

NO. 634
Cop. 2

Food and Agricultural Legislation: What Oregon Farmers Prefer



Special Report 634

July 1981

Oregon State University Extension Service

Since farmers are those most directly affected by federal farm legislation, their feelings are an important input into legislators' decision frameworks when formulating agricultural policy. The information gathered in this survey provides a basis for evaluating elements of any new food and agriculture legislation from the point of view of Oregon's farmers and ranchers.

The information gathered concerning the respondents themselves (Appendix) is also valuable. The high average age of the present farmers has important implications for the future of Oregon agriculture. The level of education attained indicates the sophistication necessary for effective Extension programs. The high level of operator ownership of the land farmed indicates that absentee ownership is not dominant. Yet, off-farm income is the major income source for over one-fourth of our farm families. Continuous monitoring of changes in the farm community will help politicians anticipate changing needs for legislation at both the national and state levels. Surveys such as this one help fill this need.

The survey reported here was planned and conducted by J. B. Wyckoff, Extension Economist, Public Policy, and W. L. Wyckoff, Associate Professor of Physical Education, Oregon State University. Similar surveys were conducted in 10 other states with the combined results summarized and presented to the Agriculture Committees of Congress. The advice and counsel of Paul M. Williamson, Agricultural Statistician in Charge, Oregon Crop and Livestock Reporting Service, in designing the sample was most helpful.

Extension Service, Oregon State University, Corvallis, Henry A. Wadsworth, director. Produced and distributed in furtherance of the Acts of Congress of May 8 and June 30, 1914. Extension work is a cooperative program of Oregon State University, the U. S. Department of Agriculture, and Oregon counties. Extension invites participation in its programs and offers them equally to all people.

FOOD AND AGRICULTURAL LEGISLATION:
WHAT OREGON FARMERS' PREFER

J. B. Wyckoff
and
W. L. Wyckoff

Summary

Oregon's farmers feel that current market, target and loan prices are too low. The majority support orienting federal price and income programs toward those farmers with gross sales of \$40,000 or less. They favor shifting the food stamp program from the USDA to the Department of Health and Human Services. Foreign ownership of U.S. farmland is opposed.

They favor renewal of the expiring bilateral grain agreement with the U.S.S.R. Further, they feel the U.S. should not limit farm exports again for policy reasons. If this should happen, price protection should be provided. Agreements to hold reserves, control production and raise international prices should be negotiated with other exporting countries. Finally, they favor increased funding for agricultural research and Extension activities.

Introduction

The federal government has been involved in agricultural legislation for many decades. While basic commodity programs were enacted in the 1930's, modifications have been legislated periodically since that time. Agricultural legislation became Food and Agricultural legislation in the 1970's. Budget outlays for agriculture were \$5.161 billion in 1970 and \$4.762 billion in 1980. During the same period, expenditures for the food stamp program administered by the United States Department of Agriculture increased from \$0.56 billion to \$9.2 billion. There were further internal shifts toward food safety, quality and other food distribution programs.

The major food and agricultural policy issues of the 1980's will reflect many of these shifts as well as embrace issues such as energy, food as a "weapon" in international politics, food exports as a tool of monetary policy, the structure of U.S. agriculture, and environmental issues. Input from agricultural producers directly affected by these issues will be considered in the legislative process.

Thus, a random sample of 1,500 Oregon farmers and ranchers, drawn from a list of all Oregon farmers, was surveyed by mail questionnaire in November, 1980. Their preferences on specific issues for consideration in drafting replacement legislation for the expiring 1977 Food and Agriculture Act were sought. One-third of those sampled responded with 452 supplying usable data.

Respondent Characteristics

Several questions were asked to provide information about the persons responding to the survey. The characteristics identified were useful in interpreting the responses provided on specific policy issues to be considered in formulating the 1981 Food and Agriculture Act. The respondents who were sufficiently motivated to return their survey questionnaires averaged well over 50 years of age, were highly educated, owned most of the land they farmed, did not generally depend heavily upon outside income and belonged to agriculturally oriented organizations. 1/

Domestic Policy Issues

There are some general issues that are of concern to Congress and the Administration that will be considered outside of the 1981 Food and Agriculture Act. Others will be specifically included. The survey raised both types of issues of the respondents' consideration.

Farmland Ownership

Reallocation of financial resources internationally, due to international economic conditions, has enabled foreigners to accumulate sufficient capital to enter the market for U.S. farmland. The farmers surveyed were asked whether foreigners should be permitted to buy U.S. farmland. A strong negative response resulted with 57 percent of the respondents opposing foreign ownership (31 percent strongly opposing), while 28 percent felt foreigners should be allowed to buy U.S. farmland. 2/

Asked whether U.S. citizens who are not farmers should be allowed to buy farmland, 34 percent of the respondents felt that they should not, while 52 percent felt that they should be permitted to own farmland.

