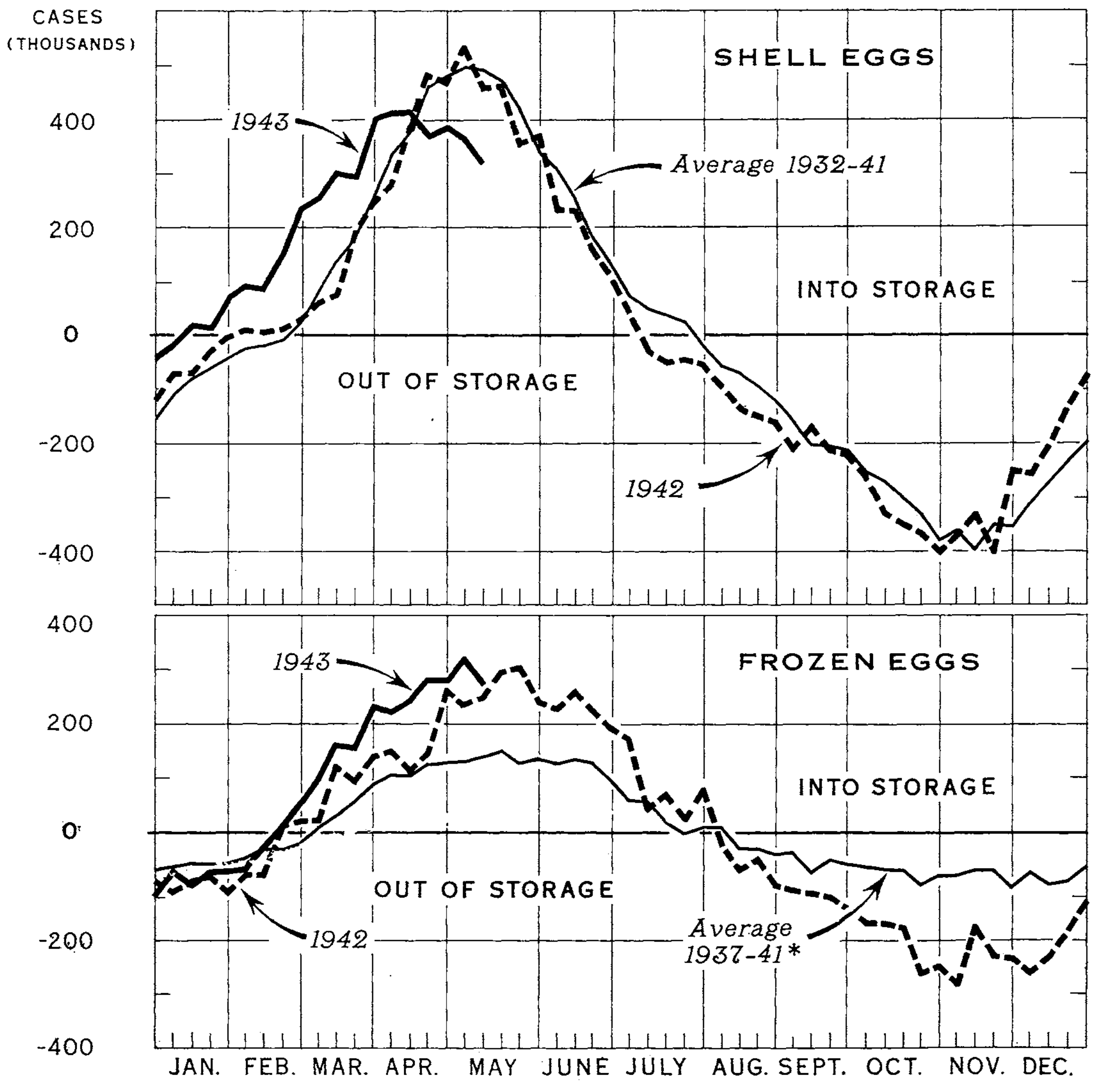
THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES-77 BAE MAY 1943

EGGS: NET STORAGE MOVEMENT AT 35 MARKETS, UNITED STATES



*DATA NOT AVAILABLE PRIOR TO 1937

U. S. DEPARTMENT OF AGRICULTURE NEG. 43018 BUREAU OF AGRICULTURAL ECONOMICS

The into-storage movement for shell eggs has been considerably smaller than a year earlier for several weeks. In mid-May stocks of shell eggs were only moderately larger than in mid-May last year and a substantial part of these were ear-marked for drying at a future date. Frozen egg production has been by far the largest on record so far this season primarily because of the demands for drying next fall and winter.

