1947. Prices to farmers for eggs in the first half of 1948 averaged

91 percent of parity compared with an average of 94 percent during the first half of 1947. In some localities, however, egg prices were depressed to relatively low levels, and purchases of dried egg were made by the Department of Agriculture to support returns to farmers. Through June 30, 1948, total purchases of dried egg by the Department were equivalent to about 30 million dozen of shell eggs. This contrasts with the purchase of about 120 million dozen eggs during the first half of 1947. Purchases through July 24 of this year totaled the equivalent of 23 million dozen eggs compared with 30 million dozen in July 1947.

Parity prices in the first half of this year averaged about .6 cents (about 8 percent) higher than in the first half of 1947. Even with somewhat smaller sales of eggs by farmers, cash receipts for eggs reached a new high record during the first half of 1948. Costs of most items used in producing eggs also were higher than in the first half of 1947, so that net income for producing eggs no doubt were smaller than a year earlier. Wholesale prices for eggs increased less from June to July this year than last, and during July were slightly lower than a year earlier.

Fewer Chickens on Farms in the Face of Record Feed Supplies

Farmers are raising substantially fewer chickens this year for flock replacement purposes. As of July 1, there were 494 million young chickens on farms from this year's hatch, 13 percent less than the 566 million birds a year earlier. This drop is the result of short feed supplies and the relatively high prices for feed and other items used in producing eggs. The reduction has been sharpest in the West North Central States where there was a 20 percent drop. For other regions, the number of young chickens on farms on July 1 was smaller than a year earlier by the following percentages: East North Central States, 12 percent; South Central States, 9 percent; North Atlantic and Western States, 8 percent; and South Atlantic States, 7 percent.

With prospects for higher egg prices and lower feed prices, farmers are likely to keep a large proportion of all potential laying stock now on farms for producing eggs during 1949. However, with smaller numbers of both laying birds and young birds, prospects are that the size of laying flocks at the beginning of 1949 will be between 5 and 10 percent smaller than a year earlier. The actual reduction will depend upon the trend of egg prices relative to feed prices and farmers' judgment as to prospective returns in producing eggs as compared with alternative livestock products. Data in table 1 indicate for the years 1931 through 1948 the proportions of layers and young chickens, respectively, at the middle of each year which were saved for producing eggs in the following year. In 1948 the number of hens on farms January 1 constituted only 48 percent of the number of layers in flocks the preceding August. This is the lowest percentage ever reported. This percentage probably will be much higher on January 1, 1949.

The number of pullets on farms January 1 as a percentage of young chickens on farms the preceding July 1 has been trending upward slightly during the past 15 years. (See table 1.) It reached a near-record of 51 percent in 1947 and 50 percent in 1948. The prospective conditions for this fall may well increase this percentage to a higher level. The upward trend in this relationship is partly due to the purchase of sexed chicks by farmers and perhaps the sale of young chickens earlier in the year.

The prospects for **feed** supplies and feed prices are based on crop conditions as of July 1, the total number of livestock on farms, and prospective livestock prices. These prospects suggest that 1948 production of the four principal feed grains would be about 126.5 million tons. This would be a record high,--one-third greater than in 1947. Supplies of other feeds also will be greater. The total supply of feed concentrates for the crop year beginning October, however, would be larger than a year earlier by only about 16 percent, since the carry-over from the current year will be much smaller than a year ago. About as many livestock will be fed during 1948-49 as in 1947-48.

Table 1.- Number of hens and pullets on farms January 1 compared with numbers of layers and young birds in middle of preceding year, United States, 1931-48

Year	Hens on farms Jan. 1	Layers on farms August preceding year	Hens as a percentage of layers	All pullets Jan. 1 1/	Chicks and young chickens on farms July 1 preceding year	All pullets as a percentage of chicks and young chickens
	Millions	Millions	Percent	Millions	Millions	Percent
1931	158	276	57	244	---	
1932	156	258	60	230	516	45
1933	154	257	60	237	550	43
1934	147	255	58	238	559	43
1935	139	246	57	212	503	42
1936	136	234	58	226	504	45
1937	130	240	54	249	570	44
1938	138	245	56	215	464	46
1939	134	236	57	242	513	47
1940	139	245	57	254	534	48
1941	141	251	56	240	499	48
1942	150	255	59	278	550	51
1943	170	290	59	319	611	52
1944	174	318	55	350	732	48
1945	172	327	53	301	595	51
1946	150	307	49	325	661	49
1947	150	294	51	285	564	51
1948	141	296	48	285	566	50
					494	

1/ Includes pullets not of laying age and pullets of laying age.

