



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

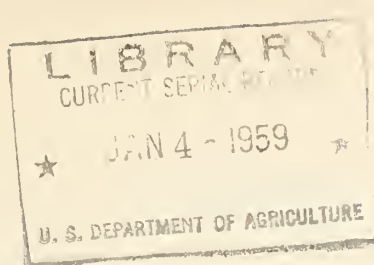
*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

Historic, archived document

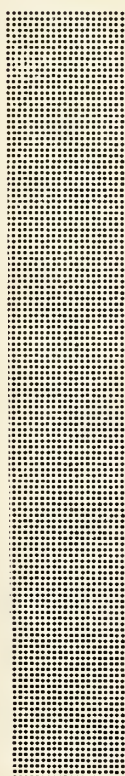
Do not assume content reflects current
scientific knowledge, policies, or practices.

281.9
R313A
rf. 2



ARS 43-109
December 1959

EMPLOYMENT AND UNDEREMPLOYMENT OF RURAL PEOPLE



*Low-Income Groups in
Arkansas, Maryland, and
West Virginia*

Agricultural Research Service
UNITED STATES DEPARTMENT OF AGRICULTURE
Washington, D.C.

CONTENTS

	<u>Page</u>
SUMMARY AND CONCLUSIONS-----	3
INTRODUCTION -----	4
BACKGROUND OF AREAS STUDIED -----	7
The Ozark Area of Arkansas -----	7
Southern Maryland (Calvert County) -----	9
The Upper Monongahela Valley, West Virginia -----	10
HOUSEHOLDS AND WORKERS IN THE SAMPLE GROUPS -----	11
Residence -----	12
Chief Source of Household Income -----	13
Household Size -----	13
Educational Attainment -----	15
ACTIVITIES AND OCCUPATIONS -----	15
TOTAL NUMBER OF DAYS WORKED -----	18
EARNINGS -----	21
PERSONS AVAILABLE FOR WORK -----	24
APPENDIX -----	25
Classifications and Terminology -----	25

Prepared in

Farm Economics Research Division

Agricultural Research Service

United States Department of Agriculture

EMPLOYMENT AND UNDEREMPLOYMENT OF RURAL PEOPLE

Low-Income Groups in Arkansas, Maryland, and West Virginia

By Nelson L. LeRay, agricultural economist
Farm Economics Research Division

SUMMARY AND CONCLUSIONS 1/

A surplus labor force exists in each of the low-income areas studied. A large proportion of the individuals available for work expressed a preference for nonfarm employment. A majority of these individuals were young men and young women.

Underemployment was especially high among farmers. Many farm enterprises were too small to provide sufficient employment and income. This was reflected in the average number of days worked by individuals whose chief activity was operating a farm and by the low incomes of households whose major source of income was agriculture. By industrial standards, these farm people were employed during only two-thirds of their total work time. The remaining one-third of the time represents a loss to the workers in income and standards of living and to the community and the Nation in reduced purchasing power and volume of economic activity.

The extent to which development of commercial agriculture offers a solution of the low-income problem seems limited for many of the households in the areas studied, but this avenue of improvement merits further investigation. It would appear that any program to develop the low-income areas studied must be planned primarily along the lines of nonagricultural employment in the area or the outmigration of a large segment of the labor force to areas that offer nonfarm employment opportunities.

Although agriculture was not a major source of household income, it was an important supplement to earnings from nonwork and nonfarm work

1/ For conclusions and recommendations in regard to each of the areas studied, see publications listed on pages 5 and 7.

sources. Part-time farming is used in several different ways: (1) As a transition stage from full-time farming to full-time nonfarm work, (2) as a permanent way of life, and (3) as a transitional stage from nonfarm employment to full-time farming or from farming a small unit to farming a larger place full-time. Part-time farming provides an opportunity for nonfarm work without the necessity of giving up a sense of security derived from living on a farm. It also helps to tide families over periods of industrial unemployment and underemployment.

In low-income areas, farming programs must be developed on a household basis. Many families will not need and would be unable to manage commercial farms. However, part-time farming could offer them a permanent and satisfying way of life.

In working with part-time farmers in low-income areas, special attention needs to be given to the preparation of educational materials for use by low-income families. It is essential that the materials be related to the alternatives available to the families and individuals and to their capacities. Many families would be unable or unwilling to change from a present practice to the "best" one from a home- or farm-management viewpoint. An intermediate step or steps would be needed for these individuals and families. Information currently available for use by commercial farmers contains most of the material needed. What is needed now are new ways of adapting and presenting this material for use by low-income families. Educational material is needed in all phases of farm and home operation, from land preparation and livestock breeding to preparation of products for use in well-planned, nutritious meals.

Unemployment and underemployment can be decreased in the low-income area studied by making adjustments within agriculture, by increasing nonfarm employment opportunities in the area, and by migration of individuals to other areas. But the final objective of these programs should be not to increase employment or income (which is primarily a means to an end), but rather to develop and conserve the human and natural resources of the areas. This is possible only when opportunities are available to all individuals. The Rural Development Program now offers a promising approach to the development and conservation of resources in the low-income areas studied.

INTRODUCTION

This report incorporates the principal findings of five published technical studies conducted by the Farm Economics Research Division, Agricultural Research Service, in cooperation with the Arkansas Agricultural Experiment Station, the Maryland Agricultural Experiment Station, and the West Virginia Agricultural Experiment Station. The salient results

of this research are summarized and compared in this publication primarily to assist workers in the Department of Agriculture's cooperative Rural Development Program.

