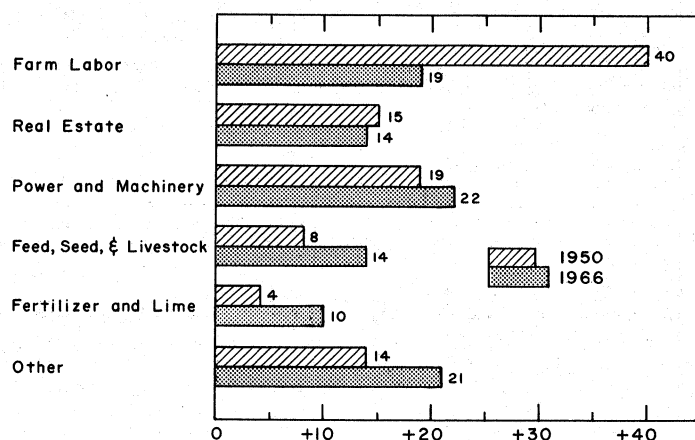


The Growth of

Chart 1
MAJOR FARM INPUTS AS A PERCENTAGE OF TOTAL INPUTS



SOURCE: Handbook of Agricultural Charts, U. S. Department of Agriculture, 1967.

recent decades, substantial changes are occurring within this base. Total cropland has been declining at a rate of about 2 million acres per year since 1954, whereas the total land in farms has been declining at an average of 3.5 million acres per year since 1950. We now have around 3 million farms as defined by the Census. The number of farms in the United States has been declining nearly 100,000 per year, causing the average farm size to increase to around 360 acres.

In addition to changes in farm size, there has been a move toward part ownership. Only 7 per cent of the full owners had farms with sales of \$20,000 or more in 1964, compared with 24 per cent of the part owners and 16 per cent of the tenants with such sales.¹ Although one half of our farmers are full owners,

they operate only about one fourth of the land.

Labor

The decline in the farm labor force is evident in Chart 1. Although the net outmigration of rural people has risen to an annual rate of 5.9 per cent during the 1960's, compared with 5.3 per cent for the 1950's, absolute outmigration has become smaller with declines in the rural population base.² But, the factors leading to outmigration of rural youth and adults seem likely to continue:

1. Increasing prices for land and labor, relative to capital resources, encourage capital substitution for land and labor in the production process.
2. Inadequate supplies of seasonal labor and increasing labor skill requirements

¹M. L. Upchurch, "Farming and the Rural Scene—Changes in Organization, Opportunities and Problems." Talk presented at the 45th Annual Agricultural Outlook Conference, Washington, D. C., November 14, 1967.

²Max F. Jordan, "People in a Changing Rural America—What Is Ahead?" Talk presented at the 45th Annual Agricultural Outlook Conference, Washington, D. C., November 14, 1967.