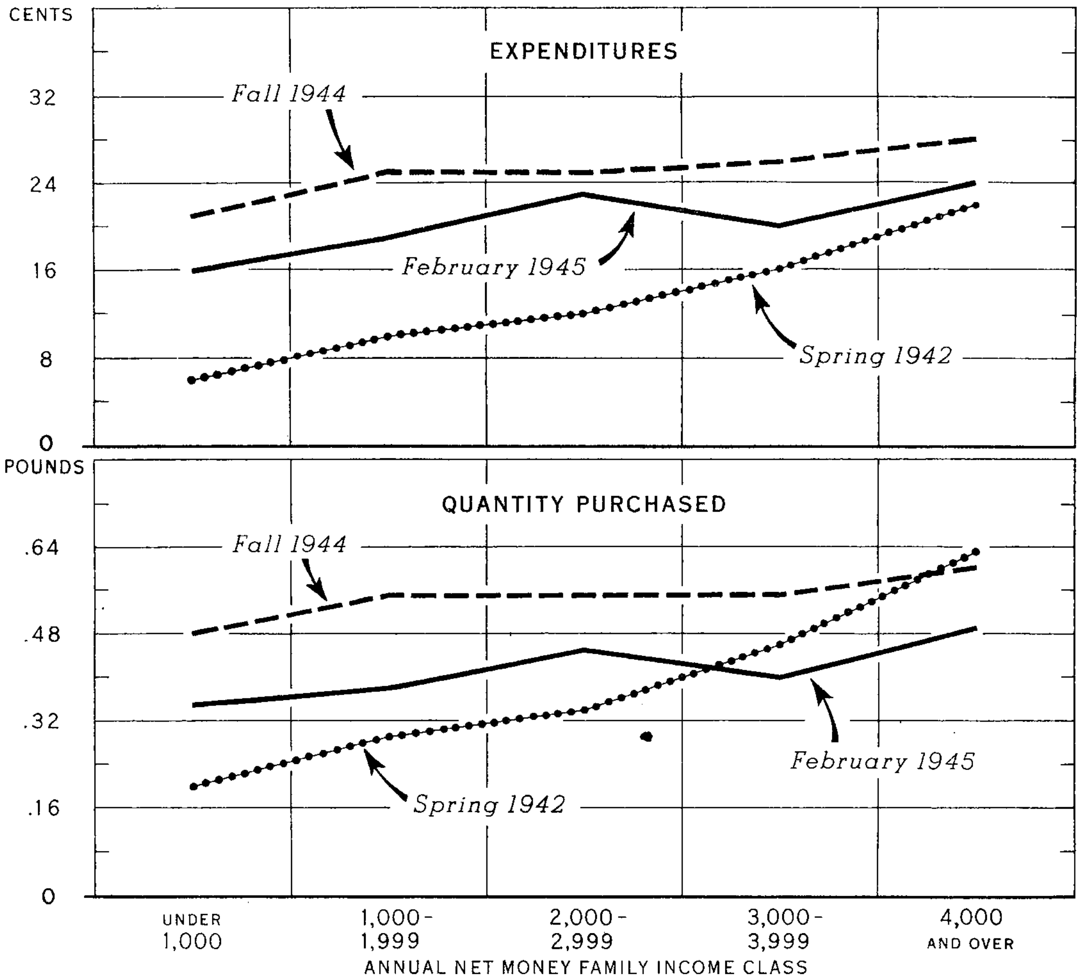
FOR RELEASE
NOV 25 A.M.

THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES - 115 BAE NOVEMBER 1946

POULTRY: EXPENDITURES AND PURCHASES PER PERSON PER WEEK, BY FAMILY INCOME CLASS, SPRING 1942, FALL 1944, AND FEBRUARY 1945*



*BASED ON DATA PUBLISHED BY BLS

U. S. DEPARTMENT OF AGRICULTURE NEG. 46227 BUREAU OF AGRICULTURAL ECONOMICS

Consumer purchases of various food commodities vary not only with prices but with family incomes. As judged by a family consumer study in the spring of 1942, purchases of poultry increased sharply from lower to higher family-income groups. Similar studies conducted in the fall of 1944 and in February 1945 indicated less variation of expenditures and purchases. Larger quantities were purchased by the lower income groups in the later periods. This probably was due in part to shortages of red meat in late 1944 and early 1945, which resulted in an increased demand for poultry in all except the highest income groups.

The Poultry and Egg Situation at a Glance

Item	Unit	Month	Average 1935-44	1945	1946	Comments about 1946
			Eggs			
Farm production	Million doz.	Oct.	196.1	259.8	264.3	Exceeded any previous October but 1944.
Average number of layers on farms	Million	"	304.2	354.2	344.4	Increase in layers during October above last year because of early hatch.
Rate of lay per hen	Number	"	7.7	8.8	9.2	A record.
Apparent civilian per capita disappearance	Number	Sept.	24.6	28.5	31.5	Exceeded any previous September.
Frozen egg production	Mil. lb.	"	---	8.2	2.9	
Dried egg production	" "	"	---	2.7	4.3	USDA purchases during November were increasing.
Prices received by farmers	Cts.per doz.	Oct.	30.8	42.6	51.5	Highest since early 1921.
Prices received by farmers as percentage of parity	Percent	"	82	98	102	
Retail price (B.A.E.)	Cts.per doz.	Sept.	37.6	57.2	59.0	
Egg-feed ratio	Lb.feed	Oct.	15.3	14.4	13.7	Continues less favorable for egg production.
Stocks: 1/						
Shell	1,000 cases	"	3,837	1,666	3,575	Rate of withdrawals during November about equal to last year's.
Frozen	" "	"	3,926	4,862	4,486	About 58 mil. lbs. (1.5 mil. cases, shell egg equivalent) in 1945 were Government-owned.
Dried	Mil. lb.	"	---	28.0	21.1	
Chicks hatched	Mil.	"	21.2	46.2	35.5	Equal to last year in commercial broiler areas.
Potential layers on farms 1/2/	"	"	505.6	539.4	489.2	All of decrease in potential layers compared with 1945 is in pullets not of laying age.
Pullets not of laying age 1/2/	"	"	154.8	168.3	126.9	
Prices paid by farmers for laying mash	Dol.per cwt.	"	2.62	3.65	4.43	Corn prices declining, but byproducts feed increasing.
			Poultry			
Prices received by farmers for chickens	Cts. per lb.	Oct.	17.1	24.3	34.4	An all-time high!
Prices received by farmers as a percentage of parity	Percent	"	107	122	146	
Retail price of chickens	Cts.per lb.	Sept.	33.0	43.5	53.9	
Prices received by farmers for turkeys	" " "	Oct.	19.9	32.5	40.6	Exceeds any previous month.
Stocks: 1/						
Poultry, excluding turkeys	Mil. lb.	"	106.4	196.2	181.3	Commercial stocks exceed any previous November 1 by a wide margin.
Turkeys	" "	"	11.4	42.7	79.2	
Chicken-feed ratio	Lb. feed	"	8.4	8.2	9.2	
Turkey-feed ratio	" "	"	9.8	11.0	10.8	
Receipts of poultry at Central Western Primary Markets per plant	1,000 lb.	"	33.6	44.4	34.7	

1/ End of month. 2/ 1940-44 average.

