

Gross Sales per Man-Equivalent

Gross farm sales per man-equivalent amounted to \$5,000 for all commercial farms in 1954 (see table 42). These ranged from a high of more than \$8,000 for poultry farms to a low of about \$3,000 on cotton and other field-crop farms. Cash-grain and livestock farms, which had the lowest sales per acre, were among the highest types in sales per man-equivalent.

TABLE 42.—VALUE OF ALL FARM PRODUCTS SOLD PER MAN-EQUIVALENT OF LABOR USED, BY TYPE OF COMMERCIAL FARM BY ECONOMIC CLASS OF FARM, FOR THE UNITED STATES: 1954

Type of farm	Total	Economic class of farm					
		I	II	III	IV	V	VI
All commercial farms	<i>Dollars</i> 5,001	<i>Dollars</i> 10,701	<i>Dollars</i> 8,223	<i>Dollars</i> 5,020	<i>Dollars</i> 2,916	<i>Dollars</i> 1,608	<i>Dollars</i> 727
Cash-grain.....	6,785	14,848	9,785	5,947	3,846	2,302	838
Cotton.....	2,919	8,988	6,147	3,517	2,035	1,261	636
Other field-crop.....	2,877	6,937	6,173	3,864	2,477	1,590	753
Vegetable.....	4,497	5,685	4,300	3,518	2,442	1,608	636
Fruit-and-nut.....	5,857	7,292	6,115	4,848	3,668	2,373	814
Dairy.....	4,534	9,353	7,197	4,862	2,995	1,796	793
Poultry.....	8,305	18,229	10,998	6,512	4,051	2,439	822
Livestock other than dairy and poultry.....	6,791	17,772	9,470	5,486	3,344	2,084	743
General:							
Primarily crop.....	4,575	8,251	6,511	4,300	2,729	1,708	766
Primarily livestock.....	4,214	10,464	8,443	5,032	2,948	1,796	892
Crop and livestock.....	4,558	10,970	8,120	5,046	2,928	1,754	793
Miscellaneous.....	4,831	5,774	5,309	4,123	3,048	2,128	788

Sales per man-equivalent were highest on Class I farms for each type. They decreased substantially for each successively smaller economic class. For each type of farm the differential between economic classes is fairly similar. Each successively smaller economic class had gross sales per man-equivalent only half to two-thirds that of the economic class above it. Gross sales per man-equivalent for Class I farms was 10 to 20 times greater than for Class VI farms.

Limitations of Relating Sales to Resources

Comparisons of gross productivity per unit of farm resources do not take account of farm expenses. The proportion of farm sales that is net varies by type of farm as well as between economic classes within each type. The effect of these variations is probably more important between types of farm, however, than between classes of the same type. Farm expenses and the proportion they comprise of gross farm sales are discussed later in this report.

In addition, sales per unit of resources between economic classes of farms are affected by classification on the basis of sales in the particular year. They may have been higher or lower than normal because of chance factors.

In view of the wide differentials between economic classes of farms shown in the preceding tables, it is reasonable to conclude that resources are used to greater efficiency on the larger economic classes. The precise amount of these differentials, however, cannot be determined from the existing data.

Investment per Man-Equivalent

Differences in gross productivity per worker between types and economic classes of farms may be partly attributable to differences in the amount of other resources at the disposal of workers on these farms. The capital investment discussed previously, provides an indication of the total nonlabor resources. The capital investment per farm was divided by the man-equivalents per farm to provide the data shown in table 43.

The investment per man-equivalent worker for commercial agriculture as a whole was about \$22,000 in 1954. For cash-grain and livestock farms the average was nearly \$40,000. The lowest average investment per worker was on cotton and other field-crop farms, an average of less than \$10,000.

By economic class of farm, the highest investment per worker was on Classes I and II. This was true for all types except vegetable farms. For vegetable farms the investment per worker was highest in Class III.

Investment per worker decreased with decreasing size of farm; the lowest investment was found on Class VI farms. The exception is that investment per worker was higher on Class II than on Class I for all types except cash-grain and cotton farms.

Class II farms are mostly family operated. That is, the farm operator and members of his family comprise most of the labor force. These farms as a group typify the large, up-to-date, highly mechanized family farms. Many Class I farms also are operated primarily with family labor, but included in this group are larger farms that hire most of the farm work done.

Apparently Class II farms have reached sufficient size to achieve reasonably efficient use of most modern innovations designed to increase output and decrease labor needs. The income and credit positions of families on Class II farms have probably been sufficient to enable them to make profitable investments in productive land, modern buildings, and other capital items. Workers on these farms have capital resources to work with that are equal to or greater than that of workers on Class I farms.

TABLE 43.—CAPITAL INVESTMENT IN LAND AND BUILDINGS, LIVESTOCK AND MACHINERY PER MAN-EQUIVALENT OF LABOR USED, BY TYPE OF COMMERCIAL FARM BY ECONOMIC CLASS OF FARM, FOR THE UNITED STATES: 1954

Type of farm	Total	Economic class of farm					
		I	II	III	IV	V	VI
All commercial farms	<i>Dollars</i> 22,516	<i>Dollars</i> 30,413	<i>Dollars</i> 30,431	<i>Dollars</i> 25,899	<i>Dollars</i> 16,764	<i>Dollars</i> 12,069	<i>Dollars</i> 7,718
Cash-grain.....	39,623	61,696	53,654	37,441	28,541	22,146	12,571
Cotton.....	9,361	25,127	23,366	13,188	9,588	4,390	3,278
Other field-crop.....	8,736	15,445	18,466	11,350	7,419	6,114	4,489
Vegetable.....	12,665	12,318	14,960	15,574	14,243	13,087	8,443
Fruit-and-nut.....	20,972	19,921	23,449	23,265	23,010	23,574	13,221
Dairy.....	18,377	23,443	25,594	19,962	15,260	12,570	8,676
Poultry.....	15,451	16,316	16,646	15,187	14,978	15,388	10,412
Livestock other than dairy and poultry.....	37,862	58,665	48,867	36,115	29,406	25,005	14,061
General:							
Primarily crop.....	22,281	27,689	32,813	23,651	16,411	15,350	10,553
Primarily livestock.....	21,460	29,309	32,318	24,443	17,950	15,221	11,399
Crop and livestock.....	24,913	37,542	37,844	27,872	19,880	14,838	9,776
Miscellaneous.....	12,164	8,000	16,919	18,260	18,078	19,008	10,720