

THE

# Farm Income

SITUATION

BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE

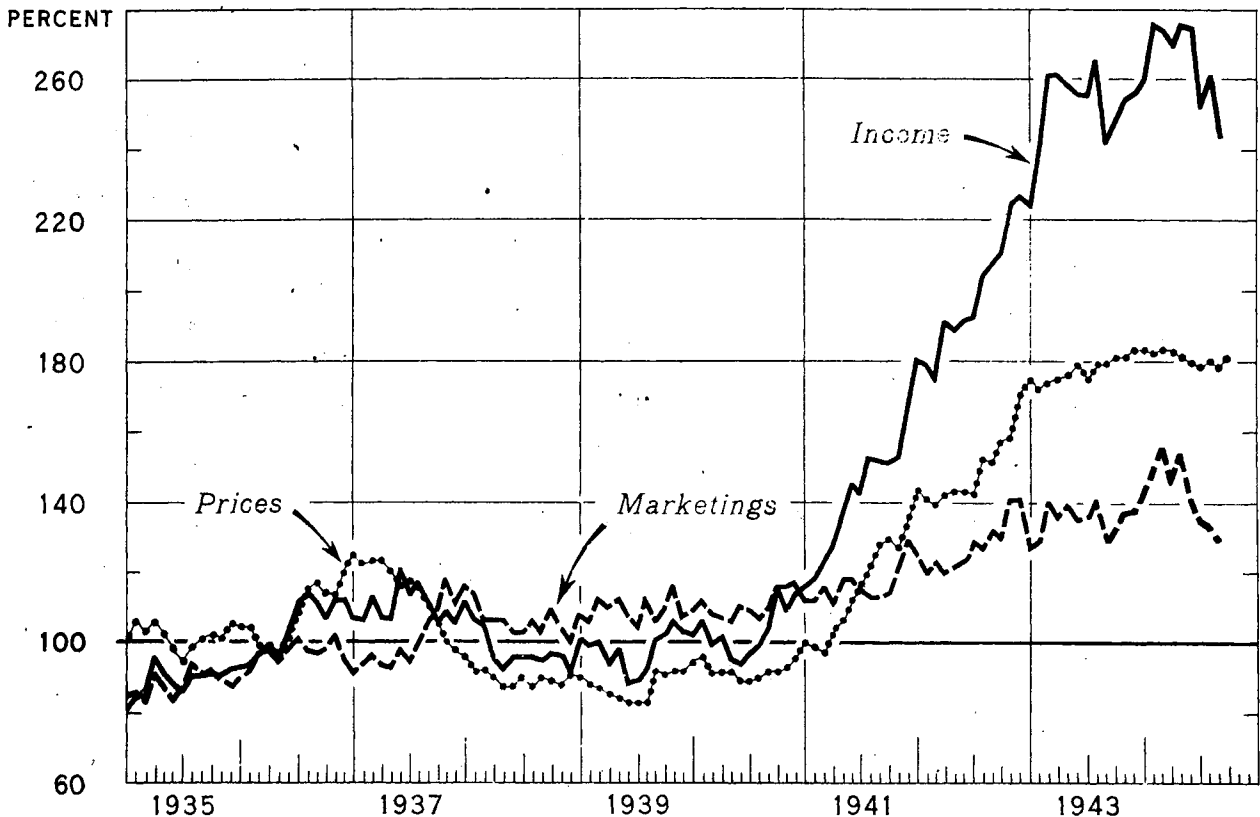
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NOVEMBER 1944

## PRICES RECEIVED BY FARMERS, VOLUME OF MARKETINGS, AND CASH FARM INCOME, UNITED STATES, 1935-44

INDEX NUMBERS (1935-39=100) ADJUSTED FOR SEASONAL VARIATION



U. S. DEPARTMENT OF AGRICULTURE

NEG. 43403

BUREAU OF AGRICULTURAL ECONOMICS

During 1941 and 1942, volume of farm marketings, prices, and farm income increased rapidly, reaching relatively high levels in the early part of 1943 where they have remained. Normally, increased marketings would be associated with relatively low prices, but the high farm income during the war years has been due largely to exceptionally favorable prices with expanding production.

