

Farm Income and Living Costs, 1941-45

TABLE OF CONTENTS

	PAGE
SUGGESTED USES AND LIMITATIONS OF THIS STUDY.....	4
SCOPE AND SIGNIFICANCE OF THE STUDY.....	5
PURPOSE OF THE STUDY.....	7
PROCEDURE.....	7
PERSONNEL OF FAMILY.....	8
SIZE OF FAMILY.....	8
SIZE, TENURE, AND VALUE OF FARMS OPERATED.....	12
FARM INCOME.....	15
COST OF FAMILY LIVING.....	22
COMPARISON WITH PREWAR YEARS.....	34
SUMMARY.....	39

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SUGGESTED USES AND LIMITATIONS OF THIS STUDY

Both long-time and short-time planning for future incomes and expenditures have been common in recent years, and such planning can be expected to continue. Balanced farm and home management programs are based on sound planning.

This study of the incomes and expenditures of 322 Kansas farm families, who were members of the Farm Management Associations and who kept the records, should be of value to those who wish guides in setting standards for sound planning in handling farm family resources. The data from the records of these 322 Kansas farm families give definite facts on which such planning can be based. Study of the experiences of these families and application of the results may help to make Kansas farm life more satisfying and to raise the standard of living on the farms of the state. The public worker who works with Kansas farm families may find in this study much material that will be helpful.

In using the data it should be remembered that the families included probably are somewhat above the average in their abilities to obtain and to use income. It should be remembered also that only a portion of the state was included. More nearly complete coverage of the state and records from all types of abilities in handling their resources are needed. More comprehensive information, including the differences in incomes and expenditures due to changes in the life cycles of individual families, would be helpful. Changes which occur from year to year make it desirable that such studies be kept current.

A small number of families have kept records of incomes and expenditures over a period of several consecutive years. Plans are made for the analysis of these data, and their amplification and interpretation by various means. Such data would give more adequate information.

Farm Incomes and Living Costs for Certain Kansas Families,¹ 1941-45

MYRTLE A. GUNSELMAN²

SCOPE AND SIGNIFICANCE OF THE STUDY

Satisfactory living for farm people is affected by the size of the farm income and the manner in which it is spent. Studies of farm income and expenditures have been made in several states. The largest and most comprehensive of these studies is the Consumer Purchases Study of 1935-36 made by the National Resources Committee and other federal agencies. One section of this study dealt with farm families in the Mountain and Great Plains Region, of which Kansas is a part.

A Kansas bulletin, in which the analyses of 827 income and expenditure records of farm families were reported, covered the pre-war years 1934-40.³ The present study is a continuation of the project reported in that bulletin and covers the period of war, 1941-45. Data on farm family living were obtained for a period of five consecutive years, while the previous report covered a period of seven consecutive years.

The data herein reported were obtained from daily records kept by family members and were made possible by the cooperation of 322 Kansas farm families. These families were members of Kansas Farm Management Associations. After keeping the records, these farm people lent their account books to the Kansas Agricultural Experiment Station, and the needed data were copied from these records. These 322 farm families were located in 61 of the 105 counties of the state. Fifty-five percent of the families live in south central Kansas and 45 percent live in northeastern Kansas. The location of the families by counties, and the number of annual records for each county, are shown in Figure 1.

Of the 322 farm families, 54 kept records for each of the five years, 44 for four years, 36 for three years, 84 for two years, and 105 for only one year. This gave a total of 327 annual records of farm family incomes and expenditures.

The data from such records make it possible to determine the pattern of family living on these farms. In the present study as in the prewar study, it is possible that these families were above the

1. Contribution No. 146, Department of Home Economics.

2. The cooperation of the 322 farm families who kept the records and made them available for this study is gratefully acknowledged. The cooperation of the extension specialists in farm management and home management, the fieldmen of the farm management associations, and members of the staff of the Department of Agricultural Economics also is gratefully acknowledged.

3. *Farm Incomes and Living Costs*, Agricultural Experiment Station, Kansas State College of Agriculture and Applied Science, Manhattan, Kansas, Bulletin 327.

During the five-year period the index of prices received by farmers increased sharply from 1940 until early in 1943. Although there was a slight upward trend during 1944 and 1945, further increases were not substantial until the first few months of 1946.¹ These changes in farm income and prices of consumers' goods affected the cost of living. Not all prices moved upward at the same rate nor to the same degree.

PURPOSE OF THE STUDY

This study of Kansas farm family income and expenditure was undertaken to obtain information regarding: (a) The relation between size and composition of the farm family and the amounts and the types of expenditures; (b) the relation between size of income and types and amounts of expenditures; and (c) certain other pertinent factors which may affect family expenditures and their relation to the standard of living.

PROCEDURE

The data on which this study is based were taken from the farm and home account books kept by members of the farm and home management associations of Kansas. There are four of these associations, each of which employs a fieldman who devotes his full time to the work of the association. The members of the associations pay fees which make the work possible. The fieldmen work under the supervision of the farm management specialists of the extension service of Kansas State College. By cooperative agreement between the extension service, the Kansas Agricultural Experiment Station, and the departments of home economics and agricultural economics of the experiment station, all assist in the work by collecting the record books, analyzing the data, and preparing reports that will be helpful to the members of the associations. It is through this cooperative arrangement that this research study was made possible in the agricultural experiment station.

Each of the farm families included in this study kept two sets of books. One was a record of farm inventories, farm receipts, and farm expenditures permitting the determination of net cash farm income and net farm income. The other was the home account book which gave the expenditures for family living and the values of farm-grown products used in the home.

The fieldman for each association visited each of the members from three to five times each year, conferred with the farmer and other members of the family, and checked the records for accuracy and completeness. At the end of the year the records were collected by the fieldmen and brought to the representatives of the agricultural experiment station for study and analysis. In the spring months of each year the extension specialists in farm and home management held summary meetings to assist these farmers and their families in evaluating the results of their operations and expendi-

1. Agricultural Statistics 1947, U. S. Department of Agriculture Page 524.

tures and to consider ways of improving the farm and home plans for the years ahead.

The author of this publication, as of the publication covering the years 1934-40, was in charge of the study and analysis of the home records for the agricultural experiment station.

In this study only those families were included who kept complete records for both the home expenditures and the farm business. Consequently, for each family included in the study there was a complete record of the amounts and sources of the farm income and the amounts and types of the expenditures for farm family living.

PERSONNEL OF FAMILY

The 827 annual records kept by the 322 farm families were classified by type of family, number of years records were kept, and net farm income of the family for each year that records were available. Useful comparisons can be made only between families having similar characteristics. The production and consumption programs of all families are influenced by the number, the age, and the sex of family members. Consequently, it was necessary to classify the farm families into types or groups having similar characteristics. As the term is used in this report, family type refers to the size of the family and the ages of its members. The 322 families keeping the 827 annual records used in this study were classified into four groups or family types as follows:

Type I included those families with two members, consisting of husband and wife only.

Type II included those families with only three or four members, consisting of husband and wife and one or two children less than 16 years of age.

Type III included those families with three to six members, consisting of husband and wife and one child 16 years of age or older; with or without other children.

Type IV included those families with five to eight members, consisting of husband and wife, at least one child who was less than 16 years of age, and other children regardless of age.

Each of the 322 families could be classified as one of these four types. Hired help and relatives were not members of the immediate family and were not included in determining the family type. In all there were 3,195 family members. In addition there was the equivalent of 349 persons living, or at least eating, with the families.

THE SIZE OF THE FAMILY

One hundred seventy-one of the annual records were for families of Type I, consisting of husband and wife only. This represents 21 percent of the records (Table 1). The remaining 656 annual records included 1,541 children, an average of 2.35 children for each of the families having children at home. Of these children 811 were sons and 730 were daughters. Twenty-eight percent of the sons and 31 percent of the daughters were in the families of Type II. Forty-

six percent of all the children were in Type IV families. The average size of the families in Type IV was 5.82 persons and the average size of the families for the entire group was 3.86 (Tables 2 and 3). The average size of the families in the lower one-third of the net farm income groups was 3.64 persons; in the middle one-third the average size was 3.87 persons, and in the upper one-third the average was 4.08 persons per family.

The average of these families had other relatives or hired help living in the home each year to the average extent of 0.42 person each. There was no consistent relation between the size of the family and the number of others in the home.

Twenty-eight percent of the children were less than 6 years of age and 56 percent were between 6 and 16 years of age. Fifty percent of the children in Type II were less than 6 years of age, 47 percent of those in Type III were over 16 years of age, and 66 percent of those in Type IV were between 6 and 16 years of age. There were 117 more children in the upper net farm income group than there were in the lower income group (Tables 3, 4, and 5).

Information about the ages of the husbands was unavailable in 6 percent of the annual records. These records were in Type I and one-sixth of these families were in the lower one-third of the net farm income groups.

Sixteen percent of the husbands were less than 31 years of age. Thirty-one percent of the husbands in Type II were less than 31 years of age, while 39 percent of those in Type I and 32 percent of those in Type III were 51 years of age or older. Eighteen percent of all the husbands were 51 years of age or older (Table 6).

Of those husbands classified in the upper one-third of the net farm income groups, 10 percent were less than 31 years of age and 24 percent were 51 years or older. Thirteen percent of those over 51 years were in the lower net farm income group (Table 7).

TABLE 1.--Number and percentage of family records in each family type by years, 1941-45 (827 annual records for 322 Kansas farm families).

YEARS	Family types				Total records reported	
	I	II	III	IV	Number	Percentage
1941.....	21	43	27	34	125	15
1942.....	34	55	47	37	173	21
1943.....	33	56	38	37	164	20
1944.....	40	72	32	39	183	22
1945.....	43	62	39	38	182	22
Total.....	171	288	183	185	827	100
Percentage.....	21	35	22	22	.....	100

TABLE 2.—Average size of families in each type by years (322 Kansas farm families).

YEARS	Family types				Average	
	I	II	III	IV	Family members	Others in the family ¹
1941.....	2	3.44	3.96	5.88	3.98	0.54
1942.....	2	3.49	4.28	4.73	3.89	0.55
1943.....	2	3.46	4.29	5.65	3.85	0.48
1944.....	2	3.57	4.31	5.87	3.85	0.34
1945.....	2	3.65	3.87	5.95	3.79	0.26
Average.....	2	3.53	4.15	5.82	3.86	0.42

1. Includes hired help, relatives, and guests.

TABLE 3.—Number of boys and girls in each age group by family types, 1941-45 (827 annual records for 322 Kansas farm families).