STATISTICAL SUMMARY

ITEM	UNIT	APRIL AVERAGE		1942		1943		PCT. OF YEAR EARLIER
		PERIOD	AVERAGE	MARCH	APRIL	MARCH	APRIL	
Number of layers on farms	*Million*	1932-41	299.9	355.1	343.3	410.5	393.9	115
Number of eggs laid per hen	*Number*	1932-41	16.54	15.51	17.49	15.74	17.08	98
Total farm production of eggs	*Mil. case*	1932-41	13.77	15.30	16.68	17.95	18.69	112
Stocks, eggs U. S.:[1]								
Shell	*1,000 case*	1932-41	3,676	1,798	4,638	3,236	6,214	134
Frozen	*1,000 case*	1932-41	2,172	2,864	4,256	2,645	4,589	108
Total	*1,000 case*	1932-41	5,848	4,662	8,894	5,881	10,803	121
Purchases, eggs, USDA:								
Dried[2]	*Mil. lb.*	--	--	26.7	56.8	14.0	70.3	124
Shell, direct	*1,000 case*	--	--	33	21	6	8	38
Dried egg production	*Mil. lb.*	--	--	19.7	22.5	23.4	28.3	126
Commercial hatchery operations:								
Eggs set	*Million*	--	--	398.4	429.6	441.8	478.7	111
Chicks hatched	*Million*	--	--	245.3	283.4	277.6	313.6	111
Receipts:								
Poultry, dressed, four markets	*Mil. lb.*	1932-41	15.9	19.6	22.4	13.3	8.9	40
Poultry, live, Chicago[3]	*Car*	1937-41	325	293	307	113	56	18
Poultry, live, New York[3]	*Car*	1937-41	720	648	573	736	830	145
Poultry, live, Midwest, per plant	*1,000 lb.*	1932-41	9.04	6.25	6.32	2.79	3.14	50
Fowl (hens), live, Midwest, per plant	*1,000 lb.*	1932-41	7.89	5.02	4.84	2.18	2.59	54
Stocks, poultry:[1]								
Broilers	*Mil. lb.*	1932-41	6.1	8.6	5.7	3.1	1.9	33
Fryers	*Mil. lb.*	1932-41	5.6	9.5	5.1	4.1	2.0	39
Roasters	*Mil. lb.*	1932-41	14.8	24.3	15.8	10.6	4.7	30
Fowls (hens)	*Mil. lb.*	1932-41	9.2	24.5	17.7	10.9	6.6	37
Turkeys	*Mil. lb.*	1932-41	19.9	45.8	35.5	19.0	11.5	32
Ducks	*Mil. lb.*	1933-41	1.1	1.7	1.4	0.7	0.6	43
Miscellaneous and unclassified	*Mil. lb.*	1932-41	12.0	25.3	15.6	9.5	6.0	38
Total poultry	*Mil. lb.*	1932-41	67.6	139.7	96.7	58.1	33.2	34
Prices received by farmers:								
Eggs, per dozen	*Cent*	1932-41	15.7	25.8	25.6	34.0	33.7	132
Eggs, parity price per dozen	*Cent*	1932-41	21.5	26.4	26.6	28.4	28.5	107
Eggs, percentage of parity	*Percent*	1932-41	72	98	96	120	118	—
Chickens, per pound	*Cent*	1932-41	14.0	18.0	18.4	23.5	24.6	134
Chickens, parity price per pound	*Cent*	1932-41	14.5	17.1	17.2	18.4	18.5	107
Chickens, percentage of parity	*Percent*	1932-41	96.5	105	107	128	133	—
Turkeys, per pound	*Cent*	1937-41	15.4	19.9	19.8	28.7	28.8	145
Turkeys, parity price per pound	*Cent*	1937-41	18.7	21.6	21.7	23.2	23.3	107
All farm commodities (1910-14=100)	*Index no.*	1932-41	94	146	150	182	185	123
Chickens and eggs (1910-14=100)	*Index no.*	1932-41	87	130	131	171	173	132
Wholesale prices, Chicago:								
Eggs, current receipts, per dozen	*Cent*	1932-41	16.6	27.0	27.9	35.9	35.4	127
Live heavy hens, per pound	*Cent*	1937-41	17.9	22.3	21.1	26.0	25.5	121
Live broilers, per pound	*Cent*	1937-41	22.1	24.5	24.9	27.0	27.1	109
Live roasters, light, per pound	*Cent*	1937-41	22.8	24.9	25.3	31.5	30.4	120
Live roasters, heavy, per pound	*Cent*	1937-41	24.1	27.2	28.3	33.5	31.9	113
Cash farm income:								
Total marketings	*Mil. dol.*	1937-41	572	901	982	1,303	--	145
Poultry and eggs	*Mil. dol.*	1937-41	72	119	134	199	—	167
Price ratios:								
Chicago, Broiler-feed	*Lb. feed*	1937-41	16.4	14.4	14.6	13.3	13.0	89
Chicago, Light Roaster-feed	*Lb. feed*	1937-41	19.2	14.6	14.8	15.5	14.6	99
Farm, egg-feed	*Lb. feed*	1932-41	13.8	15.5	15.3	17.7	16.8	110
Farm, chicken-feed	*Lb. feed*	1932-41	12.7	10.8	11.1	12.2	12.3	111
Farm, turkey-feed	*Lb. feed*	1937-41	12.4	12.0	11.9	14.9	14.4	121
Feed cost per cwt., farm poultry ration	*Dollar*	1932-41	1.19	1.66	1.67	1.92	2.00	120
Wholesale food prices (1935-39=100)	*Index no.*	1932-41	91.5	121.5	124.8	135.8	137.0	110
Retail food prices (1935-39=100)	*Index no.*	1932-41	95.1	118.6	119.6	137.4	—	116
Prices paid by farmers including interest and taxes (1910-14=100)	*Index no.*	1932-41	127	150	151	161	162	107
Retail prices (BLS):								
Roasters, dressed, per pound	*Cent*	1932-41	30.5	35.7	35.7	46.3	—	130
Eggs, strictly fresh, per dozen	*Cent*	1932-41	27.8	39.7	39.4	50.3	—	127
Nonagricultural employees' compensation (1935-39=100)	*Index no.*	1932-41	96.0	170.0	174.6	223.8	--	132