THE POULTRY AND EGG SITUATION

Approved by Outlook and Situation Board, November 15, 1946

Contents

SUMMARY

Farmers received record high prices for chickens and turkeys on October 15. Egg prices were above those for any month since February 1921. It is not likely that prices will reach these peaks again within the next few years.

A decline in prices of poultry products followed the decontrol of food prices. Wholesale egg prices dropped 10 to 15 percent, and prices for chicken and turkeys dropped about 20 to 25 percent.

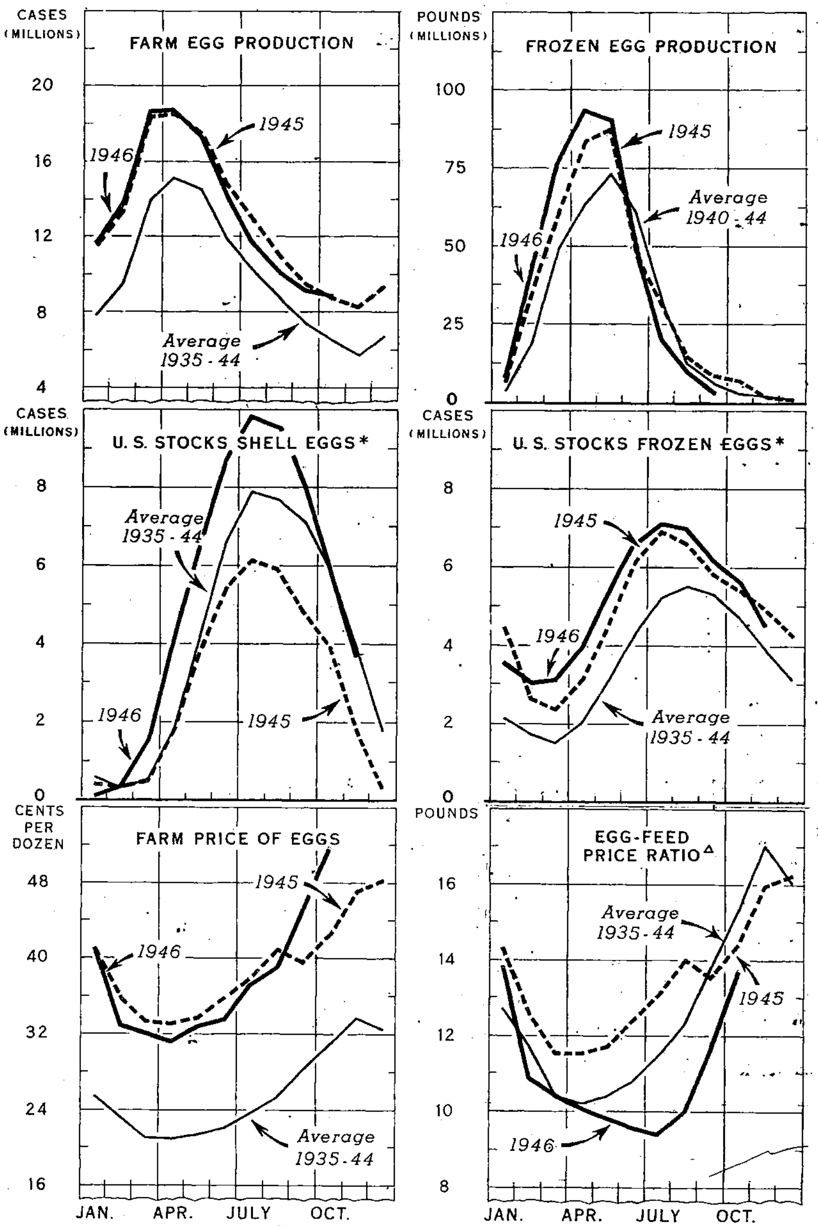
Egg prices are expected to remain near support levels (90 percent of parity) through the first half of 1947. If the rise in the index of prices paid by farmers in recent months is maintained, 90 percent of parity in the first half of 1947 will be above actual prices in the first half of 1946. Foreign demand is uncertain although it is expected to be smaller than during 1946. Some purchases may be necessary for price-support purposes, depending on the size of exports.

Chicken and turkey prices may increase in the next few months because of seasonally smaller poultry supplies, a high level of consumer purchasing power and high meat prices. Fewer chickens than last year are now available, but civilian supplies of turkey for the holiday season are about as large as the record quantity consumed last year. By middle or late 1947, poultry price may again decline as a result of prospective decreases in consumer income and seasonally larger poultry and meat supplies.

Chicken meat production in 1947 is expected to be about the same as in 1946. The number of chickens slaughtered from farm flocks may be less, but commercial broiler output probably will be larger because of high prices and large feed supplies. Decreases in chicken meat output are expected in the two North Central areas. In the Western States and North and South Atlantic States, larger feed supplies and better distribution of feeds may bring about some increases in production of broiler and chicken meat.

During the war, slaughter from farm flocks increased most sharply in the West North Central area, where the number of chickens was low in the 1930' because of drought. Commercial broiler output increased most in the South Atlantic region which has the bulk of the specialized producing areas. Prices received by farmers for chickens during the war increased most in the Western States and South Central States where demand increased more and supplies less than in other regions of the country.

