

Distribution of farm income by tenure.—In 1959, 65.2 percent of the farms in the United States were classified as commercial. In addition to farms that had total farm sales of \$2,500 or more, this classification included farms with a value of sales of farm products of \$50 to \$2,499 if the farm operator was under 65 years of age and did not work off the farm 100 days or more during the year, and if total family income from nonfarm sources was less than the total farm sales.

The remaining 34.8 percent of the farms were primarily part-time and part-retirement farms. A high proportion of the families living on these noncommercial farms were dependent on income from nonfarm sources. In 1959 four-fifths of the noncommercial farms were operated by full owners, and the remaining fifth were evenly divided between part owners and tenants. Most of the tenants paid a cash rent or some form of payment other than a share of crops or livestock.

The distribution by tenure of commercial farm operators differed markedly by economic class. In general, the higher the total sales of farm products, the lower was the proportion of farms operated by full owners. This relationship held in all regions, and was particularly marked in the North Central and Western regions. The opposite relationship held for part owners and managers—the higher the total value of farm sales, the higher the proportion of farms operated by part owners and managers. The variation in the proportion of tenant farms within each economic class was not great (less than 10 percent) and did not follow such a definite pattern as the proportion for the full-owner or part-owner farms. For example, in the South the rate of tenancy increased as the total value of farm sales decreased, whereas in the North Central region the rate of tenancy increased as the total value of farm sales increased up to Class II farms, but decreased for the Class I farms.

Of the Class I farms (total farm sales of \$40,000 or more), part owners operated 44.0 percent, full owners 31.4 percent, tenants 19.1 percent, and managers 5.6 percent. Of the Class VI farms (total sales of farm products of \$50 to \$2,499), full owners operated 56.5 percent, tenants 27.9 percent, part owners 15.5 percent, and managers 0.2 percent. Tenants accounted for approximately 25 percent of farms in the intermediate Classes II, III, IV, and V.

Average value of farm products sold.—The value of farm products sold per farm is only a rough approximation of the level of net farm income, since production expenses vary widely. Gross farm sales, however, do provide an indication of the relative income of farms in different tenure groups.

In 1959 the average value of farm products sold per commercial farm was \$12,195. There was considerable variation among regions, however. The West had an average value of farm products of \$26,884 per farm, compared with \$13,861 per farm in the Northeast, \$11,389 per farm in the North Central region, and \$9,147 per farm in the South.

Among the tenure groups, managers reported the largest average sales—\$93,606. A large portion of this, however, was paid out as production expenses, including the manager's salary. Part owners reported the next highest average sales—\$15,577. Since part owners rented a portion of their land, part of these sales were divided with the landowner. Tenants reported slightly larger average sales than full owners (\$10,727 and \$9,553 respectively). The tenants also divide their sales with the landowner, therefore, the net income of tenants may be less than the net income of full owners. The same general ranking of tenure groups prevailed in all regions except the South, where full owners reported slightly larger average sales of farm products than tenants.

Among the various classes of tenants, livestock-share tenants reported the largest average sales, followed by cash tenants,

share-cash tenants, other and unspecified tenants, crop-share tenants, and last, sharecroppers. These differences between classes are related to differences in type of farm and size of farm.

AVERAGE VALUE OF FARM PRODUCTS SOLD PER COMMERCIAL FARM, BY TENURE OF OPERATOR, FOR THE UNITED STATES AND REGIONS: 1959