FAMILY TYPES	Ages of children						Total	
	Less than 6		6-16		Over 16		Boys	Girls
	Boys	Girls	Boys	Girls	Boys	Girls		
Type I.....								
Type II.....	102	118	106	107	4	4	212	229
Type III.....	9	13	92	94	114	72	215	179
Type IV.....	91	98	261	205	32	19	384	322
Totals.....	202	229	459	406	150	95	811	730

TABLE 4.—Number of sons and daughters in each age group by net farm income, 1941-45 (827 annual records for 322 Kansas farm families).

INCOME GROUPS	Ages of children						Total	
	Less than 6		6-16		Over 16		Boys	Girls
	Boys	Girls	Boys	Girls	Boys	Girls		
Lower one-third...	63	95	122	101	50	24	235	220
Middle one-third...	70	73	150	131	54	36	274	240
Upper one-third...	69	61	187	174	46	35	302	270
Totals.....	202	229	459	406	150	95	811	730

TABLE 5.—Percentage of sons and daughters in each age group, 1941-45 (827 annual records for 322 Kansas farm families).

	Ages of children			Percent of all
	Less than 6 years	6-16 years	Over 16 years	
Sons.....	25	57	18	53
Daughters.....	31	56	13	47
Average.....	28	56	16	100

TABLE 6.—Percentage of husbands¹ in each age group, by family type, 1941-45 (777 annual records).

TYPES	Age groups				Total
	30 or less	31-40	41-50	51 or more	
I.....	6	25	30	39	100
II.....	31	46	15	8	100
III.....	2	16	50	32	100
IV.....	13	46	33	8	100
Average for group.....	16	36	30	18	100

1. When the ages of the husbands were omitted, it was assumed they were married between the ages of 20 and 30 years. Thus, 25 years, plus the age of the oldest child, determined the age group in which they were placed. Information was unavailable for 6 percent of the husbands in families without children.

TABLE 7.—Percentage of husbands¹ in each age group, by net farm income groups, 1941-45 (777 records).

INCOME GROUPS	Age groups				Total
	30 or less	31-40	41-50	51 or more	
Lower one-third.....	20	35	32	13	100
Middle one-third.....	17	33	36	20	100
Upper one-third.....	10	38	28	24	100
Average for group.....	16	36	30	18	100

1. When the ages of the husbands were omitted, it was assumed they were married between the ages of 20 and 30 years. Thus, 25 years, plus the age of the oldest child, determined the age group in which they were placed. Information was unavailable for 6 percent of the husbands in families without children.

SIZE, TENURE, AND VALUE OF FARMS OPERATED

Size of Farms--The farms operated by these 322 families varied in size from 130 acres to 9,142 acres. The average size of all farms was 593 acres, and the most common size was between 300 and 360 acres. Sixty percent of the land was under cultivation; the rest of the land was pasture, waste land, feed lots, yards, etc.

Tenure of Farms--Five hundred ninety-three of the 827 annual records were from 220 families who owned a part or all the land they operated; 182 of these records were from families owning all the land in their farm. Two hundred thirty-four of the family records were from 102 families renting all the land in the farms they operated. Eighty-two percent of the families in Type I owned a part or all of the land they were operating, and 37 percent of the families in Type II rented all the land they were using (Table 8). A larger proportion of the families in the lower and middle income groups owned the farms they operated than did those families in the upper income group (Table 9).

TABLE 8.--Number of family records in each family type classified by farm ownership, 1941-45 (827 family records from 322 Kansas farm families).

FAMILY TYPE	Number of Family Records When Families--			
	Owned all of land	Owned part of land	Rented part of land	Rented all of land
I.....	52	69	89	30
II.....	46	135	135	107
III.....	39	98	98	46
IV.....	45	89	89	51
Total.....	182	411	411	234

TABLE 9.--Number of family records in each net farm income group classified by farm ownership, 1941-45 (827 family records from 322 Kansas farm families).

NET FARM INCOME GROUPS	Number of Family Records When--			
	Owned all of land	Owned part of land	Rented part of land	Rented all of land
Lower one-third.....	68	127	127	63
Middle one-third.....	63	128	128	84
Upper one-third.....	51	156	156	67
Total.....	182	411	411	234

The larger families tended to be on larger farms, as was shown when families were classified by family type; the average size of farms in Type IV, regardless of ownership, was 733 acres, 252 acres larger than the average for Type I (Table 10). There was an average of 479 acres in the owned farms. The average number of acres owned when additional land was rented was 308. When all the land operated was rented the average was 561 acres. As is to be expected, the families on the larger farms were in the upper net farm income group. The average size of farms in this income group was 860 acres; this was more than twice the average size of farms in the lower income group (Tables 11,12, and 13).

TABLE 10.--Average size and value of farms by family types, 1941-45
(827 records for 322 families).

FAMILY TYPES	Number of-		Value of-		
	Families	Acres	Land	Buildings	Total
I.	171	486	\$23,134	\$5,689	\$28,823
II	288	564	24,801	4,492	29,293
III.....	183	593	24,106	4,071	28,177
IV.....	185	738	28,848	4,778	36,626
Average.....	.....	593	\$25,208	\$4,710	\$29,198

TABLE 11.--Average size and value of farms by net farm income groups, 1941-'45
(827 family records for 322 families).

INCOME GROUPS	Number of-		Value of		
	Families	Acres	Land	Buildings	Total
Lower onathird..	278	409	\$18,635	\$4,088	\$22,723
Middle one-third.	275	513	22,801	4,810	27,611
Upper one-third..	274	860	34,292	5,241	39,533
Average . . . . .	.....	593	\$25,208	\$4,710	\$29,918

TABLE 12.--Average size and value of farms, exclusive of buildings, when families were classified by family types and by farm ownership, 1941-45 (827 family records for 322 Kansas farm families).

FAMILY TYPES	Owned all of land (182 family records)		Owned part of land and rented part of land (411 family records)				Rented all (234 family records)	
			Owned		Rented			
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
I	456	\$21,459	266	\$12,458	286	\$14,077	375	\$15,946
II.....	457	18,981	332	21,377	291	12,637	536	24,870
III.....	480	20,793	313	13,454	307	10,430	630	27,388
IV.....	528	23,972	318	16,481	570	18,353	662	22,703
Average....	479	\$21,311	308	\$14,104	354	\$13,661	561	\$23,749

TABLE 13.--Average size and value of farms, exclusive of buildings, when families were classified by farm income groups and by farm ownership, 1941-45 (827 family records for 322 Kansas farm families).

NET FARM INCOME GROUPS	Owned all of land (182 family records)		Owned part of land and rented part of land (411 family records)				Rented all of land (234 family records)	
			Owned		Rented			
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
Lower one-third.....	404	\$16,512	205	\$10,359	228	\$10,518	377	\$11,694
Middle one-third..	415	20,037	284	11,775	284	11,775	508	23,537
Upper one-third.	658	28,873	411	19,063	517	17,795	857	32,442
Average.....	479	\$21,311	308	\$14,104	354	\$13,661	561	\$23,749

Farm Value.--The value placed on each farm was determined by the farmer and the farm management field man as they viewed the farm over a period of years. Buildings were valued at cost less depreciation, which varied with the building and the use and care it received. The average value of all the farms, including the buildings, regardless of ownership, was \$29,918. The 182 annual records reporting ownership of the entire farm showed an average value of \$21,311 per farm. The average value of the land in the 234 tenant-operated farms was \$23,749, and the value of the buildings was \$3,721 in addition.

The value of the farms varied from \$1,300 to more than \$171,000. The former was valued at \$10 an acre and the latter at \$208 an acre. Two hundred thirty-three of the owned farms were valued at less than \$10,000, 261 were valued between \$10,000 and \$25,000, and 99 were valued at more than \$25,000. Only 18 of the owned farms were valued at more than \$50,000. The average value of buildings for all of the farms, regardless of ownership, was \$4,710 (Tables 14 and 15).

TABLE 14.--Average value of all farm buildings when families are classified by family types and by farm ownership, 1941-45 (827 family records for 322 Kansas farm families).

FAMILY TYPES	Value of Farm Buildings When Families—		
	Owned all of land (182 family records)	Owned part and rented part of land (411 family records)	Rented all of land (234 family records)
I.....	\$6,561	\$5,981	\$3,312
II.....	5,298	4,707	3,919
III.....	5,271	3,901	3,414
IV.....	6,186	4,614	3,821
Average.....	\$5,873	\$4,759	\$3,721

TABLE 15.--Average value of all farm buildings when families were classified by net farm income groups and by farm ownership, 1941-45 (827 family records for 322 Kansas farm families).

NET FARM INCOME GROUPS	Value of Farm Buildings When Families—		
	Owned all of land (182 family records)	Owned part and rented part of land (411 family records)	Rented all of land (234 family records)
Lower one-third.....	\$5,214	\$4,142	\$3,084
Middle.....	6,682	4,476	3,916
Upper one-third.....	5,751	5,492	4,266
Average.....	\$5,873	\$4,759	\$3,721

FARM INCOME

The income from farming may be considered either as the total cash farm income after expenses are deducted, which is usually spoken of as net cash farm income; or as net farm income, which takes into account changes in the value of the inventories of feed, supplies, buildings, machinery, and livestock during the year, and includes the value of products furnished by the farm and used by the family. The latter figure, net farm income, more correctly represents the change in financial status of the farm family for a given period. It does not include change in land value.

The net farm incomes of the families in this study varied widely. The lowest was a loss of \$2,217 and the highest was \$33,348. Eleven of the records showed a loss, and eleven others showed a gain of less than \$500. Twenty-nine percent showed gains between \$500 and \$2,500 (Table 16).

The lowest average annual net farm income for all farm families during the seven-year period was \$3,228 in 1941. The highest average was \$4,535 in 1944. The one-third of the farms having the low-

est annual net farm incomes averaged \$1,563, the middle one-third averaged \$3,472, and the upper one-third averaged \$7,565 for the five-year period (Tables 17 and 18). This was a 122 percent increase for the middle income group over the lower income group, and a 118 percent increase for the upper group over the middle group.

There was a rather consistent relationship from year to year between the size of the family and the size of the net farm income, with the exception of Types II and IV in 1945 (Table 17). The average annual net farm income was lowest for those families of Type I, husband and wife only, in each year with the exception of 1945, when their income ranked third among the family types. This was the only year in which Type IV did not have the largest net farm income.

The median net farm income, which is the central figure when they are arranged by size, was lower than the average net farm income in all years of the study. The average was increased by a relatively few families with exceptionally large incomes in each year (Figure 2 and Table 19).