Land Grant University Support

The Land Grant University System, of which Oregon State University is a member, has been providing research through the Agricultural Experiment Station and education via Cooperative Extension for many decades. More than two-thirds of the respondents endorsed (24 percent strongly) an increase in funding for agricultural research and Extension activities.

1/ See Appendix for supporting data.

2/ The difference between the percent of the respondents favoring plus the percent opposing consists of those with no opinion or who did not respond, see Appendix.

1981 Food and Agriculture Act

The expiration of the 1977 Food and Agriculture Act at the end of the 1981 crop year necessitates new legislation. Keeping the present commodity program of target prices, non-recourse loans, and farmer reserves was preferred by 35 percent of the respondents; 31 percent would favor eliminating all price and income support programs, including the reserve program. Others (11 percent) recommended developing unspecified new legislation. This lack of consensus on farm programs is not new but is historically consistent.

Food Stamps

Using tax money, as authorized in the 1977 Act, to buy food stamps for low income citizens was opposed by 53 percent of the respondents (20 percent strongly opposed) but supported by 28 percent. This program presently absorbs over 55 percent of the USDA's budget.

Asked whether they would agree with shifting the food stamp program out of the USDA and into the Department of Human Services, 51 percent indicated they would, while 29 percent would not.

Payment Limitations

Past agricultural legislation has sometimes been criticized for favoring large farm operations. A proposal to orient future farm programs to give most of the price and income support benefits to small farms, i.e., gross annual sales under \$40,000, gained support from 53 percent of the respondents (26 percent strongly agreed), while drawing opposition from 32 percent of the respondents (14 percent strongly disagreeing).

Soil Conservation

While soil conservation has been an explicit goal of federal legislation for many decades, the compatibility of price and income programs with soil conserving practices has not been determined. A proposal that farmers be required to utilize certain soil conserving practices in order to qualify for price and income support programs gained the support of 49 percent of the respondents and was opposed by 38 percent.

Crop Insurance

Federal crop insurance programs have been in existence for decades but have never had wide participation. A disaster program introduced in 1974 and continued in 1977 was popular with farmers but is scheduled to expire. A new Federal All Crop Insurance program was recently enacted by Congress. A crop insurance program with farmers and the government sharing the premium cost, replacing the disaster program, was supported by 44 percent, while one in four opposed such a plan.

Grain Reserve

One of the few "new" features of the 1977 Act was the establishment of a farmer held grain reserve program. This program was a major departure from previous storage programs in which Commodity Credit Corporation ended up owning and controlling grain stocks. The new program provides the opportunity for the farmers to voluntarily place all or part of crops in reserve. Non-recourse loans on grain are collected as well as storage costs. However, if market prices rise substantially above the loan level, a release price is triggered, which permits farmers to repay the loan and sell their grain on the open market. If market prices continue to increase, a call price is reached and the grain must be removed from the reserve. The objective is to remove grain from the market during periods of low prices ("surplus") and bring it back when prices rise (shortage). It also provides a reserve supply of grain for emergency use.

Asked whether the reserve program has been good for farmers, one-third of the respondents felt that it had, and one-third thought it had not. The respondents' perception of whether the reserve had been good for consumers was somewhat different--45 percent thought it had, while only 11 percent felt consumers had not benefited.

A suggestion that the target price concept be abolished and the reserve program emphasized was supported by 28 percent of the respondents; 23 percent disagreed with these proposals.

Initiation of a two level loan plan--one loan level for commodities in the reserve and a lower loan level for crops not in the reserve--found respondents ambivalent at 23 percent for and 22 percent against.

A suggestion to institute a single release and call price--regardless of when the grain was placed in reserve--drew support from 29 percent of the responding farmers, but 16 percent disagreed. Current call prices (loan + 45 percent for feed grains and loan + 75 percent for wheat) were felt by 26 percent to be at the right level, considering the interests of both producers and consumers, while 16 percent disagreed.

A release price higher than 140 percent of the loan rate for wheat and higher than 125 percent of the loan rate for feed grains was endorsed by 31 percent of the respondents in each case. Disagreeing were 14 and 13 percent, respectively.

Target Prices and Loan Rates

While the marketplace in a competitive system established prices through the interaction of supply and demand and all of their intricacies, farmers are

not always pleased with the results. Thus, they were asked what they thought a "fair" price would be for selected crop and livestock classes for 1981, Table 1.