Each study has specific objectives to meet the needs of the local situation. In addition, the studies had the following objectives in common:

- (1) To classify and describe the farm labor force and other open-country households associated with the agriculture of the area;
- (2) To determine the extent of employment and underemployment among farmworkers in the area;
- (3) To determine the availability of workers for alternative or supplemental work.

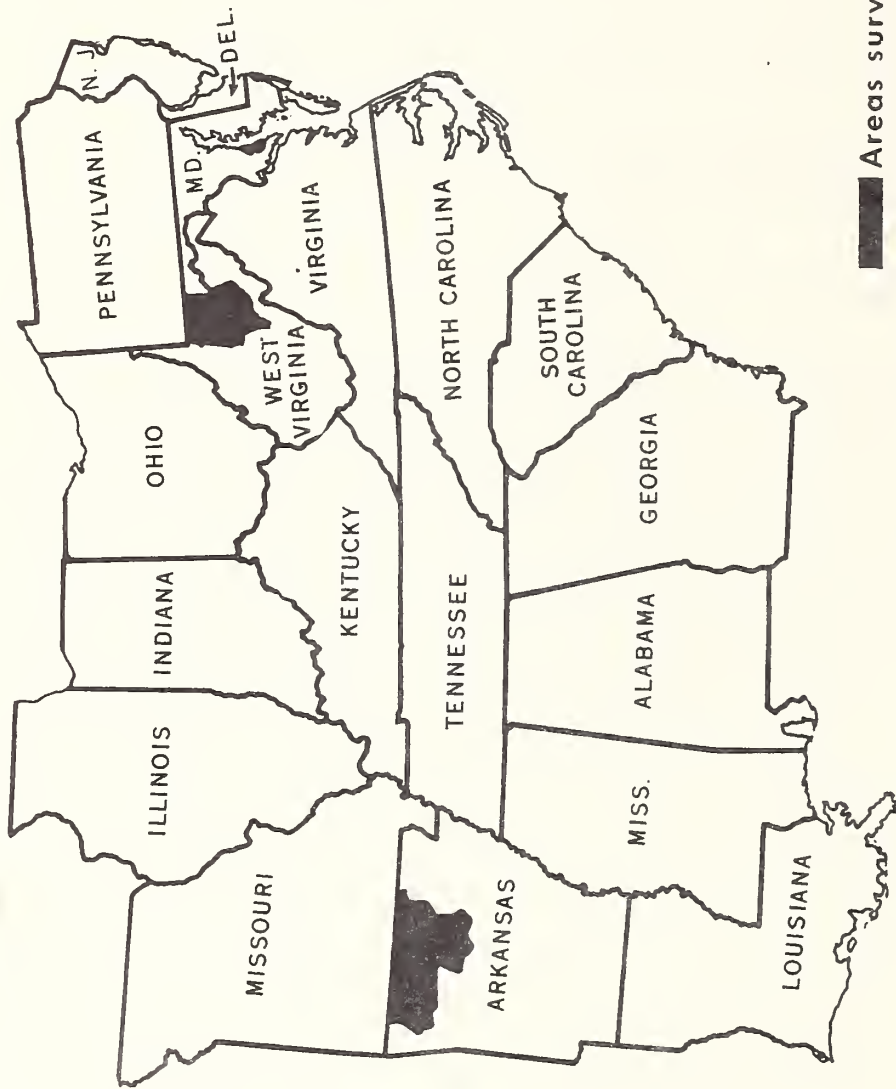
The surveys were conducted in the Upper Monongahela Valley, W. Va., during July 1954; in the Arkansas Ozarks during June 1956; and in southern Maryland (Calvert County) during March 1957. Figure 1 shows the locations of the areas studied. A randomized sample of the families living in the open country in each area was selected for interview. All families in the sample were asked to give detailed data in regard to farming operations, farm wage work, and nonfarm work performed during the previous 12 months (West Virginia and Arkansas) or during the last year (Maryland). The Arkansas sample provided data on 629 white, open-country households and 1,575 persons 14 years old or over, the Maryland sample on 136 Negro households and 405 Negroes 14 years old or over, ^{2/} and the West Virginia sample on 875 white households and 2,287 individuals of labor-force age.

Detailed reports published in regard to each study are:

Availability for Employment of Rural People in the Upper Monongahela Valley, West Virginia, by W. F. Porter and W. H. Metzler. W. Va. Agr. Expt. Sta. Bul. 391, 43 pp., illus. 1956.

^{2/} The Maryland sample also yielded data on 182 white, open-country households and 499 white persons 14 years of age or older. A large number of these households and workers did not fall within the scope of a low-income study. A comparison of employment and unemployment characteristics of whites and Negroes in Calvert County, Md., is presented in W. C. Rohrer and N. L. LeRay, Income, Employment Status and Change in Calvert County, Maryland, Md. Agr. Expt. Sta. Bul. 326, 41 pp. 1958. [Mimeographed]

LOCATION OF SURVEY AREAS



Areas surveyed

Figure 1

Employment and Underemployment of Rural People in the Upper Monongahela Valley, West Virginia, by W.H. Metzler and W.F. Porter. W. Va. Agr. Expt. Sta. Bul. 404, 69 pp., illus. 1957.