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THE FARM INCOME SITUATION

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Preliminary Estimates for October and November

Current estimates place total cash receipts for November at 2,068 million dollars, compared with 2,449 million dollars in October, and 2,005 million dollars for November 1943. Receipts from crops dropped sharply largely because of seasonal decline in marketings of wheat and cotton. Income from livestock and livestock products remained at nearly the October level, as the drop which occurred in receipts of meat animals was partially made up by the increase in income from poultry and eggs.

For the period January through November, cash receipts from farm marketings amounted to about 18,430 million dollars, 6 percent above the income of 17,319 million for the first 11 months in 1943.

Total cash receipts for October were 2,449 million dollars, exceeding by 9 percent the former record receipts for the month, in October 1943.

Receipts for crops in October were 39 percent above September. Income from cotton and cottonseed was more than twice as large as in September, due partially to accelerated ginnings during the month of October after late maturity of the crop and difficulties of obtaining adequate labor which retarded early harvesting. The seasonal gain in receipts from oil-bearing crops brought about an income from that source of nearly 4 times the September receipts. Income from fruits and nuts rose somewhat more than seasonally as harvesting of citrus fruits in Florida started earlier in October than it generally does and shipments of citrus from Texas were heavy. Receipts from apples and grapes were also high as a result of larger than average crops in nearly all major producing sections.

Receipts from livestock and livestock products made only slightly more than the regular seasonal gain. Income from hogs increased but not as much

as usual, while the gain in the receipts from other types of meat animals was greater than the regular seasonal change. Butterfat marketings fell off and receipts from dairy products dropped slightly more than usual. Income from poultry and eggs rose slightly because of higher egg prices and increased sales of chickens and broilers.

Total receipts from farm marketings for the first 10 months were 16,365 million dollars, 7 percent above 1943. Income from crops was 10 percent higher than last year and receipts from livestock and livestock products were 5 percent greater than in 1943. Heavy marketings of wheat from the unusually large 1944 crop were especially important in bringing about the 30 percent gain in receipts from food grains. Receipts from fruits and nuts also rose 30 percent over last year, largely as a result of increased receipts from oranges, apples, and peaches. Receipts from meat animals gained 8 percent over 1943 and income from dairy products rose 6 percent to bring about the increase of 5 percent in receipts from livestock and livestock products, although income from poultry and eggs showed a slight decline.

#### SUMMARY

According to revised estimates, total cash receipts from farm marketings for September amounted to 1,954 million dollars, which was 16 percent above August and 1 percent greater than September 1943.

Volume of crops marketed in September was 37 percent greater than for August, but about the same as for September 1943. Volume of livestock and livestock products in September was 4 percent above the same month last year. While meat animals were down, the quantity of dairy products and of poultry and eggs marketed was enough greater to more than offset the decline in meat animals.

Receipts from crops in the United States during September were only 3 percent above last year. Income from this source ranged from 13 percent below 1943 in the West North Central Region to 17 percent above last year in the South Atlantic Region. Receipts from flaxseed were down sharply in nearly all States

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where grown in the West North Central Region and they were down 59 percent for the region as a whole. Acreage of flaxseed was reduced materially in most States in the region in 1944 because of relatively higher prices for competing commodities and because of the late, wet spring in 1943 which retarded wheat planting and encouraged planting of flaxseed, which can be planted later in the season than can spring wheat. Income from oats also declined in all States except South Dakota. Receipts from potatoes dropped generally throughout the region as both acreage and yield declined in nearly all States.