Table 1. Comparison of 1981 "Fair" Market Prices with 1980 Average Prices

Category	Wheat	Barley	Corn	Feeder calves	Yearling feeders	Choice steers
	<u>\$/bu.</u>	<u>\$/bu.</u>	<u>\$/bu.</u>	<u>\$/cwt.</u>	<u>\$/cwt.</u>	<u>\$/cwt.</u>
1981 "fair" market price	5.26	3.58	3.61	89.70	80.87	78.78
Average prices received in Oregon, 1980 <u>a/</u>	4.00 ^{b/}	3.05 ^{b/}	3.77 ^{b/}	73.94 ^{c/}	66.92 ^{c/}	69.15 ^{c/}
Percent 1981 "fair" prices exceeded 1980 average prices	32%	17%	-4%	21%	21%	14%

a/ Preliminary

b/ Farm price

c/ Portland price

The estimated "fair" price for 1981 exceeded the average prices received in 1980 in all cases except for corn. It is interesting to note that the 1981 "fair" price exceeded the 1980 average prices the most for those products produced in the greatest quantities by Oregon farmers, i.e., wheat and feeder cattle. Corn, on the other hand, a very minor field crop and one more often bought than sold, actually had a 1981 "fair" price below the 1980 average price received by Oregon farmers.

The 1977 Food and Agriculture Act provides for a target price and a non-recourse loan program for selected crops, including wheat and feed grains. Asked to recommend target prices and loan rates for 1981, the respondents suggested the following, Table 2.

Table 2. Comparison of Recommended 1981 and Actual 1980 Target Prices and Loan Rates

Category	Wheat	Barley	Corn
	<u>\$/bu.</u>	<u>\$/bu.</u>	<u>\$/bu.</u>
1981 recommended target price	4.40	N.A.	3.06
1980 target price	3.63	2.55	2.35
1981 recommended loan rates	3.90	2.45	2.77
1980 loan rates	3.00	1.83	2.25
Percent 1981 recommended target prices exceed 1980's	21%	N.A.	30%
Percent 1981 recommended loan rates exceed 1980's	30%	34%	23%

The 1981 recommended target prices were 21 and 30 percent for wheat and corn, respectively, over 1980 levels. The loan rates suggested were 30, 34, and 23 percent higher for wheat, barley and corn, respectively. The suggested target prices are 85 percent of the suggested fair market prices for both wheat and corn.

International Policy

Oregon's farmers are sensitive to trade policies because virtually all of their major crops--wheat, and much of their grass seed, mint oil and other crops--are sold in foreign markets. The cessation of exports to Iran and the embargo of grain to the U.S.S.R. did not go unnoticed. When asked if they thought President Carter's embargo was the correct action at the time it was enacted, 42 percent thought it was, while 43 percent disagreed (19 percent strongly disagreeing).

They were much less ambivalent when faced with the question of whether the U.S. should limit exports again for political reasons, based upon the experience of the recent past. Fifty-six percent of the respondents would object to future embargoes with half of those objecting strongly. Twenty-seven percent would not take this position.

If exports were limited by the government for any reason, however, 72 percent felt that farmers should be provided price protection, and 11 percent would take an opposite position.

In the past, the United States has maintained reserves, controlled production and consistently contributed foodstocks for international food programs. It has been suggested that the U.S. government seek agreements with other exporting countries to hold reserves, control production and, thus, raise international prices. Fifty-two percent of the respondents agreed that such a program would be desirable. Twenty-five percent disagreed.

The suggestion that a national board be established to control the international marketing of grain gained the approval of only 31 percent of the respondents, but 42 percent disapproved, 17 percent strongly disapproving.

Yet 58 percent agreed (16 percent strongly agreeing) that the presently expiring bi-lateral agreement with the U.S.S.R., specifying minimum and maximum quantities, should be renewed for another 5 years. Only one in five disagreed. It appears that Oregon's farmers like "guaranteed" access for given minimum quantities of grain, via bilateral agreements, but prefer to sell through private traders.

Preferences and Respondent Characteristics

It has often been hypothesized that "large" farmers have different preferences than those farming less land, young farmers feel differently about the issues than older farmers, etc. Statistical analysis (χ^2) was performed to test these and similar hypotheses.

Size of Farm

Size of farm was by far the most significant characteristic in affecting respondents' preferences on the issues. The major differences are highlighted below. 3/

- Eighty-eight percent of respondents farming from 1,200 to 5,000 acres supported expanded funding of research and Extension (over half of these strongly supportive).
- Sixty percent of those farming more than 5,000 acres would favor eliminating all government farm programs. Half of these farmers favored discontinuing target prices in favor of emphasizing the reserve program. About a third of the other farmers responding agreed with this stance.
- Three-fourths of respondents with the smallest farms supported orienting the programs toward operators of small farms (40 percent strongly). In contrast, only one in four of this group opposed a small farm (gross sales of \$40,000 or less) program orientation (58 percent strongly opposed).

3/ All differences reported were significant at the 5 percent level as measured by the χ^2 statistic.