THE EGG SITUATION

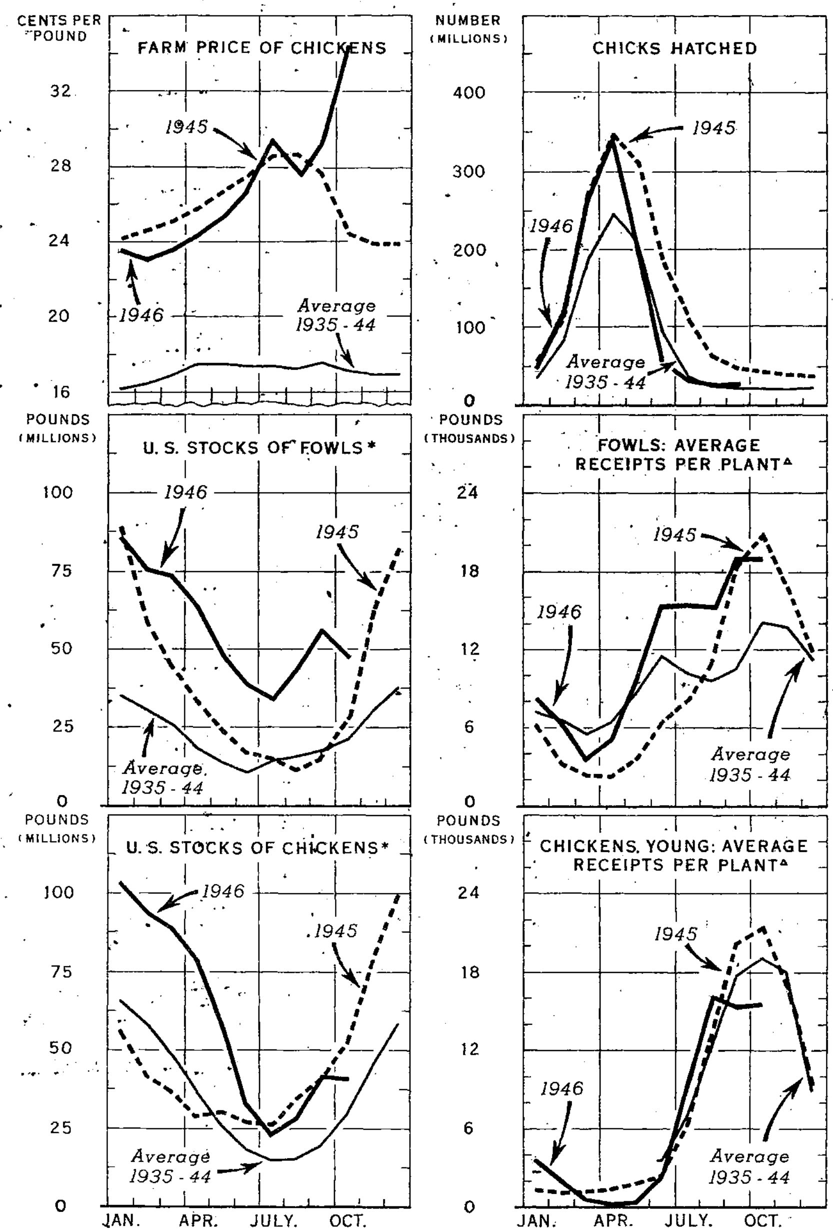


* 1st OF THE MONTH

△ BASED ON FARM PRICES

U. S. DEPARTMENT OF AGRICULTURE NEG. 45893 BUREAU OF AGRICULTURAL ECONOMICS

THE POULTRY SITUATION



*1st OF THE MONTH

△RECEIPTS AT CENTRAL WESTERN PRIMARY MARKETS

U. S. DEPARTMENT OF AGRICULTURE NEG. 45894 BUREAU OF AGRICULTURAL ECONOMICS

EGGS: OUTLOOK AND RECENT DEVELOPMENTS

Egg Prices Break Sharply

Egg prices in mid-October probably passed their peak for the next few years and are now declining. By the end of 1946 and during early 1947 they probably will be at or near support levels (90 percent of parity). Total supplies of eggs available will exceed civilian demand at support prices, possibly by the equivalent of 100 million to 200 million dozen shell eggs. Civilian per capita consumption is expected to be moderately below 1946, but may exceed any year prior to 1945.

The extent of the foreign demand is still uncertain, but it is expected that foreign dried egg requirements will be below 1946. Purchases by the USDA thus far in 1946 totaled 93.5 million pounds, which is still about 4 million pounds below the program announced August 13.

Table 1.- Purchases through November 9, 1946, of dried whole eggs by Production and Marketing Administration, by months scheduled for delivery

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1941						0.7	1.2	2.6	2.6	5.7	8.7	13.9	35.6
1942	11.4	12.9	13.1	13.4	18.3	17.5	18.5	19.2	19.2	22.0	25.3	15.8	206.6
1943	7.2	20.1	12.6	21.4	17.2	10.9	19.6	19.9	16.1	16.4	20.1	28.1	209.6
1944	26.4	27.0	18.3	27.7	27.0	26.1	24.8	31.5	24.2	20.4	12.8	7.6	273.8
1945	6.2	5.0	9.8	10.6	3.5	0.6	0.1	0.3	---	---	---	---	36.1
1946	---	4.2	15.3	16.8	12.2	13.7	11.3	10.5	5.8	2.0	2.0	---	---

Prices at 90 percent of parity during the first half of 1947 would be higher than actual prices during the first half of 1946 if recent increases in the parity index are maintained. After remaining relatively stable from January through June 1946, (178 to 182), the parity index rose sharply from June to September. Some slight decline was recorded in September but in mid-October prices paid by farmers, including interest and taxes, at 207 was 11 percent above the January-June average.

Prices received by farmers for eggs in mid-October averaged 51.5 cents per dozen, the highest since early 1921. Because of short meat supplies from early September to mid-October, farm egg prices jumped sharply. The increase from mid-September to mid-October was 7 cents per dozen, the greatest monthly increase in 22 years. Demand for eggs was strong and wholesale egg prices were higher than at any time since the outbreak of the war. The mid-October farm price at 102 percent of parity was higher than in any previous month in 1946, except January.

Following removal of Government price regulations on red meats in mid-October, egg prices at first showed only moderate declines. As meat supplies increased near the end of the month, however, egg prices declined contra-seasonally, particularly for lower grades and storage eggs. Current receipts at Chicago during the first week in November averaged 14 percent below the second week of October. Prices of top-quality eggs did not decline as sharply as the demand was relatively stronger because of the high level of consumer incomes.

Lower Egg-Feed Price Ratio Likely in First Half of 1947

Because of higher feed prices, the egg-feed price ratio in the first half of 1947 is likely to be less favorable than the ratio of 1946 and the long-time average. Ordinarily, a decrease in the egg-feed price ratio from one year to the next would result in a decline in the number of chickens raised. But large feed supplies, at least during the first half of 1947, and better distribution than in 1946 probably may prevent any decrease in chickens raised. In recent months, the egg-feed price ratio has been less favorable than in 1946 or the long-time average.

Despite the high level of egg prices which prevailed in September and early October, the egg-feed price ratio was below 1945 and the long-time average. The average price paid by farmers for poultry ration in mid-October 1946 was $3.75 per 100 pounds, about 25 percent above October 15, 1945. The poultry ration cost was relatively stable from October 1945 through April 1946, ranging from $2.96 to $3.11 per hundred. Upward revisions were made in price ceilings on corn during May and June. Further increases in prices occurred in July when ceilings on all feeds were temporarily suspended. Prices paid by farmers for poultry ration reached a high point of $3.94 per 100 pounds in July. Since mid-July poultry ration costs have been declining, and in mid-October were 5 percent below the July high.

Table 2.- Livestock-feed price ratios, specified dates

Item	Average 1935-44 1/			1946			1946 as a percentage of average		
	Apr.15	July 15	Oct.15	Apr.15	July 15	Oct.15	Apr.15	July 15	Oct.15
Egg-feed	10.2	11.5	15.3	10.1	9.4	13.7	99	82	90
Chicken-feed	8.6	8.5	88.4	7.8	7.5	9.2	91	88	110
Turkey-feed	9.3	8.7	9.8	9.7	8.3	10.8	96	95	110
Milk-feed	1.18	1.16	1.37	2/ 1.36	1.06	1.44	115	91	105
Butterfat-feed	23.8	22.4	26.4	2/ 27.9	21.7	30.4	117	97	115
Hog-corn	12.3	11.7	12.9	12.2	8.6	13.5	99	74	105

1/ For the dairy-feed and hog-corn price ratios the average shown is for 1925-44.
2/ Including dairy production payments.