Chicken Marketings to be Smaller During the Remainder of 1948

The reduction in the number of young chickens now on farms and prospects for less close culling both old and young stock in the remainder of this year as compared with a year earlier, will result in smaller marketings of chickens during 1948. The reduction excluding specialized production of broilers probably will be most pronounced in the last month or two of the year, since the rate of culling will be relatively lightest at that time. There will be some tendency for farmers to feed their young birds to somewhat heavier weights later this year as relationships between feed and chicken prices become more favorable. The average live weight of young chickens sold has increased steadily during the 1940's.(See table 2.) The increase for the country as a whole from 1940 to 1947 was about 10 percent. This up-trend has prevailed despite fluctuations in cost-price relationships, particularly the chicken-feed price ratio.

Table 2. - Average live weight of young chickens sold, by regions and United States, 1940-47

Year	North Atlantic	E. N. Central	W. N. Central	South Atlantic	South Central	West	United States
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1940	3.6	3.3	3.7	2.6	2.5	2.8	3.3
1941	3.6	3.8	3.8	2.8	2.6	2.9	3.4
1942	3.9	3.8	3.9	2.3	2.7	3.0	3.5
1943	4.0	3.9	3.9	2.9	2.6	3.0	3.5
1944	4.0	3.9	3.8	2.9	2.7	3.1	3.6
1945	4.2	4.0	3.9	3.0	2.7	3.1	3.6
1946	4.2	4.0	3.9	3.0	2.7	3.2	3.6
1947	4.4	4.0	3.9	3.1	2.8	3.3	3.7

Broiler Production to Continue Large

The number of chicks placed in broiler houses by farmers has been decreasing seasonally in recent weeks, after increasing substantially from January to April. The present level, however, is substantially greater than a year ago. This is indicated by the output of commercial hatcheries. During June, while the output of all chicks by hatcheries in the United States was 11 percent smaller than a year earlier, the output of chicks in the South Atlantic States, the most important broiler-producing area, was greater by 38 percent. Broiler chicks are ready for market at 12 to 14 weeks of age. Thus, marketing of broilers will be substantially heavier than a year earlier this summer and fall, when farmers engage primarily in producing eggs market most of their culls and other chickens. The increase

in marketing of broilers over a year earlier will tend to offset the decline in marketings of chickens from egg-producing flocks. Production of commercial broilers in 1948 will be substantially greater than the 283 million head produced during 1947, but probably considerably under the peak of 346 million attained in 1945. The supply of chicken meat per capita in 1948 will be around 22.5 pounds compared with 23.4 pounds in 1947 and the wartime peak of 30.6 pounds. The very strong consumer demand relative to supplies of chickens and red meats will help to maintain prices near present levels, though seasonal declines are likely.

Turkey Production Considerably Smaller in 1948

Present indications point to a reduction in the number of turkeys raised during 1948 about as large as the 18 percent decline indicated by farmers earlier this year. As a result, output of turkeys will be around 28 million head, the smallest since 1938, only about two-thirds of the record 44,221,000 head in 1945. The sharpest decline is in the West North Central States, though all regions report substantial reductions. The reason for the drop is the sharp jump in costs in 1947, particularly of feed, and the prospects for continued high costs in much of 1948. Also of some importance in the Midwest, at least, was the fact that alternative opportunities appeared much more favorable to farmers.