[1]End of month. Frozen eggs converted to case equivalent.

[2]Includes purchases for future delivery.

[3]Car equivalent of receipts by freight, truck and express.

THE POULTRY AND EGG SITUATION

Summary

Egg production in the United States has passed the yearly peak and will decline until the seasonal low in November. But, because of the much larger number of layers on farms, it is likely that egg production will continue considerably larger than in corresponding months last year through the summer and early fall. Although the number of chickens raised this year for flock replacement probably will be from 10 to 15 percent larger than in 1942, the number of layers kept for the 1943-44 laying season will depend a great deal on the outcome of this year's feed crops.

In recent weeks the egg-feed price relationship has been the most favorable on record. This favorable relationship has resulted in an unprecedented demand for baby chicks as well as lighter than usual culling of laying flocks by farmers, and has encouraged farmers to feed as well as feed supplies permit. Despite the limitation on the protein content of laying mashes, the rate of egg production per bird has continued about the same as a year earlier and above average.

Egg production during April was 12 percent larger than in April 1942. Much of the increase went into current consumption, since the net-into-storage movement of all eggs and quantities used for drying and hatching were only moderately larger than in April last year. With stored shell eggs limited largely to Government uses, supplies of eggs for civilians next fall and winter will be considerably below current levels though perhaps as large as a year earlier for the Nation as a whole. Price ceilings for eggs are scheduled to increase 7 to 15 cents per dozen from June to November, depending on grade. Wholesale prices of current receipts at Chicago in

mid-May were about 1 cent higher than in mid-April. The United States average price received by farmers in mid-April was 33.7 cents per dozen compared with 25.6 cents in mid-April 1942.

Receipts of live poultry at Midwest primary markets are increasing seasonally but have been considerably smaller than in corresponding weeks last year. Since this reduction has occurred despite a larger disappearance of layers from farms than last year, it appears that local consumption in the Midwest is much larger than it was a year ago. Sales of young chickens from specialized producing areas have been much heavier than a year earlier but supplies in all markets have been considerably short of demand. Storage stocks of poultry on May 1 were the lowest since 1918. Transactions in poultry have been completed at ceiling prices or above. The Office of Price Administration is taking steps to wipe out illegal practices in all parts of the country where poultry ceiling prices have been exceeded.

-- May 20, 1943

REVIEW OF RECENT DEVELOPMENTS

January-April Egg Production 15 Percent Larger Than a Year Earlier

The decline in number of layers from January to April this year was proportionately the same as a year earlier -- 7 percent compared with the 1932-41 average of 9 percent. The reduction in numbers, however, was larger than a year earlier and was about the same as average. The disappearance of layers from flocks from March to April was considerably larger than a year earlier. Unusually attractive prices through "black markets" for poultry may have been a factor in causing the greater reduction in numbers of fowl this year. The larger decline from March to April this year than last probably is to some extent the result of delayed culling.

The number of layers on farms during April was 14.7 percent larger than in April last year. The increase in number of layers was offset in part by a 2 percent lower rate of egg production per bird. Egg production on farms in the United States in April was 12 percent larger than a year earlier. Nevertheless, production for the first 4 months was 15 percent larger than in the corresponding period of 1942.

Production of eggs on farms for the United States as a whole reached the yearly peak during April. Receipts of eggs at Midwest primary markets have been declining since the second week of April. In the Northeast and Pacific Coast areas marketings have been declining since the third week in March and first week in April, respectively. Compared with a year earlier, receipts at primary markets in all parts of the Nation have declined during the last few weeks. This may indicate an increased movement of eggs bypassing these assembly points into consumption near producing areas, since the increase in egg production over a year ago probably is being maintained.