In the South Atlantic Region, receipts from tobacco in September were 34 percent greater than in 1943, as income rose sharply in nearly all sections as a result of increased acreage and higher yields. Receipts from wheat rose two and one-half times in relation to last year, reflecting increased acreage and higher production per acre. Income from apples also showed a marked gain, as the harvest in almost every State was far above the 1934-42 average.

Receipts from livestock and livestock products were also found to be lowest compared with last year in the West North Central Region and highest in the South Atlantic Region. Income from hogs dropped sharply in all States in the West North Central Region and was 27 percent below last year for the entire region. This was a result of the sharp reduction in pigs farrowed last spring as compared with a year earlier. Receipts from cattle were up in the Dakotas and in Missouri but were low in the other States, particularly in Iowa and Kansas. There was a substantial reduction in income from cattle for the region. Income from eggs dropped 13 percent in the region as receipts fell off in all States. Receipts from butterfat also declined in nearly all sections of the West North Central Region because a larger part of the milk produced was sold in fluid form.

During the period January through September, receipts from crops rose 8 percent above 1943 and income from livestock and livestock products gained 5 percent. Receipts from crops were substantially greater than last year in all regions except the West North Central Region, where income from crop marketing was 3 percent below 1943. The income in this region for the first 9 months was materially reduced because of the drastic reduction in receipts from flaxseed throughout the entire area. Smaller decreases occurred in income from barley, oats, and rye.

The greatest increase in receipts from crops during the first 9 months occurred in the Western Region, where income rose 14 percent over 1943. Gains in receipts from fruits were outstanding, as the crops of peaches, apricots, and citrus fruits were all substantially above the 1933-42 average in all major producing States. Income from wheat also rose sharply for the region and was especially high in Washington and Oregon, where production was nearly 25 percent above last year in each State.

Receipts from livestock and livestock products from January through September ranged from 3 percent above last year in the North Atlantic and South Central Regions to 11 percent in the South Atlantic Region. In the North Atlantic Region, receipts from eggs dropped in all States except New Jersey, but receipts from milk, the largest source of income in that area, were as consistently upward. In the South Central Region, receipts from milk, chickens, and calves made substantial gains in nearly every State, but income from eggs, sheep and lambs, butterfat, and broilers was down. Receipts from nearly all commodities in the livestock and livestock products group were up sharply in the South Atlantic Region.

