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FARM INCOME, important to bankers and businessmen as well as to farm operators and their families, has been continuously in the public spotlight in recent years. The most up-to-date indication of farm income trends is provided by the monthly estimates of the USDA.

Cash receipts from farm marketings in November were tentatively estimated at 3.4 billion dollars, slightly higher than a year earlier. For the year, the USDA estimates receipts at 31 billion. This compares with 32.6 billion in 1952.

Estimates of farmers' cash receipts by states lag the U.S. estimates a month or more. For District states, cash receipts in October and the per cent change from a year earlier were:

	million dollars	per cent change
Illinois -----	199	-15
Indiana -----	123	-9
Iowa -----	184	-6
Michigan -----	72	-2
Wisconsin -----	82	-17
U.S. -----	3,686	-8

The totals for January-October follow:

Illinois -----	1,566	-5
Indiana -----	913	-2
Iowa -----	1,781	+1
Michigan -----	591	-3
Wisconsin -----	859	-11
U.S. -----	24,729	-5

Cash receipts from farm marketings, although a fairly good over-all measure of farmers' current "buying power," do not provide a good measure of how well farmers are doing. For this, net income is needed. Such information is not available currently or for small areas. Furthermore, U.S. averages of income per farm or per person on farms are heavily loaded with the many subsistence, part-time, and residential farms. Over 44 per cent of all U.S. farms are of these types; only about 54 per cent are commercial family-size farms; an additional 2 per cent are commercial large-scale farms.

COMMERCIAL FAMILY-SIZE FARMS are the ones most people have in mind when they think of agriculture or how farmers are doing financially. Information is available for such farms--from the state colleges and the USDA--but, as frequently is the case with economic data, considerable time is required to get it together. Nevertheless, such data fill a big gap and are useful to those interested in the financial trends in certain areas and types of agriculture.

Ernest T. Baughman -- Assistant Vice President

INVESTMENT AND INCOME
COMMERCIAL FAMILY-OPERATED CORN BELT FARMS
1951 and 1952¹
(in dollar amounts)

	Cash grain	Hog-beef fattening	Hog-beef raising	Hog-dairy	Wisconsin dairy farms Eastern	Western
Total investment, January 1, 1951	79,103	58,645	36,474	40,180	33,617	22,486
1952	86,664	63,402	40,349	43,267	35,987	24,324
Cash receipts 1951	14,337	22,410	7,387	11,121	8,081	6,547
1952	15,221	20,743	6,516	10,628	8,096	6,542
Cash expenditures 1951	6,021	13,379	3,514	5,831	4,879	3,913
1952	6,340	12,657	3,757	6,041	4,968	3,991
Net cash income 1951	8,316	9,031	3,873	5,290	3,202	2,634
1952	8,881	8,086	2,759	4,587	3,128	2,551
Net farm income ² 1951	10,301	10,930	4,214	6,550	4,779	3,891
1952	10,459	8,721	4,339	6,199	4,711	3,925
Return to operator and family for labor and management ³ 1951	6,626	8,055	2,388	4,569	3,107	2,747
1952	6,406	5,598	2,335	4,056	2,912	2,681
Return per hour to operator and family labor 1951	2.38	2.26	.81	1.26	.76	.71
1952	2.29	1.57	.77	1.13	.74	.71

¹ Preliminary.

² Including value of products used in the household and changes in inventories.

³ Net farm income less charge for capital.

SOURCE: U. S. Department of Agriculture.