

and tractor for farm use, fuel and oil, spray and dust material, team and machine work hired and irrigation increased in relative importance. In 1945, expenses per dollar of receipts amounted to 73 cents, whereas during the period 1917-22 the amount was 60 cents.

FARM RETURNS

A number of different measures of farm returns are given in Table 17, the most important of which are farm income, labor income, and return to capital. Farm income is the difference between gross farm receipts and gross farm expenses. It is in effect a measure of what the farm operator gets for his labor and management and for the use of the capital invested in the farm business. Labor income is calculated by subtracting interest on the average capital invested for the year at a specified rate from farm income. It is a measure of what the operator gets for his labor and management after allowing a charge for the use of capital. Return to capital is calculated by subtracting the estimated value of operators labor from farm income. In considering all of these measures it should be remembered that they do not include any value for family living—such as food and dwelling—that the farm operator gets from his farm.

TABLE 17.—SUMMARY OF FARM RETURNS, PLANT CITY AREA, FLORIDA, 1945, 1932, 1927, 1922, AND AVERAGE 1917 TO 1922.

Item	1945	1932	1927	1922	Average 1917-1922
Farm receipts	\$6,560	\$3,052	\$4,180	\$3,073	\$2,876
Farm expenses	4,759	2,092	2,994	2,225	1,721
Farm income	1,801	960	1,186	848	1,155
Interest on average capital *	526	588	1,131	676	550
Labor income	1,275	372	55	172	605
Value of operator labor	1,241	514	625	624	621
Returns to capital	560	446	561	224	534
Percent return on capital	6.4	5.3	3.5	2.3	6.8

* Interest on Average Capital calculated at 6 percent in 1945 and 7 percent in 1932, 1927, 1922, and Average 1917 to 1922.

In 1945, the average farm income was \$1,801. This was about \$600 more than any previous year. Labor income of \$1,275 in 1945 was also \$600 more than in any previous year for which