- Requiring adoption of certain conservation practices as a condition for qualifying for price and income programs was less popular with those farming large farms. More than half of the respondents farming over 1,200 acres opposed such a proposal, half were strongly opposed.
- Operators with the largest farms generally felt the grain reserve program had been good for consumers. They did not feel it has been good for farmers.
- Support for the statement that present call price levels were about right considering the interests of both farmers and consumers was generated by farmers farming from 650 to 5,000 acres of land. Those disagreeing increased percentagewise with size of operation, with 50 percent of those farming more than 5,000 acres disagreeing, 40 percent strongly disagreeing.
- The proposal for a two-level loan plan was supported by those respondents farming from 650 to 1,200 acres. Opposition centered among those farming more land.
- Operators of larger farms supported the establishment of a single release price and increasing the release price for wheat above 140 percent of the loan rate. More than half of those farming 650 or more acres also felt that the release price for feed grains should be raised.
- Disagreement with the correctness of the President's embargo increased with farm size. Eighty-two percent of those farming more than 5,000 acres disagreed with the embargo (two-thirds strongly disagreeing).
- More than two-thirds of the respondents farming 340 acres or more thought the U.S. should not limit exports, with ninety-one percent of those with more than 5,000 acres opposed to limiting exports (82 percent strongly opposed).
- Support for price protection if exports are limited was uniformly high with all farmers with 5,000 or more acres in favor.
- The proposal to establish a national marketing board was highly unpopular with farmers with the largest farms, with 77 percent opposing it (62 percent strongly in opposition).
- Although the average suggested fair market price for wheat was \$5.26 per bushel, the percentage of the respondents recommending a price of at least \$5.50 per bushel increased from 32 percent for farmers with the smallest farms to 75 percent of those with the largest farms.

- Similarly, a wheat target price of at least \$5.00 was recommended by 15 percent of the operators of the smallest farms as compared to 60 percent of those with the largest. The average recommended was \$4.40 per bushel.
- The recommended loan rates for wheat varied inversely with farm size. Nearly two-thirds of those farming fewer than 340 acres felt that a loan price of less than \$4.00 would be appropriate. Only one-third of those farming 5,000 or more acres felt this way. In contrast, fewer than 5 percent of those farming less than 340 acres felt that a price over \$5.00 would be appropriate, compared to 50 percent of those farming more than 5,000 acres.
- About one in four of the operators of the smallest farms suggested that feeder calves should sell for at least \$98 per hundredweight in 1981, compared to two-thirds of those with the largest farms. The average price recommended was \$89.70.
- A fair price for choice steers should exceed \$76 per hundredweight (two-thirds preferred \$85+) according to those farming more than 5,000 acres. Thirty-one percent agreed of those farming fewer than 340 acres.

Age

The age of the respondents led to significantly different preferences on only three questions (Table 3). A positive relationship existed between age and the proposal for orienting the price and income programs to those farmers

Table 3. Percent Approving Selected Proposals by Age*

Proposal	Age				
	<30	30-39	40-49	50-59	60+
Orient price and income programs to farmers					
<\$40,000 gross sales . . .	25.0	35.9	50.0	54.9	67.6
Single release price for reserves	0.0	20.6	31.6	39.1	44.5
President's grain embargo of U.S.S.R.	71.5	51.3	46.1	33.9	53.7
Price protection during embargoes	80.0	70.3	86.2	79.0	77.1

* Responses differed significantly by age at the 5 percent level of significance (χ^2 test).

with gross sales of \$40,000 or less (small farmers). Only one-fourth of the respondents under 30 years of age liked this proposal compared to two-thirds of those 60 and older.

Establishing a single release price for grain in the reserve gained no support from respondents under 30. Support increased with age with 45 percent of those 60 and older approving.

Support for the President's grain embargo was strong among those less than 30 years of age, with 71 percent approving. This support decreased with age until only 34 percent of those 50 through 59 approved. It again increased with 54 percent of the respondents 60 and older supporting the action. Price protection during embargoes was favored.

Education

The level of education attained by the responding farmers tended to have an influence on their preferences on more issues than was the case with age, Table 4. The support for increased funding for the Agricultural Experiment Station and the Extension Service increased with the level of education of the respondents. While support was high throughout, it increased from 60 percent

Table 4. Percent Approving Selected Proposals by Education*

Proposal	Level of education				
	Grade school	Some high school	High school grad.	Some college	College grad.
Increase funding for research and Extension . .	59.1	57.1	74.0	69.5	76.6
Orient price and income programs to farmers <\$40,000 gross sales . . .	77.3	66.6	68.7	55.8	44.8
Transfer of food stamps . .	38.1	51.7	50.0	65.1	50.7
Do not allow foreigners to own farmland	80.9	82.1	71.1	67.6	38.0
Do not allow non-farmers to own farmland	63.7	50.0	43.3	35.1	25.0
Establish national grain marketing board	50.1	32.0	37.5	38.2	27.5

* Responses differed significantly by level of education at the 5 percent level of significance (χ^2 test).

for respondents with less than a high school education to more than three-fourths of those who had formal education through high school or more. Support was high among those who had graduated from college, with one-third strongly agreeing that expanded funding was needed.