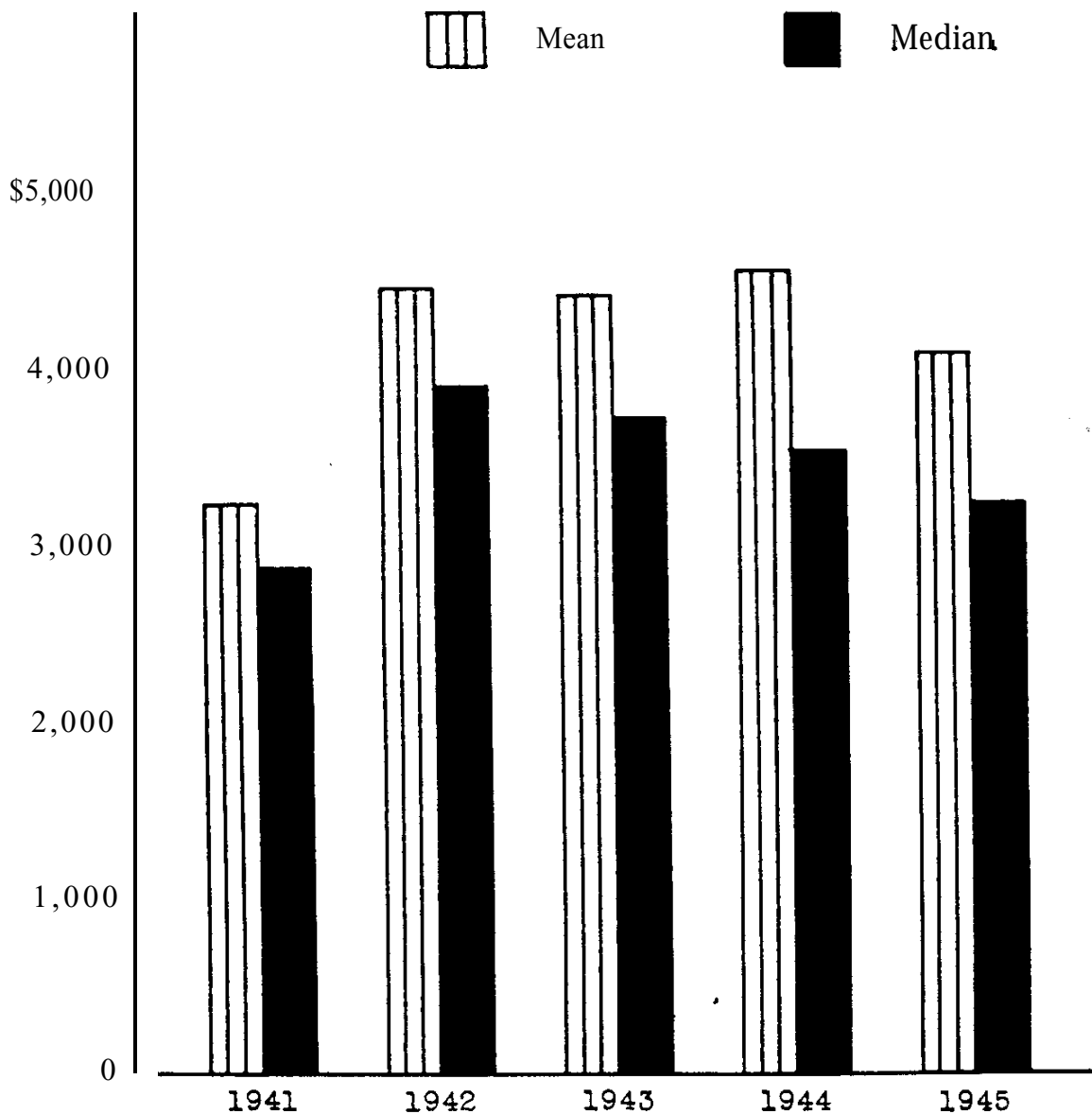


FIG. 2. A comparison of the average and the median net farm incomes during a five-year period, 1941-45 (827 annual records).

TABLE 16.—Distribution by net farm income of 827 annual records for 322 Kansas farms 1941-45.

NET FARM INCOME LEVELS	Number of Family Records Each Year					Total	
	1941	1942	1943	1944	1945	Number	Percent
Net losses:							
\$500 or more.....	1		3	1	3	8	0.97
\$0-\$499.....	1				2	3	0.36
Net income:							
Less than \$500.....	1			7	3	11	1.33
\$500-\$999.....	4	7	5	10	3	29	3.51
\$1,000-\$1,499.....	18	5	10	13	21	67	8.10
\$1,500-\$1,999.....	16	15	12	17	23	83	10.03
\$2,000-\$2,499.....	10	13	10	14	15	62	7.50
\$2,500-\$2,999.....	18	17	17	15	18	85	10.30
\$3,000-\$3,999.....	24	35	34	31	26	150	18.10
\$4,000-\$4,999.....	11	28	24	20	21	104	12.60
\$5,000 and more.....	21	53	49	55	47	225	27.20
Totals.....	125	173	164	183	182	827	100.00

TABLE 17.—Average annual net farm income as shown by 827 annual records of 322 Kansas farm families, by family types, 1941-45.

FAMILY TYPES	Years					Average
	1941	1942	1943	1944	1945	
I.....	\$2,339	\$4,078	\$3,483	\$4,187	\$3,507	\$3,631
II.....	3,348	4,373	4,132	4,238	3,328	3,914
III.....	3,415	4,529	4,759	4,909	5,274	4,638
IV.....	3,477	4,754	5,271	5,130	4,791	4,710
Average for all.....	\$3,228	\$4,439	\$4,404	\$4,535	\$4,092	\$4,194

TABLE 18.--Average annual net farm income as shown by 827 records for 322 Kansas farm families by lower, middle, and upper net farm income groups, 1941-45.

INCOME GROUPS	Years					Average
	1941	1942	1943	1944	1945	
Lower one-third.....	\$1,357	\$2,048	\$1,748	\$1,375	\$1,267	\$1,563
Middle one-third.....	2,787	3,934	3,749	3,491	3,218	3,472
Upper one-third.....	5,529	7,385	7,775	8,737	7,778	7,565
Average.	\$3,228	\$4,439	\$4,404	\$4,535	\$4,092	\$4,194

TABLE 19.--The annual median net farm income as shown by 827 annual records of 322 Kansas farm families, by family types, 1941-45.

FAMILY TYPES	Years				
	1941	1942	1943	1944	1945
I.....	\$2,105	\$3,285	\$2,924	\$3,317	\$3,024
II.....	2,832	3,859	3,566	3,127	2,579
III.....	2,869	4,173	3,989	3,560	4,158
IV.....	3,148	4,196	4,182	4,483	3,813
Median for all.....	\$2,869	\$3,889	\$3,747	\$3,815	\$3,230

The variation in the net cash farm income was much greater from year to year than was the net farm income (Figures 3 and 4). The average annual net cash farm income, which was determined by subtracting cash farm expenses from cash farm sales, averaged \$3,086. In 118 of the 827 annual records a deficit was shown. These records showing a deficit in net cash farm income were from 102 different families. Twelve families had an income deficit two years, and six of these families had kept records for the five-year period. Two families had a deficit three years and had kept records for four years of the five-year period. The others showed varying amounts of cash left after cash farm expenses were paid.

Comparisons on this basis are of value since the cash remaining after cash farm expenses are paid is available to pay cash family living expenses (Tables 20, 21, and 22). The well-being of the farm family is determined to a material extent by this margin between annual cash receipts and annual cash farm expenditures. Sound planning for the family budget must be based chiefly on this margin.

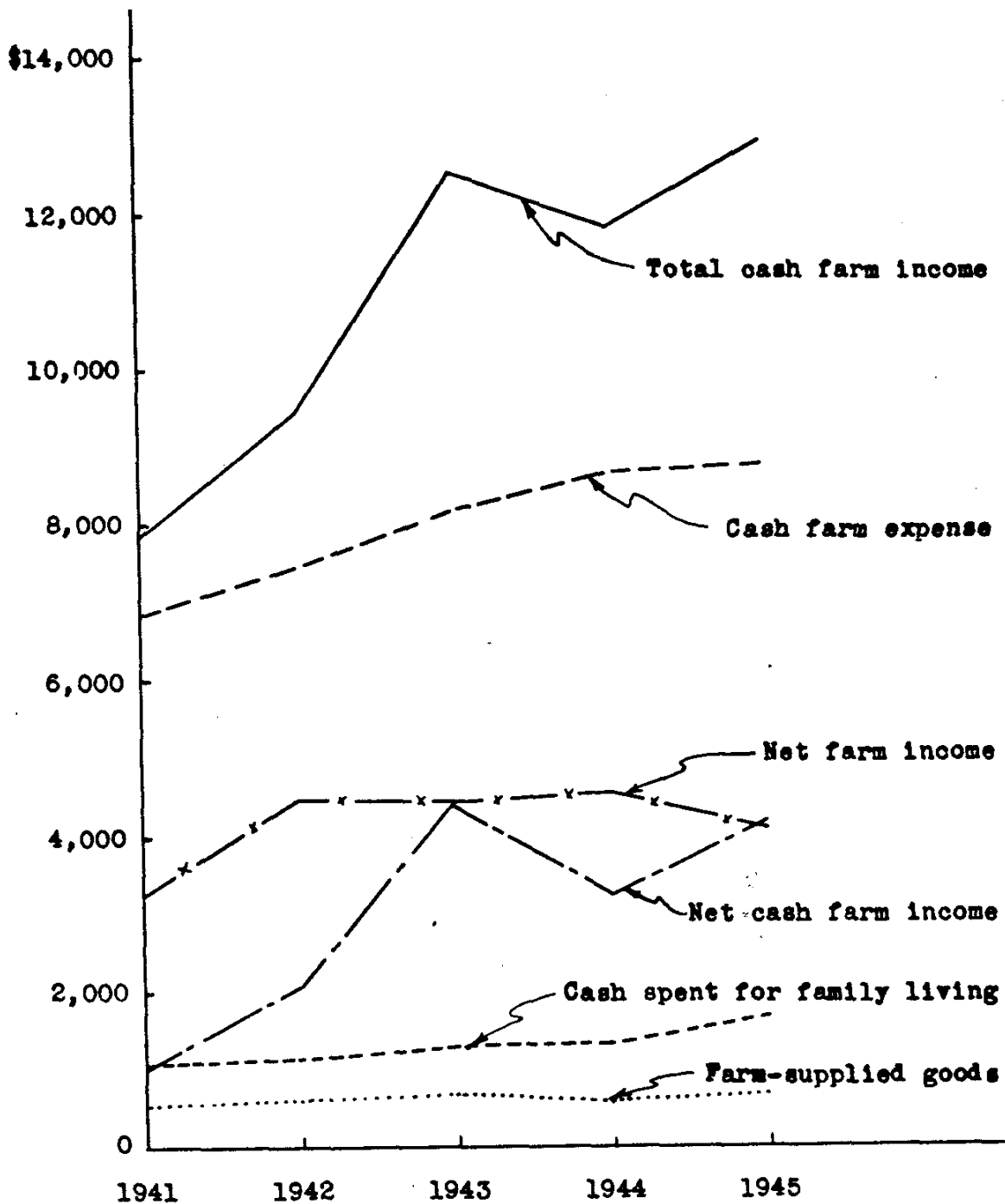


FIG. 3. Annual changes in the farm and home business as reflected by the income and outgo of a selected group of Kansas farm families, 1941-45 (827 annual records).