Income, Employment Status and Change in Calvert County, Maryland, by W.C. Rohrer and N.L. LeRay. Md. Agr. Expt. Sta. Misc. Pub. 326, 41 pp. 1958. [Mimeographed.]

Employment and Underemployment of Rural People in the Ozarks, by W.H. Metzler and J.L. Charlton. Ark. Agr. Expt. Sta. Bul. 604, 59 pp., illus. 1958.

Employment and Underemployment of Negro Manpower in Calvert County, Maryland, by N.L. LeRay and W.C. Rohrer. Md. Agr. Expt. Sta. Bul. 467. (In Press.)

The present publication is intended to summarize what has been learned about the employment and unemployment of three low-income groups. It is hoped that it will be useful in the Rural Development Program, as well as help to point the way for further research efforts in low-income rural areas.

BACKGROUND OF AREAS STUDIED

The populations studied have not enjoyed a level of living comparable to that of the Nation as a whole. The families studied have relatively low incomes and high rates of unemployment and underemployment. The section that follows presents a brief account of the types of farming and basic industries in the areas surveyed.

The Ozark Area of Arkansas

In the past, manpower was the chief resource of the Ozark Area of Arkansas. During the 1920's and 1930's, workers from the Ozarks harvested seasonal crops from Michigan and Ohio on the east and California, Oregon, and Washington on the west. During the 1930's, there was a general surplus of labor in the Nation in relation to work opportunities, and the movement of the Ozark migrants and other migratory agricultural workers was far in excess of the needs of the agricultural economy. When World War II broke out, the situation changed. The manpower reserve from this and other groups of underemployed permitted an unprecedented expansion of military and industrial defense activities.

World War II marked a turning point in the development of the Ozark area. Excess manpower began to drain away. As a result, some of the farms were combined to make larger and more economic units. Timbering and other farm-based industries began to expand, thus providing an increase in local payrolls and work opportunities. People with capital resources were attracted to the area, and they expanded livestock and other types of special enterprise. To these developments were added construction of dams and lakes, which began to attract tourists. Resort industries and enterprises are beginning to thrive. Easier economic circumstances in the Nation, together with the building up of social security and retirement funds, have led to the development of a "retirement industry." The Ozarks have become one of the preferred areas for retirees. 3/

The farm population is still moving away from or entering nonfarm lines of work in the area. The dependence of the area on agriculture continues to decrease. From 1939 to 1954, as shown in the Census of Agriculture, the number of farms declined by a third, while the average size of farms increased from 114 to 166 acres.

These changes mean a rapid shift from the small subsistence farms of the 1930's toward larger units on which machine power rather than hand methods can be used.

An additional aspect of agricultural change in the Ozarks has been the greater emphasis on livestock production. Acreages in row crops have decreased, while both livestock and dairy production have increased. Production of broilers has become important also in all except a few Ozark counties.

Most of the manufacturing development has been in the timber, lumber, and wood-products industries, but some increases in food canning, poultry processing, and similar industries have occurred. Part of the area is now under lease for petroleum deposits and other parts are under lease for uranium deposits.

Drought and depression during the 1930's forced most small hillside farmers to realize that they had no future where they were; and when commercial and industrial opportunities opened up in urban areas during World War II, they were ready to leave. Since then, interchange of population with the rest of the Nation has become a dominant Ozark pattern. Early

3/ Bridenstine, M. A., A "Retirement Industry" for Arkansas - An Analysis and Program. (Ark. Univ. Bur. Business and Econ. Res.) Ark. Business Bul. 23(2): 1-2, 4-6. May 1956.

migration from the area was to seasonal farm jobs; during and since World War II, migration has been to more stable urban employment. As a result of the dispersion of population, few rural groups in the United States now have contacts in as many different parts of the country as do the people of the Ozarks.

Isolation of Ozark farmers is also being broken by the movement of newcomers to the area. Some of these newcomers were successful farmers in other areas. They come with new capital and new ideas. Whether they can continue to farm depends on how well they adapt their resources to the new environment. A second group of newcomers is made up of people who are looking for an attractive place to spend their retirement. Some of these persons are able to provide community leadership. A third group consists of those who see potentialities for resort development, tourist trade, or other types of commercial growth.

Southern Maryland (Calvert County)

Calvert County, Md., has been settled for more than 300 years. Because of the county's location with reference to bay and river boundaries, and its nearness to the metropolitan centers of Washington, D. C., and Baltimore, Md., in recent years it has become an area of recreational land uses as city residents have built vacation or weekend homes. Some immigration of permanent residents has occurred recently. Only with the mass ownership of automobiles and the ensuing development of good highways has the county obtained transportation media on a par with other counties comparably located with regard to metropolitan centers.

Production of tobacco has dominated the agricultural economy of southern Maryland from the time of settlement. In recent years, this dominance has lessened with respect to the total economy. This came about with the development of recreational land uses, the movement of urban residents from nearby areas to take up permanent residence in the county, and the increase in nonfarm employment opportunities in nearby metropolitan centers.

During the decade of the 1940's, the white population increased because of immigration, and many Negroes left the county. 4/ In 1950, as shown by

4/ Unpublished materials on file, Department of Sociology, University of Maryland.

the Census of Population, 42 percent of the population was reported as Negro. Many immigrants have become residents of the bay or river-front areas in which people seek properties for retirement or recreational use.