Total Stocks of Eggs on May 1 21 Percent Larger Than a Year Earlier

The net into-storage movement of shell eggs apparently has been declining since the middle of April; the net in-movement has been considerably smaller than a year earlier for several weeks. But, because of the relatively large quantities stored during February and March, total stocks of shell eggs in the United States on May 1 were 34 percent (1.6 million cases) larger than on May 1 last year. In mid-May stocks of shell eggs at 35 markets were 6 percent larger than in mid-May 1942.

The reduced into-storage movement for shell eggs for the past several weeks reflects the strong consumer demand and the issuance on March 22 of Food Distribution Order 40, which originally provided that all shell eggs in storage on May 31 shall be set aside for Government uses and distribution and that after May 31 no shell eggs may be stored except for Government account, directly in shell form or via dried egg contracts, unless permitted by the Director of Food Distribution.

Amendment 1 to Food Distribution Order 40, which became effective May 20, provided: (1) That all shell eggs in storage on May 20, 1943 (instead of May 31 as originally stipulated) shall be set aside and held for delivery to a governmental agency or to a drying firm having contracts for sales of dried egg to governmental agencies; (2) that no shell eggs may be placed in storage after May 20, unless such shell eggs are stored for use in fulfillment of a contract for the sale of dried whole egg to a governmental agency; (3) that after June 15, 1943 no shell eggs shall be retained in storage by an owner other than a Government agency unless such eggs are being held pursuant to a contract executed prior to June 15, 1943 with a governmental agency for the sale of dried whole eggs; (4) that a single "working inventory" may be stored at each place of business owned or leased by a handler, where shell eggs are handled. The term "working inventory" means 600 cases of shell eggs or 8 percent of all shell eggs handled by a handler at a place of business during the period from June 1, 1942 to August 30, 1942, inclusive, whichever is the greater; (5) that the War Food Administration shall purchase all shell eggs offered to it by firms having more eggs in storage than specified by the order. Such purchases will be made under Food Distribution Administration purchase announcement 1470 at no more than the applicable ceiling prices established by the Office of Price Administration.

Food Distribution Order 41, also issued on March 22, provided that liquid and frozen egg production by any person or firm in the United States in 1943 for Government account or for purposes other than drying, shall not exceed the quantities produced in the seasonal year 1942 and used for purposes other than drying. In the calendar year 1942 about 154 million pounds of frozen egg and egg products apparently were used for purposes other than drying. Of the 847 million pounds of liquid egg used in drying in the calendar year 1942, 112.4 million pounds were from storage shell eggs, 115.8 million pounds from frozen eggs and 618.6 million pounds from fresh shell eggs. A considerable part of the 172 million pounds of frozen egg in the United States on May 1 was earmarked for drying later in the year. During the first 4 months of 1943, 160 million pounds of frozen egg were produced compared with 118 million pounds in the corresponding period last year. Data on the into-storage movement of frozen egg indicate that the rate of increase over a year earlier was maintained during the first half of May.

Dried Egg Production Increased from March to April

Production of dried egg in April totaled 28.3 million pounds compared with 23.4 million pounds in March and 22.5 million pounds in April 1942. Production of dried egg in the first 4 months of 1943 totaled 84.5 million pounds compared with 67.6 million pounds in the corresponding period last year.

Offerings of dried eggs for sale to the Department of Agriculture increased somewhat in April and early May, but offerings have been heaviest for the delivery months in late fall and winter when prices will be relatively more favorable. The monthly distribution of purchases through May 15 are given in the following table.

Purchases of dried whole eggs by the Department of Agriculture, by months of delivery, through May 15, 1943

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1942	11,389	12,920	13,062	13,402	18,323	17,523	18,471	19,229	19,202	21,995	25,277	15,768
1943	7,153	20,122	12,542	21,400	16,677	6,303	796	280	1,284	5,015	10,442	29,232
1944	24,843											

On May 15, 1943 the Food Distribution Administration announced that until further notice dried egg would be purchased for next December and January delivery only from firms whose individual total offerings for each of those 2 months do not exceed deliveries to the Food Distribution Administration in April and May, respectively.

Egg Prices Increased Slightly from Mid-April to Mid-May

Wholesale prices of eggs at terminal markets increased somewhat in late April and in the first weeks of May. Although prices of some grades declined in the second week of the month, prices of eggs in general in mid-May were slightly higher than in mid-April. The average price received by farmers for eggs in the United States in mid-April was 33.7 cents per dozen compared with 25.6 cents a year earlier.

Through Amendment 5 to Maximum Price Regulation 333 issued on May 4, the Office of Price Administration announced ceiling prices that may be charged Government agencies for eggs of Wholesale Grades. Cents-per-dozen ceilings were established to cover the period from May 4, 1943 through June 26, 1943.