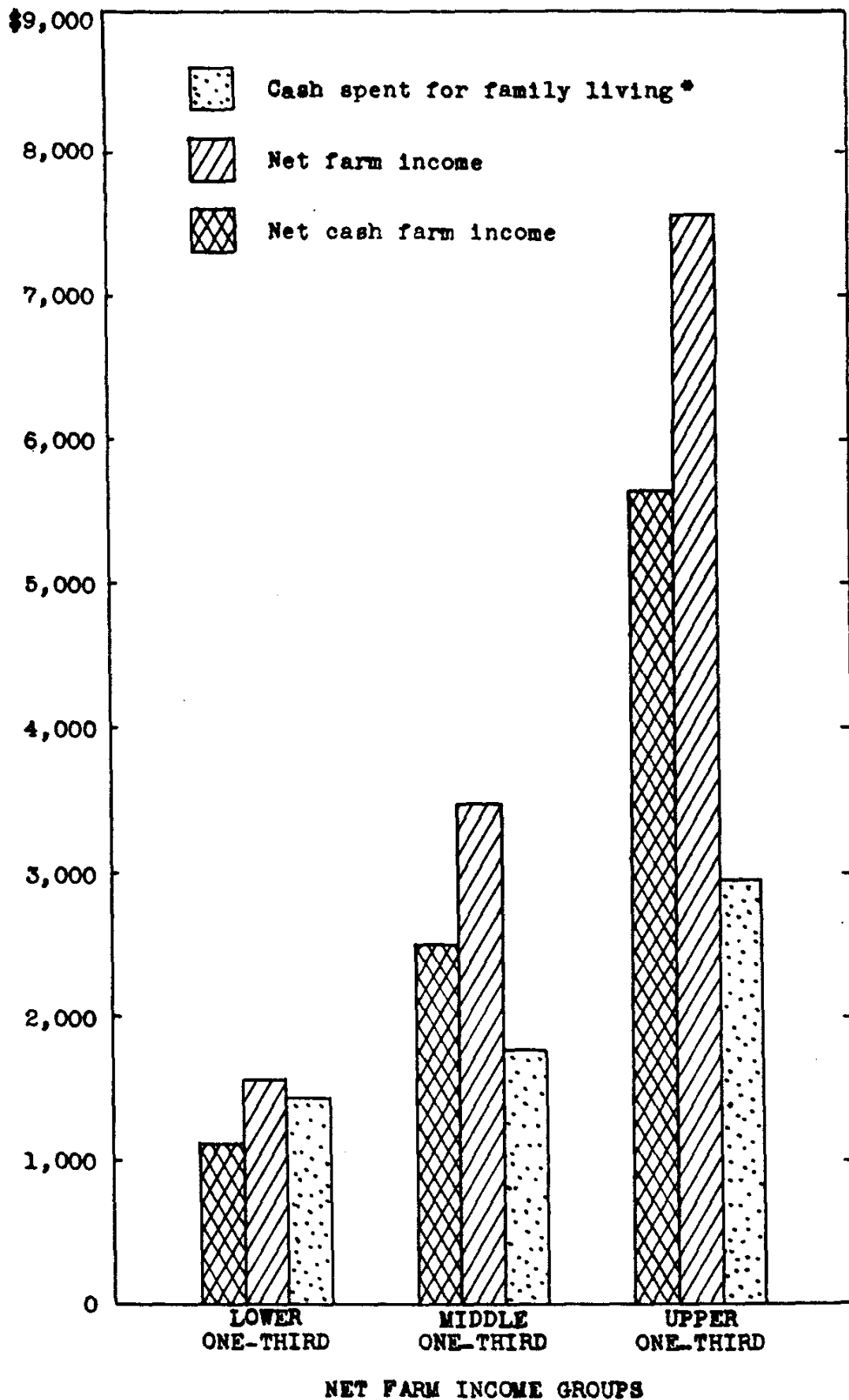


FIG. 4. A comparison of the average net cash farm income, net farm income, and cash spent for family living for a selected group of Kansas farm families, by net farm income groups, 1941-45 (827 annual records).

TABLE 20.—Average annual changes in the farm and home business, as reflected by the income and outgo of a selected group of Kansas farm families, 1941-45 (827 annual records for 322 families).

	Years					Average
	1941	1942	1943	1944	1945	
Number of family records.....	125	173	164	183	182	165
Total cash farm income(1).....	\$7,860	\$9,441	\$12,581	\$11,857	\$12,963	\$11,134
Cash farm expense(2).....	6,830	7,429	8,188	8,621	8,774	8,048
Net cash farm income(3).....	1,030	2,012	4,394	3,236	4,189	3,086
Net farm income(4).....	3,228	4,439	4,404	4,535	4,092	4,194
Household expense.....	1,046	1,168	1,295	1,311	1,602	1,309
Gifts(5).....	75	114	150	170	207	148
Savings and life insurance(6).....	230	348	608	728	951	598
Farm-supplied goods(7).....	525	585	647	573	664	595

1. Total cash received from all sources except from borrowing.
2. Total cash expenditure except payments on principal of debts.
3. Total cash received less total cash farm expense.
4. Money income from farm plus increases or minus decreases in the inventory of crops, feeds, supplies, livestock, buildings, and machinery, plus farm products used by the family.
5. Gifts to individuals and contributions to church and other organizations are included.
6. Nonfarm investments, including insurance.
7. Estimated value of food, fuel, and other items supplied by the farm for family use, and estimated rental value of dwelling.

TABLE 21.—Average annual changes in the farm and home business as reflected by the income and outgo of a selected group of Kansas farm families, by family types, 1941-45 (827 annual records for 322 families).

	Family Types				Average
	I	II	III	IV	
Average size of family.....	2	3.53	4.15	5.82	3.86
Number of family records.....	171	288	183	185	.....
Total cash farm income(1).....	\$12,872	\$9,860	\$11,000	\$11,645	\$11,134
Cash farm expense(2).....	9,643	7,255	7,331	8,520	8,048
Net cash farm income(3).....	3,229	2,604	3,670	3,125	3,086
Net farm income(4).....	3,631	3,914	4,638	4,710	4,194
Household expense.....	1,033	1,207	1,418	1,616	1,309
Gifts(5).....	161	134	153	152	148
Savings and life insurance(6).....	645	520	843	435	598
Farm-supplied goods(7).....	515	554	628	688	595

1. Total cash received from all sources except from borrowing.
2. Total cash expenditure except payments on principal of debts.
3. Total cash received less total cash farm expense.
4. Money income from farm plus increases or minus decreases in the inventory of crops, feeds, supplies, livestock, buildings, and machinery, plus farm products used by the family.
5. Gifts to individuals and contributions to church and other organizations are included.
6. Nonfarm investments, including insurance.
7. Estimated value of food, fuel, and other items supplied by the farm for family use, and estimated rental value of dwelling.

TABLE 22.--Comparison of the farm and home business as reflected by the income and outgo of a selected group of Kansas farm families, by net farm income groups, 1941-45 (827 annual records for 322 families).

	Net Farm Income Groups			Average
	Lower one-third	Middle one-third	Upper one-third	
Average size of family.	3,64	3,87	4,08	3.86
Number of family records	277	275	275	.....
Total cash farm income(1),	\$7,404	\$9,001	\$17,025	\$11,134
Cash farm expense(2).	6,285	6,501	11,373	8,048
Net cash farm income(3)	1,119	2,500	5,653	3,086
Net farm income(4).	1,563	3,472	7,565	4,194
Household expense.	1,024	1,177	1,726	1,309
Gifts(S).	98	122	224	148
Savings and life insurance(6).	311	480	1,006	598
Farm-supplied goods(7).....	537	620	625	595

1. Total cash received from all sources except from borrowing.
2. Total cash expenditure except payments on principal of debts.
3. Total cash received less total cash farm expense.
4. Money income from farm plus increases or minus decreases in the inventory of crops, feeds, supplies, livestock, buildings, and machinery, plus farm products used by the family.
5. Gifts to individuals and contributions to church and other organizations are included.
6. Nonfarm investments, including insurance.
7. Estimated value of food, fuel, and other items supplied by the farm for family use, and estimated rental value of dwelling.

COST OF FAMILY LIVING

Analysis of the 827 annual records revealed definite similarities in the patterns of spending for family living. From one year to another, the average value of food, clothing, household operation, and certain other items for health and comfort showed a definite trend upward, with the exception of 1944 when the value was \$58 less than in 1943. The value of farm-supplied goods was \$74 less in 1944 than in 1943.

The average amount spent for all items consumed tended to move upward from 1941 to 1943, decreased slightly in 1944, but rose again in 1945. The lowest average annual expenditure for consumption items was \$1,571 in 1941 and the highest was \$2,266 in 1945. This was a 44 percent increase for the five-year period (Table 23). The greatest relative increase in expenditures was in taxes,¹ which were more than six times as high in 1945 as in 1941. For the same period expenditures for medical care and personal care increased 98 percent and 100 percent, respectively. Average food costs were 60 percent higher in 1945 than in 1941, the year in which the cost of food was the lowest. Clothing expenditures averaged \$195 for

1. Mostly federal income taxes.

the five-year period and were 44 percent higher in 1945 than they were in 1941.

In addition to the expenditures for consumption items, the average annual expenditure per family for gifts and contributions was \$148 a year. The amount spent for contributions and gifts for others than family members increased in greater proportion than did the expenditure for the items listed above (Tables 23, 24, and 25). Between 1941 and 1942 there was an increase of 52 percent in the amount given to organizations and people outside the family. In the four consecutive years between 1942 and 1945 the percentage increase was 32, 13, and 22 percent, respectively. It is interesting to note that the average amount spent for gifts and contributions was largest in the families with only two members.

TABLE 23.--Average annual disbursements for family living by years, 1941-'45 (827 annual records for 322 Kansas farm families).

