

Livestock Now the Most Important Source of Income for North Dakota Farmers

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MANY North Dakotans think that the greatest share of the gross income of the farmers in this State comes from crops. This assumption was true a few years ago, but now the greatest source of the farmer's income is being derived

from livestock and livestock products. There is presented in Table 1, the gross farm income for North Dakota from 1926-39. It is evident from these figures that livestock in the last few years has been the most important source of income.

Table 1. GROSS FARM INCOME AND GOVERNMENT PAYMENTS FOR NORTH DAKOTA, 1926-39.

Year	Crops	Livestock products	Government payments	Total gross income
	1000 Dollars	1000 Dollars	1000 Dollars	1000 Dollars
1926	113,794	95,560		209,354
1927	188,200	80,651		268,851
1928	158,340	86,028		244,368
1929	123,884	90,661		214,545
1930	75,632	72,337		147,969
1931	16,176	55,665		71,841
1932	40,051	38,020		78,071
1933	50,177	41,320	14,680	106,177
1934	14,761	53,253	18,150	86,164
1935	48,541	48,529	19,126	116,196
1936	35,111	75,902	12,379	123,392
1937	54,791	63,139	21,210	139,140
1938	45,625	57,498	13,179	116,302
1939	57,343	58,600	29,345	145,288 ¹

¹ Preliminary Figures.

Source: U.S.D.A. Agricultural Statistics 1939, 1938; U.S.D.A. Year Books, 1933, 1930; Bureau of Agricultural Economics—July 8, 1940, Release of Gross Farm Income and Government Payments 1936-1940.

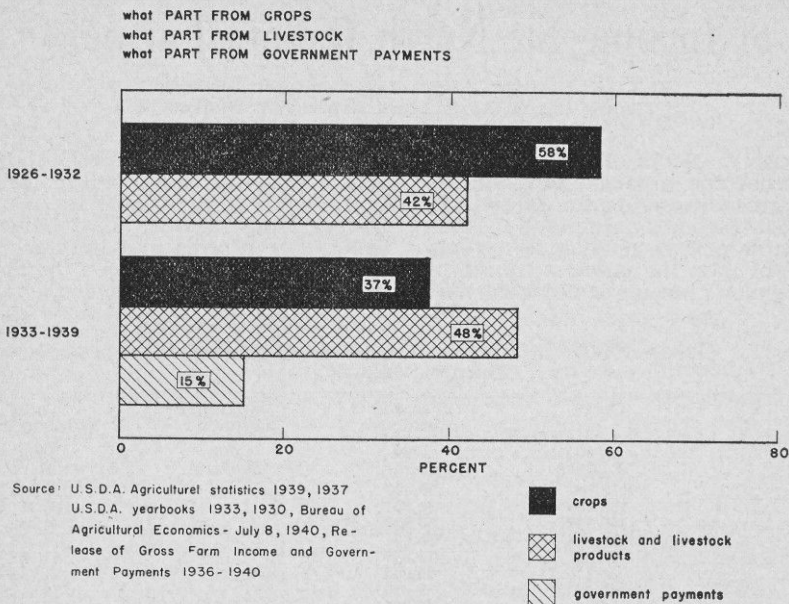
If the period 1926-39 is divided into two periods; that is, 1926-32 and 1933-39, this shift in the importance of income is very evident. Figure 1 portrays a picture of this shift. In the period 1926-32, 58 percent of the gross farm income in this State came from crops and 42 percent from livestock and livestock products. From 1933-39, 37 percent of the gross farm income came from crops, 48 percent from livestock and 15 percent from government payments.

This comparison of income for these two periods was computed on a weighted basis, that is, for the period 1926-32, the gross income from crops was totaled for the 7 years, the gross income from livestock and livestock products was also totaled for the 7 years and the percentage of each was computed on the total gross farm income for that period.

In like manner, the same computation was made for the period 1933-39, with the exception, of course, that the government payments were also included.

In considering a farmer's income, it is best to consider the gross farm income instead of merely the cash income. The gross farm income is composed of the cash sales of farm products, plus the value of commodities consumed on the farms where grown, valued at the average price received by farmers for the commodities sold. The importance of the value of commodities consumed on the farm may be realized if we consider the year 1939. In that year, the total gross farm income, including government payments, amounted to \$145,288,000. Of this amount \$132,959,000 was the cash income from marketing farm products and government payments, leaving \$12,-

NORTH DAKOTA GROSS FARM INCOME



329,000 income which was derived from farm products used in the home, such as milk, butter, eggs, beef, pork, potatoes, etc., of this amount, livestock furnished \$10,-256,000 and crops \$2,073,000.

The payments that farmers received in the last 7 years from the government for compliance in the

Farm Program are significant. In Table 2, the percentage contributed by government payments to the gross farm income in North Dakota is given. It is interesting to note that government payments contributed from one-ninth to one-fifth to the North Dakota farmers' total gross income during the 7 years.

Table 2. PERCENTAGE DISTRIBUTION OF NORTH DAKOTA GROSS FARM INCOME FROM CROPS, LIVESTOCK AND LIVESTOCK PRODUCTS AND GOVERNMENT PAYMENTS, 1926-1939.

Year	Livestock and livestock products		Government payments
	Crops Percent	Percent	Percent
1926	54	46	
1927	70	30	
1928	65	35	
1929	56	42	
1930	51	49	
1931	23	77	
1932	51	49	
1933	47	39	14
1934	17	62	21
1935	42	42	16
1936	28	62	10
1937	39	46	15
1938	39	50	11
1939	40	40	20 ¹

¹ Preliminary Figures.

Source: U.S.D.A. Agricultural Statistics 1939, 1937; U.S.D.A. Year Book, 1933, 1930; Bureau of Agricultural Economics—July 8, 1940, Release of Gross Farm Income and Government Payments, 1936-39.