

\$1.39 per hour; net income, \$1.12 per hour. At the 1935-39 prices these figures would drop to 47 and 17 cents respectively. At the 1945 level, the net cash returns to cropper labor would be 35 cents per hour worked. This would be higher, even excluding farm privileges furnished by the farmer, than the prevailing rates paid to wage hands. Due to the fact that the family income includes returns to functions of production, other than labor, that are contributed by the operator, returns to the cropper are not comparable to the returns of the operator. Items of expense and income differ in the two cases. These differences account for the greater influence of the specified price changes on the operator's income compared with that of the cropper.

The principal items of additional investment would include a combine, dairy cows, hens, fences, and terraces. Total investment would amount to \$22,801, an increase of \$7,058 over the 1945 investment.

A system in which the livestock would be omitted and acreage of cotton would be raised to the maximum that could be handled with the labor available (cotton-small-grains system) would return a net cash income of \$5,196 to the operator—\$265 higher than the cotton-livestock system; but the cropper's income would be reduced \$506. This system lacks some of the long-run advantages of the cotton-livestock system. Also, this system would be subject to greater risks, although problems of management would be less.

The possibility of operating a unit of this size with only the labor of the operator and his family is illustrated by the livestock-small grain system. In this case, the livestock enterprises would be leveled near the maximum that the family could tend and the remainder of the land would be used for growing small-grains-lespedeza, a combination with extremely low labor requirements, especially when handled with tractor equipment.

Table 38.—Income and expenses, based on two price levels, representative large farm, 1945 and alternative systems, Southern Piedmont, North Carolina

Item and price level	Systems of farming			
	1945	Cotton-livestock	Cotton-small grains	Livestock-small grains
	Dollars	Dollars	Dollars	Dollars
1945 prices:				
1. Cash receipts	5,237	11,596	9,748	9,364
2. Family privileges	691	794	794	794
3. Total income (1+2)	5,928	12,390	10,542	10,158
4. Cash expenses	3,057	6,665	4,552	3,362
5. Noncash expenses	1,074	1,746	1,358	1,254
6. Total expenses (4+5) ¹	4,131	8,411	5,910	4,716
7. Net cash income (1-4) ²	2,180	4,931	5,196	6,002
8. Net income (3-6) ³	1,797	3,979	4,632	5,442
1935-39 prices:				
1. Cash receipts	2,700	6,314	5,142	5,333
2. Family privileges	415	476	476	476
3. Total income (1+2)	3,115	6,790	5,618	5,809
4. Cash expenses	2,122	4,626	3,159	2,333
5. Noncash expenses	967	1,571	1,222	1,218
6. Total expenses (4+5) ¹	3,089	6,197	4,381	3,551
7. Net cash income (1-4) ²	578	1,688	1,983	3,000
8. Net income (3-6) ³	26	593	1,237	2,258

¹ Details of farm expenses shown in Appendix Table VII.

² Net cash income to operator for the family labor, management, and investment.

³ Net income to the operator for the family labor and management.

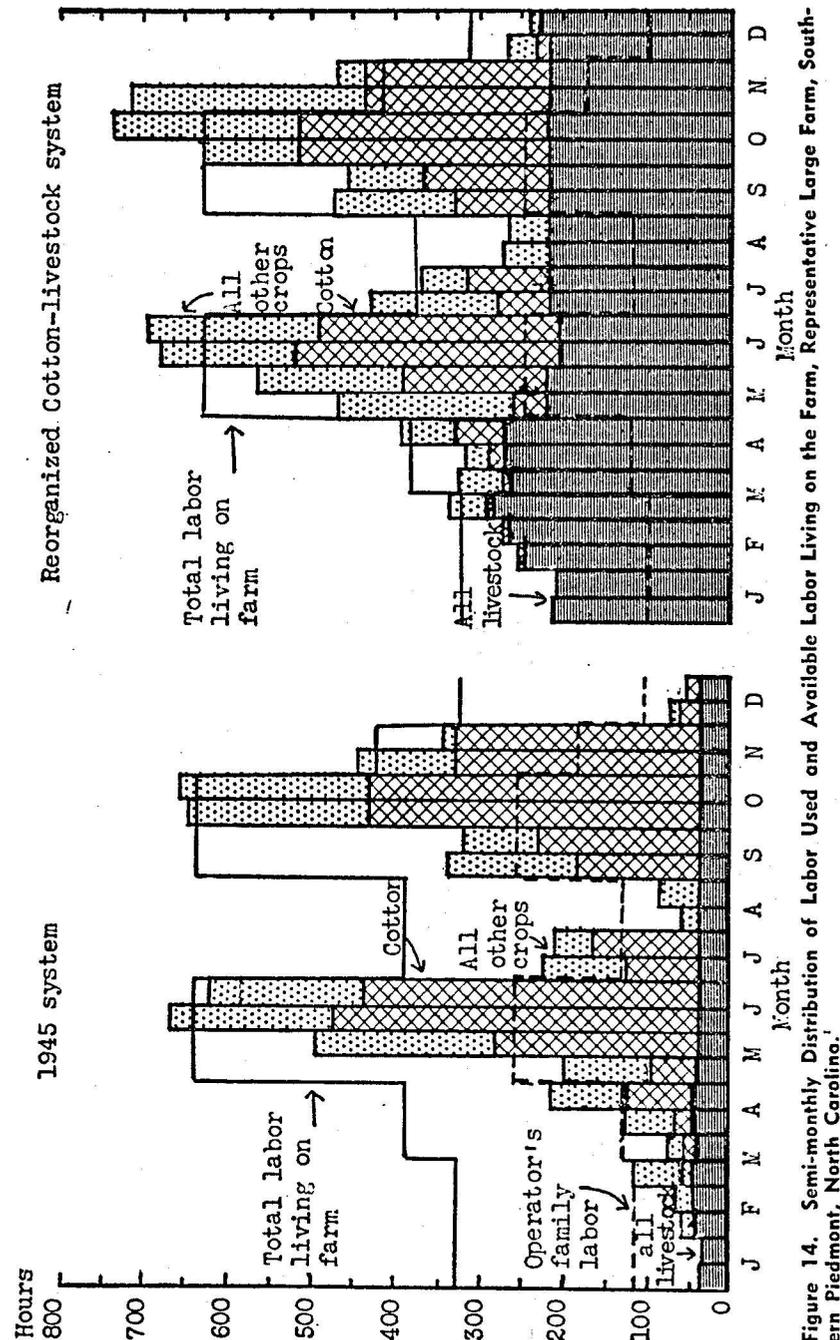


Figure 14. Semi-monthly Distribution of Labor Used and Available Labor Living on the Farm, Representative Large Farm, Southern Piedmont, North Carolina.

¹ This does not include farm overhead labor used.