Most finishing of turkeys takes place after harvesting of corn is well under way. In the finishing period this year, the relationship between feed and turkey prices will be exceptionally favorable, in view of the relatively small turkey crop. This will provide a considerable incentive to farmers to feed turkeys to heavier weights than in previous years. The average weight of young turkeys sold has increased gradually in recent years. In 1947, the average weight of young toms was 25 percent heavier than in 1939. (See tables 3 and 4.) The weight of young hens was up 16 percent. This is the result of changes in types of birds raised, as well as other factors. The length of feeding period cannot be varied for turkeys as it can for other species of livestock. But there is some room for variation, and farmers will tend to take advantage of that this year to increase the average weight of turkeys sold.

With the prospective output of turkeys this year, civilian per capita supplies of turkey will be about 3 pounds compared with 4.5 pounds last year, and the 1935-39 average of 2.6 pounds. Supplies per capita of chicken will be substantially greater than the prewar average, and will substitute in part for the reduction in turkey. But prices to farmers for turkeys this coming marketing season very likely will attain new record levels.

Table 3.- Turkeys, young hens: Average live weight per bird sold, by regions and United States, 1939-47

Year	North Atlantic	E. N. Central	W. N. Central	South Atlantic	South Central	West.	United States
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1939	12.1	11.9	11.8	11.8	11.2	12.4	11.9
1940	12.2	12.2	11.8	11.8	11.4	12.6	12.1
1941	12.9	12.6	12.3	12.4	12.4	13.5	12.7
1942	13.0	12.4	12.8	12.3	12.1	13.9	13.0
1943	12.3	12.5	12.7	12.3	12.1	13.7	12.9
1944	12.5	12.8	13.0	12.6	12.4	14.0	13.2
1945	13.1	13.3	13.3	13.0	12.6	14.1	13.5
1946	13.5	13.6	13.7	13.3	12.8	14.8	13.8
1947	13.3	13.7	13.9	13.2	12.3	14.8	13.8

Table 4.- Turkeys, young toms: Average live weight per bird sold, by regions and United States, 1939-47

Year	North Atlantic	E. N. Central	W. N. Central	South Atlantic	South Central	West.	United States
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1939	18.3	17.6	17.3	17.8	16.8	19.5	17.9
1940	18.6	17.9	17.7	17.7	16.7	19.8	18.1
1941	19.1	18.2	18.5	17.8	17.6	21.3	19.1
1942	19.6	18.6	19.2	18.1	17.5	22.1	19.6
1943	18.3	18.5	19.1	18.1	17.7	21.9	19.5
1944	19.1	19.4	20.2	18.6	18.4	22.6	20.4
1945	19.9	20.1	21.1	19.7	19.6	23.6	21.4
1946	20.4	21.1	22.0	20.5	19.3	24.7	22.0
1947	20.7	21.3	22.5	20.3	20.7	24.9	22.4

"Agricultural Act of 1948" as Related to Poultry and Eggs

Parity prices for poultry and eggs were used during World War II as a basis for both price support operations and maximum price regulations. Since ceilings expired in mid-1946, these prices have been used only in price-support activities. These operations were made mandatory by virtue of legislation passed early in the war specifying that the Secretary of Agriculture shall support prices of chickens, eggs, and turkeys at not less than 90 percent of parity for two calendar years following the year in which hostilities were declared terminated. Such a declaration was made by the President in late 1946. However, the Agricultural Act of 1948 has extended price support at 90 percent of parity for chickens, eggs, and some other non-poultry products until January 1, 1950. Turkeys are included among that group of commodities for which prices shall be supported, during 1949, at not less than 60 percent of parity and at not more than the level at which the commodity was supported in 1948.

Through 1949, parity prices for poultry products, as well as some other agricultural commodities, will continue to be computed by the formula contained in the Agricultural Adjustment Act of 1938 as amended. This method consists of multiplying the 1910-14 average price received by farmers for the commodity by the current monthly index of prices paid by farmers, including interest and taxes. For eggs, computation of monthly parity prices involves one additional step, the adjustments for normal seasonal variation.

