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## AGRICULTURAL EXTENSION DIVISION UNIVERSITY OF MIMNESOTA

P.E. Miller, Director

## MINNESOTA FARM BUSINESS NOTES

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

> VARIABILITY OF CROP YIELDS IN MINNESOTA Prepared by S. A. Engene

The year-to-year fluctuations of crop yields in Minnesota differ considerably from county to county. These variations affect many agricultural problems, such as the determination of land values and loan risks, the planning of livestock production, and the planning of production control and crop insurance programs. The data presented in this report have been prepared in order to obtain a more accurate measure of the variability of crop yields in different parts of the state. The yields reported annually by the United States Department of Agriculture and the Minnesota Department of Agriculture (cooperating) have been used as the basis of these calculations. Yields by counties have been reported for corn, oats, barley, spring wheat, winter wheat, rye, flax, and potatoes since 1917, and for tame hay since 1920.

The mean coefficient of variation of yields of the above crops for each county is presented in Figure 1. The coefficient of variation was calculated as follows: First, the deviations of the annual yields from the normal yields were averaged. Second, this average was expressed as a percentage of the long-time average yield. Thus, an average deviation of 7 bushels represents a 33 per cent change in production if the average yield is 21 bushels; but it represents only a 20 per cent change if the average yield is 35 bushels. One characteristic of this measure is that in approximately one-third of the years, the yield will differ from normal by percentage greater than that expressed by the coefficient of variation. For example, in about one year in three, the crop yields of Meeker County will be above or below average by more than 28 per cent. These coefficients of variation range from a high of 38 per cent in Big Stone County to a low of 17 per cent, or less than half as much, in Faribault and Martin Counties. In general, the variability of yields is greatest in the west central part of the state in an area extending from Wilkin County southward thru Lincoln and Lyon Counties. This is the area which has suffered most severely from droughts. Another area of relatively high variability extends across the central part of the state, from Clay County on the west to Pine and Chisago Counties on the east. Yields are least variable in the south central counties.

The coefficients of variation of each of the crops studied are presented in Table 1. In order to permit comparisons between the different sections of the state, averages have been calculated for each of the nine types-of-farming areas. These areas are outlined on Figure 1. In most of the areas, the yields of potatoes and spring wheat fluctuate more widely than those of the other crops. The yields of flax and winter wheat show the least variation. In comparing individual crops

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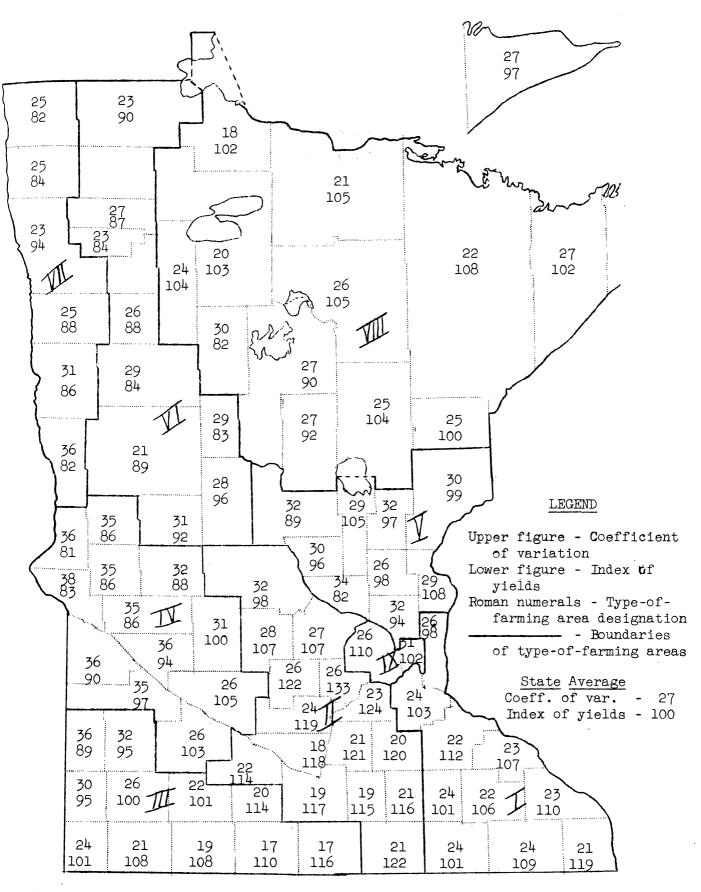


Fig. 1. Coefficient of Variation of Crop Yields and Index of Crop Yields

Based upon 1917-36 Yields for Nine Crops.

among the areas, it is observed that corn yields are most stable in the three southern areas. These are the areas where corn is an important crop. The yields of potatoes and tame hay, however, are most stable in the northern areas. These crops occupy an important place in the farm organization in the northern counties. Small grain crops apparently are not affected by this difference in latitude.