Orienting price and income support toward small farmers was supported most strongly by those with the least formal education--71 percent in favor (41 percent strongly in favor). Among college graduates support fell to 45 percent (34 percent strongly supporting). The least support for transferring food stamps from the USDA to Human Services existed among those with a grade school education.

A preference that foreigners not be allowed to buy U.S. farmland was expressed by more than 80 percent of the respondents with less than a high school education. More than half of this group strongly opposed foreign ownership. In contrast, only 38 percent of those with at least a high school education supported such a policy.

Allowing non-farmers to own farmland was opposed by almost two-thirds of those with a grade school education while being supported by two-thirds of the college graduates.

Relative to the international programs, half of the respondents who were grade school graduates favored establishing a national grain marketing board for handling export sales. Only 28 percent of the college graduates agreed with this proposal with 55 percent disagreeing (26 strongly). General support for price protection, if export sales were limited for any reason, was expressed, but was especially strong among high school graduates, 86 percent of whom supported this proposal.

Off-farm Income

Support for expanded funding for research and Extension was highest among those respondents earning less than half or more than three-fourths of their income off the farm. Maintaining existing farm programs lost support as the percentage of income earned off the farm increased, Table 5.

As would be expected, orienting price and income programs to benefit small farmers was supported by 76 percent (38 percent strongly supportive) of those earning more than three-fourths of their income off the farm. Tying conservation practices with eligibility for other government programs gained support as the percentage of income earned off the farm increased.

Agreement that the grain reserve program had been good for consumers declined as the percentage of income earned off the farm increased. It is possible that these respondents perceived themselves more as consumers than as farmers.

Table 5. Percent Approving Selected Proposals by Off-farm Income*

Proposal	Percent of income earned off-farm			
	<25	25-49	50-74	75+
Increase funding for research and Extension	76.5	73.9	48.6	65.5
Keep present agricultural legislation	41.6	42.9	38.2	24.3
Orient price and income programs to farmers <\$40,000 gross sales	54.6	45.9	67.5	76.2
Reserve good for farmers	42.6	25.0	45.4	31.8
Reserve good for consumers	60.2	63.6	54.6	36.2
Conservation required for program eligibility	45.9	29.2	58.3	68.8
Renew U.S.S.R. agreement	81.2	47.4	61.8	50.7

* Responses differed significantly by percent of income earned off the farm at the 5 percent level of significance (χ^2 test).

Percent of Farmland Owned

Orienting farm programs to benefit small farmers brought support from 62 percent of those respondents owning more than 75 percent of the land they farm. It had the least support among those owning from 51 to 75 percent of their farmland, Table 6.

Table 6. Percent Approving Selected Proposals by Farm Ownership*

Proposal	Percent of land farmed owned			
	<26	26-50	51-75	>75
Orient price and income programs to farmers <\$40,000 gross sales	43.7	40.5	30.4	62.4
Conservation required for program eligibility	38.7	32.6	52.1	57.9
Discontinue target price program	34.5	27.0	39.1	35.0
Increase feed grain release price	37.9	57.9	47.8	33.9
Present call prices about right	31.0	36.1	21.7	32.1

* Responses differed significantly by percent of farmland owned at the 5 percent level of significance (χ^2 test).

Farmers owning more than 50 percent of their land supported requiring conservation practices in order to qualify for federal farm programs. The pattern of difference in preference relative to target prices, feed grain release price, and call prices was not clear.

While the average recommended target price for wheat was \$4.40 per bushel, 62 percent of those owning at least three-fourths of their land felt the target price should be less than \$4.50. Another 17 percent felt that it should be at least \$5.00 per bushel. As would be expected, of those owning less than 25 percent of their land, 42 percent recommended \$5.00 or more and 29 percent less than \$4.50 per bushel. A similar pattern existed for suggested loan rates for wheat, with 60 percent of those respondents owning three-fourths or more of their land recommending loan rates of less than \$4.00, compared to 23 percent of those owning less than one-fourth of their land.

Program Participation

Only 26 percent of the respondents had participated in government programs in 1980. Of these, nearly 80 percent supported increased funding for research and Extension activities, with 44 percent strongly supportive. Of those who had not participated, 69 percent also endorsed added funding. All of the respondents who had participated in the disaster program favored increased research and Extension funding.