Purchases of Shell Eggs for Price Support Decline

Purchases by the Food Distribution Administration of shell eggs for price support in some Southern States have continued, but at a declining rate. In March about 6,317 cases were bought and in April purchases totaled 5,205 cases. The Food Distribution Administration also purchased 3,000 cases of Procurement Grade eggs and, of course, the military services continue to purchase large quantities of shell eggs as well as some dried eggs.

Poultry Marketings Increasing Seasonally

Total marketings of young chickens from specialized producing areas apparently have continued larger than a year earlier. But supplies of both live and dressed chickens have been considerably short of demand. Marketings of young chickens from commercial broiler areas usually are heaviest for the year in April and May. In the Midwest, marketings of young stock are increasing slightly but from a seasonally low level.

Although the reduction from March to April in numbers of fowl on farms was about normal and 41 percent larger than last year, available data indicate that receipts of fowl at primary markets have been smaller than a year earlier and smaller than average. In the North Central States the disappearance of layers from flocks from March to April were 35 percent larger than a year earlier. Receipts of fowl at Midwest primary markets during April, however, were between 40 and 50 percent smaller than in the corresponding period of 1942. The apparent disagreement between these indications probably reflect increased diversion of fowl to consumer channels of trade before reaching packing plants.

Storage Stocks of Poultry Reduced Further

Storage holdings of poultry in the United States declined rapidly from mid-December 1942 through March 1943. On April 1 total holdings were the smallest for that date since 1918. With supplies at such a low level, net withdrawals during April were considerably smaller than the record withdrawals in April 1942. Holdings of young chickens in storage on May 1 were the smallest on record for that date. However, stocks of fowl, turkeys, and ducks were larger than the May 1 holdings of the early 1930's. Compared with May 1, 1942, stocks of all classes for all regions were smaller on May 1, 1943 except holdings of roasters in the Mountain region and fowl in the Pacific Coast States. In these areas such holdings were moderately larger than on May 1 last year.