— November 28, 1944

# CASH INCOME FROM FARM MARKETINGS, BY REGIONS, 1943-44 COMPARED WITH 1938-42 AVERAGE

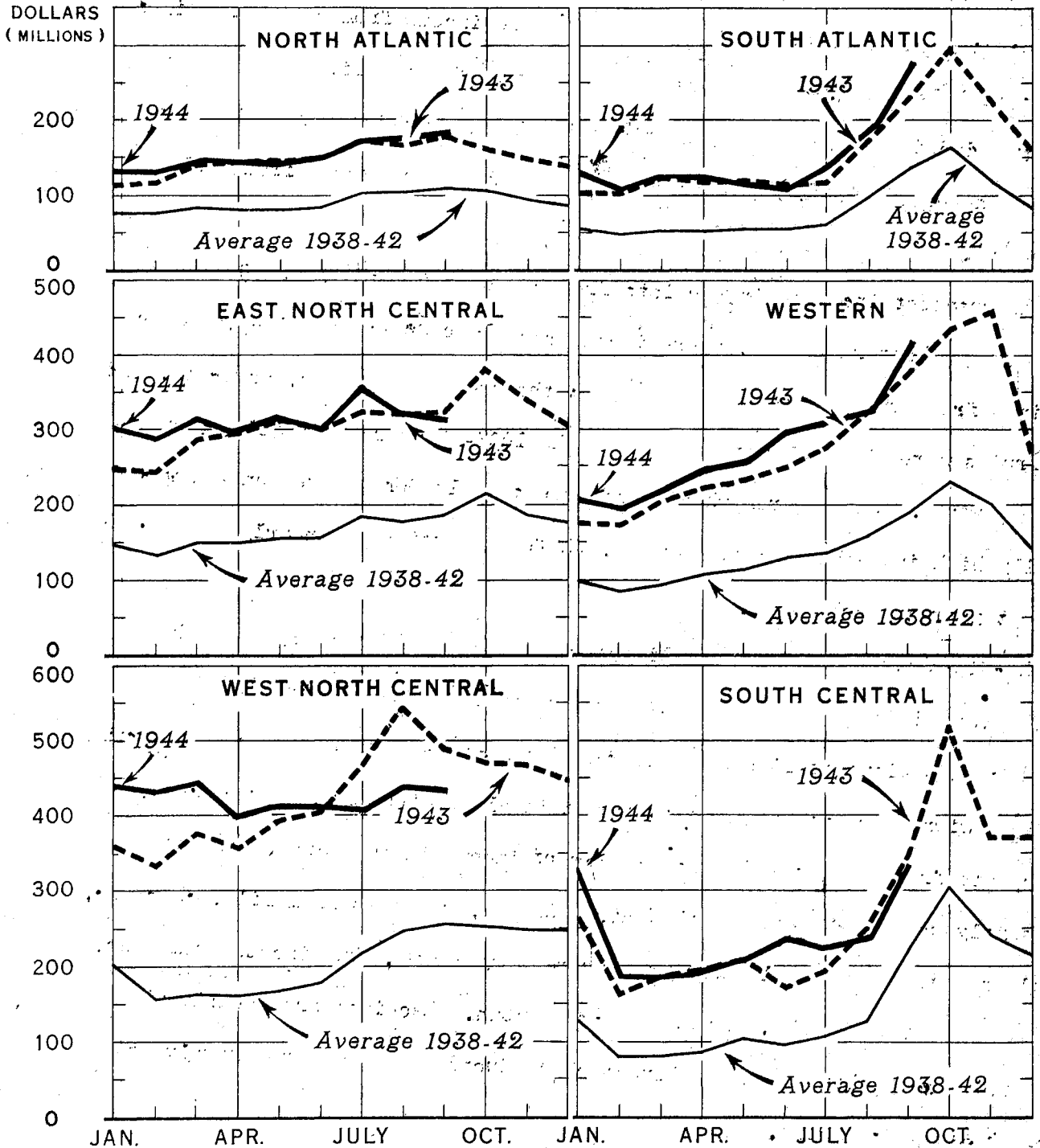


Table 1.- Monthly cash receipts from farm marketings, United States, with comparisons.

Source of receipts	Part 1 - Cash receipts					
	Jan-Oct.	Jan-Oct.	Jan-Nov.	Oct.	Sept. 2/	Oct. 3/
	: 1943	: 1944	: 1944 1/	: 1943	: 1944	: 1944
	Million	Million	Million	Million	Million	Million
	dollars	dollars	dollars	dollars	dollars	dollars
Receipts from farm marketings:	15,307	16,365	18,430	2,253	1,954	2,449
All crops .....	6,144	6,751	7,825	1,245	1,037	1,437
Food grains .....	813	1,058	1,160	116	192	173
Feed grains and hay .....	812	886	1,000	97	86	92
Cotton and cottonseed.....	987	945	1,175	393	196	457
Oil-bearing crops.....	512	401	485	182	39	154
Tobacco .....	395	502	580	83	134	121
Vegetables .....	1,398	1,401	1,495	133	170	130
Fruits and nuts .....	890	1,154	1,375	177	168	227
All livestock .....	9,163	9,614	10,605	1,008	917	1,012
Meat animals .....	4,795	5,166	5,720	586	477	570
Dairy products .....	2,312	2,447	2,645	207	228	221
Poultry and eggs .....	1,866	1,807	2,040	194	194	197
Government payments .....	582	692	743	29	53	33
Total receipts including Government payments .....	15,889	17,057	19,173	2,282	2,007	2,482

- 1/ Tentative estimate.
- 2/ Revised.
- 3/ Preliminary.

