

Prices of North Dakota Farm Products

By Rainer Schickele¹

In mid-August prices of North Dakota farm products averaged nine per cent higher than a year ago. During the same period, the prices of things which farmers buy increased only four per cent, so that the parity ratio in August, 1950, was 99 as compared with 94 last year. Prices of all grains except flaxseed were higher, also prices of livestock and livestock products except butterfat which showed no change, and eggs for which farmers received almost 30 per cent less than in August of last year.

It is interesting to note in the accompanying table that much of the increase in farm prices had taken place prior to the invasion of South Korea. Although the upward movement of prices is stimulated by the anticipation of scarcities as a result of the fighting, the danger that the slight business recession experienced in 1949 might become more serious had apparently been averted during the winter and spring of 1950.

North Dakota farm prices in mid-August compared with U. S. parity prices for the same month as follows; all spring wheat 94%; corn 76%; oats 59%; barley 75%; rye 62%; flaxseed 75%; potatoes 82%; beef cattle 131%; veal calves 133%; lambs 123%; hogs 98%; wholesale milk 81%; butterfat 87%; wool 98%; chicken 75%; eggs 51%. In studying these parity ratios, we must keep in mind that the U. S. parity prices adjusted for the market location of North Dakota would be somewhat lower, especially for the livestock products, so that the parity ratios would be somewhat higher than shown here. Unfortunately, current monthly parity prices for North Dakota are not available.

On the whole, farm prices seem to be developing rather favorably for North Dakota farmers compared with last year—particularly if the prices of things farmers buy should continue to lag behind farm prices. This, however, may not happen if our defense program should grow to substantial proportions and require far-reaching priority allocations and other controls in the industrial field.

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PRICES OF NORTH DAKOTA FARM PRODUCTS

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 CROPS¹ (\$ per bushel)

Year	Spring Wheat	Corn	Oats	Barley	Rye	Flax- seed	Pota- toes	Alfalfa Seed	Sweet Clover Seed
1929.....	\$1.00	\$.67	\$.33	\$.43	\$.79	\$2.85	\$1.33	\$17.40	\$3.50
1932.....	.36	.27	.09	.14	.22	.87	.23	7.50	1.40
1935-39.....	.83	.57	.24	.37	.43	1.60	.57	12.20	3.45
1947.....	2.53	1.97	1.00	1.90	2.32	6.18	1.44	18.90	6.40
1948.....	2.03	1.25	.60	1.09	1.28	5.65	1.40	26.30	7.90
1949									
August.....	1.90	.96	.44	.93	1.06	3.47	1.60	24.00	7.20
1950									
June.....	2.05	1.17	.70	1.20	1.12	3.63	1.30	26.50	12.00
July.....	2.14	1.26	.65	1.21	1.17	3.35	1.35	24.50	11.00
August.....	2.09	1.23	.57	1.11	1.07	3.30	1.45	23.50	10.00
U.S. Parity ⁴									
.....	2.23	1.62	.96	1.48	1.72	4.41	1.76

LIVESTOCK AND LIVESTOCK PRODUCTS²

Year	Beef Cattle (cwt.)	Veal Calves (cwt.)	Lambs (cwt.)	Hogs (cwt.)	Milk Cows (Hd.)	Whsle. Milk (cwt.)	Retail Milk (qt.)	Butter- fat (lb.)	Wool (lb.)
1929.....	\$8.30	\$11.10	\$10.70	\$ 8.40	\$ 82.	\$2.45	\$.098	\$.44	\$.29
1932.....	3.30	4.20	3.95	2.65	30.	1.55	.076	.16	.07
1935-39....	5.80	7.05	7.40	7.35	49.	2.05	.087	.34	.23
1947.....	17.80	20.70	20.70	23.30	151.	3.79	.151	.71	.41
1948.....	20.50	23.60	22.00	21.90	196.	4.37	.166	.80	.44
1949.....	17.80	20.80	21.20	16.80	188.	3.74	.165	.63	.43
August..	18.00	21.20	20.30	18.00	180.	3.55	.164	.62	.43
1950									
June....	23.00	25.60	23.50	16.50	210.	3.45	.164	.60	.48
July....	23.30	26.00	23.70	19.00	205.	3.50	.161	.60	.53
August..	23.00	26.30	23.70	19.00	210.	3.60	.165	.62	.51
U.S. Parity ⁴									
.....	17.50	19.70	19.30	19.40	4.46715	.519

POULTRY AND EGGS²

FARM PRICE INDICES (1910-14=100)

Year	Chickens (lb.)	Turkeys (lb.)	Eggs (doz.)	N. Dak. Prices Rec'd	U. S. Prices Rec'd	U. S. Prices Paid	Ratio of Prices Pd. to Prices Rec'ds
1929.....	\$.17	\$.22	\$.24	129	148	160	81
1932.....	.08	.11	.10	52	65	112	46
1935-39....	.12	.17	.28	101	107	125	81
1947.....	.21	.32	.35	308	275	240	128
1948.....	.24	.41	.36	292	285	259	113
1949.....	.19	.34	.36	245	249	250	98
August..	.205	.35	.365	234	244	249	94
1950							
June....	.18	.35	.25	254	247	255	100
July....	.20	.35	.25	260	263	256	102
August..	.22	.36	.26	255	267	258	99
U.S. Parity ⁴							
.....	.294515				

¹Yearly prices are weighted average prices for crop year.

²Yearly prices are weighted average prices for calendar year.

³Ratio of North Dakota prices received to United States prices paid by farmers.

⁴Price which would give that commodity a parity ratio of 100, on U. S. average basis.