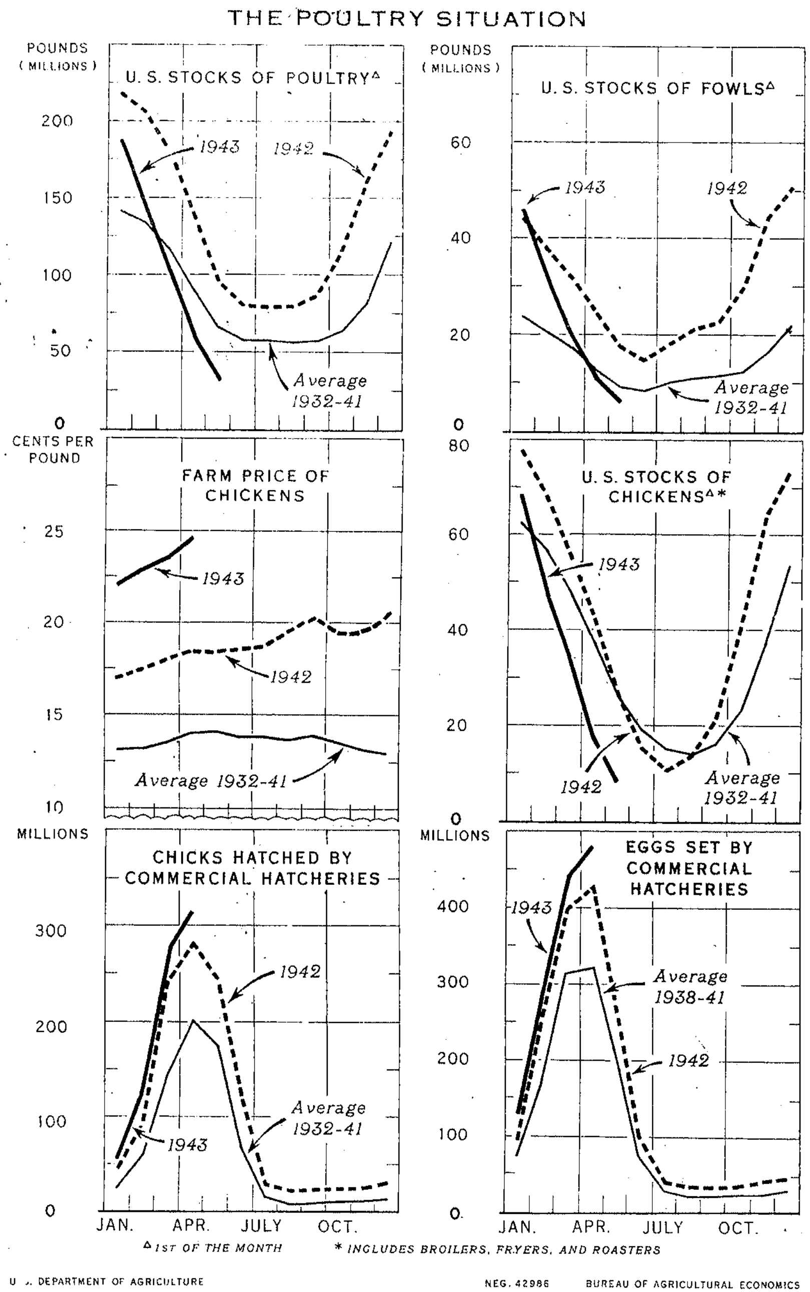


FIGURE 1

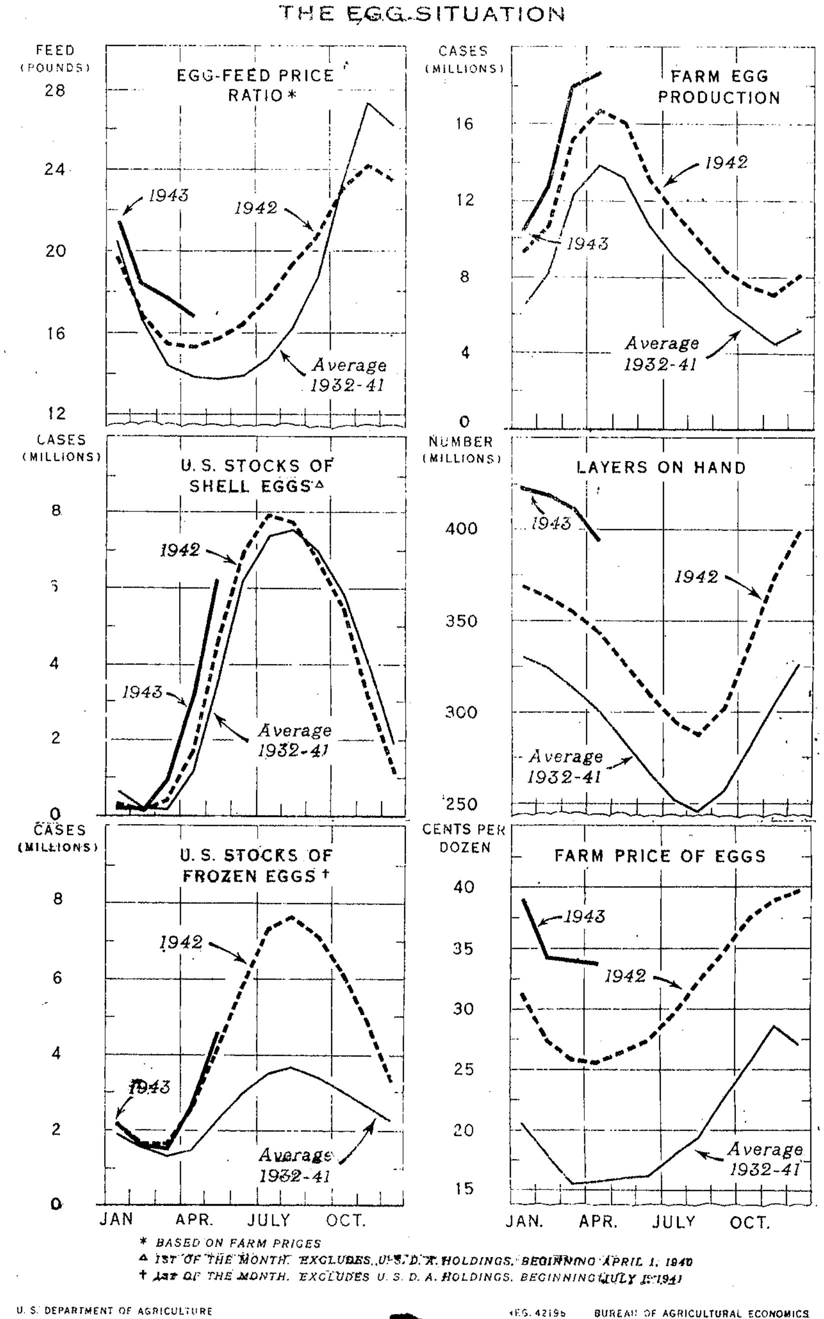


FIGURE 2

Poultry Prices Continue Firm

Because of short supplies of poultry relative to demand, quotations of both live and dressed birds have been at maximum levels permitted by Office of Price Administration regulations. Many transactions are reported to have been completed at prices above the ceilings. The Office of Price Administration is now engaged in a campaign to wipe out the "black markets" which have developed in some poultry marketing areas. Maximum prices for live poultry for 56 cities have been announced to be used as a guide for producers and dealers.

Wholesale prices of dressed young chickens at New York City in mid-May were 19 to 39 percent higher than a year earlier; prices of fowl were up from 10 to 20 percent compared with mid-May 1942. The average price received by farmers for chickens in mid-April was 24.6 cents per pound compared with 18.4 cents a year previous.