In the past, the economy of Calvert County was predominantly agricultural, and agriculture continues to have an important part in the local economy. However, there is evidence of change. According to the Censuses of Agriculture for 1940 and 1954, the number of farms increased by 6 percent while the average size of farm decreased from 87 to 70 acres. In the last decade, sales of farm crops remained relatively stable while sales of livestock increased.

The Upper Monongahela Valley, West Virginia

The Upper Monongahela Valley comprises 10 counties immediately south of the Pennsylvania border: Monongalia, Preston, Marion, Harrison, Taylor, Barbour, Tucker, Lewis, Upshur, and Randolph. Pressure of population on the economic resources of the State at their present level of development is great. Farming is so limited by rough topography, dense coverage by timber, and poor soils that the residents depend largely on nonfarm employment for a livelihood.

The topography of most of the area varies from rough to hilly and mountainous. Valley areas between the mountains are of limited size but have been cleared for farming. Cultivated acreages frequently extend up hillsides with very steep slopes where they create problems of erosion. The steeper and more mountainous areas are still covered by timber, and sawmilling is an important industry.

The number of farms in the valley decreased by 29 percent between 1939 and 1954. The average size of farm increased from 91 to 107 acres, as shown in the censuses of agriculture. Most of the acreage was not farmed intensively in 1954.

The agricultural base for support of the population is meager, and recent trends have been in the direction of even less intensive farming. The prospects for competitive commercial agriculture and live-at-home farming, however, are likely to differ. The ability to compete commercially is limited, but this limitation may not apply strictly to live-at-home efforts.

Among the more important industries in the valley are sawmilling, and the stone, clay, and glass industries. Recently, the chemical industry has come into the area and has added to local payrolls. Despite the hilly terrain,

railroad and highway transportation to the area are good. The area is favorably located also for fuel, power, and manpower resources; thus potentialities for further industrial development are good.

The chief source of income for the valley has been the mining of bituminous coal. There are a few large mining operations in the area, but most of the mines are small. Some are small strip mines that use little labor and operate only irregularly.

The bituminous coal industry in West Virginia reached its peak in 1947, with a total production of 173,654,000 tons. By 1954, production was down to 116,000,000 tons. ^{5/} Employment has dropped much more rapidly than production; by 1955, it was down to half the 1948 figure.

Employment opportunities in the area are shrinking more rapidly than the population. Increases in manufacturing employment are inadequate to offset the declines in mining and agriculture. Outmigration as a solution to the situation is limited by the strong attachment of the people in the valley to their home environment. Hence a surplus working population may exist there for some time. Meanwhile, local civic and commercial groups are working to attract enterprises from outside the area and to develop local enterprises.

HOUSEHOLDS AND WORKERS IN THE SAMPLE GROUPS

People are too important an asset to have their goals and objectives restricted by inadequate training or lack of opportunities. Individual initiative, interests, abilities, and knowledge are developed through training, and they influence the utilization of the other resources of an area.

The surveys were designed to ascertain the extent of employment and underemployment of open-country rural people. Households in cities and in towns or villages of more than 100 population were excluded from the samples. Randomized samples of households that would be representative of open-country people in the areas were drawn on an area-segment basis.

^{5/} Fishman, Leo, Statement before the Joint Committee on the Economic Report, U. S. Congress... January 27, 1955. 7 pp. [Mimeographed] Also the article, Coal Mining Decline Largely Responsible for Heavy Unemployment in West Virginia. U. S. Dept. Labor, Bur. Employment Security, The Labor Market and Employment Security. February 1955, pp. 9-12, illus.

Residence

No sharp distinction can be made between farm and nonfarm residences in the areas studied. Some places were definitely farms, while others were the homes of nonfarm workers who carried on no agricultural activities. Many places, however, were the residences of one or more nonfarm workers on which some agricultural activity was conducted.

Many of the nonfarm households were on relatively large acreages, which did not qualify as farms because of too little agricultural production. Many farm households contained members who were retired or engaged in work away from the home place. On the same basis of classification as was used in the 1954 Census of Agriculture (see appendix for definitions), 56 percent of the sample households in the Ozarks, 52 percent in southern Maryland, and 36 percent in the Upper Monongahela Valley were located on tracts of land that would qualify as farms (table 1). Part-time farms were proportionately twice as numerous among the Negroes in southern Maryland as compared with the whites in the Ozarks or the Upper Monongahela Valley.

Table 1. - Percentage distribution of households and of persons 14 years old and over, by type of household, selected low-income areas

	Arkansas Ozarks	Southern Maryland	Upper Monongahela Valley
Type of household	Persons	Persons	Persons
Households	Households	Households	Households
14 years old and over	14 years old and over	14 years old and over	14 years old and over
	Pct.	Pct.	Pct.
Total-----	100	100	100
Farm -----	56	52	36
Commercial -	34	34	8
Part-time ---	8	16	8
Residential --	9	2	18
Unclassified -	5	0	2
Nonfarm-----	44	48	64

Chief Source of Household Income

On the basis of chief source of household income, only a small proportion of the families studied in the three low-income areas depended upon agriculture for a livelihood. Nonfarm employment, the major source of household income in the survey areas, was relatively more important in the Upper Monongahela Valley and in southern Maryland than in the Arkansas Ozarks. Nonwork income sources such as Social Security, old-age assistance, and rents were other chief sources of household income.

