

FARMERS AND FARM PRODUCTION

F. OFF-FARM INCOME OF FARM-OPERATOR FAMILIES

The data in this section are from a special survey of farm family income and expenditures made by the Agricultural Marketing Service, U. S. Department of Agriculture with the cooperation of the Bureau of the Census. (See *Farmers' Expenditures in 1955*, Volume III, Part 11, 1954 Census of Agriculture.) Information was gathered from a national sample of farm-operator families on sources of income and family expenditures. This sample is deemed reliable for purposes of inferences concerning distribution of off-farm income for the United States by economic class of farm. The data included in this section are reprinted from the survey report and provide the most detailed information available on off-farm earnings and other off-farm income of farm people.

Aggregate off-farm income.—The aggregate off-farm income of farm-operator families of \$8.0 billion for 1955, shown in Table 40, compares with \$11.3 billion realized net money and nonmoney income from agriculture, as estimated by the Agricultural Marketing Service.¹⁰ Thus, off-farm income of farm-operator families is an estimated 41 percent of the total realized net money and nonmoney income of farm-operator families.

Total off-farm income of \$1.0 billion derived from farm sources such as work on other farms, farm customwork, farm trucking and hauling, rental of farm real estate, etc., if added to realized net income from farming, would result in a ratio of about 64 percent from agriculture and 36 percent from nonagricultural

sources. In other words, according to these estimates, more than 40 percent of the aggregate net income of farm-operator families is derived from sources off their farm and a little more than one-third is from sources outside of agriculture.

The largest or most important source of off-farm income is income received by the operator from working for others for wages or salary with nonfarm work of \$3.2 billion constituting more than 93 percent of the \$3.4 billion total from this source. Income received by wife—which includes income received from working for others for wages or salary as well as from other sources—is about 97 percent from nonfarm sources. Likewise, the income received by other members of the family is about 89 percent from nonfarm sources.

The largest part of the income from off-farm business or self-employment off the farm is from nonfarm business. Of the total of \$1.3 billion from off-farm business or nonfarm self-employment, about 79 percent is from nonfarm business. Farm customwork comprises about 16 percent and farm trucking and hauling only 5 percent of this total.

The only item of off-farm income in which agricultural sources are more important than nonagricultural sources is the income from rental of real estate. In this case, income from rental of farm real estate is 72 percent of the total income from rental of real estate, or more than two and one-half times the total from rental of nonfarm real estate.

Table 40.—OFF-FARM INCOME OF FARM-OPERATOR FAMILIES BY SOURCE OF INCOME, BY CLASS OF FARM, AGGREGATE FOR THE UNITED STATES: 1955

Source of income	United States (000 dollars)	Group I			Group II				Group III			
		Total (000 dollars)	Class I (000 dollars)	Class II (000 dollars)	Total (000 dollars)	Class III (000 dollars)	Class IV (000 dollars)	Class V (000 dollars)	Total (000 dollars)	Class VI (000 dollars)	Part-time (000 dollars)	Residential (000 dollars)
Total off-farm income of farm-operator families:												
Total from all sources.....	8,006,472	1,009,530	392,575	616,956	2,876,423	835,290	1,008,824	1,032,308	4,120,518	300,731	1,683,006	2,046,781
Total farm income (except this farm).....	1,066,728	343,918	170,731	173,188	447,077	179,115	151,107	116,856	275,733	64,056	99,247	112,430
Total nonfarm income.....	6,939,744	665,612	221,844	443,768	2,429,347	656,175	857,717	915,454	3,844,785	326,676	1,583,759	1,934,351
Income received by farm operator:												
Income from off-farm business or self-employment.....	1,267,414	243,524	121,617	121,907	462,309	122,460	175,042	164,807	561,581	43,675	261,682	266,224
Farm customwork.....	205,521	81,366	46,415	34,951	110,074	48,268	31,483	30,323	14,081	3,557	7,249	3,275
Farm trucking and hauling.....	66,485	7,819	7,819	7,819	29,258	5,008	13,523	10,727	28,408	2,852	6,141	19,415
Nonfarm business.....	996,408	154,339	75,202	79,137	322,977	69,185	130,036	123,756	519,092	37,267	248,292	233,594
Income from working for others for wages or salary.....	3,423,210	236,129	95,006	141,122	1,043,567	202,809	360,036	480,722	2,143,514	82,225	922,179	1,139,009
Farm work.....	229,593	91,972	61,034	30,938	68,876	20,155	27,396	21,326	68,745	12,778	27,029	28,938
Nonfarm work.....	3,193,617	144,157	33,973	110,184	974,691	182,655	332,640	459,396	2,074,769	69,547	895,150	1,110,072
Income from rental of farm real estate.....	455,880	126,153	55,708	70,445	200,064	90,020	63,296	45,848	129,663	32,070	49,160	48,433
Income from rental of nonfarm real estate.....	173,014	24,460	9,572	14,889	73,279	32,420	22,395	18,465	75,274	5,120	44,323	25,831
Income from roomers and boarders.....	53,183	4,205	1,200	3,005	20,032	7,443	6,288	6,300	28,946	2,336	13,278	13,331
Income from interest, dividends, trust funds, or royalties.....	450,052	150,927	57,538	93,388	212,789	114,943	68,839	29,007	86,336	5,330	17,025	63,981
Income from veteran's pensions and compensation, veteran's school allotment, serviceman's family allotment.....	189,832	11,749	1,675	10,074	77,955	25,212	22,596	30,148	100,128	26,378	27,908	45,843
Income from retirement pay, unemployment compensation, old age pension, annuities, alimony, regular contributions or welfare received.....	325,559	8,766	1,286	7,480	54,420	8,270	15,410	30,740	262,372	43,704	77,956	140,713
Any other personal income.....	45,480	6,967	2,408	4,559	25,499	5,948	12,437	7,114	13,015	3,118	3,795	6,102
Income received by wife.....	828,916	83,150	23,287	59,872	350,153	93,715	154,278	102,160	395,603	62,909	173,672	150,023
From farm sources.....	22,401	3,145	1,500	2,994	11,731	3,301	6,952	1,389	7,526	4,996	830	1,699
From nonfarm sources.....	806,514	80,005	21,787	56,877	338,422	90,414	147,326	100,771	388,077	57,913	172,842	157,324
Income received by other family members.....	793,932	113,400	23,277	90,213	356,355	131,150	108,207	116,998	324,087	83,766	92,028	148,293
From farm sources.....	87,848	33,463	7,424	26,039	27,073	11,375	8,457	7,241	27,311	7,802	8,837	10,671
From nonfarm sources.....	706,084	80,027	15,853	64,174	329,282	119,775	99,750	109,757	296,776	75,964	83,191	137,622

¹⁰ Data published periodically in *Farm Income Situation* (AMS). Includes Government payments. In 1955, according to AMS estimates, gross farm income of \$32.9 billion included \$21.6 billion production expenses and \$11.3 billion realized net income from agriculture.