Orienting farm programs toward small farmers was opposed by 74 percent of those presently participating in the loan program, 48 percent strongly opposing the proposal. Three-fourths of those currently in the reserve program would like to see target prices discontinued in favor of more emphasis on the reserve program. This group also endorsed (63 percent) establishing a two-level loan plan for grain in reserve versus that not in reserve. Only 24 percent of the non-participants supported this plan.

Of those farmers presently participating in government programs, 53 percent supported an increase in wheat release prices above 140 percent of loan, compared to 31 percent who opposed such a move. Present participants of the reserve, loan, and disaster programs favored the proposal by 63, 81, and 75 percent, respectively.

Of those presently participating in government programs, 54 percent agreed that the release price of feed grains should be increased, while only 32 percent of those not participating felt this way. Of those participating in the loan program, 70 percent thought the release price should be increased.

APPENDIX

Respondent Characteristics

Age

The age distribution of responding farmers shows that they average much older than the general population. Of respondents, 45 percent were 60 or more years of age. Only 11 percent were under 40, Table 1.

Appendix Table 1. Age Distribution of Respondents

Age	<30	30-39	40-49	50-59	60+
Percent of respondents . .	2	9	16	28	45

Education

Formal education of the respondents shows 60 percent attended college, and 36 percent had graduated from college. Only 12 percent had less than a high school education, Table 2.

Appendix Table 2. Respondents' Educational Background

Education . .	Grade school	Some high school	High school graduate	Some college	College graduate	NA
Percent of respondents .	5	6	28	24	36	1

Size of Operation

The number of acres farmed by individual respondents ranged from only a few to more than 35,000 and average 1,058. Half farmed fewer than 340 acres, while 3 percent farmed more than 5,000 acres, Table 3.

Appendix Table 3. Number of Acres Farmed by Respondents

Number of acres farmed . . .	<340	340-649	650-1199	1200-1500	>5000	NA
Percent of respondents . . .	50	12	11	16	3	8

Type of Farm

Beef cattle production provided the major source of income for 39 percent of the respondents. One-fourth were primarily grain farmers, while 7 percent earned about half and half from beef cattle and grain. Dairying was the major activity of six percent.

Ownership

Respondents indicated that 85 percent of the land farmed by them was owned by them. Only 7 percent owned less than one-fourth of their farmland, Table 4.

Appendix Table 4. Respondents' Ownership of Land Farmed

Percent of land owned	<26	26-50	51-75	>75	NA
Percent of respondents . . .	7	10	6	67	10

Off-farm Income

Off-farm income has become an important component of farm family income during the last decade. More than one-fourth of the respondents depended on off-farm income for half or more of their income, Table 5.

Appendix Table 5. Respondents' Dependence on Off-farm Income

Percent earned off-farm	<25	25-49	50-74	75+	None or no response
Percent of respondents	28	6	8	18	40

Program Participation

More than one-fourth of the respondents had participated in some government program this past year. Two-thirds of these had been involved in programs such as the wool incentive or conservation programs. Only 5 percent had taken out commodity loans, 2 percent had grain in the farmers' reserve, and 1 percent had received disaster payments.

Relationship of Age, Education and Off-farm Earnings

The distribution of farmers by age relative to their off-farm earnings showed 60 percent of those under 30 earned less than 25 percent off the farm, in contrast to 70 percent of those farmers from 30 to 39 years of age. A bimodal distribution existed for farmers from 40 to 60, a third earning less than 25 percent off the farm and a third earning over 75 percent off the farm. Of those 60 and older, 53 percent earned under 25 percent.

Appendix Table 6. Relationship of Age and Income Earned Off the Farm

Age	Percent of income earned off-farm			
	<25	25-49	50-74	75+
	<u>Number of respondents</u>			
<30	3	0	0	2
30-39	19	2	4	2
40-49	16	5	10	15
50-59	35	9	13	34
60+	54	9	11	28
Total	127	25	38	81

All of the farmers under 30 years of age had gone to college, and half were college graduates. Of those from 30 to 39, 88 percent had some college, with 53 percent having graduated from college. Of farmers between 40 and 49 years of age, all but one were high school graduates, with 43 percent being college graduates. Of farmers 50 to 59, 11 percent had less than high school educations, while 38 percent were college graduates. In the oldest group, 60 and older, 20 percent had less than high school educations, while 28 percent were college graduates. Overall, 60 percent of the respondent farmers had been to college or had graduated from college.

Appendix Table 7. Relationship of Age and Education

Age	Education				
	Grade school	Some high school	High school graduate	Some college	College graduate
	<u>Number of respondents</u>				
<30	0	0	0	4	4
30-39	0	1	4	14	21
40-49	0	1	17	22	30
50-59	1	11	37	30	48
60+	23	16	67	38	55
Total	24	29	125	108	158

Half of the farmers under 30 years of age had participated in some form of government program this past year. As compared to 35 percent of those from 30 to 39 and about 24 percent of all other age groups. The loan program was the most often utilized.