November 1 Potential Layers 9 Percent Below Last Year

The number of layers on farms on January 1, 1946 at 469 million head was about the same as a year earlier. The number of potential layers on farms this year decreased more than in 1945, because the number of chickens raised was 18 percent smaller than last year. On November 1, the number of potential layers (hens, pullets of laying age, and pullets not of laying age) was 489 million, 9 percent below November 1, 1945. All of the reduction, was in pullets not yet of laying age, which were 25 percent below November 1, 1945. The number of hens and pullets of laying age was equal to last year's number. By January 1, the size of the U. S. laying flock is expected to be 7 to 10 percent below January 1, 1946.

The rate of lay during 1947 is expected to be at least as high as in 1946, and possibly higher. Favorable feed supplies, at least during the first six months, will tend to result in a high rate of feeding and in an increase in the rate of lay. Furthermore, the long-time trend in the upward movement in rate of lay is expected to continue in 1947. During 1946 the rate of lay, on a hen house basis, has been about 3 percent below 1945. Part of this decrease, however, was due to an earlier movement of hens from flocks, reflecting the tight feed situation which developed in the spring of 1946.

During January and February of 1946, the rate of lay was at a record level. Because of the tight feed situation which resulted in a lower rate of feeding, the rate of lay from June through September was below the record of 1945. However, in October, 1946, the rate of lay exceeded any previous corresponding month.

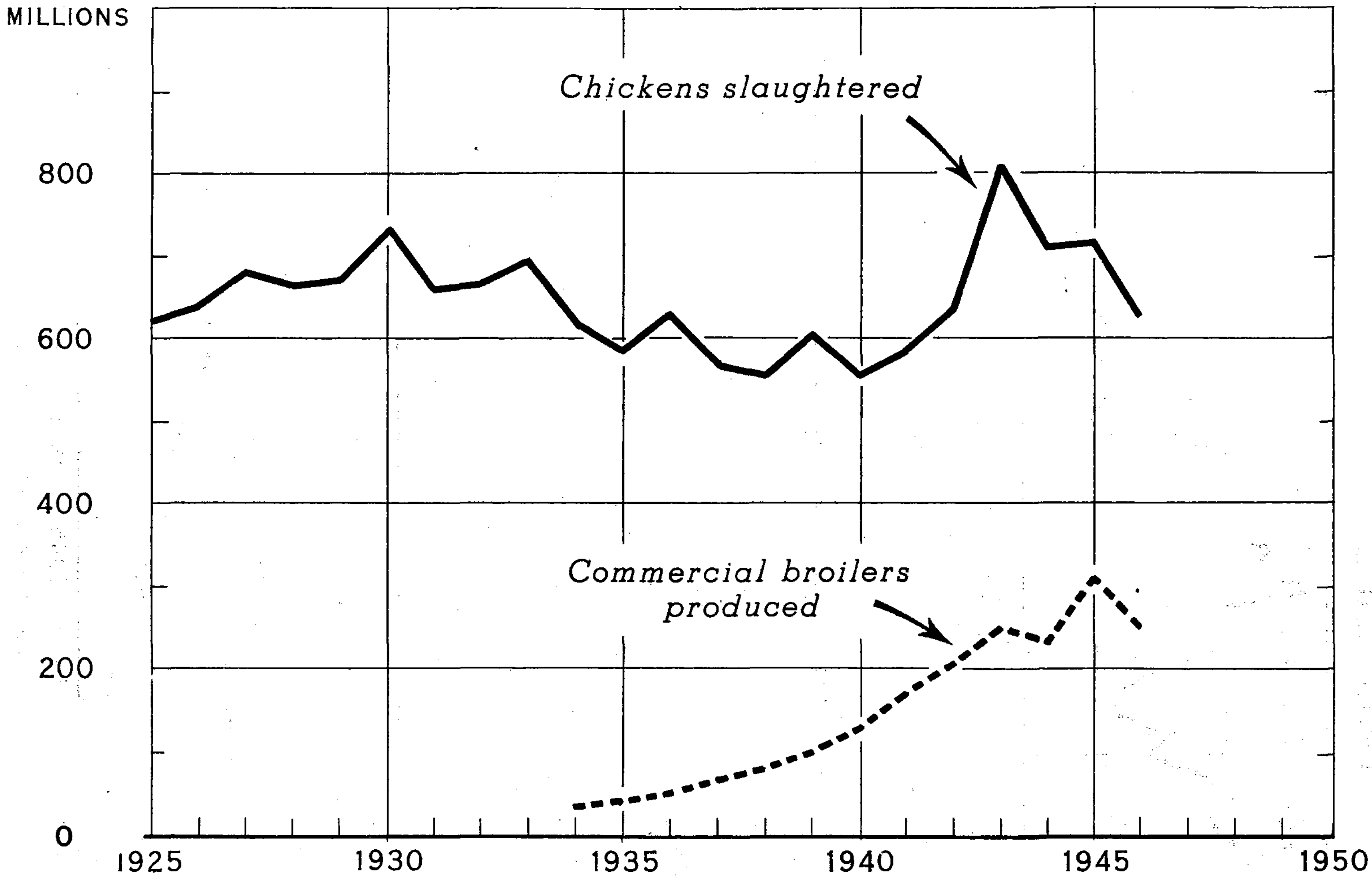
Egg Supplies in 1947 to Show Smaller Decrease Than Egg Production

At present, it appears that cold-storage stocks of shell and frozen eggs on January 1, 1947 will be 45 to 90 million dozen, shell-egg equivalent, above January 1, 1946. This larger carry-over will offset, in part, the expected 6 to 9 percent reduction in output, so that egg supplies available during 1947 will be only 4 to 8 percent below 1946.

Cold-storage stocks of shell and frozen eggs on November 1, 1946 were 8.1 million cases, 1.5 million cases above November 1, 1945. Net withdrawals during October were slightly ahead of last year. But by the end of the month shell egg withdrawals were behind. This was due to increases in meat supplies at the end of October. Withdrawals of shell eggs during September and early October were at record levels while those of frozen eggs were ahead of any years but 1943 and 1944. Although cold-storage stocks of shell eggs on July 1, 1946 (the peak of the holdings) were nearly 4 million cases above July 1, 1945, this disparity had decreased to 2 million cases by November 1. Frozen egg stocks show a similar situation, although not to as large extent. Of the frozen eggs in storage during the fall of 1945, however, about 58 million pounds were owned by the armed forces. At present about 6 million pounds of frozen eggs are in the hands of the Government. Commercial stocks of frozen eggs are about 30 percent above last year.

Disappearance of eggs during October was ahead of the previous year. Farm egg production during the month totaled 264 million dozen, and was 2 percent above October 1945. With cold-storage stocks during October being reduced by a somewhat larger quantity this year as last, total supplies for consumption were greater than last year.