	Years					Average
	1941	1942	1943	1944	1945	
Average size of family.	3.98	3.89	3.85	3.85	3.79	3.86
Average net farm income..	\$3,228	\$4,439	\$4,404	\$4,535	\$4,092	\$4,194
Consumption items--						
Food:						
Purchased.....	\$250	\$319	\$352	\$396	\$387	\$347
Home-produced.....	288	357	435	418	473	401
All food.....	538	676	787	814	860	746
Housing:						
Money expense.....	77	30	33	34	59	45
Estimated rental value(1).....	218	214	191	140	142	178
All housing.....	295	244	224	174	201	223
Clothing.....	145	179	198	230	209	195
Household operation:						
Money expense.....	123	138	153	146	152	143
Home-produced.....	18	15	20	15	12	16
Household operation.....	141	153	173	161	164	159
Home improvement.....	126	155	96	92	101	113
Automobile..	64	52	44	48	62	53
Medical care..	85	110	115	112	168	121
Education..	63	57	44	46	46	50
Recreation..	34	28	26	34	41	33
Personal care.	15	16	20	24	32	22
Money allowance.	13	23	24	28	27	24
Taxes.	52	60	191	121	355	163
All consumption items.	1,571	1,753	1,942	1,884	2,266	1,904
Gifts and contributions.....	75	114	150	170	207	148
Savings and life insurance(2).....	230	348	608	728	951	598
Sum of all items.....	\$1,876	\$2,215	\$2,700	\$2,782	\$3,424	\$2,650

1. Six percent of the value of the house.
 2. Nonfarm investments.

TABLE 24.--Average annual disbursements for family living by family types, 1941-'45 (annual records for 827 Kansas farm families).

	Family Types				Average
	I	II	III	IV	
Average size of family..	2.00	3.53	4.15	5.82	3.86
Average net farm income.	\$3,631	\$3,914	\$4,638	\$4,710	\$4,194
Consumption items-					
Food:					
Purchased.....	\$256	\$346	\$362	\$419	\$347
Home-produced.....	317	363	443	486	401
All food.....	573	709	805	905	748
Housing:					
Money expense.....	38	32	67	50	45
Estimated rental value (1)	182	176	168	187	178
All housing.....	220	208	235	237	223
Clothing.....	122	186	210	263	195
Household operation:					
Money expense..	129	141	134	169	143
Home-produced	16	15	17	15	16
All household operation	145	156	151	184	159
Home improvement.....	94	111	112	135	113
Automobile.....	37	51	66	60	53
Medical care..	94	125	117	142	121
Education.....	20	36	75	75	50
Recreation..	22	35	40	31	33
Personal care.	17	22	20	28	22
Money allowance.....	9	15	42	32	24
Taxes.....	195	107	173	212	163
All consumption items..	1,548	1,761	2,046	2,304	1,904
Gifts and contributions	161	134	153	152	148
Savings and life insurance(2)	645	520	843	435	598
Sum of all items..	\$2,354	\$2,415	\$3,042	\$2,891	\$2,650

1. Six percent of the value of the house.

2. Nonfarm investments.

Non-farm investments as savings or payments on life insurance policies averaged \$230 in 1941 and \$951 in 1945. The average for the five-year period was \$598 per family. The average amount going for savings and life insurance increased 51 percent in 1942 over 1941, 75 percent in 1943 over 1942, 20 percent in 1944 over 1943, and 31 percent in 1945 over 1944.

Not only did the amount saved increase from year to year, but as the net farm income increased, the percentage going for savings and life insurance increased. In 1941 and 1942 less than 9 percent was set aside for later use; in 1943, 14 percent; in 1944, 16 percent; and in 1945, 23 percent was used for savings and insurance.

Table 24 shows the average annual expenditures for families by family type. Cost of living, as measured by the total value of items, increased as the average size of the family increased. As would be expected, the total value of the items used by the family varied with the size and the composition of the family. Families in Type I, consisting of two persons each, used items costing \$1,548 a year. On the other hand, families in Type IV, which included an average of nearly six persons, used items costing or valued at an average of \$2,304 a year. The value of all consumption items used by families

TABLE 25.--Average annual disbursement for family living by lower, middle, and upper net farm income groups, 1941-45 (annual records for 827 Kansas farm families).

	Net Farm Income Groups			Average
	Lower one-third	Middle one-third	Upper one-third	
Average size of family.....	3.64	3.87	4.68	3.86
Average net farm income.....	\$1,563	\$3,472	\$7,565	\$4,194
Consumption items—				
Food:				
Purchased.....	307	338	397	347
Home-produced.....	361	405	435	401
All food.....	668	743	832	748
Housing:				
Money expense.....	29	32	73	45
Estimated rental value.....	161	195	177	178
All housing.....	190	227	250	223
Clothing.....	150	184	253	195
Household operation:				
Money expense.....	128	130	172	143
Home-produced.....	15	20	13	16
AU household operation.....	143	150	185	159
Home improvement,	84	92	163	113
Automobiles.....	43	56	61	53
Medical care.....	99	130	133	121
Education.....	35	53	62	50
Recreation.....	24	29	44	33
Personal care.....	18	20	27	22
Money allowance.....	20	22	29	24
Taxes.....	87	91	312	163
All consumption items.....	1,561	1,797	2,351	1,964
Gifts and contributions.....	98	122	224	148
Savings and life insurance ²	311	480	1,006	598
Sum of all items.....	\$1,970	\$2,399	\$3,581	\$2,554

1. Six percent of the value of the house.
 2. Nonfarm investments.

in Type III, who averaged more than four persons and had at least one child 16 years of age or older, was \$2,046. Savings and life insurance were nearly \$200 more for Type III than for Type I, and 48 percent higher for Type III than for Type IV. Type III had 76 percent of all the children 16 years or older (Table 3).

A comparison of the average annual expenditures by net farm income groups showed that the influence of net farm income on family expenditures was not very great. The cost of living was 15 percent higher in the middle income group than in the lower income group. There was a 30 percent difference between the upper income group and the middle income group. The difference in net farm income of the lower and the middle income groups was 122 percent, and in the middle and upper income groups it was 127 percent.

Food--The food items used by these families included all meats, vegetables, fruits, milk, cereals, and other products such as ice cream, candy, and soft drinks. The cost of food furnished to hired help and to guests also was included, as were restaurant meals and meals at school.

The average value of food used per family in each of the family types increased each succeeding year during the five war years. The average food expenditure was also higher for the families in the higher income brackets in each succeeding year of the war.

The expenditures for food, as given in Tables 23, 24, and 25, included all purchased food as well as the estimated value of farm-furnished food. The average annual value of food for all families was more than 39 percent of the total value of all consumption items. Two factors seemed to influence the value of the food used. One was the size of the net farm income; the other was the size of family. The average annual value of food used by families in Type I was \$573, and for families in Type IV was \$905 (Table 26). The value of food was \$96 more for families in Type III than for families in Type II, and \$166 more for families in Type IV than for those in Type III.

When families were classified by net farm income groups, the lower one-third of the families averaged \$668 for food. This was \$164 less than the average for the upper net farm income group (Table 27).

TABLE 26.--Average value of food used per family per year, by family types, 1941-45 (827 annual records for 322 Kansas farm families).

FAMILY TYPES	Years					Average
	1941	1942	1943	1944	1945	
I.....	\$349	\$516	\$592	\$618	\$678	\$573
II..	527	630	769	785	762	709
III.....	552	742	832	882	994	805
IV.....	657	809	937	1,013	1,077	905
Average cost.....	\$538	\$676	\$787	\$814	\$860	\$747

TABLE 27.--Average value of food used per family per year, by net farm income groups, 1941-45 (827 annual records for 322 Kansas farm families).

NET FARM INCOME GROUPS	Years					Average
	1941	1942	1943	1944	1945	
Lower one-third.....	\$493	\$566	\$683	\$729	\$833	\$668
Middle one-third..	529	699	780	798	839	743
Upper one-third..	590	765	897	915	923	832
Average cost.....	\$538	\$676	\$787	\$814	\$860	\$748

Per capita cost of food--The annual per capita cost of food also increased each succeeding year of the war. The average for the five-year period was \$174; this was an increase of 41 percent over the average for a similar group in the seven years preceding the war. The lowest per capita cost of food was \$119 in 1941 and the highest was \$213 in 1945. The cost per person was noticeably higher for the families in Type I than for families in Types II, III, and IV. Families consisting of husband and wife averaged \$237 per person. Families in Type IV averaging 4.05 members in the household used an average of \$144 per capita annually. The average daily cost of food per person was \$0.65 in Type I and \$0.40 in Type IV, with an average cost of \$0.48 for the 827 families (Tables 28 and 29). The cost of food per family and per capita increased consistently each succeeding year and by net farm income group (Table 30 and 31). The per capita cost of food per person per day ranged from \$0.33 in 1941 to \$0.58 in 1945. There was an average increase of \$0.02 per person per day in the middle income group over the lower income group, and \$0.02 per person per day in the upper income group over the middle income group.

TABLE 28.--Average annual value of food used per capita, by family types, 1941-45 (827 annual records for 322 Kansas farm families).

FAMILY TYPES	Average size of household	Years					Average
		1941	1942	1943	1944	1945	
I.....	2.42	\$154	\$192	\$220	\$269	\$310	\$237
II.....	3.97	129	154	195	200	198	179
III.....	4.52	122	159	182	192	235	178
IV.....	6.27	102	129	153	163	172	144
Average cost..	4.28	\$119	\$152	\$182	\$195	\$213	\$174

TABLE 29.--Average annual value of food used per capita, by net farm income groups, 1941-45 (827 annual records for 322 Kansas farm families).

NET FARM INCOME GROUPS	Average size of household	Years					Average
		1941	1942	1943	1944	1945	
Lower one-third	4.00	\$116	\$140	\$171	\$182	\$219	\$167
Middle one-third.	4.27	118	157	173	199	210	174
Upper one-third....	4.58	123	158	201	202	214	182
Average cost	4.28	\$119	\$152	\$182	\$195	\$213	\$174

TABLE 30.--Average value of food used per capita per day, by family types, 1941-45 (827 annual records for 322 Kansas farm families).

FAMILY TYPES	Years					Average
	1941	1942	1943	1944	1945	
I	\$0.42	\$0.53	\$0.60	\$0.74	\$0.85	\$0.65
II . . . . .	.35	.42	.53	.55	.55	.49
III . . . . .	.33	.44	.50	.53	.64	.49
IV . . . . .	.28	.35	.42	.45	.47	.40
Average Cost.....	\$0.33	\$0.42	\$0.50	\$0.53	\$0.58	\$0.48

TABLE 31.--Average value of food used per capita per day, by net farm income groups, 1941-45 (827 annual records for 322 Kansas farm families).

NET FARM INCOME GROUPS	Years					Average
	1941	1942	1943	1944	1945	
Lower one-third.	\$0.32	\$0.39	\$0.47	\$0.50	\$0.60	\$0.46
Middle one-third. . . . .	.32	.43	.47	.55	.58	.48
Upper one-third. . . . .	.34	.43	.55	.55	.59	.50
Average cost.	\$0.33	\$0.42	\$0.50	\$0.53	\$0.58	\$0.48

Home-Produced Foods.--Farm-furnished food used in the farm home is spoken of as home-produced food. The estimated value of this food was based on the quantities used times the prices which would have been received had the products been sold in the local market. Fifty-four percent of the average annual value of all food used by these families consisted of home-produced foods.