Comparison of age and the number of acres farmed showed one-fourth of those respondents under 30 farmed 650 acres or more. More than half (53 percent) of those 30 through 39 farmed 650 or more acres, but the percentage then steadily declined with age being 37 percent, 32 percent, and 20 percent for farmers aged 40 through 49, 50 through 59, and 60 and older, respectively.

Degree of ownership increased with age. Those owning more than three-fourths of their land increased from 13 percent for those under 30 to 58 percent for those 30 through 39, 59 percent for those 40 through 49, 63 percent for those 50 through 59, and 78 percent for those 60 and older.

Organization Membership

The farmers responding indicated that the Cattleman's Association, the Farm Bureau, the Oregon Wheat League, and the Oregon State Grange were the organizations to which most belonged. No other organization claimed as many as 5 percent of the respondents as members, Table 8.

Appendix Table 8. Respondents' Membership in Organizations

Organization	Members	Past members
	<u>Percent</u>	<u>Percent</u>
Cattleman's Association	34	10
Farm Bureau	33	16
Oregon Wheat League	29	2
Oregon State Grange	17	8
Farmers' Union	4	5
National Farmers' Organization	3	6
American Agricultural Movement.	1	1
Labor union	6	8
Other	13	2

The shifting strength of the various organizations, as indicated by past but not present membership, shows the Farm Bureau to be the biggest loser in membership, although it still remains among the leaders. The general farm organizations would appear to be losing support relative to commodity organizations.

SUMMARY OF 452 USABLE QUESTIONNAIRES OF 490 RETURNED
Extension Service--Agricultural Experiment Station
Oregon State University, Department of Agricultural & Resource Economics

ISSUES AND QUESTIONS ABOUT AGRICULTURE AND FOOD--TELL US HOW YOU FEEL

1. As a farmer, what do you think would be a fair market price in 1981 for the following?
- | | Mean Value | | Mean Value |
|---------------------|------------|--------------------------------|------------|
| Corn (per bushel) | \$ 3.61 | Feeder calves (per 100 lb.) | \$ 89.70 |
| Wheat (per bushel) | \$ 5.26 | Yearling feeders (per 100 lb.) | \$ 80.87 |
| Barley (per bushel) | \$ 3.58 | Choice steers (per 100 lb.) | \$ 78.78 |

2. The 1977 Food and Agriculture Act provided for target prices for feed grains, wheat and cotton. Listed below are the national target prices established for 1980 crops. To the right, put your recommendations for target prices for 1981:

	Mean Value 1980	Mean Value I recommend for 1981:
Corn	\$2.35	3.06
Wheat	\$3.63	4.40

3. Listed below are the national average government loan rates for 1980. At the right put your recommendations for loan rates on these crops in 1981:

	Mean Value 1980	Mean Value I recommend for 1981:
Corn	\$2.25	2.77
Wheat	\$3.00	3.90
Barley	\$1.83	2.45

4. The Food and Agricultural Act of 1977 is due to expire at the end of 1981. What do you think Congress should do about future farm legislation in 1981? (Check one).

N=452

35 Keep the present law and make minor changes in loan rates, target prices, and reserves.

30.5 Eliminate all government price and income support programs, including the reserve program.

11.3 Develop totally new farm legislation. Specify: _____

11.7 No opinion.

11.5 No answer.

5. The farmer owned reserve program was a new feature of the food and Agriculture Act of 1977. Check below to show how you view this program:

a. The reserve program has been a good program for farmers since it began in 1978.

b. The reserve program has been a good program for consumers since it began in 1978.

c. I would favor discontinuing the target price program and placing more emphasis on the reserve program to support farm prices.

d. As a producer, I would like to have the release price for feed grains raised above the present 125 percent of loan rate.

e. As a producer, I would like to have the release price for wheat raised above the present 140 percent of loan rate.

f. I would like to see a two price loan plan--one for crops not placed in the reserve, and a higher rate for crops placed in the reserve.

g. Current call prices of 45 percent above the loan for feed grains and 75 percent above the loan for wheat are about right, considering interests of both producers and consumers.

h. There should be a single release and call price for all producers, no matter when their grain was placed in the reserve.

6. Limitations of exports to Russia became a major policy issue during 1980. Check below your views on this issue:

a. At the time, I thought the President was right in limiting exports to Russia.

b. Based on what has happened, the U.S. should not limit farm exports for political or foreign policy reasons.

c. The 1981 farm bill should provide price protection for producers if exports are limited for any reason.

d. The 5-year export agreement with Russia which specifies minimum and maximum quantities should be renewed when the present agreement expires in 1981.