An important feature of the Agricultural Act of 1948 is the amendment made in the formula for computing parity prices. The alteration, to go into effect January 1, 1950, consists of the substitution of an "adjusted base price," for the actual average price in 1910-14. The adjusted base price for any agricultural commodity will be determined by dividing the average price received by farmers for that commodity during the 10 calendar years ending with the preceding December by the index of prices received by farmers for all commodities during the same period. This adjusted base price is then multiplied by the current index of prices paid, interest, and taxes, to obtain the current parity price for the commodity. The chief effect of using "adjusted base prices" is to make the relationships among parity prices of the various commodities essentially the same as those of actual prices in the most recent 10 years. The changes in relationships among farmers' prices since 1910-14 resulted from different rates of technological changes in production and processing of farm products and shifts in domestic and foreign demands. Under the new formula, however, the overall relationship between prices received by farmers and prices paid, including interest and taxes still is the same as in 1910-14.

Egg prices in the 10 years ending December 31, 1947 were lower relative to prices received for all farm products than they were in 1910-14. Consequently the "adjusted base price" if computed for 1948 is 18.6 cents per dozen compared with 21.5 used in the present formula. A step-by-step comparison of the two methods of computing mid-June 1948 parity prices for eggs follows:

Parity Prices for Eggs Computed by the Present Method
(To be used through December 1949)

1. Average price per dozen received by farmers for eggs in 60 months, August 1909-July 1914 (cents)	21.5	(1)
2. Index of prices paid by farmers, including interest and taxes, mid-June, 1948 (1910-14 = 100) (percent)	251	(2)
3. Unadjusted parity price for eggs in mid-June, 1948 [(1) multiplied by (2), divided by 100] (cents)	54.0	(3)
4. Parity price for eggs in mid-June 1948 adjusted for normal seasonal variation [(3) multiplied by 88, the seasonal adjustment factor for June 1/ and divided by 100] (cents)	47.5	(4)

Parity Prices for Eggs Computed in Accordance With the Agricultural Act of 1948
(To be used beginning January 1950)

1. Average price per dozen received by farmers for eggs in the United States, 120 months, January 1938-December 1947 (cents)	31.2	(1)
2. Index of prices received by farmers for all commodities 120 months, January 1938-December 1947 (August 1909-July 1914 = 100) (percent)	168	(2)
3. "Adjusted base price" for eggs 2/ [(1) divided by (2)] (cents)	18.6	(3)
4. Index of prices paid by farmers, including interest and taxes, mid-June 1948 (1910-14 = 100) (percent)	251	(4)
5. Unadjusted parity price for eggs in mid-June, 1948 [(3) multiplied by (4) divided by 100] (cents)	46.7	(5)
6. Parity price for eggs in mid-June 1948 adjusted for normal seasonal variation. [(5) multiplied by 88, the seasonal adjustment factor for June, divided by 100] (cents)	41.1	(6)

1/ These seasonal factors are published each year in the July issue of Agricultural Prices.
2/ This calculation is based on the averages of prices received for 10 calendar years, 1938-47, for both eggs and for all commodities. For 1950, the first year in which the new method will be officially used, the calculation will be based on the corresponding averages for 1940-49.

Similar procedures are used for computing parity prices for chickens and turkeys, except that no adjustments are made for seasonal variation. In the 10 years ended December 1947, prices received by farmers for chickens and turkeys were higher relative to prices received for all commodities, than they were in the pre-World War I period. Hence, parities for these items computed by the new formula are higher than those computed by the formula to be used through 1949. For mid-June 1948, the comparisons were as follows:

	Eggs (Cents per dozen)	Chickens (Cents per lb.)	Turkeys (Cents per lb.)
Parity price in mid-June, 1948 (Present method)	47.5	28.6	36.1
Parity price in mid-June 1948 according to new formula	41.1	30.4	36.6
Actual prices received in mid-June 1948	43.4	30.5	37.6
Actual prices as percentages of present parities	91	107	104
Actual prices as percentages of revised parities	106	100	103

The method of using parity prices in support operations also is altered somewhat. This provision, likewise, goes into effect on January 1, 1950. For poultry and eggs, instead of basing support levels on monthly parity prices during the year, the Agricultural Act of 1948 stipulates that the support price for poultry or eggs shall not exceed 90 percent of the parity price for the commodity as of the beginning of the calendar year. This method of computing support prices is illustrated with historical data for eggs, chickens and turkeys in tables 4, 5, and 6. It is evident from these tables that the support levels based on a given percentage of parity would have been increased over those computed by the former method, for chickens and turkeys, but reduced for eggs in some years. Differences between the results of the old and new methods are due to two considerations: (1) use of different base prices for computing parity and (2) use of parity prices at beginning of year (under new formula) instead of average during year (as in the method to be used through 1949).