In 1941, 54 percent of the value of the food used was home produced, and in 1945, 55 percent of the value was supplied by the farm.

Dairy products represented 36 percent of the average annual value of all home-produced food. Poultry, eggs, and meat combined had a total average annual value \$37 higher than that of the dairy products.

On the average, vegetable gardens contributed \$61 to the estimated annual value of home-produced foods. Home-produced vegetables were reported in 91 percent of the family records and contributed \$67 to the value of food for these families. Home-produced fruits were reported in only 35 percent of the records and added \$24 to the value of home-produced foods for those families reporting home-produced fruit. The average value of home-produced fruits for all the families was only \$9. (Tables 32 and 33).

TABLE 32.—Farm-supplied items: Average estimated value of classified items for 322 Kansas farm families by family type as shown by 827 annual records, 1941-45.

ITEMS	Family Types				Average
	I	II	III	IV	
Dairy products.....	\$111	\$133	\$155	\$190	\$146
Eggs.....	41	43	52	61	49
Poultry.....	36	45	57	60	49
Meat.....	68	78	99	96	85
Vegetables.....	53	54	73	66	61
Fruits.....	7	9	11	9	9
Grain products.....	1	1	1	2	1
Other.....	1	1	.....	1	1
All food.....	\$318	\$364	\$448	\$485	\$401
Soap and fuel.....	16	15	17	15	16
Estimated rental value of house.....	182	176	168	187	178
Totals.....	\$516	\$555	\$633	\$687	\$595

TABLE 33.—Farm-supplied items: Average estimated value of classified items for 322 Kansas farm families by net farm income groups as shown by 827 annual records, 1941-45.

ITEMS	Net Farm Income Groups			Average
	Lower one-third	Middle one-third	Upper one-third	
Dairy products.....	\$133	\$147	\$158	\$146
Eggs.....	42	49	55	49
Poultry.....	44	50	54	49
Meat.....	77	84	94	85
Vegetables.....	54	65	63	61
Fruits.....	9	8	9	9
Grain products.....	1	1	1	1
Other.....	1	1	1	1
All food.....	\$361	\$405	\$435	\$401
Soap and fuel.....	15	20	13	16
Estimated rental value of house.....	161	195	177	178
Totals.....	\$537	\$620	\$625	\$595

Clothing.--On the average these families spent for clothing in this five-year period 10 cents out of each dollar that was used for family living. This is the same proportion that was used by a similar group in the seven years preceding the war. Families with two members spent 9 cents out of each dollar during the war years, and only 7 cents in the seven preceding years. The average cost of clothing per family was \$195. The average cost of clothing increased not only each succeeding year but also as the size of the family increased. As the size of the family increased the per capita cost of clothing decreased. The upper net farm income group averaged \$163 more than the lower income group, and the per capita cost was \$21 greater for the upper than for the lower income group. A comparison of clothing expenditures for the family members shows that the wife's clothing costs averaged \$15 more than the husband's, and that the daughter's averaged \$5 more than the son's (Tables 34, 35, and 36). Even though one-fourth of the clothing expenditures were unclassified, some indication of how the money was divided among the groups of clothing items is shown in Table 37.

TABLE 34.--Annual per capita expenditure for clothing, 1941-45 (827 annual records for 322 Kansas farm families).

	Years					Average
	1941	1942	1943	1944	1945	
Husbands.....	\$42	\$51	\$54	\$53	\$54	\$51
Wives.....	45	56	65	79	76	66
Sons.....	27	36	36	45	41	37
Daughters.....	28	35	44	55	45	42

TABLE 35.--Average per capita expenditure for clothing¹ by family types, 1941-45 (827 annual records for 322 Kansas farm families).

	Family Types				Average
	I	II	III	IV	
Husbands.....	\$30	\$54	\$48	\$52	\$51
Wives.....	68	71	57	63	66
Sons.....		38	41	35	37
Daughters.....		37	53	42	42

1. Does not include sewing supplies.

TABLE 36.--Average per capita expenditure for clothing, by net farm income groups, 1941-45 (827 annual records for 322 Kansas farm families).

	Net Farm Income Groups			Average
	Lower one-third	Middle one-third	Upper one-third	
Husbands.....	\$44	\$49	\$61	\$51
Wives.....	53	62	82	66
Sons.....	31	39	42	37
Daughters.....	29	36	59	42

TABLE 37.--Annual per capita cost of classified items of clothing for family members, 1941-45 (827 annual records for 322 Kansas farm families).

ITEMS	Average Annual Expenditures			
	Husbands	Wives	Sons	Daughters
Number of people.....	827	827	811	730
Coats, jackets, sweaters.....	\$6.13	.....	\$3.98	.....
Coats, jackets, suits, sweaters.....	.....	\$11.19	.....	\$8.22
Suits, overalls, trousers,.....	10.65	.....	8.52	.....
Shirts.....	3.69	.....	2.29	.....
Blouses, skirts, dresses.....	.....	15.24	.....	8.14
Under and sleeping garments.....	2.05	5.04	1.67	2.83
Shoes.....	8.33	9.65	6.86	6.46
Hose.....	.88	3.23	.81	1.21
Hats, caps, gloves, mittens.....	3.96	.....	1.21	.....
Hats, gloves, purses.....	.....	4.39	.....	1.18
Unclassified.....	15.61	16.83	12.12	14.36
Totals.....	\$51.30	\$65.57	\$37.40	\$42.34

Housing.--Housing costs included the cost of all minor repairs to the house and the estimated rental value of the house. The total cost was 12 percent of the value of all consumption items. The cash outlay for repairs and improvements averaged \$45 annually and was distributed as follows: repairs and replacements, \$29; paint, \$3; wall paper, \$3; house insurance, \$4; and plantings in the yard, \$3. Rental value of the house was obtained by estimating the value of the house and taking 6 percent of this amount; thus an average of \$178 was allocated to rent.

Household Operation.--Included in this group of items are fuel for heating and cooking, electricity, telephone, laundry, cleaning

supplies, labor hired to help in the home, postage, and other similar items. Families in the highest net farm income group spent 34 percent more money for household operation than families whose incomes were in the lowest one-third. Household operating expenses averaged \$159 for all families and were 8 percent of the total expenditures for consumption items. The cash expenditure amounted to \$143 and was apportioned as follows: fuel, \$56; electricity, \$30; telephone and other communication, \$17; laundry and cleaning supplies, \$12; household help, \$11; cold storage locker, \$8; ice, \$3; and unclassified items, \$5. There was a decided increase in the amount spent for these items in the last three years of the study over the first two years (Table 38).

Fuel and soap supplied by the farm had an average estimated value of \$16. The estimated value of homemade soap was \$1 per family.

TABLE 38.--Average expenditures for household operating expenses, 1941-45 (827 family records from 322 Kansas farm families).

	1941	1942	1943	1944	1945	Average
Fuel	\$39	\$54	\$59	\$58	566	\$56
Electricity	33	29	32	29	28	30
Ice	2	2	3	3	3	3
Cold storage locker	6	6	9	8	12	8
Telephone and other communication	15	17	19	17	17	17
Laundry and cleaning supplies	8	12	18	10	11	12
Household help	15	13	10	13	8	11
Unclassified	5	5	3	8	7	5
Totals	\$123	\$138	\$153	\$146	\$152	\$143

Home Improvement.--Home improvement expenditures included the cost of new furniture, furnishings, equipment, and other items that improved the home and the yard. The average annual expenditure for these items was \$113. The average in 1942 was \$155, the highest for any of the five years. The average in 1941 was also higher than for the last three years in the five-year period. The restrictions on the production of civilian goods are reflected in these expenditures. The average expenditure for furniture was \$35, the highest for any of the major items purchased. Kitchen, laundry, and cleaning equipment averaged \$24 and household linens \$12.

Automobile.--The farm family used its automobile to carry produce to market as well as to carry the family to church, to social functions and to town to buy consumer goods. In this study the expenditures for the maintenance and operation of the automobile were divided between the farm business and use by the family.

An average of \$53 was spent annually during the five-year period. This was \$31 less than the average for the seven-year period before the war. The expense for the automobile decreased in 1942, 1943, and 1944 but rose again in 1945. The annual expenditure tended to be slightly higher in families with children 16 years of age or older, as is shown in Type III (Table 24).

Medical Care.--Six percent of the value of all consumption items went for medical care, which included services of physicians and specialists, dentists, hospital fees, medicine, and prescriptions. With two exceptions the percentage did not change; these exceptions were for Type II and for the middle income group, when the expenditures amounted to 7 percent of the value of all consumption items.

As the size of the family increased, the amount spent per capita decreased. In families of two members, the average expenditure was \$47 per person. In families of Type IV, with an average of 5.82 members, the expenditure was \$24 per person.

Education.--The public school system in Kansas provides educational advantages for all families at relatively low cost in addition to taxes paid. This fact is reflected in the low expenditure for education in the present study. The average expenditure was \$50 per year, which was less than 3 percent of the value of all consumption items. Families of Types III and IV each spent 50 percent more than the average for all families. The amount used by the families in the upper net farm income group was \$62 compared with \$50, the average for all. The number of these families that had sons and daughters in the armed forces, and who would have been in college had there not been a war, is not known. Some of the family records reported money allowances for school purposes, and others made the notation that the children were in college and paying most of their own expenses.

Recreation.--War restrictions and rationing of gasoline no doubt affected the family's recreation. The type of recreation enjoyed by these families was suggested by the entries in the records. They included sports, shows, clubs, and lodges. The average annual expenditure for these items was \$33; and the largest amount was spent by families in Type III, who spent one-fifth more than the average family, and by families in the upper net farm income group, who spent one-third more than the average for all families.

Personal Care.--The average expenditure for personal care was \$22 and included cosmetics, permanent waves, and barber services,

Money Allowance.--Money allowed to members of the family, whether used to pay for school expenses or tobacco, was included in this group. The records did not show how the money was used, but the average amount for the five-year period was \$24 annually per family.

Gifts.--The expenditures of these families included gifts and contributions in addition to the goods and services used for family liv-

ing. Gifts to people outside the family, to the church, Red Cross, cancer control, tuberculosis, European relief, etc., accounted for an average annual expenditure of \$148. A few families made gifts of several hundred dollars in one year.

Savings and Life Insurance.--Most of the records showed payments on life insurance policies and investment in government war bonds. The average amount of money used in this way was \$598 annually. These families put aside \$951 in 1945; this was the largest amount set aside in any one year. Information on the amount of money used for the purchase of real estate was not available in the records of many of the families and so is not included in this study.