OUTLOOK

Demand for Chicks Continues Strong

With the egg-feed price ratio the most favorable on record for poultrymen and a sufficient though somewhat tight feed supply, farmers apparently are going ahead with plans to raise considerably more chickens than ever before. During the first 4 months of 1943 commercial hatcheries in the United States produced 769 million chicks compared with 682 million in the corresponding period of 1942. On May 1 there were 470 million head of chicks and young chickens on farms, an increase of 51 million head or 12 percent over a year earlier. The number of chicks hatched on farms so far this year probably has been about the same as a year earlier. Hence the number of commercial hatchery chicks not accounted for by the number on farms on May 1 (including home hatched chicks) is about 12 percent larger than a year earlier. Although nonfarm purchases of chicks apparently are much larger than last year, it is likely that most of the increased numbers of chicks not purchased for flock replacement purposes has been used by commercial broiler raisers. Commercial broilers usually are sold when between 3 and 4 months old.

Production of chicks by commercial hatcheries always has been largest in April. In April 1942 hatcheries were operating almost at capacity but the April output this year was 9 percent larger than a year earlier. By regions the increases in April chick output were as follows: North Atlantic, 13 percent; East North Central, 2 percent; West North Central, 6 percent; South Atlantic, 16 percent; South Central, 16 percent; and Western States, 18 percent On May 1 bookings in the United States for later delivery were more than double those of a year earlier. It is likely that these data overstate the increase in demand to some extent, since the relatively tight situation that has prevailed for several months with respect to hatching egg and hatchery chick supplies has induced poultrymen to order chicks farther in advance. Some hatcheries supplying chicks for broiler raisers are booked to capacity for the remainder of 1943.

Food Administration Discourages Further Expansion in Commercial Broiler Facilities

The favorable relationship that has existed between feed and chicken prices has resulted in numerous requests for preference for materials to expand broiler raising facilities. Because commercial broiler production is concentrated largely in areas that have always been deficient in feed production and because the prospective national feed supply for the coming year is smaller than a year earlier, the War Food Administration has advised poultrymen not to make further expansions in broiler raising facilities. However, if existing broiler housing facilities are used to capacity the year around, broiler production in 1943 may be about 35 percent larger than in 1942. As indicated above, the number of chicks used for broilers so far this year has been only about 12 percent larger than a year earlier. The output of broilers from late spring to early fall probably will not decline nearly as much seasonally as it usually has done in past years. Even if production of commercial broilers in 1943 is as much as 35 percent larger than in 1942 it would still be necessary to raise for meat more than 100 million young chickens in diversified farming areas as a second brood if the national slaughter goal of 4 billion pounds, dressed weight, is to be reached. The War Food Administration has advised that such out-of-season production be carried on primarily by those farmers who have sufficient labor and feed available to carry through the program.

Marketings of Young Chickens to Increase Seasonally Until Fall

Receipts of young stock at Midwest primary markets have increased in the past several weeks but are still seasonally small. These marketings will increase materially in the next few weeks and will not reach the annual seasonal peak until October or November. Marketings of commercial broilers probably will not increase much, if any, over the current level, but sales of fowl from laying flocks will increase greatly within the next few weeks. Total marketings of chickens and fowl in the second half of 1943 will be much heavier than in the corresponding period of 1942.

Egg Production to Decline Seasonally Until November

Numbers of layers on farms will decline until August and the rate of output per bird will decline until the seasonal low point is reached in November. Numbers of layers on farms, however, are likely to continue considerably larger than a year earlier through the summer and early fall. Hence, although egg production in the United States will decline seasonally through early fall, the total output is likely to be considerably larger than a year earlier.

Usually the increase in number of layers has been less than the increase in number of chickens raised in the preceding spring and summer. The number of layers on January 1, 1943 was 14 percent larger than a year earlier but the number of chickens raised in 1942 was only 11 percent larger than in 1941.

The number of chickens raised for flock replacement purposes this year probably will be from 10 to 15 percent larger than in 1942. Size of laying flocks for the 1943-44 laying season, however, will depend a great deal on the outcome of this year's feed crops. Supplies of feeds per grain-consuming animal unit for the 1943-44 season may be 10 to 15 percent smaller than in the current season. By drawing on reserve supplies of feed, thereby reducing carry-over to a relatively low level, disappearance of feed in the 1943-44 season may be as large as in the 1942-43 season. A continued favorable relationship between egg prices and feed prices would encourage farmers to delay heavy culling until absolutely necessary. Hence any sales of fowl from laying flocks because of shortages in the 1943-44 feed supply are likely to be heaviest in the late spring of 1944 after the seasonal peak of egg production has been passed.

