

**Distribution of sources of off-farm income by class of farm.**—Table 43 presents each source of off-farm income as a percentage of the total off-farm income of each class or group. Thus, for all farms in the United States, nonfarm income constitutes 86.7 percent of total off-farm income while 13.3 percent is from farm sources other than the farm of the operator. The most important sources of off-farm income for all farms are seen to be nonfarm work for others for wages or salary, nonfarm business, income received by wife from nonfarm sources, and income received by other family members from nonfarm sources.

By classes and by groups the percentage of off-farm income received from farm sources generally declines from Class I to Class V and from Group I to Group III. Thus, in Group I (Classes I and II) 34.1 percent of off-farm income is from farm sources while in Group III (Classes VI, VII, and VIII) only 6.7 percent is from farm sources; this indicates relatively greater reliance, by the higher class commercial farm operators on farm customwork, farm trucking and hauling, and other farm investments. Class I farm operators are also unique in that they have almost twice as much income from farm work as from nonfarm work; whereas, Class II farm operators have more than three times as much from nonfarm work; and the proportion from farm work declines markedly for other classes from Class III to Class VIII farm operators.

The farm ownership status of Classes I, II, and III is clearly indicated in that the percent of off-farm income received from rental of farm real estate of 14.2 percent, 11.4 percent, and 10.9 percent, respectively, is considerably higher than 6.3 percent and 4.4 percent for Class IV and Class V and the 3.1 percent for Classes VI, VII, and VIII (Group III). A much narrower range of income is indicated in returns from rental of nonfarm real estate.

There is basis for the inference that operators of large commercial farms on the average do not have as large investment in property outside of agriculture as they do in farm resources outside their farm. This is contrary to a belief that appears to be held by many people. The data in Table 43 show that on the average the off-farm property of the large-scale operators is largely concentrated in agriculture. Thus, Class I farm operators, with 14.2 percent of their off-farm income from rental of farm real estate and only 2.4 percent from rental of nonfarm real estate are shown to have considerably larger investments in rental property in agriculture. In addition, although 19.2 percent of Class I off-farm income is from nonfarm business and another 8.7 percent from nonfarm work, a total of 27.3 percent is from farm work such as farm customwork (11.8 percent) and from work for others for wages or salary (15.5 percent). These percentages, when compared with those for farm operators in other classes, illustrate that the investments of the large-scale operators are more largely concentrated in agriculture than are those of operators of smaller farms.

Classes I, II, and III farm operators, however, are seen to have relatively larger percentages of income from interest, dividends, trust funds, or royalties, than is the case for the operators of smaller-scale farms. This merely points to the fact that operator families in Classes I, II, and III have larger equities than other groups.

Operators of Class VI farms are unique in having a decidedly higher-than-average percentage of income from retirement pay, old-age pensions, annuities, unemployment pay, etc. One may infer from this that these operators are older than those in other groups and not as well-to-do.

Table 43.—PERCENT DISTRIBUTION OF OFF-FARM INCOME OF FARM-OPERATOR FAMILIES BY SOURCE OF INCOME, BY CLASS OF FARM, FOR THE UNITED STATES: 1955

Source of income	United States	Group I			Group II			Group III				
		Total	Class I	Class II	Total	Class III	Class IV	Class V	Total	Class VI	Part-time	Residential
<b>Total off-farm income of farm-operator families:</b>												
Total from all sources.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total farm income (except this farm).....	13.3	34.1	43.5	28.1	15.5	21.4	15.0	11.3	6.7	16.4	5.9	5.5
Total nonfarm income.....	86.7	65.9	56.5	71.9	84.5	78.6	85.0	88.7	93.3	83.6	94.1	94.5
<b>Income received by farm operator:</b>												
Income from off-farm business or self-employment.....	15.8	24.1	31.0	19.8	16.1	14.7	17.4	16.0	13.6	11.2	15.5	12.5
Farm customwork.....	2.6	8.1	11.8	5.7	3.8	5.8	3.1	2.9	.3	.9	.4	.2
Farm trucking and hauling.....	.8	.8	.....	1.3	1.0	.6	1.3	1.0	.7	.7	.4	.9
Nonfarm business.....	12.4	15.3	19.2	12.8	11.2	8.3	12.9	12.0	12.6	9.5	14.8	11.4
Income from working for others for wages or salary.....	42.8	23.4	24.2	22.9	36.3	24.3	35.7	46.6	52.0	21.1	54.8	55.6
Farm work.....	2.9	9.1	15.5	5.0	2.4	2.4	2.7	2.1	1.7	3.3	1.6	1.4
Nonfarm work.....	39.9	14.3	8.7	17.9	33.9	21.9	33.0	44.5	50.4	17.8	53.2	54.2
Income from rental of farm real estate.....	5.7	12.5	14.2	11.4	7.0	10.9	6.3	4.4	3.1	8.2	2.9	2.4
Income from rental of nonfarm real estate.....	2.2	2.4	2.4	2.4	2.5	3.9	2.2	1.8	1.8	1.3	2.6	1.3
Income from roomers and boarders.....	.7	.4	.3	.5	.7	.9	.6	.6	.7	.6	.8	.7
Income from interest, dividends, trust funds, or royalties.....	5.6	15.0	14.7	15.1	7.4	13.8	6.8	2.8	2.1	1.4	1.0	3.1
Income from veteran's pensions and compensation, veteran's school allotment, serviceman's family allotment.....	2.4	1.2	.4	1.6	2.7	3.0	2.2	2.9	2.4	6.8	1.7	2.2
Income from retirement pay, unemployment compensation, old age pension, annuities, alimony, regular contributions or welfare received.....	4.1	.9	.3	1.2	1.9	1.0	1.5	3.0	6.4	11.2	4.6	6.9
Any other personal income.....	.6	.7	.6	.7	.9	.7	1.2	.7	.3	.8	.2	.3
<b>Income received by wife:</b>												
From farm sources.....	10.4	8.2	5.9	9.7	12.2	11.2	15.3	9.9	9.6	16.1	10.3	7.8
From nonfarm sources.....	3	.3	(Z)	.5	.4	.4	.7	.1	.2	1.3	(Z)	.1
From nonfarm sources.....	10.1	7.9	5.9	9.2	11.8	10.8	14.6	9.8	9.4	14.8	10.3	7.7
<b>Income received by other family members:</b>												
From farm sources.....	9.9	11.2	5.9	14.6	12.4	15.7	10.7	11.3	7.9	21.4	5.5	7.2
From nonfarm sources.....	1.1	3.3	1.9	4.2	.9	1.4	.8	.7	.7	2.0	.5	.5
From nonfarm sources.....	8.8	7.9	4.0	10.4	11.4	14.3	9.9	10.6	7.2	19.4	4.9	6.7

Z 0.05 percent or less.