Table 1

Coefficients of Variation of Crop Yields in Minnesota by Type-of-Farming Areas

	Mea	ns of	County	Coefficie	ents. Wei	ghted	by 1929	Acreag	es	
Type-of-	Corn	Oats	Bar-	Spring	Winter	Rye	Flax	Pota-	Tame	All crops
farming			ley	wheat	wheat			toes	hay	(weighted
area										mean)
1	19	25	5,1	27	21	22	20	30	28	24
2	2ĺ	24	23	27	22	23	18	36	28	24
3	21	25	25	32	28	28	5/1	34	28	24
4	32	33	34	36	32	30	28 .	41	29	33
5	30	31	29	37	27	29	5,4	31	31	30
6	30	28	28	35	32	27	5,1	32	27	29
7	35	27	26	28	21	26	23	27	24	27
8	27	25	24	25	22	26	18	26 <b>-</b> 11	5,4	24
. 9	26	27	26	28	28	25	-	34	25	27
State	25	28	27	32	23	27	5,4	30	27	. 27

The coefficients of variation are expressed in terms of the average yield. In order to permit a complete analysis of the importance of this variability, an index of crop yields is presented in Figure 1. In this index the weighted average yield of these same crops for each county is expressed as a percentage of the average yields for the state. The average yield, by types-of-farming areas, of each of the crops is presented in Table 2. In general, the coefficients of variation are large in the areas where the average yields are low.

Table 2

Average Yields of Crops in Minnesota by Type-of-Farming Areas

Type-of- farming area	Corn	Oats	Bar- ley	Spring wheat	Winter wheat	Rye	Flax	Pota- toes	Tame hay	Index of yields
1 2 3 4 5 6 7 8 9 State	36 37 33 29 27 26 23 25 32	34 37 35 31 32 28 27 32 35 33	25 28 26 24 24 18 22 24 28	15 15 12 12 12 12 14 16	18 20 16 15 16 15 14 17 18	16 18 16 16 15 15 13 15	10 10 10 9 8 8 7 9	96 98 86 79 89 84 77 107 103	1.5 1.7 1.4 1.4 1.3 1.3 1.5 1.6	107 115 104 93 95 89 87 99 108

The supply of crops for feed and for sale is highly variable in those areas where the coefficient of variation is large. Livestock production in those regions is more hazardous than in other portions of the state. The supply of feed will frequently be reduced to a point where drastic reductions in rations will be necessary. It is, therefore, necessary that a large supply of feeds be carried over from the years of high yields to the lean years; or that provision be made for fairly drastic adjustments in the number or rations of livestock. This variation in crop yields is also likely to affect the value of lands in those regions. A program of crop insurance would be helpful there, but the rates would necessarily be high.

## MINNESOTA FARM PRICES FOR MARCH, 1938 Prepared by W. C. Waite and W. B. Garver

The index number of Minnesota farm prices for the month of March, 1938 was 76. When the average of farm prices of the three Marches, 1924-25-26 is represented by 100, the indexes for March of each year from 1924 to date are as follows:

March	1924 -	84	March	1932 -	47	
	1925 -			1933 -		
	1926 -		11	1934 -	54	
	1927 -		11	1935 -	84	
11	1928 -	_	11	1936 -		
11	1929 -	108	ff	1937 -	104*	
11	1930 -	97		1938 -		
77	1931 -					*7

\*Preliminary

The price index of 76 for the past month is the net result of increases and decreases in the prices of farm products in March, 1938 over the average of March, 1924-25-26 weighted according to their relative importance.

Average Farm Prices Used in Computing the Minnesota Farm Price Index,
March 15, 1938 with Comparisons\*

		March	<u> 15. 1938.</u>	with Compa	risons*		
	Mar. 15, 1938	Feb. 15, 1938	Mar. 15, 1937	Av. Mar. 1924-25- 26	% Mar.15, 1938 is of Feb. 15, 1938	<pre>% Mar.15, 1938 is of Mar. 15, 1937</pre>	% Mar.15, 1938 is of Mar. 15, 1924-25-26
Wheat Corn Oats Barley Rye Flax Potatoes Hogs Cattle Calves Lambs-sheep Chickens Eggs Butterfat Hay Milb	\$.87 .42 .23 .54 .55 1.87 .41 8.50 6.20 8.10 7.38 .146 .32 6.05	\$ 96 43 24 57 61 1 93 41 7 60 5 70 8 40 6 66 138 135 33 6 18	\$1.30 1.06 .45 .93 .94 2.00 1.45 9.40 7.20 8.00 9.56 .108 .190	\$1.38 .65 .36 .60 .84 2.44 .83 9.97 5.90 9.16 11.53 .173 .20 .46 11.08	91 98 96 95 90 97 100 112 109 96 111 96 108	67 40 51 58 59 94 28 90 86 101 77 122 77 86 64	63 65 64 • 90 65 77 49 85 105 88 64 76 73 70
Milk	1.75	1.80	1.90	2.13	97	92	82 .

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

Indexes and Ratios of Minnes	ota Agri	iculture*		
	Mar. 1938	Feb. 1938	Mar. 1937	Av. Mar. 1924—26
U.S. farm price index Minnesota farm price index U.S. purchasing power of farm products Minnesota purchasing power of farm products Minn. farmer's share of consumer's food dollar U.S. hog-corn ratio Minnesota hog-corn ratio Minnesota egg-grain ratio Minnesota butterfat-farm-grain ratio	68.0 76.0 84.0 94.0 47.2 16.3 20.2 14.2 38.6	68.0 77.0 84.0 95.0 46.2 15.0 17.7 12.3 38.2	91.0 104.0 109.0 124.0 53.1 8.7 8.9 10.0	100.0 100.0 100.0 100.0 100.0 12.2 15.6 12.9

<sup>\*</sup>Explanations of the computation of these data may be had upon request.