Part 2 - Index numbers of receipts  
1935-39 = 100

(Not including Government payments)

Source of receipts	Oct. 1/ 1943	July 1944	Aug. 1944	Sept. 1/ 1944	Oct. 2/ 1944
Receipts from farm marketings:					
Total receipts, unadjusted..	339.0	241.0	254.5	294.0	368.5
Total receipts, adjusted 3/.	249.0	252.0	261.0	243.5	265.0
All crops, adjusted .....	271.0	264.0	272.0	258.5	308.0
All livestock, adjusted....	234.5	244.0	253.5	233.5	237.0
Meat animals, adjusted....	254.0	266.5	288.5	240.0	244.0
Dairy products, adjusted..	184.5	207.0	202.0	200.0	197.5
Poultry and eggs, adjusted:	282.5	260.5	265.5	287.5	298.5
Income of industrial workers, adjusted 4/ .....	317.1	306.2	310.0	306.9	

- 1/ Revised
- 2/ Preliminary
- 3/ Adjusted for seasonal variation.
- 4/ Based on pay rolls of factory workers and railroad and mining employees, adjusted for seasonal variation.

Part 3 - Index numbers of physical volume  
1935-39 = 100

Year and month	Total volume of farm marketings		All Crops		All livestock		Meat animals		Dairy products		Poultry and eggs	
	Un- adj.	Adj.	Un- adj.	Adj.	Un- adj.	Adj.	Un- adj.	Adj.	Un- adj.	Adj.	Un- adj.	Adj.
1943												
Oct.	180	133	217	122	152	142	185	149	103	113	157	180
1944												
Jan.	135	143	117	130	149	153	190	166	106	120	136	181
Feb.	121	150	87	127	147	167	178	195	107	118	155	186
Mar.	127	156	83	143	160	165	184	193	115	117	198	180
Apr.	123	146	74	133	161	156	172	181	123	117	199	166
May	133	154	80	139	173	165	174	189	146	122	213	186
June	127	141	80	116	163	160	160	185	149	119	190	173
July	131	135	114	117	145	150	138	165	136	120	172	171
Aug.	138	133	131	105	143	154	153	173	121	119	157	173
Sept. 1/	159	129	180	109	143	144	153	147	113	118	174	191
Oct. 2/	190	142	238	142	154	143	180	143	108	119	169	190

1/ Revised.

2/ Preliminary.

## STATE AND REGIONAL ESTIMATES

North Atlantic Region

Cash receipts from crop marketings in the North Atlantic Region in September were only 1 percent greater than in 1943. Receipts from wheat, apples, and most of the other deciduous fruits were up sharply, while receipts from vegetables decreased noticeably. Income from livestock and livestock products was 3 percent greater than in 1943. Receipts from hogs showed marked gains in the 3 States outside New England, and income from milk was up in all States except Vermont. Receipts from most poultry products dropped generally throughout the region.

Receipts from crops for the first 9 months were 7 percent above last year. Receipts from potatoes were relatively high in most of the New England States, and income from wheat made decided gains especially in New York and Pennsylvania. Income from livestock and livestock products for the period January through September was 3 percent greater than last year. Largest gains were shown by hogs and milk, while receipts from poultry and eggs were down in all States except New Jersey.

East North Central Region

Receipts from crops during September in the East North Central Region were 3 percent below the same month last year. Income from wheat was up sharply in all States except Wisconsin, but significant decreases were shown in income from potatoes and truck crops quite generally throughout the region. Receipts from livestock and livestock products were down 3 percent below last year. Income from hogs and poultry and eggs decreased noticeably, but income from milk and calves made significant gains.