The Act also provided for transitional parity prices for those instances in which parity prices as calculated under the Agricultural Adjustment Act of 1938 are substantially higher than the parity prices computed by the new method described above. This provision limits declines of parity prices in any one year to 5 percent.

The Act provides that any price support operation undertaken with respect to either turkeys or chickens shall be applicable to all chickens, including broilers, after appropriate adjustments for differences in grade,

type, quality, location and other factors. Moreover, the Act provides "that if any price support operation is undertaken with respect to either chickens or turkeys, the same parity price support operation shall be undertaken with respect to ducks and ducklings and other poultry." To date, the Department has published monthly parity prices only for eggs, chickens, and turkeys.

For non-basic commodities, which include all poultry and eggs, the Secretary is authorized, but not required, to support prices at any level up to 90 percent of parity, taking into consideration the ability and willingness of producers to keep supplies in line with demand and other factors. However, if the Secretary, after a public hearing, finds support price levels higher than 90 percent of parity are "necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security," he may put such higher supports into effect.

For basic commodities which include corn and wheat, the Act provides a schedule of minimum price supports with a moving floor ranging from 60 percent of parity when the total supply is more than 130 percent of the normal supply up to 90 percent of parity when the total supply is less than 70 percent of the normal.

Table 5.- Turkey prices: Parity levels using present formula compared with "support" levels obtained using formula specified in Agricultural Act of 1948, United States, 1943-47 1/

Year	Average price per pound received by farmers preceding 10 calendar years	Index of prices received by farmers preceding 10 years (Aug. 1909-July 1914 = 100)	Adjusted base price per pound	Prices paid, interest and taxes preceding December (1910-14 = 100)	100 percent of parity for support purposes (new formula) per pound 2/	100 percent of parity prices (present formula) per pound
	Cents	Percent	Cents	Percent	Cents	Cents
1943	15.5	108	14.4	155	22.3	23.3
1944	17.4	120	14.5	167	24.2	24.3
1945	19.4	131	14.8	170	25.2	24.8
1946	21.1	140	15.1	175	26.4	27.8
1947	22.8	152.	15.0	212	31.8	33.3

1/ These comparisons are presented for illustrative purposes only. Support levels have been in effect for turkeys only since early in World War II and relatively small quantities were purchased for price support purposes. Mandatory support levels at 90 percent of parity expire at end of 1948. In 1949 prices are to be supported at not less than 60 percent of parity, using present formula. New methods of computing both parities and supports go into effect January 1, 1950 but support at any level after that date is not mandatory by law. However, the Secretary of Agriculture, at his discretion, may support turkey prices at any level up to 90 percent of parity.

2/ See text for method of computation and variation from present method.

Table 6.- Egg prices: Parity levels using present formula compared with "support" levels obtained using formula specified in Agricultural Act of 1948, United States, 1924-47 1/

