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AGRICULTURAL EXTENSION DIVISION
UNIVERSITY OF MINNESOTA

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MINNESOTA FARM BUSINESS NOTES

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Prepared by the Division of Agricultural Economics
University Farm, St. Paul, Minnesota

PART-TIME FARMING IN THE DULUTH AREA

Prepared by E. C. Johnson and T. B. Manny*

There has been considerable development in recent years in part-time farming by persons in industrial or other employment. Improved transportation has been the important factor bringing this about, but recently the development has been hastened by the business depression. Workers have had more idle time and lower wages and therefore greater incentive to supplement their income. Part-time farming is intended to supply the operator with a home and some of the food requirements of the family. While some products may be sold, such farms are not primarily commercial enterprises.

A number of part-time farms are found in the vicinity of Duluth, Minnesota. In this area also, the depression has stimulated interest in part-time farming as a means of alleviating unemployment and relief problems. In connection with a study of land utilization in northern Minnesota, records were obtained from 37 part-time farmers living on small tracts of land near Duluth and working for wages in the city.

Fifty-two per cent of the farms studied had been purchased between 1920 and 1929 and 20 per cent since 1929. In other words, 72 per cent had been purchased during the last twelve years. The people on these farms gave various reasons why they preferred to live in the country. Some said that they were tired of living in the city and preferred the out-door life of the country. Others stated that sickness in the family was responsible for their living in the country and most of them indicated that they wanted to grow a garden and produce part of the food required by the family. Lower wages in industry and uncertainty of employment were directly responsible for some of these people purchasing farms in recent years.

The size of the farms studied varied considerably, but one, two and five-acre tracts were most common. Table 1 shows the average acres per farm for different size groups and the utilization of the land. The very important use of tillable land is the garden. On the farms of less than 2.5 acres in size, one-half of the tillable land was in garden. The proportion was less on the larger tracts.

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Table 1

Average Acres per Farm According to Use for Duluth Part-Time Farms

Size groups (acres)	No. of farms	Total acres	Tillable acres	Distribution of Tillable Acres						
				Pasture	Small grain	Tame hay	Wild hay	Potatoes	Garden	Fruits & berries
2.5 or less	16	1.3	.8	.1	-	-	.1	.1	.4	.1
2.6 - 7.5	12	5.4	3.4	.2	.1	1.8	-	.4	.8	.1
7.6 - 12.5	7	10.3	7.3	1.5	.4	3.6	.5	.5	.6	.2
12.5 & over	2	15.0	7.7	-	2.2	-	2.6	.5	2.4	-
All farms	37	5.1	3.3	.4	.2	1.3	.3	.3	.7	.1

Labor off the farm is the important source of cash income of families living on part-time farms near Duluth. For the year ending June 30, 1933, the average cash income per family was $664 and of this amount $445 was from labor off the farm. Table 2 shows the sources of income. On the small farms where gardening is the only enterprise, practically all of the cash income is from labor off the farm while on the larger farms where livestock is kept the farm contributes some cash income.

Table 2

Summary of Average Cash Income for Duluth Part-Time Farms
(Year Ending 6/30/33)

Size groups (acres)	No. of farms	Crops	Livestock	Dairy products	Poultry & eggs	Wood products	Labor off farm	Miscellaneous	Total
2.5 acres & less	16	$16	$8	$33	$80	$ -	$479	$57	$673
2.6 - 7.5 acres	12	40	2	11	90	-	472	33	648
7.6 - 12.5 acres	7	56	-	9	155	7	446	43	716
12.6 acres or more*	2	500	-	-	10	-	-	-	510
All farms	37	57	4	20	94	1	445	43	664

*These workers unemployed.

In addition to the cash income, the family has income in the form of products furnished by the farm. A record was obtained of these products and by applying local prices, an average value of $254 per farm for these products was established. The use of the house also represents a form of income. If the family did not have this house, presumably they would be paying rent. However, it is difficult to translate this income representing the use value of the house into a fair cash value. The most commonly used method is to figure this as a percentage of the value of the house. For all the farms studied, the average value of the house was $1539. Ten per cent of this, or about $154, would probably represent a fair value of the income from the house. The type of house found on most of these farms probably could not be rented for much less than $15 per month.