	Strongly agree	Agree	No opinion	Disagree	Strongly disagree	No answer
a.	4.9	29.2	26.1	17.0	6.2	16.6
b.	11.3	33.8	26.1	7.1	3.8	17.9
c.	6.0	21.9	29.2	19.7	3.5	19.7
d.	8.8	22.6	35.8	10.4	2.4	19.9
e.	8.6	22.8	34.3	11.3	2.7	20.4
f.	5.8	17.3	34.7	15.5	6.6	20.1
g.	2.0	23.7	36.9	11.5	4.4	21.5
h.	3.8	25.4	33.2	12.8	3.1	21.7
6. a.	12.8	29.2	5.1	23.9	18.8	10.2
6. b.	22.8	33.0	6.6	19.5	7.7	10.4
6. c.	32.5	39.6	7.5	8.2	2.7	9.5
6. d.	15.9	41.6	12.4	13.1	6.6	10.4

Check below how you feel about each statement:

	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree	
7. Future farm programs should be reoriented to give most price and income support benefits to small and medium size farms with gross annual sales under \$40,000.	25.7	27.7	8.8	18.1	13.5	6.2
8. The present disaster program that applied only to feed grains, wheat and cotton should be replaced by the new all-crop insurance plan in which the government pays part of the premium and the producer pays the rest.	7.3	36.3	23.7	16.6	8.0	8.2
9. The government should seek agreements with other exporting countries to hold reserves, control production, and raise prices.	11.5	39.2	15.5	17.9	7.3	8.6
10. The government should use tax funds to buy food stamps for people in the U.S. with low incomes.	3.5	24.1	12.8	33.0	20.4	6.2
11. The food stamp and other food assistance programs for low income people which now take about 55 percent of the USDA budget should be transferred and administered by the Department of Health and Human Services (formerly Health, Education and Welfare).	15.5	35.0	15.0	15.0	13.7	5.8
12. To help achieve national and state soil erosion control goals, each farmer should be required to follow recommended soil conservation measures for his farm to qualify for price and income support programs.	11.3	37.2	7.5	24.1	13.7	6.2
13. Foreigners should not be permitted to buy U.S. farmland	30.8	26.5	10.4	20.6	7.5	4.2
14. Non-farmers should not be permitted to buy U.S. farmland	15.0	19.2	8.6	36.5	15.7	4.9
15. A national board should be established to control marketing of U.S. grain exports.	8.2	23.2	18.4	25.7	16.8	7.7
16. The government should provide increased funds for agricultural research and extension activities.	23.9	44.5	11.1	11.7	4.2	4.6
17. For research purposes, we would like to know a little about you and your interests.						

a. Your age: (Please check)
 % 1.8 under 30 8.8 30-39 15.5 40-49 28.3 50-59 44.5 60 or older 1.1 No answer

b. Number of acres farmed in 1980 1,058. Acres of:
 irrigated corn - 261 barley 261 wheat 365
 dryland corn - 122 barley 122 wheat 782

c. In 1980, what percent of the land that you farmed did you own? 84.45 percent.

d. What will be your most important source of farm income in 1980? (Check one).
25 grain 38.9 beef cattle 5.8 dairy 7.1 about half grain, half livestock
23.2 other (specify) Missing

e. If you or members of your family were employed off your farm in 1980, what percent of your total farm family income in 1980 will come from these nonfarm earnings?
28.3 less than 25% 5.5 25-49% 8.4 50-74% 18.4 75% or more 39.4 No answer

f. What was the last year of school you completed?
5.3 grade school 6.4 some high school 27.7 graduated from high school
24.3 some college 35.6 graduated from college 0.7 No answer

*g. Did you participate in agricultural programs this year? 18.4 yes 72.3 no.
1.8 reserve 5.3 loan 1.1 disaster 1.1 No answer

h. Please check your association with these organizations:

	Member in 1980	PERCENT	Not a member now but a member at one time
Farm Bureau	33.2		15.9
Farmers Union	4.2		5.3
Grange	16.8		8.4
National Farmers Organization	2.9		6.2
American Agricultural Movement	0.9		1.1
Oregon Wheat League	28.5		2.4
Cattlemen's Association	34.1		9.5
Labor Union	5.5		8.0
Other (list)	12.8		1.5

Thank you for answering these questions. All your individual responses will be kept confidential. You need not sign your name. You are welcome to make any comments on the bottom of this page, or on a separate sheet if you want to write more. Please return in the enclosed, self-addressed envelope. It requires no postage.

Comments: * Total Yes = 26.3% (18.4 + 1.8 + 5.3 + 1.1) ASCS, Wool Incentives, Etc., were other programs.