Civilian Supplies of Eggs to Decline in Second Half of 1943

Total egg production (including nonfarm production) in the United States in the first 4 months of 1943 was 15 percent (about 250 million dozens) larger than in the corresponding period a year earlier. Quantities used for storing, drying, and hatching were 70 million dozens, 50 million dozens, and probably about 25 million dozens larger, respectively. Although increased quantities of eggs also were used for the military forces, civilian consumption on a per capita basis was substantially greater than a year earlier. With storage of shell eggs limited largely to Government uses, civilian supplies of shell eggs will decline about as production declines. As a result, supplies of eggs for civilians next fall will be considerably short of demand. In deficit winter egg-producing areas supplies are likely to be particularly small relative to demand, though for the Nation as a whole supplies may be about the same as a year earlier.

Turkey Hatchings Apparently Below a Year Ago

The demand for turkey poults has been unusually strong so far this season in line with farmers' early spring intentions to raise 12 percent more turkeys this year than were raised in 1942. In view of the smaller number of breeder hens on farms this year, however, the turkey egg supply apparently will be considerably short of the demand. Reports from 94 hatcheries showed 683,000 poults hatched in April, a decline of 2 percent from the corresponding month last year. The same plants reported 6 percent fewer turkey eggs were set in April than a year ago. The turkey poult hatching season may be lengthened somewhat, thereby helping to meet the strong demand for poults.

Feed Supplies and Prices

Livestock production is now at a record height and further increases are in prospect this year. The number of grain-consuming livestock on farms next January 1 is likely to be 5 to 10 percent larger than on January 1, 1943. If crop yields are average in 1943 the supply of feed grains per grain-consuming animal unit, including wheat and rye available for feed in 1943-44, may be 10 to 15 percent below the 1942-43 supply. Consequently, it is probable that livestock production will cut heavily into reserve feed supplies in 1943-44. However, some alternatives may be adopted. Farmers may make a choice among the following alternatives or some combination thereof in meeting the livestock-feed situation in 1943-44:

> (1) Continue the present high rate of feeding, thereby reducing drastically reserve feed supplies by the fall of 1944; (2) reduce the current rate of feeding, thereby cutting down on per animal yields of some products, such as pork, lard, and beef; (3) reduce numbers of livestock raised below numbers now in prospect.

In addition, it is possible that the quantity of wheat and rye fed could be increased and that additional imports of feed grain could be obtained from surplus-producing countries. Steps already have been taken by the War Food Administration to supplement our feed supply by such imports.

The average price paid by farmers for laying mash increased 4 cents per 100 pounds from mid-March to mid-April. The mid-April price of $3.16 per 100 pounds was 10 percent higher than a year earlier. In mid-April the egg-feed price ratio for all regions was considerably more favorable than in mid-April 1942.

Egg and Poultry Production in Canada

With favorable prices for eggs and poultry in the Dominion of Canada and relatively large supplies of feed (including wheat) available, production of eggs and poultry in that country has increased greatly since the beginning of the European war in 1939. Production of eggs on farms in Canada in 1942 totaled 274 million dozens, an increase of 12 percent over 1941. The number of chickens raised on farms in 1942 was considerably larger than in 1941. On December 1, 1942 there were 49.8 million hens and chickens on farms compared with 43.5 million on December 1, 1941. This represented an increase of 14.5 percent and provided the basis for a further material expansion in egg production in the Dominion for 1943.

On the basis of all ordinary requirements for the domestic market and such quantities as Britain may require, a production goal for eggs in Canada was established at 345 million dozens, an increase of 26 percent over 1942 and 41 percent over the output in 1941. Production of eggs on farms in Canada from 1930 through 1942 follows:

Production of eggs on farms in Canada, 1930-42

Year	Production Million dozens	Year	Production Million dozens
1930 ...	230	1937 ...	219
1931 ...	238	1938 ...	213
1932 ...	229	1939 ...	222
1933 ...	222	1940 ...	235
1934 ...	223	1941 ...	244
1935 ...	224	1942 ...	274
1936 ...	219	1943 ...	345 (goal)

Export contracts call for the shipment from Canada in dried form of the equivalent of 63 million dozens or 18 percent of the Canadian farm egg production objective. (Nonfarm production of eggs in Canada is assumed to be 20.5 million dozens annually.) Domestic consumption of eggs so far this year apparently has increased materially already and was expected to increase further with the institution of meat rationing in May. With intentions of making maximum supplies of exportable eggs available for shipment in 1943, the Special Products Board issued two orders which became effective April 8, 1943. One order prohibits the storage of liquid or frozen whole eggs, yolks, or albumen without written authority. A second order prohibits the use of Grade A large eggs for the manufacture of liquid or frozen eggs without permission from the Board.

The Dominion Department of Agriculture has established goals for the production of poultry meat as well as for eggs. The objectives for chicken and turkey production are 293 million pounds and 43 million pounds, respectively, or increases of 25 percent for chickens and 13 percent for turkeys. The Department has recommended that more producers rear two crops of chickens annually, the first to be marketed early in the summer, the second for the fall and Christmas markets.