CHICKENS SLAUGHTERED AND COMMERCIAL BROILERS PRODUCED, UNITED STATES, 1925-46

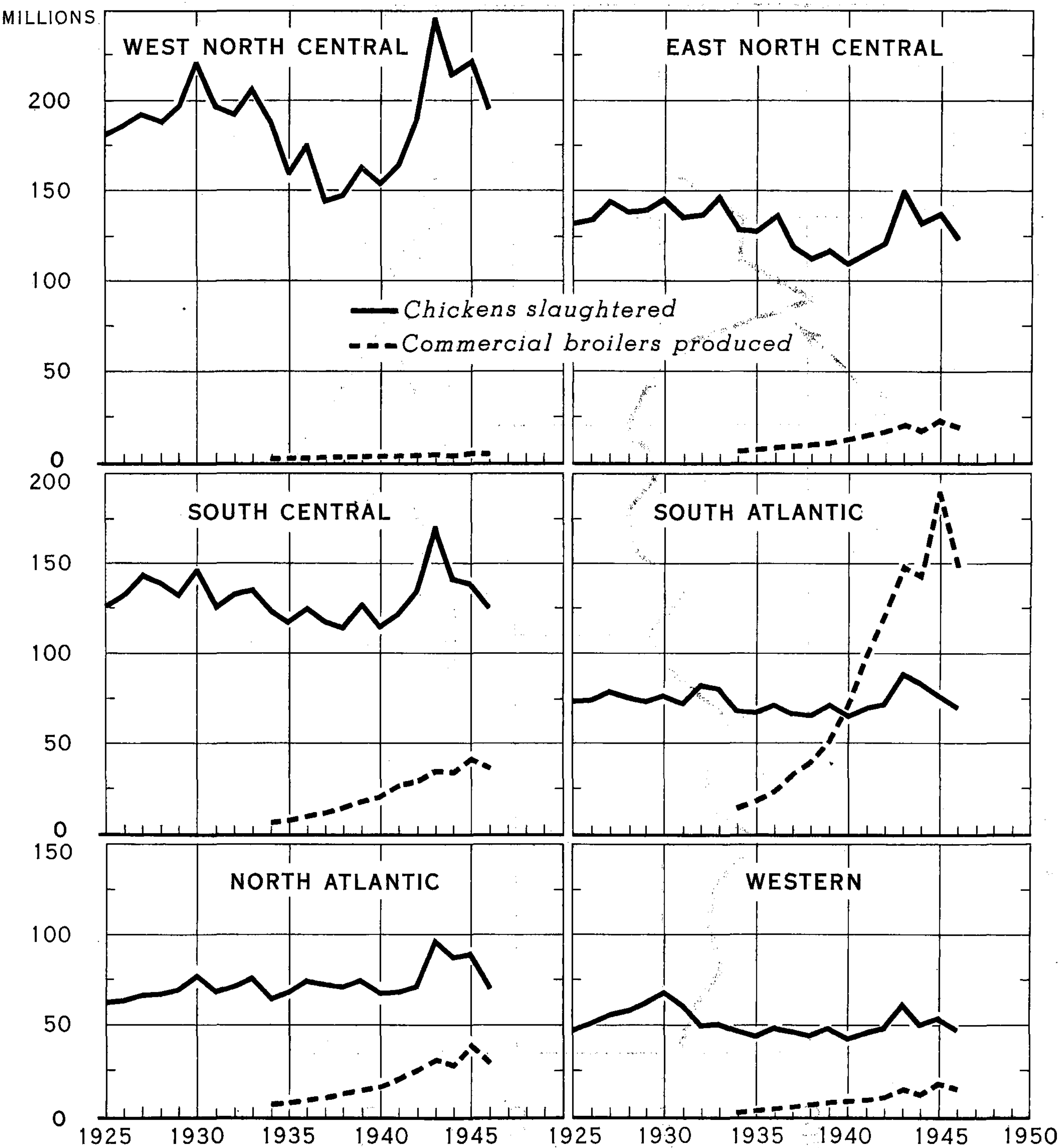


DATA FOR 1946 ARE TENTATIVE INDICATIONS

U. S. DEPARTMENT OF AGRICULTURE   NEG. 46228   BUREAU OF AGRICULTURAL ECONOMICS

Farm chickens slaughter in 1947 is expected to be somewhat below that of 1946. But commercial broiler production will probably increase so that total chicken meat produced in 1947 will be about as much as in 1946.

CHICKENS SLAUGHTERED AND COMMERCIAL BROILERS PRODUCED, BY REGIONS, 1925-46



DATA FOR 1946 ARE TENTATIVE INDICATIONS

CHICKEN MEAT: REGIONAL DEVELOPMENTS AND OUTLOOK FOR 1947

BACKGROUND - Chicken meat output may be determined from farm chicken slaughter (number sold and consumed on farms) and the number of commercial broilers produced. Farm chicken slaughter depends on the number of chickens raised and the change of inventory during the years. In 1947 the number of chickens raised is likely to be about as large as in 1946, and little change in inventory is expected. During 1946 the number of chickens on farms will show a 7 to 10 percent decrease. Therefore, farm chicken meat output probably will be smaller in 1947 than in 1946. Commercial broiler output, however, is expected to expand in 1947 and about offset the decrease in farm chicken production.

Commercial broiler production has increased markedly in importance during the past decade and has provided from 1/5 to almost 1/4 of the total chicken meat in the past two years. This compares with less than 5 percent in the early 1930's.

Prices received by farmers for chickens in 1947 probably will average lower than in 1946. In the first quarter they probably will average higher because of a high level of meat prices and continuation of record consumer purchasing power. By mid or late 1947, with declining consumer incomes and seasonally increasing supplies of poultry and red meats prices will be decreasing. Commercial broiler growers are also expected to receive higher prices in early 1946. But in the latter half of 1947, prices will recede and will be below those in September and early October of 1946.

Regional Outlook

Slaughter of chickens from farm flocks in the East North Central and West North Central regions in 1947 is expected to be somewhat below 1946. The number of chickens raised probably will be about the same as in 1946. Alternative livestock enterprises appear to be more favorable than egg production. At present all livestock-feed price ratios are at or above the long-time average, except the egg-feed price ratio (see table 2). This situation is expected to continue at least thhough the first half of 1947. In addition, little change in inventory is expected in the size of the laying flock. In 1946, a 6 to 10 percent decrease in the laying flock is occurring in these 2 regions.

The slaughter of chickens from farm flocks in the Western and North Atlantic regions in 1947 probably will be moderately larger than in 1946. The number of chickens raised will increase. Although prices of feed during the 1947 hatching season are likely to be higher than last year, larger supplies and removal of price ceilings will permit better distribution so that these two deficit feed areas will receive larger feed supplies. The number of chickens raised in those two areas in 1946 was materially reduced -- 22 to 23 percent below 1945 compared with an 18 percent decrease nationally. Farm chicken-meat slaughter in the South Atlantic and South Central regions probably will be about unchanged from 1946.