For the period January through September, receipts from crops in the East North Central Region were 9 percent higher than for the same period in 1943. Receipts from food grains, fruits, corn, and tobacco made the greatest gains. Income from livestock and livestock products was 6 percent above 1943 for the 9-month period. Receipts from cattle, calves, hogs, and milk rose in every State well above 1943, while receipts from poultry and eggs were down generally throughout the region.

#### West North Central Region

Receipts from crops for September in the West North Central Region were 13 percent below the same month in 1943. Income from flaxseed was down sharply in all States except Kansas and Nebraska, and smaller decreases were shown by potatoes, oats, and barley. Income from livestock and livestock products was down 10 percent below last year. Income from hogs, cattle, eggs, and butterfat showed definite declines.

Receipts from crops in the West North Central Region for the first 9 months were 3 percent below last year. Receipts from flaxseed dropped decidedly in all States, and receipts from barley, oats, and rye also dropped significantly. Receipts from livestock and livestock products were up 5 percent above 1943. Sharp gains in receipts from milk, hogs, cattle, and calves accounted for the largest part of the gain in the region.

#### South Atlantic Region

Receipts from crops in the South Atlantic Region during September were 17 percent above the same month in 1943. Sharp gains in receipts from tobacco were responsible for most of this increase, but receipts from wheat and apples also rose sharply. Income from livestock and livestock products during September was 22 percent higher than for the same month in 1943. Definite gains were shown in income from cattle, calves, and broilers in nearly every State in the region.

Receipts from crops for the period January through September showed a gain of 11 percent above the same period in 1943. Significant gains were made by income from tobacco, fruits, and wheat, but receipts from peanuts and potatoes dropped sharply. Income from livestock and livestock products rose 11 percent above 1943 during the first 9 months. Especially large gains were made by receipts from hogs, chickens, cattle, calves, and milk.

#### South Central Region

Receipts from crops during September in the South Central Region dropped 4 percent below the same month in 1943. Cotton was rather late in maturing, and there was difficulty in obtaining adequate labor for harvesting; as a result receipts from cotton in all of the large producing States dropped sharply. Income from peanuts and vegetables also made noticeable declines. Receipts from livestock and livestock products for September dropped 2 percent below 1943. All meat animals except calves declined. Receipts from milk and turkeys made moderate gains.

Receipts from crops for the first 9 months increased 11 percent above 1943 in the South Central Region. Receipts from wheat, tobacco, grain sorghums, and peaches made the greatest gains but income from cotton dropped sharply. Receipts from livestock and livestock products for the period January through September in the South Central Region increased 3 percent above 1943. This slight gain was due mostly to rather sharp gains in receipts from milk, calves, and chickens. Definite declines were shown by receipts from sheep and lambs, eggs, and butterfat.

#### Western Region

Receipts from crops during September in the Western Region increased 15 percent above the same month in 1943. Gains in income from grapes, pears, oranges, and wheat accounted for the largest part of the income for the region. Income from livestock and livestock products showed an 8 percent increase during September over 1943. Receipts from cattle and turkeys showed the greatest gains.

Receipts from crops during the first 9 months increased 14 percent above the same period in 1943. Income from the favorable orange crops in Arizona and California showed marked gains while receipts from wheat, apricots, and potatoes also rose sharply. Income from livestock and livestock products for the first 9 months increased 7 percent above 1943. All meat animals except sheep and lambs showed marked gains in nearly all States. Receipts from milk and turkeys also rose quite generally throughout the region.

#### Cash receipts from farm marketings in Canada, 1941-43

Increased cash receipts from farm marketings in Canada during the period 1941-1943 reflected the successful efforts of Canadian farmers to meet wartime needs, as well as generally favorable weather conditions. During the early war years, the United Kingdom called for larger shipments of bacon and cheese, and increased production of hogs and dairy products in Canada followed.

