



Although the number of farms in the aggregate has been declining, the number of farm operators working off their farms has been increasing. For example the number of operators working 100 days or more off their farms increased from 944,000 in 1940 to 1,256,000 in 1949 and to 1,334,000 in 1954. More than one-fourth of this increase was realized in the Southeast area where the number of operators who worked off their farms 100 days or more, more than doubled between 1940 and 1954. This is a reflection in a large part of the rapid industrial development in the area.

In some sections, such as eastern Kentucky, portions of West Virginia and western Pennsylvania, some counties have had a decline in the number of operators working 100 days or more off their farms. Most of this decline apparently is due to the decrease in number of farms rather than to a decrease in off-farm jobs.

### MACHINERY INVESTMENT COSTS HAVE INCREASED

Modern farm mechanization, reduced labor requirements, and greater opportunities for off-farm employment have been realized through increased investment and operating costs for farm machinery and equipment. In 1956, physical assets of machinery and motor vehicles on farms was valued at 16.6 billion dollars, compared with a value of 3.1 billion dollars in 1940, according to estimates by the United States Department of Agriculture. Partially offsetting this tremendous increase in investment in farm machinery and equipment was a decrease of a billion dollars in value of horses and mules on farms. A part of the increase in value of machinery and equipment is due to increased prices. Increasing inventory values have been accompanied by increasing prices of farm products. In 1951, prices received by farmers were 200 percent above the average for 1940, and in September 1956, they were 136 percent higher than in 1940. There are, of course, many other economic and other factors involved in the progress of farm mechanization and labor productivity. Farmers' expenditures for machine hire and petroleum products provide two indicators of the progress of farm mechanization.