Commercial broiler output is expected to recover from the decline recorded in 1946 particularly in the South Atlantic region which embraces the Del-Mar-Va Peninsula. Commercial hatching of chicks, which at this time of year are primarily for meat purposes, are increasing. There were also larger placements of chicks during September and October in the Del-Mar-Va area, Shenandoah Valley, and Georgia compared with the summer months. In November placements began to exceed last year. This will result in a larger commercial broiler output during the first half of 1947 than in the first half of 1946. Commercial broiler output in the second half of 1947 will depend largely on the supply and price of meats. Both factors are expected to be unfavorable for broiler production in the last quarter of 1947 and declines in production probably will occur. However, output is not expected to run below the last quarter of 1946.

Average prices received by farmers and broiler growers for chicken meat in 1947 probably will decline relatively more in the two surplus-producing North Central regions. Prices in the Western and North Atlantic States will be relatively stronger in the first half year than in other areas. Since they are deficit chicken and meat producing areas prices of chickens and broilers will tend to remain relatively higher than in other regions.

Regional Chicken-Meat Production Trends

The number of chickens slaughtered from 1925 through 1934 remained relatively stable and ranged between 625 and 700 million birds, with the exception of 1930 when 733 million were slaughtered. Slaughter declined during the drought years, and from 1935 through 1939 averaged about 585 million birds. Following the large increases in the demand for eggs, the number of chickens raised increased sharply, resulting in large increases in the number of chickens slaughtere For the 3 years, 1943-45, the number of chickens consumed on farms and sold averaged 745 million head, 25 percent above 1935-39 and about 10 percent higher than in the late 1920's and early 1930's (see table 3 and fig. 3).

The increase in the number of chickens slaughtered over the immediate prewar average (1935-39) was most pronounced in the West North Central region. This area had very low chicken numbers in the 1935-39 period as a result of the droughts in 1934 and 1936. About one-half of the national increase in the number of chickens slaughtered in 1943-45 over 1935-39 took place in this region. Other areas which showed moderate increases in the number of chickens slaughtered were the East North Central and South Central Regions. Little change occurred in the South Atlantic and North Atlantic areas, while the number of chickens sold and consumed on farms in the West declined. Changes in the number of chickens slaughtered follow fairly closely the regional changes in egg production.

Regional data on the total poundage of farm chicken meat produced prior to 1936 is not available. But the increase in the poundage of chicken meat produced during the war was larger than the increase in numbers. This is due to the steady upward trend in the average weight of chickens sold. This reflects the shift from lightweight breeds for egg production purposes to dual purpose types and improved feeding practices. In addition, the strong demand for chicken meat during the war provided some incentive for raising the average weight (see table 4). The average weight of chickens sold increased most in the Atlantic and North Central areas.

Table 3 .- Chicken slaughter (sold and consumed on farms), United States and by regions, 1925-1946

(Partial data for figures 3 and 4)

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
1925	62,478	131,643	181,367	73,413	126,695	47,471	623,067
1926	63,694	134,180	186,274	74,251	131,996	51,200	641,595
1927	67,013	142,925	191,991	78,910	143,200	55,620	679,659
1928	67,435	137,895	188,018	75,429	138,395	58,736	665,908
1929	69,146	140,160	195,765	72,817	132,804	62,151	672,843
1930	77,695	144,555	219,736	77,265	145,835	68,042	733,128
1931	68,468	135,262	196,307	72,969	126,599	59,902	659,507
1932	71,323	136,658	192,302	82,373	132,283	49,972	664,911
1933	76,180	147,420	205,803	80,628	134,756	50,728	695,515
1934	64,571	129,215	189,400	68,321	123,241	47,553	622,301
1935	68,262	128,325	158,682	67,904	116,821	44,237	584,281
1936	74,386	136,363	175,328	71,615	123,874	48,567	630,133
1937	72,330	119,374	144,460	67,655	116,836	46,222	566,877
1938	71,250	112,660	146,827	65,640	113,706	44,157	554,240
1939	74,408	116,896	163,343	71,684	127,026	48,009	601,366
1940	67,872	109,495	154,245	65,696	113,797	43,137	554,242
1941	68,214	114,988	164,305	69,227	121,151	46,090	583,975
1942	71,324	120,991	190,437	71,923	134,139	47,964	636,778
1943	96,409	150,883	245,142	88,275	169,390	60,813	810,912
1944	87,416	132,240	214,559	83,617	141,120	50,155	709,107
1945	88,851	137,600	221,344	76,851	138,168	53,668	716,482
1946 1/	70,000	123,000	195,000	70,000	125,000	47,000	630,000
Averages							
1925-29	65,953	137,361	188,683	74,964	134,618	55,036	656,614
1930-34	71,647	138,622	200,710	76,311	132,543	55,239	675,072
1935-39	72,127	122,734	157,728	68,900	119,653	46,238	587,379
1943-45	90,892	140,241	227,015	82,914	149,559	54,879	745,620

1/ Tentative indication, October 1945.

Table 5 .- Commercial broilers produced, United States and by regions, 1934-46

(Partial data for figures 3 and 4)

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
1934	6,360	5,700	1,700	13,200	5,500	1,570	34,030
1935	7,345	6,415	1,800	18,200	6,650	2,480	42,890
1936	8,660	7,365	1,930	23,150	8,750	3,300	53,155
1937	10,360	7,970	2,070	32,100	10,700	4,715	67,915
1938	12,110	9,030	2,280	39,200	14,150	5,650	82,420
1939	14,050	10,400	2,550	50,600	17,700	6,755	102,055
1940	16,730	12,500	2,800	71,900	20,416	7,410	131,756
1941	20,045	14,900	3,100	99,160	26,685	8,600	172,490
1942	24,720	16,730	3,350	121,725	28,635	10,185	205,345
1943	30,700	20,437	3,912	148,300	34,048	13,963	251,360
1944	28,125	17,484	3,070	142,798	33,049	11,468	235,994
1945	37,756	22,888	4,338	188,827	40,782	17,609	312,200
1946 1/	29,000	19,000	4,000	148,000	36,000	14,000	250,000

1/ Tentative indication.