The percentages of households in the survey areas that received their chief source of household income from agriculture, nonfarm work, and nonwork sources follow:

Chief source of household income :	Arkansas Ozarks :	Southern Maryland :	Upper Monongahela Valley :
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Mainly agriculture :	29	25	9
Mainly nonfarm work----- :	37	62	70
Mainly nonwork -- :	28	9	17
Other and no report ----- :	6	4	4

Household Size

In general, all of the persons living in a dwelling unit constitute a household. For purposes of the three surveys, households included the head of the household and the immediate family, as well as unrelated individuals who shared a dwelling unit. A person who lived alone in a dwelling unit or a group of unrelated persons who shared a dwelling unit constituted a household. Individuals who were away at school but who returned on weekends or during the summer, and others who were temporarily away from home were considered to be household members. Members of the Armed Forces were considered as household members only if they slept in the sample unit. Other individuals who were away from the sample unit were not counted as household members.

This procedure for delineating households resulted in counting some "doubled-up" families as single household units. The two major types of

households comprising doubled-up families occurred when: (1) A daughter was unmarried or separated and living with her parents; and (2) one or both parents were too old to support themselves, lived with one of the children, and became part of the economic household unit.

The Negro households in southern Maryland averaged 5.1 persons per household, while households in the Upper Monongahela Valley and the Arkansas Ozarks averaged 3.9 and 3.4 persons, respectively. As the surveys dealt primarily with employment and unemployment, data were obtained only in regard to persons classified as in the labor force, that is, 14 years old and over (census). In southern Maryland, these persons averaged 3.0 per household, in the Upper Monongahela Valley 2.6, and in the Arkansas Ozarks 2.5.

The age composition of the labor force in an area is an indication of the labor force potential. The age distributions of the survey populations indicate that young people have been leaving these low-income areas.

Individuals in the age group 14 to 24 years of age are either entering or have recently entered the labor force. In terms of employability, this is the group in which employers are often most interested. But individuals aged 65 and over have difficulty in locating employment. For the most part, they are dependent upon nonwork sources for income.

The percentages of males and females 14 years old and over in the survey populations in three selected age groups follow:

Age group	Arkansas Ozarks		Southern Maryland		Upper Monongahela Valley	
	Males	Females	Males	Females	Males	Females
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
14 to 24 years-----	19	20	33	35	23	23
25 to 64 years-----	59	64	56	56	62	64
65 years and over -	22	16	11	9	15	13

Educational Attainment

The educational level of a population is important to economic and social development. Individuals who seek employment find their opportunities limited if they are not as well trained as others who apply for work.

The outstanding aspect of the educational attainment of the groups surveyed is the great improvement in educational level of the people in the younger age groups (table 2). This marked improvement was evident among the Negroes in southern Maryland and the whites in the Arkansas Ozarks and the Upper Monongahela Valley, W. Va.

The young women in the low-income areas studied tended to be better educated than the young men. This may be because the young women stay in school longer than the young men or because the better educated young men may have been more successful in establishing themselves outside the survey areas.

ACTIVITIES AND OCCUPATIONS

Determination of the present utilization of the labor force is important in planning any program for development of the resources of an area. In order to obtain this information, each person interviewed was asked to classify all members of the household 14 years old and over according to their major activity during the preceding 12 months (Arkansas Ozarks and Upper Monongahela Valley) or the last year (southern Maryland). Usually, this was done without difficulty. Retired and disabled people were the most difficult groups to classify. Some were both retired and disabled. Others who were retired and partly disabled did some farmwork. In addition, elderly women often reported themselves as housewives rather than retired or disabled.

Classification of individuals by major activity during the preceding 12 months or the last year permits separation of housewives, school children, and retired or disabled people from those who were primarily in the labor force.

In the low-income areas studied, nonfarm work was the chief activity most frequently reported for individuals who were classified as mainly in the labor force (table 3). A large proportion of the young men and young women were in school. Farm operation was the chief activity frequently reported for males in the older age group but was relatively unimportant for young men and women of all ages. A large proportion of the individuals 65 years old or over were retired or disabled. The prevalence of nonfarm

Table 2. - Percentage of persons 14 years old and over who had completed a specified number of grades in school, by age and sex, selected low-income areas

ARKANSAS OZARKS						
Age and sex	Percentage of persons whose highest grade completed was -					
	Elementary School		High School		College	
	3 years or less	4 to 7 years	8 years	1 to 3 years	4 years	1 or more years
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Male:						
14 to 24 years-----	1	18	31	32	11	7
25 to 64 years-----	5	27	39	14	10	5
65 years and over -:	16	43	32	5	1	3
Female:						
14 to 24 years-----	0	8	19	56	15	2
25 to 64 years-----	2	25	45	13	9	6
65 years and over -:	13	38	39	6	2	2
SOUTHERN MARYLAND						
Male:						
14 to 24 years-----	2	20	15	49	14	0
25 to 64 years-----	22	49	10	11	4	4
65 years and over -:	46	50	4	0	0	0
Female:						
14 to 24 years-----	0	17	15	51	17	0
25 to 64 years-----	19	34	14	16	8	9
65 years and over -:	47	32	21	0	0	0
UPPER MONONGAHELA VALLEY						
Male:						
14 to 24 years-----	2	21	17	37	19	4
25 to 64 years-----	7	21	36	14	14	8
65 years and over -:	21	35	36	3	3	2
Female:						
14 to 24 years-----	1	9	15	46	24	5
25 to 64 years-----	4	22	33	16	19	6
65 years and over -:	16	39	32	6	5	2