A COMPARISON WITH PREWAR YEARS

Data revealed through the present study covering the war years, compared with those of a similar group in the seven years preceding the war, show the trend of the farm and home business during a 12-year period. A review of the economic conditions during the prewar years, as well as during the period covering World War II, is necessary in order to compare the incomes and expenditures for the two periods.

The following quotation describing the period from 1934 through 1940, during which the data were collected for the prewar study, is taken from the agricultural experiment station bulletin on Farm Income and Living Costs.¹

In 1934, Kansas farmers still were feeling the effects of the depression of the early thirties. The federal agricultural programs were just getting under way on January 1, 1934, when the first of these records was started, and the programs continued throughout the period of the records. These federal programs had a material influence on the incomes of Kansas farmers during the period covered by the study.

In 1934 and 1936, and to a lesser extent in 1937, drought affected the incomes of Kansas farmers. Beginning in August, 1937, and continuing until the outbreak of World War II in Europe in September, 1939, business activity in the United States receded. This recession was checked and reversed with the beginning of the defense program in late 1939 and in 1940. During the seven-year period there was a general uptrend in farm prices and in prices of consumers' goods. Farm prices for the United States, as reported by the United States Department of Agriculture, advanced from 90 percent of the 1934-39 average in 1934, to 100 percent in 1940. Farm wage rates were at 95 percent of the 1934-39 average in 1934, and advanced to 126 percent in 1940. During the same period the prices of consumers' goods advanced from 95.3 percent in 1934 to 100.7 in 1940.

The period from 1941 through 1945 was one in which the United States was at war and many government restrictions affected the kinds and amounts of production, farm man power, farm equipment, transportation of farm products, and farm prices. Weather conditions for the entire period were favorable, with no major floods or droughts to hinder Kansas farmers. Government planning and price policies helped to stimulate maximum effort in agricultural production.

1. *Ibid.*

During the five-year period there was a general uptrend in farm prices. The supply of consumers' goods for civilian consumption was limited and many items were rationed and price ceilings set. Federal income taxes were extended and increased, and everyone was urged to put savings into war bonds to aid in financing the war and also to discourage the bidding up of prices for the limited supply of consumers' goods.

A comparison of average sizes of farms and farm tenure reflects the trend in size of farms and farm ownership. It is interesting to note that farms operated by the group studied in the prewar years averaged 464 acres per family, and in the war years the average was 593 acres. In the prewar period 28 percent of the families owned all the land operated and 42 percent owned a part of the land operated. During the war years 22 percent of the cooperating families owned their farms and 50 percent owned a part of the farms they operated. The average size of farms, regardless of ownership, was larger in the period 1941-45 than in the period 1934-40. Likewise, the value of the farms was greater (Table 39).

TABLE 39.--Average number of acres and value of land and buildings when families were classified by farm ownership, 1934-45 (1,629 records).

	Number of--		Value of--		
	Families	Acres	Land	Buildings	Total
Owned all:					
1934-1940	(1)217	373	\$16,573	\$5,304	\$21,877
1941-1945	182	479	21,311	5,873	27,194
Owned part and rented part:					
1934-1940	338	263	12,957	3,899	16,856
1941-1945	411	308	14,104	4,759	18,863
Rented all:					
1934-1940	257	364	(Value not reported)		
1941-1945	234	561	23,749	3,721	27,470

1. Eight other families owned all the land but did not report the value.

Average incomes and expenditures reported in the 827 family records kept during the war years, compared with the 802 family records kept in the seven years preceding the war, show the effect of changing economic conditions. The average net farm income for the prewar years was \$1,727, and the average for the war years was \$4,194. Cash farm income rose from \$793 in the former period to \$3,086 in the latter (Figures 5, 6, and 7). Household expenses amounted to \$811 in prewar years and \$1,309 in the war years, an increase of 61 percent. The amount of money used for small savings and premiums on life insurance increased from \$100 to \$598. Farm-supplied items were valued at \$140 more in the later period (Table 40).

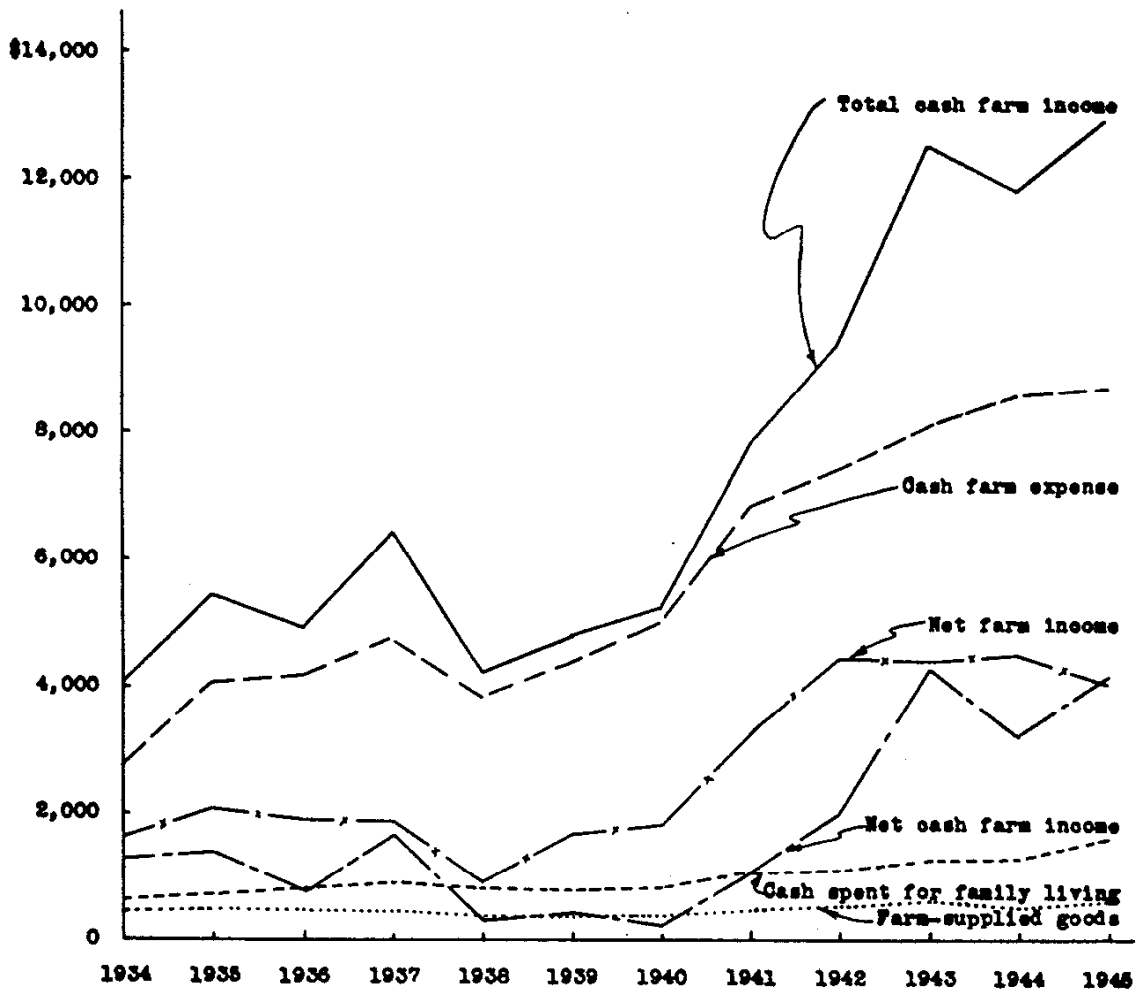


FIG. 5. Annual changes in the farm and home business as reflected by the income and outgo of a selected group of Kansas farm families, 1934-45 (1,629 annual records).

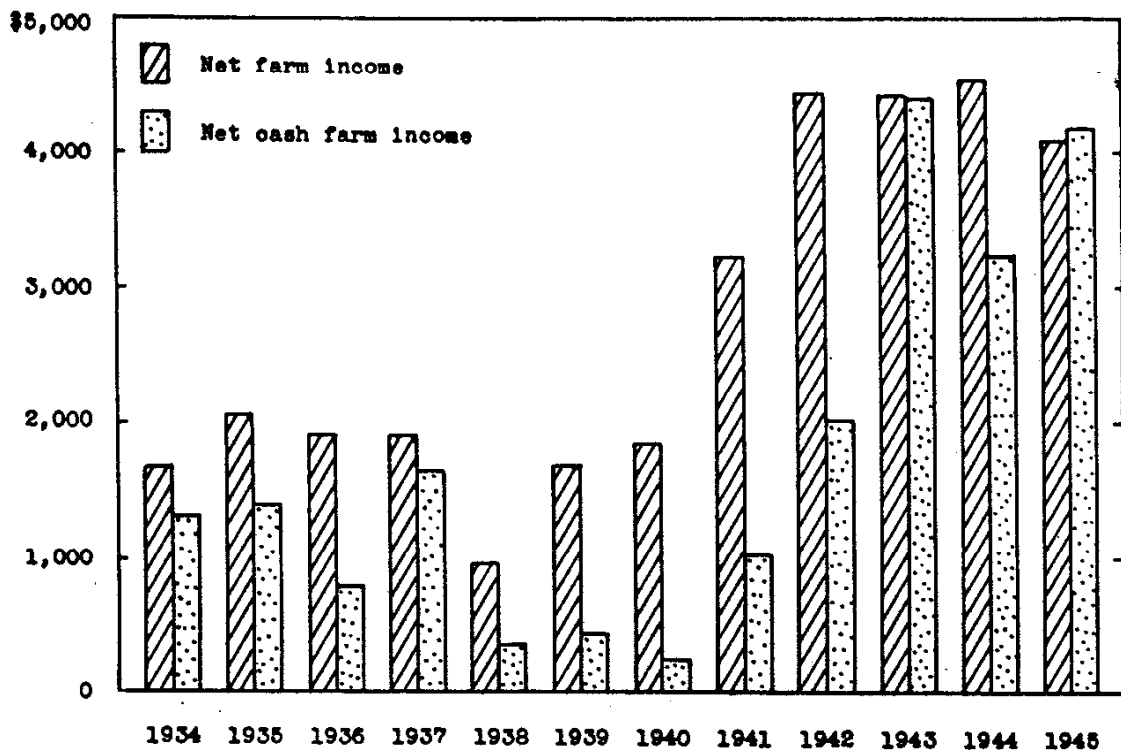


FIG. 6. Comparison of the net farm income and the net cash farm income of a selected group of Kansas farm families during a period of 12 years, 1934-45 (1,629 annual records).