Table 6 .- Chickens: Weighted annual average farm price per pound, United States and regions, 1924-46

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1935-39	18.5	15.3	13.0	16.8	13.2	15.4	15.1
1924	24.8	19.7	17.2	23.2	17.5	19.9	19.4
1925	26.2	21.0	17.9	23.9	18.7	20.7	20.5
1926	27.7	22.5	19.8	25.5	20.6	22.2	22.3
1927	26.4	20.2	17.5	24.1	18.7	20.7	20.3
1928	26.8	21.9	19.2	24.3	19.5	21.6	21.5
1929	28.3	23.5	20.3	25.9	20.9	23.2	22.8
1930	24.2	18.4	15.5	22.4	17.2	20.1	18.4
1931	21.0	15.9	13.6	19.3	14.0	16.5	15.8
1932	16.8	11.6	9.5	14.4	10.1	12.7	11.8
1933	13.9	9.3	7.4	12.0	8.1	10.9	9.5
1934	15.2	11.4	9.3	13.9	9.5	11.5	11.3
1935	18.1	15.1	13.1	16.2	12.8	14.9	14.9
1936	19.3	15.9	13.6	17.6	14.1	15.9	15.8
1937	18.9	16.4	14.5	17.4	13.4	15.8	15.9
1938	19.1	15.5	12.8	17.2	13.4	16.1	15.4
1939	17.2	13.5	11.0	15.8	12.1	14.4	13.5
1940	16.6	13.4	11.2	15.4	11.7	14.0	13.3
1941	19.0	16.3	13.8	17.3	14.4	16.6	15.8
1942	22.3	19.4	17.1	20.3	17.6	20.6	18.9
1943	29.0	24.7	21.7	27.3	23.5	26.1	24.4
1944	27.6	23.9	21.6	26.8	23.0	24.8	23.9
1945	31.1	25.8	22.6	29.9	25.7	27.2	25.9
1946 1/..	32.0	27.0	24.0	31.0	27.0	27.5	27.0

1/ Tentative indication.

Table 7.- Chickens: Weighted annual average farm price per pound, United States and regions, 1924-46
(Index Numbers 1935-39 = 100)

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
1924	134.1	128.8	132.3	138.1	132.6	129.2	128.5
1925	141.6	137.3	137.7	142.3	141.7	134.4	135.8
1926	149.7	147.1	152.3	151.8	156.1	144.2	147.7
1927	142.7	132.0	134.6	143.5	141.7	134.4	134.4
1928	144.9	143.1	144.7	144.6	147.7	140.3	142.4
1929	153.0	153.6	156.2	154.2	158.3	150.6	151.0
1930	130.8	120.3	119.2	133.3	130.3	130.5	121.9
1931	113.5	103.9	104.6	114.9	106.1	107.1	104.6
1932	90.8	75.8	73.1	85.7	76.5	82.5	78.1
1933	75.1	60.8	56.9	71.4	61.4	70.8	62.9
1934	82.2	74.5	71.5	82.7	72.0	74.7	74.8
1935	97.8	98.7	100.8	96.4	97.0	96.8	98.7
1936	104.3	103.9	104.6	104.8	106.8	103.2	104.6
1937	102.2	107.2	111.5	103.6	106.5	102.6	105.3
1938	103.2	101.3	98.5	102.4	101.5	104.5	102.0
1939	93.0	88.2	84.6	94.0	91.7	93.5	89.4
1940	89.7	87.6	86.2	91.7	88.6	90.9	88.1
1941	102.7	106.5	106.2	103.0	109.1	107.8	104.6
1942	120.5	126.8	131.5	120.8	133.3	133.8	125.2
1943	156.8	161.4	166.9	162.5	178.0	169.5	161.6
1944	149.2	156.2	166.2	159.5	174.2	161.0	158.3
1945	168.1	168.6	173.8	178.0	194.7	176.6	171.5
1946 1/..	173.0	176.5	184.6	184.5	204.5	178.6	178.8

1/ Tentative indication.

Table 4.- Farm chickens: Average weight per bird sold, United States and by regions, 1929-45

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1929	3.61	3.94	4.10	3.20	3.73	3.04	3.75
1930	3.53	3.89	4.06	3.19	3.66	3.03	3.70
1931	3.70	4.02	4.14	3.26	3.74	3.03	3.80
1932	3.73	4.13	4.16	3.26	3.70	3.21	3.83
1933	3.75	4.06	4.14	3.18	3.73	3.23	3.82
1934	3.77	4.07	4.03	3.29	3.72	3.06	3.83
1935	3.78	4.04	4.16	3.34	3.79	3.09	3.87
1936	3.85	4.09	4.11	3.46	3.75	3.13	3.89
1937	3.93	4.23	4.31	3.57	4.00	3.26	4.03
1938	3.89	4.19	4.19	3.35	3.68	3.29	3.93
1939	4.10	4.29	4.16	3.36	3.56	3.20	3.33
1940	4.24	4.32	4.32	3.56	3.79	3.39	4.10
1941	4.25	4.36	4.31	3.60	3.69	3.30	4.07
1942	4.50	4.43	4.41	3.73	3.68	3.43	4.17
1943	4.52	4.48	4.39	3.75	3.63	3.53	4.17
1944	4.70	4.62	4.47	3.96	3.91	3.70	4.34
1945	4.71	4.00	4.60	4.01	3.83	3.59	4.32
1930-34 average	3.70	4.03	4.11	3.24	3.71	3.11	3.80
1935-39 average	3.91	4.17	4.19	3.42	3.76	3.19	3.93
1940-44 average	4.44	4.44	4.38	3.72	3.74	3.47	4.17

Commercial broiler output is localized in certain areas, primarily in the Del-Mar-Va Peninsula, Shenandoah Valley, Arkansas, Georgia, the Carolinas, and certain counties in Texas and California. Production of commercial broilers has increased most markedly in the South Atlantic region, where 188 million birds were produced in 1945, more than half of the U. S. output. Sharp increases also have taken place in the South Central areas, while moderate increases have occured in the North Atlantic and East North Central regions. The West North Central States have not increased output (table 5).

Regional Price Trends

Prices received by farmers for chickens increased sharply during the war years and reached an all time high in 1946 averaging almost 80 percent above the late 1930's. The greatest increase was from 1942 to 1943 when a 40 percent gain was recorded. Sharpest advances on a regional basis occured in the West and South Central areas. This is probably due to the smaller than average increase in supplies accompanied by larger than average increases in the demand. The number of farm chickens slaughtered in both areas during the war was about as large as in the late 1920's and early 1930's, although somewhat greater than in 1935-39. In addition, the establishment of military camps in the South Central region might have had some effects on the price.

Prices did not increase percentagewise as much as average during the war in the North Atlantic region, chiefly because of the expansion of commercial broiler production in the near-by South Atlantic States. Prices received by farmers in the two North Central regions during the war years were at about their usual relationship to the United States average (tables 6 and 7).

Commercial broiler prices in recent years have been relatively stronger in the West and South Central areas. This is also probably a reflection of the stronger demand which prevailed during the war since both are deficit chicken-meat producing regions.

Table 8.- Commercial broilers: Weighted annual average price received by growers, United States and regions, 1939-45

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1939	17.2	17.9	16.8	17.0	16.2	16.5	16.9
1940	19.9	1[illegible].9	17.9	16.8	17.9	17.6	17.3
1941	19.3	19.3	18.1	18.2	18.0	18.6	18.4
1942	24.0	24.0	22.5	22.4	22.4	26.1	22.9
1943	28.6	28.1	27.9	28.6	28.2	30.1	28.6
1944	28.4	28.9	27.9	28.4	29.8	30.4	28.7
1945	30.1	2[illegible].8	27.1	29.3	30.1	30.3	29.3
1946 1/							31.0

1/ Tentative indication.