Table 3. - Major activity of persons 14 years old and over during the last year or the 12 months preceding the survey, by sex and age, selected low-income areas

ARKANSAS OZARKS						
Major activity	Male			Female		
	14 to 24	25 to 64	65 and over	14 to 24	25 to 64	65 and over
	Percent	Percent	Percent	Percent	Percent	Percent
All persons-----	100	100	100	100	100	100
Mainly in the labor force:						
Operating farm -----	4	42	31	0	2	3
Farm wage work -----	3	5	1	1	<u>1</u> /	0
Nonfarm work -----	23	40	4	4	9	0
Unpaid family work-----	12	1	0	5	2	0
Looking for work-----	3	<u>1</u> /	0	1	<u>1</u> /	0
Mainly not in the labor force:						
Going to school -----	54	0	0	67	0	0
Keeping house -----	0	1	0	21	81	37
Retired or disabled-----	1	11	64	1	6	60
SOUTHERN MARYLAND						
All persons-----	100	100	100	100	100	100
Mainly in the labor force:						
Operating farm -----	5	43	27	0	2	0
Farm wage work -----	6	5	0	4	1	0
Nonfarm work -----	35	42	18	15	19	5
Unpaid family work-----	7	3	5	3	4	0
Looking for work-----	3	3	0	4	0	0
Mainly not in the labor force:						
Going to school-----	44	0	0	45	0	0
Keeping house -----	0	1	0	28	68	58
Retired or disabled-----	0	3	50	1	6	37
UPPER MONONGAHELA VALLEY						
All persons-----	100	100	100	100	100	100
Mainly in the labor force:						
Operating farm -----	1	11	32	0	2	1
Farm wage work -----	2	2	1	0	0	0
Nonfarm work -----	25	76	10	9	11	0
Unpaid family work-----	4	1	2	3	1	1
Looking for work-----	8	4	1	1	<u>1</u> /	0
Mainly not in the labor force:						
Going to school -----	57	0	0	51	0	0
Keeping house -----	<u>1</u> /	0	1	35	84	73
Retired or disabled-----	1	5	53	1	1	25
Not employed and not looking for work <u>2</u> / -----	2	1	0	0	<u>1</u> /	0

1/ Less than 0.5 percent.

2/ Comparable data not available for other survey areas.

work and attending school as chief activities and the educational attainment reported in the previous section suggest that many of the residents of the low-income areas studied have the education and training necessary to acquire the skills demanded in present-day business and industrial operations. The younger men and women of the areas have the greatest amounts of training and education. Often, however, they do not have opportunities for employment in nonfarm work or successful farm operation in their home communities.

TOTAL NUMBER OF DAYS WORKED

Procedures were developed to ascertain the number of days each person 14 years old and over had worked during the last year or the 12 months preceding the interview. In regard to hired farm or nonfarm employment, each respondent reported the number of days worked by each member of the household. Number of days worked on the home farm presented a difficult problem. Farmers had fewer identifiable bases on which to make a statement of days worked by each member of the household. Hence a special procedure was used for estimated days of work on the home farm.

People who lived on acreages that qualified as farms under the census definition were asked to give the number of acres in each crop grown, the number of livestock by type, the types of machinery used, and the total amount of product for each of their enterprises. Each farm respondent was asked to estimate what percentage of the total amount of farmwork on the home place had been done by each member of the household. Data were available at the Arkansas, Maryland, and West Virginia Agricultural Experiment Stations on the amount of labor required for all farming operations in the survey areas at different levels of technology. From these, total man-hour equivalents were computed for each farm covered in the survey. The total number of man-hours required for the enterprise was apportioned to the members of the household according to the percentage estimates made by the respondent. This procedure provided an estimate of the number of days of farmwork done on the home place by each member of the household during the previous year.

An objective of all of the surveys was to determine the extent of employment and underemployment among individuals living in the low-income areas studied. There were nonworkers in each area. For the most part, these individuals were housewives, students, or retired or disabled persons. The percentages of individuals of labor force age in the survey populations who did no remunerative work during the last year of the 12 months preceding the survey were as follows:

Respondents	Arkansas Ozarks	Southern Maryland	Upper Monongahela Valley
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
All persons-----:	41	24	41
Males-----:	25	9	18
Female -----:	57	38	64

Individuals in the sample households who worked during the preceding year put in an average of 141 days in the Arkansas Ozark area, 134 in southern Maryland, and 154 in the Upper Monongahela Valley of West Virginia. These figures are low partly because some groups of individuals were in the labor force for only part of the time (table 4).

Workers who were ordinarily in the labor market for the full year averaged more days of work but were still below the full employment level. But full employment is not entirely a matter of days worked. Workers are underemployed if they receive substandard returns per unit of work, because there is underutilization of skills or abilities. An indication of the extent of unemployment in the low-income areas surveyed can be obtained by comparing the average number of days worked in these areas with the average number worked by many business or industrial workers in the Nation. Many business and industrial workers receive 2 or 3 weeks vacation and have Saturdays and Sundays and at least 7 holidays off per year. That is, they work from 239 to 244 days per year. This comparison is in line with the definition of year-round hired farmworkers as "Those who reported 250 days or more of farm wage work in the year." ^{6/}

Individuals who reported nonfarm work as their chief activity ^{7/} made up the group with the greatest amount of employment. Nonfarm workers in the Arkansas Ozarks averaged 230 days, those in southern Maryland 209 days, and those in the Upper Monongahela Valley 232 days of work (table 4). Individuals in the Arkansas Ozark area who reported farm operation as their chief activity had 166 days of work, compared with 169 and 139 days for farm operators in southern Maryland and the Upper Monongahela Valley, respectively.