In 1941 a program was introduced which provided for payments to farmers for diverting wheat acreage into feed grains, grasses, and summer-fallow. The purpose of this program was to encourage greater production of livestock and livestock products. As a result of this plan, combined with higher prices, a rather rapid expansion took place in the production of cattle, hogs, dairy products, poultry, and eggs, especially in the Prairie Provinces. The Dominion Government also offered assistance in the payment of freight charges on feed grain shipped into Eastern Canada and British Columbia, in order to encourage production of meat animals and dairy and poultry products in those areas.

Favorable weather condition in 1943 helped materially in bringing about record crop harvests, and substantial supplies of both feed and food grains were made available.

Although goals had been set for even higher production in 1943 and the desired acreage changes were made in general, less favorable weather brought about lower yields, especially in the 5 eastern provinces, and inadequate supplies of feed for the number of livestock on hand resulted in those sections. In the latter part of 1943, a program for increased production for 1944 was adopted.

## Cash Receipts from Farm Marketings in Canada, 1941-1943\*

Commodity	1941	1942	1943
	Thous. Dols	Thous. Dols.	Thous. Dols.
Total Cash Income .....	914,039	1,114,894	1,396,559
Grains, seeds and hay .....	223,702	233,461	364,212
Wheat .....	174,321	145,517	201,144
Oats .....	17,140	26,608	57,802
Barley .....	14,432	24,986	49,196
Rye .....	2,835	1,999	5,044
Flax .....	5,848	22,047	31,197
Corn .....	3,343	6,872	7,254
Clover and Grass seed .....	4,114	3,563	8,588
Hay and clover .....	1,669	1,869	3,987
Vegetables and Other Field Crops ....	68,015	82,982	106,642
Potatoes .....	19,689	26,258	33,506
Vegetables .....	27,686	25,149	33,416
Sugar Beets .....	5,077	6,131	5,092
Tobacco .....	12,445	22,442	31,581
Fibre Flax .....	3,118	3,002	3,047
Livestock .....	351,526	422,732	501,664
Cattle and calves .....	146,457	174,261	192,453
Sheep and lambs .....	9,369	10,896	12,563
Hogs .....	159,165	191,040	237,501
Horses .....	5,934	7,203	7,199
Poultry .....	30,601	39,332	51,948
Dairy Products .....	165,399	227,161	248,941
Fruits .....	20,386	27,339	30,512
Other Principal Farm Products .....	41,441	68,944	83,840
Eggs .....	34,019	58,599	72,388
Wool .....	2,312	2,977	3,485
Honey .....	2,892	3,209	6,015
Maple Products .....	2,218	4,159	1,952
Miscellaneous Farm Products .....	15,169	18,668	22,697
Forest Products Sold off Farms .....	22,824	26,910	30,345
Fur farming .....	5,577	6,697	7,706

\* Cash Income from the sale of farm products.  
Dominion Bureau of Statistics - Canada Agricultural Branch.

Table 2. - Cash receipts from farm marketings, by States.