Year	Average price received by farmers preceding 10 calendar years	Index of prices received by farmers preceding 10 years (Aug. 1909-July 1914 = 100)	Adjusted base price, per dozen	Prices paid, interest and taxes preceding December (1910-14 =100)	100 percent of parity for support purposes (new formula) per dozen 2/	100 percent of parity prices (present formula) per dozen
	Cents	Percent	Cents	Percent	Cents	Cents
1924	32.6	152	21.4	166	35.5	35.9
1925	33.4	156	21.4	169	36.2	36.3
1926	34.6	162	21.4	168	36.0	36.1
1927	35.3	165	21.4	167	35.7	35.7
1928	34.7	162	21.4	165	35.3	36.1
1929	33.8	156	21.7	167	36.2	35.9
1930	32.5	150	21.7	165	35.8	34.2
1931	30.2	141	21.4	153	32.7	30.2
1932	28.8	138	20.9	134	28.0	26.5
1933	27.6	132	20.9	119	24.9	25.9
1934	26.1	124	21.0	127	26.7	27.8
1935	24.9	119	20.9	132	27.6	27.8
1936	24.0	114	21.1	127	26.8	27.5
1937	23.1	111	20.8	131	27.2	28.5
1938	23.5	109	21.6	129	27.9	27.1
1939	21.6	104	20.8	124	25.8	26.6
1940	20.2	98	20.6	125	25.8	26.9
1941	19.6	96	20.4	125	25.5	28.5
1942	20.2	99	20.4	141	28.8	32.0
1943	21.8	108	20.2	155	31.3	34.6
1944	24.1	120	20.1	167	33.6	35.9
1945	25.6	131	19.5	170	33.2	37.0
1946	27.1	140	19.4	175	34.0	41.6
1947	28.8	152	18.9	212	40.1	49.8

1/ These comparisons are presented for illustrative purposes only. The Department of Agriculture has supported egg prices at specific percentages of parity only since the early part of World War II, and mandatory support of egg prices at 90 percent of parity (computed with present forumla) will expire at the end of 1949. New methods of computing both parities and support levels go into effect January 1, 1950 but support after that is not mandatory by law. The Secretary of Agriculture, at his discretion, may support prices at any level up to 90 percent of parity.

2/ See text for method of computation and variation from present method.

Table 7.- Chicken prices: Parity levels using present formula compared with "support" levels obtained using formula specified in Agricultural Act of 1948, United States, 1924-47 1/

Year	Average price per pound received by farmers preceding 10 calendar years	Index of prices received by farmers preceding 10 years (Aug. 1909-July 1914=100)	Adjusted base price, per pound	Prices paid interest and taxes preceding December (1910-14=100)	100 percent of parity for support purposes (new formula), per pound 2/	100 percent of parity prices (present formula), per pound
	Cents	Percent	Cents	Percent	Cents	Cents
1924:	18.5	152	12.2	166	20.3	19.0
1925:	19.2	156	12.3	169	20.8	19.3
1926:	20.0	162	12.3	168	20.7	19.2
1927:	20.9	165	12.7	167	21.2	18.9
1928:	21.2	162	13.1	165	21.6	19.2
1929:	21.2	156	13.6	167	22.7	19.0
1930:	21.0	150	14.0	165	23.1	18.2
1931:	20.4	141	14.5	153	22.2	16.1
1932:	19.9	138	14.4	134	19.3	14.1
1933:	19.1	132	14.5	119	17.3	13.7
1934:	18.2	124	14.7	127	18.7	14.7
1935:	17.4	119	14.6	132	19.3	14.8
1936:	16.8	114	14.7	127	18.7	14.5
1937:	16.2	111	14.6	131	19.1	15.2
1938:	15.7	109	14.4	129	18.6	14.4
1939:	15.1	104	14.5	124	18.0	14.1
1940:	14.2	98	14.5	125	18.1	14.2
1941:	13.5	96	14.1	125	17.6	15.0
1942:	13.5	99	13.6	141	19.2	17.1
1943:	14.3	108	13.2	155	20.5	18.5
1944:	15.8	120	13.2	167	22.0	19.3
1945:	17.0	131	13.0	170	22.1	19.6
1946:	18.1	140	12.9	175	22.6	22.0
1947:	19.3	152	12.7	212	26.9	26.3

1/ These comparisons are presented for illustrative purposes only. The Department of Agriculture has announced support levels for chickens only since early in World War II and relatively small quantities were purchased for support purposes. Mandatory support levels at 90 percent of parity (computed with present formula) will expire at the end of 1949. New methods of computing both parities and support levels for chickens go into effect January 1, 1950 but support after that date is not mandatory by law. However, the Secretary of Agriculture, at his discretion, may support prices at any level up to 90 percent of parity.

2/ See text for method of computation and variation from present method.