^{6/} Maitland, S. T., and Fisher, D. A. The Hired Farm Working Force of 1957. U. S. Dept. Agr. Agr. Inform. Bul. 208, 67 pp., illus. 1959.

^{7/} Note that the classification by chief activity excludes workers who spent only a short period of time in a particular line of work or activity.

Table 4. - Average number of days worked during the last year or the preceding 12 months, by chief activity, sex, and household status of workers, selected low-income areas

Chief activity, sex, and household status	Average number of days worked <u>1/</u>		
	Arkansas Ozarks	Southern Maryland	Upper Monongahela Valley
	<u>Days</u>	<u>Days</u>	<u>Days</u>
All persons -----	141	134	154
Mainly in the labor force:			
Farm operation -----	166	169	139
Farm wage work -----	172	156	202
Nonfarm work -----	230	209	232
Unpaid family work -----	76	117	104
Looking for work -----	52	60	66
Mainly not in the labor force:			
Going to school -----	51	37	44
Keeping house -----	53	53	43
Retired or disabled -----	51	65	56
Not employed and not looking -----	<u>2/</u>	<u>2/</u>	47
Male -----	173	165	185
Heads -----	192	195	207
Sons -----	107	124	104
Others -----	124	113	158
Female -----	83	90	92
Heads -----	193	120	117
Wives -----	86	96	86
Daughters -----	56	65	100
Others -----	50	102	97

1/ Average only for those who worked.

2/ Data not available.

In all areas surveyed, students, housewives, retired and disabled individuals, and persons who were mainly looking for work averaged relatively few days of work.

Heads of households averaged more days of employment than other household members. In general, women who worked on the home place or who did work for wages received only small amounts of employment.

EARNINGS

In the general description of households and workers in the sample groups, it was pointed out that only a small proportion of the families studied were dependent upon agriculture for income and that a large proportion were dependent upon nonfarm work. In making a comparison of incomes of farm and nonfarm families, it must be remembered that many farm residents receive the benefit of home-produced food, fuel, and housing that are out-of-pocket expenses for most nonfarm residents. No estimate of the value of family living supplied by the farm was obtained in the surveys.

Average income for all households surveyed was \$1,664 in the Arkansas Ozark area, \$2,542 in Negro households in southern Maryland, and \$2,675 in the Upper Monongahela Valley. Average incomes for farm and nonfarm households follow:

Type of household :	Arkansas Ozarks :	Southern Maryland :	Upper Monongahela Valley :
:	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
Farm households--:	1,773	2,270	2,556
Nonfarm households:	1,504	2,923	2,804

Farm households had relatively good incomes mainly because of their earnings from nonfarm sources. If the households are divided into groups according to chief source of income, the close association between agriculture and low income becomes evident. The percentages of households in the Upper Monongahela Valley and southern Maryland with incomes of stated amounts by chief source of income are shown in table 5. Comparable data for the Arkansas Ozark area are not available.

The income data indicate that agriculture serves as an income supplement for many families in the low-income areas studied. The dependence on

Table 5. - Percentage of households with incomes of stated amounts by chief source of income, selected low-income areas

Area and household- income group	Chief income source			
	Agriculture	Nonfarm work	Nonwork	Other ^{1/}
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Southern Maryland:				
Under \$1,000 -----:	43	10	75	20
\$1,000 to \$1,999 -----:	46	15	25	60
\$2,000 to \$2,999 -----:	7	19	0	7
\$3,000 and over-----:	4	56	0	13
Upper Monongahela Valley:				
Under \$1,000 -----:	68	6	57	10
\$1,000 to \$1,999 -----:	15	16	26	15
\$2,000 to \$2,999 -----:	10	28	10	2
\$3,000 and over-----:	7	50	7	73

^{1/} Includes households with several approximately equal sources of income, which made it impossible to classify them by chief source of income.

nonfarm sources of income points up the importance of this income source to rural prosperity and of part-time farming in the agricultural sectors of the economies of the low-income groups surveyed.

It is difficult to present total incomes for all persons on an individual basis. Net farm income might be divided between household members who worked on the home place on the same basis that was used in allotting the number of days worked. - But this procedure would still not give an accurate picture of individual income because income from nonwork sources was likewise obtained on a household rather than an individual basis. Thus the two types of household income were not subject to division between family members.

Earnings from nonfarm work were reported on an individual basis. Sex and age were important factors in the level of earnings from nonfarm work (table 6). The short-term employment of students and housewives and the prevalence of retired and disabled individuals in the age classification 65 years old and over are reflected in lower earnings of these groups.