STATE	CROPS		LIVESTOCK AND LIVESTOCK PRODUCTS		TOTAL	
	SEPTEMBER		SEPTEMBER		SEPTEMBER	
	1943	1944	1943	1944	1943	1944
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	5,298	3,048	4,053	4,010	9,351	7,058
New Hampshire	1,187	1,468	2,781	2,758	3,968	4,226
Vermont	1,376	1,053	5,323	5,052	6,699	6,105
Massachusetts	7,707	6,323	7,637	7,090	15,344	13,413
Rhode Island	620	685	999	954	1,619	1,639
Connecticut	3,094	3,200	5,481	5,038	8,575	8,238
New York	31,599	35,206	33,108	34,604	64,707	69,810
New Jersey	12,133	9,153	7,513	8,776	19,646	17,929
Pennsylvania	20,183	23,616	28,044	29,394	48,227	53,010
<i>North Atlantic</i>	<i>83,197</i>	<i>83,752</i>	<i>94,939</i>	<i>97,675</i>	<i>178,136</i>	<i>181,428</i>
Ohio	25,044	26,243	40,524	41,594	65,568	67,837
Indiana	24,590	20,193	42,384	41,165	66,974	61,358
Illinois	26,594	24,452	58,997	53,620	85,591	78,072
Michigan	22,181	25,432	24,240	25,292	46,421	50,724
Wisconsin	8,566	7,162	48,090	47,001	56,556	54,163
<i>East North Central</i>	<i>106,975</i>	<i>103,482</i>	<i>214,235</i>	<i>208,672</i>	<i>321,210</i>	<i>312,154</i>
Minnesota	26,703	16,965	49,875	40,698	76,578	57,563
Iowa	24,515	19,182	97,754	86,217	122,269	105,399
Missouri	11,595	17,107	48,240	50,806	59,835	67,913
North Dakota	54,304	51,920	11,977	12,552	76,281	64,472
South Dakota	13,626	13,000	20,154	19,783	33,790	32,783
Nebraska	14,059	10,589	36,292	31,195	50,351	41,784
Kansas	25,908	29,356	42,400	36,081	68,308	65,437
<i>West North Central</i>	<i>180,710</i>	<i>158,119</i>	<i>306,702</i>	<i>277,332</i>	<i>487,412</i>	<i>435,451</i>
Delaware	657	793	4,257	4,541	4,924	5,334
Maryland	3,826	5,797	6,632	8,060	10,458	13,857
Virginia	13,473	14,278	11,613	15,249	25,086	29,527
West Virginia	2,277	2,799	6,838	8,377	9,113	11,176
North Carolina	89,801	114,818	7,402	9,202	97,203	124,020
South Carolina	31,727	43,599	2,859	3,514	34,586	47,113
Georgia	35,731	27,346	6,692	8,304	42,423	35,650
Florida	2,977	2,326	4,073	4,121	7,050	6,447
<i>South Atlantic</i>	<i>180,479</i>	<i>211,756</i>	<i>50,364</i>	<i>61,368</i>	<i>230,843</i>	<i>273,124</i>
Kentucky	5,156	5,015	16,745	15,569	21,901	20,584
Tennessee	10,405	10,669	13,418	12,385	23,823	23,054
Alabama	24,673	22,336	5,902	6,007	30,575	28,343
Mississippi	47,656	40,444	5,987	6,804	53,643	47,248
Arkansas	27,725	25,576	7,298	9,957	35,023	35,533
Louisiana	25,840	20,889	5,205	5,798	31,045	26,687
Oklahoma	9,686	20,132	28,015	25,650	37,701	45,782
Texas	66,567	64,187	43,836	42,230	110,403	106,417
<i>South Central</i>	<i>217,708</i>	<i>209,248</i>	<i>126,406</i>	<i>124,400</i>	<i>344,114</i>	<i>333,648</i>
Montana	20,104	17,851	15,008	16,706	35,112	34,557
Idaho	11,051	23,974	12,068	10,043	23,119	34,017
Wyoming	2,848	2,163	12,895	13,776	15,743	15,939
Colorado	21,735	16,393	19,711	20,275	41,446	36,668
New Mexico	3,701	3,608	3,507	4,365	7,208	7,973
Arizona	1,960	1,642	3,520	2,257	5,480	3,899
Utah	5,541	7,105	9,001	8,251	14,642	15,356
Nevada	387	321	3,225	2,685	3,512	3,006
Washington	35,148	50,619	12,193	14,629	47,341	65,248
Oregon	19,583	24,394	11,354	14,192	30,937	38,586
California	114,341	122,797	34,288	40,557	148,629	163,354
<i>Western</i>	<i>236,499</i>	<i>270,867</i>	<i>136,770</i>	<i>147,736</i>	<i>373,269</i>	<i>418,603</i>
<b>U. S. Cash Income</b>	<b>1,005,568</b>	<b>1,037,224</b>	<b>929,416</b>	<b>917,184</b>	<b>1,934,984</b>	<b>1,954,408</b>