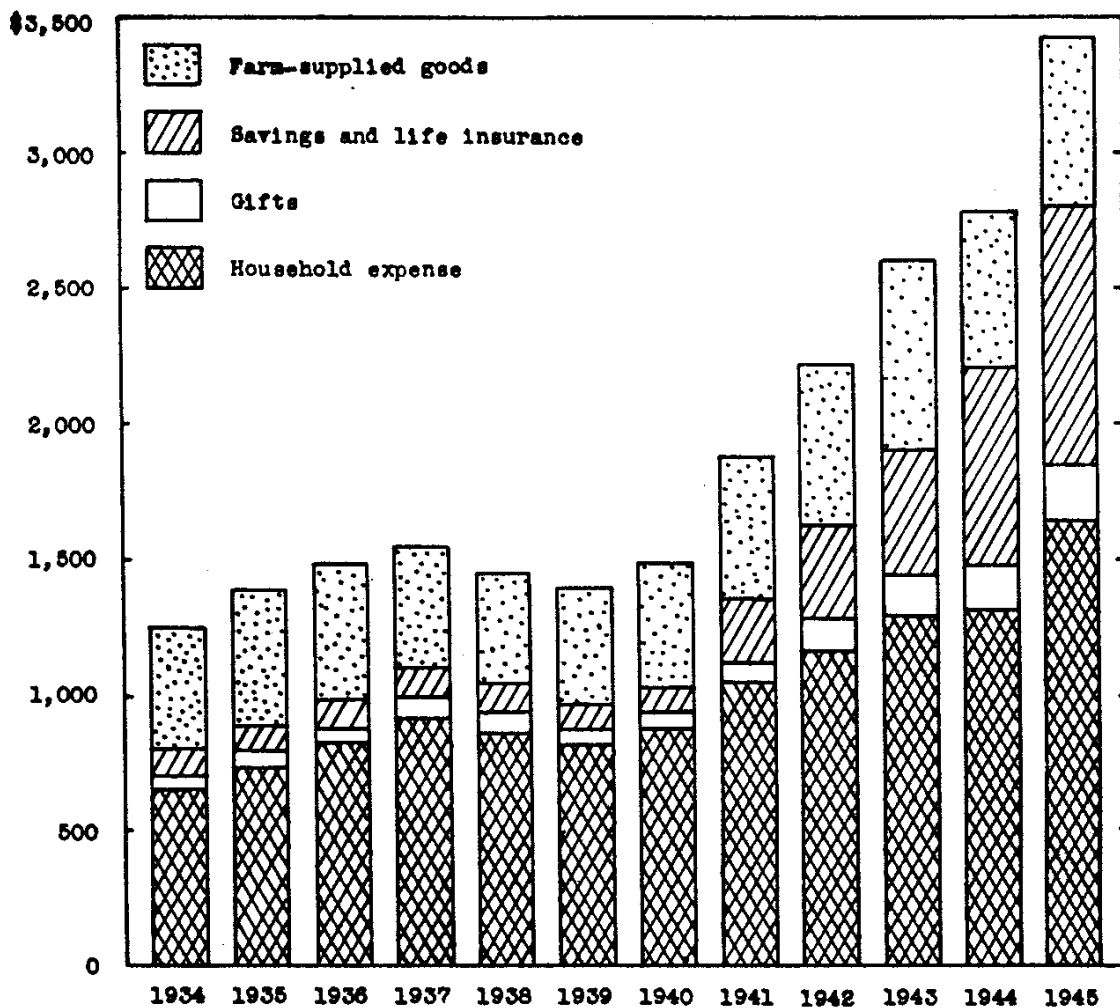


FIG. 7. A comparison of the average annual household expense, gifts, savings and life insurance, and farm-supplied goods over a 12-year period, 1934-45 (1,629 annual records).

TABLE 40.—Comparison of farm and home business as reflected by the income and outgo of a selected group of Kansas farm families reporting in two periods: (1) Prewar years, 1934-40; and (2) war years, 1941-45.

	Averages for—	
	1934-40	1941-45
Number of family records.....	802	827
Total cash farm income(1).....	\$5,002	\$11,134
Cash farm expense(2).....	4,210	8,048
Net cash farm income(3).....	793	3,086
Net farm income(4).....	1,727	4,194
Household expense.....	811	1,309
Gifts(5).....	60	148
Savings and life insurance(6).....	100	598
Farm-supplied goods(7).....	455	595

1. Total cash received from all sources except from borrowing.
2. Total cash expenditure except payments on principal of debts.
3. Total cash received less total cash farm expense.
4. Money income from farm plus increases or minus decreases in the inventory of crops, feeds, supplies, livestock, buildings, and machinery, plus farm products used by the family.
5. Gifts to individuals and contributions to church and other organizations are included.
6. Nonfarm investments, including insurance.
7. Estimated value of food, fuel, and other items supplied by the farm for family use, and estimated rental value of dwelling.

TABLE 41.—Average annual disbursements for family living by years, 1934-45 (1,629 annual records).

	Prewar Years							Average	War Years					Average
	1934	1935	1936	1937	1938	1939	1940		1941	1942	1943	1944	1945	
Average size of families.....	4.11	4.36	4.17	4.01	4.03	4.05	4.19	3.98	3.89	3.85	3.85	3.79	3.86	
Average net farm income.....	\$1,684	\$2,057	\$1,910	\$1,907	\$958	\$1,693	\$1,847	\$3,228	\$4,439	\$4,404	\$4,535	\$4,092	\$4,194	
Consumption items—														
Food:														
Purchased.....	\$172	\$186	\$214	\$233	\$232	\$223	\$224	\$250	\$319	\$352	\$306	\$387	\$347	
Home-produced.....	250	296	281	272	240	249	255	288	357	435	418	473	401	
All food.....	422	482	495	505	472	472	479	538	676	787	814	860	748	
Housing:														
Money expense.....	9	5	21	17	29	31	46	77	30	33	34	59	45	
Estimated rental value(1).....	172	172	185	156	152	160	177	218	214	191	140	142	178	
All housing.....	181	177	206	173	181	191	223	295	244	224	174	201	223	
Clothing.....	119	130	107	138	124	123	130	145	179	198	230	209	195	
Household operation:														
Money expense.....	72	66	89	92	97	94	114	123	138	153	146	152	143	
Home-produced.....	28	36	27	18	22	18	21	18	15	20	15	12	16	
Household operation.....	100	102	116	110	119	112	135	141	153	173	161	164	159	
Home improvement.....	63	93	123	131	93	85	86	126	155	96	92	101	113	
Automobile.....	76	81	84	104	78	84	87	64	52	44	48	62	53	
Medical care.....	48	52	76	67	78	76	75	85	110	115	112	168	121	
Education.....	50	62	42	65	69	49	54	63	57	44	46	46	50	
Recreation.....	21	30	37	38	32	24	27	34	28	26	34	41	33	
Personal care.....	10	10	16	28	23	12	13	15	16	20	24	32	22	
Money allowance(2).....	8	14	17	5	6	14	17	13	23	24	28	27	24	
Taxes.....														
Consumption items.....	1,098	1,233	1,319	1,364	1,275	1,242	1,326	1,571	1,753	1,942	1,884	2,266	1,904	
Gifts and contributions.....	53	62	52	70	74	55	60	75	114	150	170	207	148	
Savings and life insurance(3).....	99	93	107	112	104	96	94	230	348	608	728	951	598	
Sum of all items.....	\$1,250	\$1,388	\$1,478	\$1,546	\$1,453	\$1,393	\$1,480	\$1,876	\$2,215	\$2,700	\$2,782	\$3,424	\$2,550	

1. Six percent of the value of the house.
 2. From 1934 to 1940 includes tobacco and taxes.
 3. Nonfarm investments.

The increases in expenditures year by year reflected the increase in farm family income and an increase in expenditures for family living. The total cost of consumption items in 1945 was 106 percent above the cost in 1941 (Table 41). A part of the increase in the family's cost of living was no doubt due to the upward spiral in consumer goods during the war.

SUMMARY

The data from 827 income and expenditure records from 322 Kansas farm families were analyzed in this study. The period studied covered the war years, 1941-45. Fifty-four of the 322 families kept their records during the entire period. The families were located in 61 counties concentrated in a diagonal strip from northeastern through the south central section of Kansas.

All the stages in the family life cycle were represented within the group. Twenty-one percent of the records were from families with husband and wife only. The remainder of the records were from families with one or more children. The average size of the family was 3.86 persons. There was an average of 0.42 relatives or hired help in each family. Eighteen percent of the husbands were 51 years of age or older, 66 percent were between 31 and 55 years of age, and 16 percent less than 31 years of age.

Families consisting of only husband and wife averaged an expenditure of \$1,548 annually; they made gifts and contributions averaging \$161, and saved \$645. Families in Type IV averaged \$2,304 for consumer goods, gave away \$152, and saved \$435.

The farms operated by these families varied in size from 130 acres to 9,142 acres. The size of the average farm was 593 acres, with 60 percent of the land under cultivation. Seventy-two percent of the families owned all or a part of the land operated. The average value of the land and buildings when the entire farm was owned was \$27,184.

Annual net farm incomes varied widely for these farm families. The lowest showed a loss of \$2,217 and the highest showed a gain of \$11,175. Eleven of the farm records showed losses and eleven others showed gains of less than \$500. Twenty-nine percent showed net farm incomes between \$500 and \$2,500; fifty-nine percent showed net farm incomes of more than \$3,000.

The average expenditure for consumers' goods and services was \$1,904, and in addition to this expense the average family made contributions to the extent of \$148 annually. Their non-farm investments in the form of small savings and life insurance premiums amounted to \$598. Family expenditures increased each year from 1941 to 1945, with the exception of 1944 when the average was \$58 less than for 1943.

A comparison of the annual expenditures for family living in the three net farm income groups shows the lower group spent \$1,561, the middle group spent \$1,797, and the upper group spent \$2,351.

There was an appreciable increase for each of the groups of items in the upper net farm income group, with the exception of medical care which was about the same as in the middle income group.

Annual food costs averaged \$748, or 39 percent of the total expenditures for family living. The food expenditures in 1945 were 60 percent higher than in 1941. Fifty-four percent of the food costs were supplied by home-produced food. Dairy items accounted for more than one-third of the value of home-produced food, and poultry and eggs accounted for approximately one-fourth of the value. The value of meat from the farm was slightly less than that of poultry and eggs.

The cash expenditure for clothing averaged \$195 and was 44 percent higher in 1945 than in 1941. These families spent twice as much for medical care in 1945 as they did in 1941.

These data show that both income and expenditures increased during the five-year period, and they reflect the increase in farm production, the higher prices farmers received for the products they sold in the market, and the higher prices they paid for consumers' goods.

A small number of these families have kept records of incomes and expenditures over a period of several years. It is contemplated that these records will be subjected to a complete analysis so as to provide more adequate information and more extensive interpretation than are included in the present publication.

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