Table 6. - Percentage of persons who earned specified amounts at nonfarm work during the last year or the 12 months preceding the survey, by sex and age, selected low-income areas

ARKANSAS OZARKS						
Age and sex	Persons reporting nonfarm earnings	Persons who made -				
		Less than \$500	\$500 to \$999	\$1,000 to \$1,999	\$2,000 to \$2,999	\$3,000 or more
	No.	Pct.	Pct.	Pct.	Pct.	Pct.
Male-----	316	27	24	25	15	9
14 to 24 years -----	44	45	23	18	14	0
25 to 64 years -----	255	22	25	26	15	12
65 years and over ---	17	53	6	35	6	0
Female -----	77	39	17	25	14	5
14 to 24 years -----	11	64	9	27	0	0
25 to 64 years -----	65	34	18	25	17	6
65 years and over ---	1	100	0	0	0	0
SOUTHERN MARYLAND						
Male-----	104	17	23	20	21	19
14 to 24 years -----	24	25	17	37	21	0
25 to 64 years -----	76	14	24	16	20	26
65 years and over ---	4	25	25	0	50	0
Female -----	64	46	22	19	5	8
14 to 24 years -----	19	53	21	26	0	0
25 to 64 years -----	42	43	21	17	7	12
65 years and over ---	3	67	33	0	0	0
UPPER MONONGAHELA VALLEY						
Male-----	689	10	9	20	24	37
14 to 24 years -----	80	36	19	26	14	5
25 to 64 years -----	577	5	6	19	27	43
65 years and over ---	32	35	22	19	9	15
Female -----	166	37	14	25	14	10
14 to 24 years -----	44	45	16	32	7	0
25 to 64 years -----	119	33	14	23	17	13
65 years and over ---	3	100	0	0	0	0

PERSONS AVAILABLE FOR WORK

Information as to the availability of household members for employment or additional employment was obtained for each open-country household in the samples. Each respondent was asked to indicate the members of the household who were available for employment at the time of the interview. Included in this classification were individuals who were actively looking for work, as well as individuals who were not actively looking for a job at the time of the survey but who were available for work. Both of these groups included some individuals who reported employment during the week preceding the interview.

Twelve percent of the individuals of working age in the Arkansas Ozarks expressed an interest in additional or alternative employment, compared with 20 percent of the Negroes in southern Maryland and 16 percent of the respondents in the Upper Monongahela Valley of West Virginia. A relatively high proportion of the individuals available for work were in the younger age groups. The proportions of all males and females in the different areas who were in the age group 14 to 24 and the proportions of this group available for work were as follows:

Respondents	Percentage of labor force that was 14 to 24 years of age	Percentage of individuals 14 to 24 years of age who were available for work
	<u>Percent</u>	<u>Percent</u>
Arkansas Ozarks:		
All persons-----	20	43
Males-----	19	44
Females-----	20	42
Southern Maryland:		
All persons-----	34	39
Males-----	33	39
Females-----	35	39
Upper Monongahela Valley:		
All persons-----	23	39
Males-----	23	37
Females-----	23	45

A large proportion of the individuals available for work in the three low-income areas studied expressed a preference for nonfarm work, with women expressing the greatest preference for this kind of employment. The percentages of males and females available for work who preferred nonfarm and farm work follow:

Area	Males			Females		
	Nonfarm	Farm-	No	Nonfarm	Farm-	No
	work	work	preference	work	work	preference
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Arkansas						
Ozarks -----	90	10	---	98	2	---
Southern						
Maryland -----	87	11	2	93	2	5
Upper Mononga-						
hela Valley ----	87	13	---	97	3	---

Thus, any program designed to meet the work preferences of individuals in the low-income areas studied should consider the need for improved opportunities in nonfarm employment.

APPENDIX

Classifications and Terminology

In general, the classifications and terminology used in this report follow those that have been used by the census and other statistical agencies. In a few instances, special classifications or terms were worked out in order to meet the particular needs of these surveys.

The classifications used are as follows:

Farm. - This term is used as defined by the U. S. Census of Agriculture, 1954. A farm is a "place" with 3 or more acres, producing during the year a total value of agricultural commodities amounting to \$150 or more, exclusive of the home garden. Places of less than 3 acres are also treated as farms if the value of agricultural commodities sold during the year amounted to \$150 or more.

Commercial farms. - (1) All farms with sales of farm products amounting to \$1,200 or more; (2) farms with sales of from \$250 to \$1,199 on which the operator worked off the farm for less than 100 days and the non-farm income of all members of the family was less than the total value of farm products sold. (Census definition.)

Part-time farms. - Farms with sales of farm products of \$250 to \$1,199 when either (1) the farm operator worked 100 days or more off the farm, or (2) the nonfarm income of all members of the family was greater than the value of farm products sold. (Census definition.)

Residential farms. - Farms with sales of less than \$250. (Census definition.)

Farm or rural farm people. - The definition of these terms corresponds with that of the U. S. Census of Population, 1950. People so classified are those who live on "farms." The terms denote residence, not necessarily occupation.

Households. - This term refers to a living unit which includes all persons who live together. The term is used interchangeably with "family." A kinship relationship is usually involved but is not essential.

Labor force. - All persons 14 years old or over who are either (1) employed; (2) unemployed; or (3) members of the Armed Forces. (Census definition.)

Looking for work. - Implies more or less active seeking of employment. The term does not correspond with the census term "unemployed." Some persons who were "looking for work" in the sample population were employed even while looking.

Nonwork income. - Income other than earnings, for example, from rents, royalties, interest, dividends, veterans' allotments, social security, unemployment insurance, public assistance.

Rural-nonfarm people. - Persons were classified as "rural-nonfarm" if they lived outside "urban" centers but not on farms. The term corresponds, in definition, with that used by the U. S. Bureau of the Census.

Underemployment. - This term refers in general to a situation in which an individual's time and effort are not utilized to their full potential.

Unpaid family workers. - These are persons who worked without direct compensation on a farm or in a business. They are usually related by blood or marriage to the operator of the farm or business.