Table 3

Summary of Income and Expenses
(Year Ending 8/30/33) for Duluth Part-Time Farms
Average per Farm

Size groups (acres)	No. of farms	Total cash receipts	Total value family living furnished by farm	Total cash and non-cash income*	Total farm expenses
2.5 acres or less	16	$673	$222	$895	$234
2.6 - 7.5 acres	12	648	271	919	185
7.6 - 12.5 acres	7	716	315	1031	219
12.6 acres or more	2	510	201	711	168
All farms	37	664	254	918	212

*Cash value of use of house, estimated at $154 per farm, not included.

A summary of income and cash farm expenses is given in Table 3. Farm expenses averaged $211 per farm for the entire group. For the 37 farms as a group, the payments for feed was the largest item of expense, averaging $74. Next in order came taxes and insurance averaging $46, followed by interest of $28. Deducting farm expenses from total cash receipts, we find that on the average these families had a cash income of $452 available for living in addition to the house and products produced and consumed in the home.

A combination of industrial employment and part-time farming is limited mainly to areas relatively close to population centers. Farms that are entirely self-sufficient are out of the question because the operator requires some cash income which either must be obtained from other employment or from the sale of products of the farms. The present situation in the markets for agricultural products is such that extensive use of part-time farming as a means of relieving unemployment is not feasible. However, there are some localities where development of part-time farming may be a means of aiding some workers who have had experience in farming and prefer to live in the country. Suitable land, properly located and available at low prices on easy credit terms, is necessary for the development of part-time farming. People interested in engaging in part-time farming should make sure that opportunities for employment off the farm are available at reasonable proximity of their place of residence.

MINNESOTA FARM PRICES FOR OCTOBER 1933

Prepared by Adena E. Terras

The index number of Minnesota farm prices for the month of October 1933 was 56.3. When the average of farm prices of the three Octobers 1924-25-26 is represented by 100, the indexes for October of each year from 1924 to date are as follows:

October 1924 -	93.0	October 1929 -	107.2
" 1925 -	103.6	" 1930 -	81.9
" 1926 -	103.5	" 1931 -	51.6
" 1927 -	98.1	" 1932 -	36.5*
" 1928 -	95.0	" 1933 -	56.3*

*Preliminary

The price index of 56.3 for the past month is the net result of increases and decreases in the prices of farm products in October 1933 over the average of October 1924-25-26 weighted according to their relative importance.

Average Farm Prices Used in Computing the Minnesota Farm Price Index, October 15, 1933, with Comparisons*

	Oct.15, 1933	Sept.15, 1933	Oct.15, 1932	Av. Oct. 1924-25-26	% Oct.15, 1933 is of Sept. 15, 1933	% Oct.15, 1933 is of Oct. 15, 1932	% Oct.15, 1933 is of Oct. 15, 1924-25-26
Wheat	$.63	$.74	$.37	$1.28	85	170	49
Corn	.26	.35	.15	.78	74	173	33
Oats	.21	.29	.10	.38	72	210	55
Barley	.44	.46	.16	.61	96	275	72
Rye	.48	.60	.20	1.01	80	240	48
Flax	1.53	1.68	.93	2.15	91	165	71
Potatoes	.41	.85	.21	.71	48	195	58
Hogs	4.15	3.60	3.05	10.68	115	136	39
Cattle	3.65	3.65	4.00	5.97	100	91	61
Calves	4.85	5.00	4.85	9.36	97	100	52
Lambs-sheep	5.16	5.34	4.10	11.03	97	126	47
Chickens	.065	.072	.084	.166	90	77	39
Eggs	.16	.12	.21	.35	133	76	46
Butterfat	.22	.21	.19	.44	105	116	50
Hay	7.34	7.20	6.66	11.90	102	110	62
Milk	1.23	1.23	1.19	2.26	100	103	54

*Except for milk, these are the average prices for Minnesota as reported by the United States Department of Agriculture.

Indexes and Ratios of Minnesota Agriculture*

	Oct. 1933	Sept. 1933	Oct. 1932	Av. Oct. 1924-26
U.S. farm price index	51.1	51.1	40.9	100.0
Minnesota farm price index	56.3	60.5	36.5	100.0
U.S. purchasing power of farm products	69.1	69.1	61.8	100.0
Minnesota purchasing power of farm products	76.1	81.8	52.9	100.0
U.S. hog-corn ratio	10.7	8.0	15.0	-
Minnesota hog-corn ratio	16.0	10.3	20.3	14.6
Minnesota egg-grain ratio	9.8	7.4	49.3	21.7
Minnesota butterfat-farm grain ratio	32.7	24.7	61.3	38.3

*Explanations of the computation of these data are given in Farm Business Notes No. 126.