

National Trends and Issues in Agriculture

Organic foods sales are up about 8% for 2010 overall and more for nonfood items in contrast to a growth rate of less than 1% for overall grocery sales in the U.S.

Overall food prices are up and this will continue with a 3-4% increase expected in 2011.

Fertilizer prices are expected to increase to the 2008 levels or higher, after falling during 2009-10.

Hiring unemployed workers in 2010 and keeping them on in 2011 can provide a tax credit in 2011 of \$1000. The break can be taken only for those employees who worked for a maximum of 40 hours in the 60 days prior to their hire date and who have remained employed for 52 consecutive weeks. Also, pay in the last 26 weeks can't be less than 80% of their first 26 weeks' wages.

The number of farms in the U.S., which is now at 2.2 million, will not change much in the next few years. However, midsized farms will continue to disappear and be replaced by small or large farms.

The proposed budget for the USDA is out and cuts are expected. New fees for USDA services are expected. Conservation programs are expected to be cuts. Ag. research will likely not be cut significantly, although extension funds are expected to be cut.

Within a year or two, lawmakers are expected to approve legislation that exempts farmers from Clean Water Act rules on pesticide use, provided that they fully comply with current federal pesticide laws.

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