POULTRY: RECENT DEVELOPMENTS

Civilian Turkey Supplies About as Large as Last Year

Civilian supplies of turkey for the holiday season will be about as large as record amount consumed last year. Although the number of turkeys raised in 1946 is 9 percent below 1945, the reduction in Army procurement and the prospect of smaller into-storage movement will about offset this decrease. The armed forces will take less than half of the 50 to 60 million pounds procured in 1945. With cold-storage stocks of turkeys on October 1, totaling 44 million pounds, almost double that of last year, the quantity of poultry going into storage is expected to be smaller.

Off-season turkey meat consumption during 1946 was the largest on record. The quantity of turkey consumed from February 1 through September 1, probably was near 150 million pounds, dressed weight. Net withdrawals from cold storage during that period totaled almost 80 million pounds. On the basis of farmers' intentions, about 10 percent, or 60 to 70 million pounds, were to be marketed before September 1. Probably the largest portion of it was consumed in restaurants and institutions

Turkey Prices at All-Time High

Reflecting the tight meat situation during September and early October, turkey prices moved sharply upward. In mid-October, the average price received by farmers was 40.6 cents per pound, an increase of 6.6 cents from mid-September. This price exceeded any previous month on record by 6 cents.

Since mid-October, turkey prices have declined sharply. Wholesale quotations during early November were running 20 to 25 percent belwo those of mid-October, and were at about late June levels before price controls on turkeys were removed.

Chicken Prices in mid-October Exceed Any Previous Month

The average price received by farmers for chickens on October 15, 1946 was 34.4 cents per pound, an increase of 5 cents from the previous month. This was the largest monthly increase and the highest price in the 37 years records have been kept. The sharp increases and the high level of prices were the result of the shortages of meat.

With the removal of price controls on meats in mid-October, wholesale prices of chicken declined and in the second week of November averaged about 30 percent below those of mid-October. Wholesale prices of most types of birds were below the levels of late June, when price controls on chicken were still in effect.

Supplies of farm chicken meat are decreasing seasonally and are below last year because of an 18 percent reduction in the number of chickens raised. In addition, the large early hatch brought about earlier marketings of fowl than usual. Supplies in the large markets, however, have been about as great as last year.

Into-storage movement of chicken in late October and early November was at a record rate. In September and early October when meat supplies were short, chickens moved out of storage contraseasonally. When meat returned to butchers' counters, there was a large into-storage movement. At present, the rate of in-movement is about equal to last year's record rate. Total stocks of poultry excluding turkeys on November 1 were 181 million pounds, exceeding last year's record November 1 holdings by 15 million pounds. Commercial stocks showed a greater increase. In 1945, about 71 million pounds were Government-owned compared with 13 million pounds this year.

Prices of commercial broilers were also at record levels before the end of price controls on meats. Commercial broiler growers in Delaware on October 1 were receiving an average price of 47.4 cents per pound. Since then sharp declines have occurred.

EFFECT OF SIZE OF FAMILY INCOME ON PER CAPITA EXPENDITURES AND PURCHASES OF POULTRY PRODUCTS

Consumer expenditures for food vary not only with prices but with family incomes. Recently, the Bureau of Labor Statistics issued a report on studies of expenditures for and quantities of food purchased for home consumption by urban families. These studies give some indication of changes in food purchases by family income groups during three different periods. 1/ The following discussion is limited to expenditures and purchases of poultry.

The Bureau of Labor Statistics report was based on samples of 1300 families in March-June 1942 (spring 1942), 1,700 families in October-November 1944 (fall 1944), and 1700 families in February 1945. Dollar expenditures and quantities purchased by family units, as published by BLS, have been converted to a per capita basis by family income levels. This was done by dividing the average quantities purchased and the expenditures by the average number of peopel in each family group. (See table 9).

The supply-demand relationshipe for poultry and meats were quite different in the three periods under study. In the spring of 1942, there were no price regulations or rationing. In the fall of 1944 and February 1945, ceilings prevailed on poultry and meats. Red meats were rationed in the fall of 1944 and in February 1945, but many cuts of meats were free of rationing in the fall of 1944. February 1945 was the only one of these periods in which demand for poultry at ceiling prices exceeded supplies.

Purchases in 1942 Vary With Income Levels

The outstanding feature of the 1942 study, when essentially "free-market" conditions prevailed, was the tendency for higher income families to buy much more poultry than low income families. Expenditures per person per week for poultry in the lowest family income group (under $1,000) was only 6 cents. As family income increased, these expenditures also increased and, in the highest family income group ($4,000 and above), expenditures averaged 22 cents per person per week, an increase of 250 percent over the lowest. Quantities purchased did not increase as much as expenditures. The quantity purchased per person by families in the highest income bracket was about 210 percent more than that of families in the lowest income bracket. This indicates that the average price paid for poultry rose as the income level of the family increased, probably reflecting the quality differences.

1/ "Wartime Food Purchases", U.S. Department of Labor, Bulletin 838; also see "Monthly Labor Review", February 1946, pp 297-301.

Purchases of Poultry in the Fall of 1944 and February of 1945 Varied Little With Income Level

The 1944 and 1945 surveys showed less difference among family income groups in purchases and expenditures for poultry. This probably was due in part to increased demand for poultry meat by all families because of shortages of red meat. The seasonally large supplies of poultry during the fall of 1944 also may have been responsible for the higher level of purchases by almost all income groups in that period.

With the exception of expenditures in the lowest income group in February 1945, both expenditures and quantities purchased at all levels of income in the fall of 1944 and in February 1945 varied much less than in 1942. In the fall of 1944 the quantities purchased showed a variation of only 25 percent from the lowest income group to the highest one. In February 1945 the range in quantity purchased was about 40 percent. Expenditures in the fall of 1944 varied little among income groups; and, in February 1945, a similar situation prevailed.

The per-person quantities purchased and expenditures in the fall of 1944 and in February 1945 were substantially higher than in the spring of 1942, particularly in the income groups below $2,000. This was very evident in the fall of 1944 when supplies of poultry were plentiful and prices were below ceilings. But in the family income group above $4,000, variations in expenditures and quantities purchased in all three periods were not very great.

Table 9.p Poultry purchased by urban household, 1 week in the spring of 1942, in the fall of 1944, and in February 1945: Average quantities purchased and expenditures per person by family income groups.

(Data for cover chart)

Family Income Groups (Annual rate)	Quantities purchased			Expenditures		
	Spring 1942	Fall 1944	February 1945	Spring 1942	Fall 1944	February 1945
	Lbs.	Lbs.	Lbs.	Cents	Cents	Cents
$0 to $999	.20	.48	.35	6	21	16
$1,000 to $1,999	.29	.55	.38	10	25	19
$2,000 to $2,999	.34	.55	.45	12	25	23
$3,000 to $3,999	.46	.55	.40	16	26	20
$4,000 and over	.63	.60	.49	22	28	24