

Hired labor.—Man-equivalents of hired labor were computed by dividing the expenditure for hired labor by the annual cash wage reported for regular hired workers for each type of farm.

Hired labor is relatively unimportant in commercial farming as a whole. The man-equivalents of hired labor per farm totaled about 0.3 man-equivalent per farm in 1954. Only on vegetable, fruit-and-nut, and general crop farms, did hired labor exceed this amount. However, hired labor is of considerable importance on the larger economic classes of farms. The average for Class I farms of all types was more than 4 man-equivalents per farm in 1954. The average vegetable farm in Class I hired the equivalent of 17 full-time workers that year. Eight man-equivalents of hired labor were used on Class I fruit-and-nut farms and 7 man-equivalents on Class I cotton and other field-crop, and general crop farms. In contrast, Class I cash-grain and poultry farms used less than 2 man-equivalents of hired labor per farm.

Hired labor comprises a very small part of the farm labor force on farms in the smaller economic classes. For economic classes smaller than Class I it was less important than family labor on all types, with the exception of Class II cotton, vegetable, and fruit-and-nut farms. The use of hired labor decreases with decreasing size of farm for all types.

Cash Wages Paid

The land and labor resources and the value of investment for types of farms classified by economic class is useful as a measure of overall distribution of resources of production. When these resources are taken together there is a close association between the amount and value of resources and the value of farm products sold.

Both the value of investment and the value of farm products are frequently used as measures of farm size. In the purely physical sense they appear to represent fairly adequate measures. But interest in farm size also stems from concern over the human factor in farming. As farms increase in size, measured by business volume, there is a tendency for the farming to involve more work than can be handled by the farm family, and for hired labor to become an increasingly important element in the day-to-day operations. Many persons have taken the increases in size of farm to mean a trend toward large-scale farms and a corresponding increase in the use of hired labor in agriculture.

Since the economic classification has, as its largest size grouping, farms that had sales of farm products valued at \$25,000 or more, there is a tendency for these to be treated as representing large-scale operations employing much hired labor. Actually, many of these farms do employ a great deal of hired work. On many others the work is done primarily by members of the family. Furthermore, there is considerable variation by type of farm among Class I farms in the amount of hired labor employed.

Table 21 and table 22 show the number and proportion of farms reporting specified amounts paid for hired labor for types of farms by economic class. Even among Class I farms, only two-fifths reported an expenditure of \$5,000 or more. An expenditure of \$5,000 would probably represent the hiring of 2 to 3 full-time workers at current wage rates for hired labor.

By type of farm, Class I farms show striking differences in the proportion that paid \$5,000 or more for hired labor. Only a fifth of the Class I cash-grain farms hired this amount of farm labor, reflecting the outstanding progress that has been made in mechanization of the entire farming operation of the cash-grains. In contrast, other types of farming having a major source of income from crops use much more hired labor in producing \$25,000 or more of farm products for sale. On cotton, other field-crop, and fruit-and-nut farms, two-thirds to three-fourths, and on vegetable farms nearly 90 percent, of the Class I farms had \$5,000 or more expended for hired work. On these types of farms much labor is needed because many of the peak harvest operations are not completely mechanized. Much of the labor hired on these farms is seasonal.

Livestock and poultry production is associated with relatively small use of hired labor, relative to sales. Even on Class I farms only a fifth of the poultry and a fourth of the livestock farms had a labor expenditure of \$5,000 or more. About half of the dairy farmers in Class I reported an expenditure of \$5,000 or more. Dairy and poultry farms characteristically buy large quantities of feed. Many livestock farmers, particularly those engaged in cattle and hog fattening, have high expenditures for purchases of feeder cattle and pigs. On these types of farms a smaller proportion of the gross sales is net than for most specialized crop farms.

Farms with expenditures for hired labor of \$5,000 or more are not restricted to Class I farms, however. More than a fourth of the farms employing this much hired work were classified as Class II. A fairly high proportion of Class II cotton, other field-crop, vegetable, and fruit-and-nut farms, reported hiring this much farm labor.

On the smaller economic classes of farms (those with sales of farm products valued at less than \$10,000) few farms of any type reported as much as \$5,000 expended for hired labor.

TABLE 21.—PERCENTAGE OF FARMS REPORTING \$5,000 OR MORE CASH WAGES PAID, FOR EACH TYPE OF COMMERCIAL FARM, BY ECONOMIC CLASS, FOR THE UNITED STATES: 1954

Type of farm	Total	Economic class of farm					
		I	II	III	IV	V	VI
All commercial farms	2.4	40.2	4.7	0.5	0.2	(Z)	(Z)
Cash-grain.....	1.2	21.2	1.1	0.2	0.1	(Z)	(Z)
Cotton.....	2.8	70.8	13.7	0.5	(Z)	(Z)	(Z)
Other field-crop.....	1.5	64.8	10.9	0.4	(Z)	(Z)	(Z)
Vegetable.....	16.7	88.0	41.3	4.8	0.9	-----	-----
Fruit-and-nut	14.7	73.5	22.8	3.5	0.8	0.3	0.1
Dairy.....	1.8	51.5	4.2	0.2	(Z)	(Z)	-----
Poultry.....	1.7	17.1	1.0	0.2	0.2	-----	(Z)
Livestock other than dairy and poultry.....	1.9	21.2	2.4	0.7	0.4	0.1	(Z)
General:							
Primarily crop.....	3.8	56.5	7.5	0.8	0.2	0.1	-----
Primarily livestock.....	0.4	28.5	1.0	0.1	(Z)	-----	-----
Crop and livestock.....	1.0	34.8	2.2	0.3	(Z)	(Z)	-----
Miscellaneous.....	15.2	77.9	28.2	4.9	2.3	0.4	0.2

Z 0.05 percent or less.