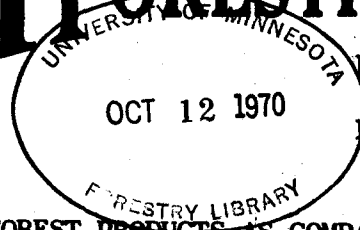




MINNESOTA FORESTRY NOTES

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FARM INCOME FROM SALES OF CUT FOREST PRODUCTS AS COMPARED TO SALES OF STUMPAGE

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Throughout the farm forestry program there has been continual emphasis on the farmer selling woodlot products as partially manufactured material (sawlogs, pulpwood, posts, veneer logs, etc.) rather than as stumpage in order that he might obtain the largest possible return from his timber resource. This inquiry was initiated to determine the extent to which Minnesota farmers market woodlot forest products through each of these procedures and the income relationships involved.

A study of data available in the 1950 Census of Agriculture (2) showed that in Minnesota \$8 of every \$9 of farm income received from farm woodlots came from the sale of cut forest products, while the remaining dollar came from stumpage. By combining certain individual county data, a further analysis of this relationship was possible for each of the eight economic areas set up in the state for this census. The counties comprising an economic area (see map) have similar agricultural, demographic, climatic, physiographic, and cultural characteristics. The results of this combination of data have been presented in Table 1 along with income percentage calculations for cut forest products and stumpage sold.

Percentage-wise, the greater significance to farmers' income of sales of partially manufactured products as compared with stumpage is evident for each economic area, but to a decreasing degree as one progresses from north to south and west in the state. An indication of the reason for this tendency may be found in Table 2 where the eight economic areas have been ranked according to the percent that the value of stumpage sold is of the total income from both cut products and stumpage as obtained from Table 1. Also given is the ranking by average sales of all products per farm reporting in these areas for the same period. In comparing these two rankings it may be noted that areas 5 through 8, the southern one-third of the state, rank highest in both categories. The indication is that farmers in relatively high total farm income areas receive a greater part of their woodlot return from sales of stumpage than is the case in areas of relatively low total farm income.

In no way should the woodlot income data presented in this study be interpreted as the total value of all farm woodland products. The data collected by the Bureau of the Census was for only the total value of farm woodland products sold. It is generally recognized that this sum is small in comparison to the total value of farm woodland products harvested and utilized on the farm for building purposes, fencing, fuel, etc. Further, it should be remembered that this is a study of values received for cut forest products and stumpage sold and does not take into consideration a comparison of the volume of timber sold in these two classifications. Volume information was not gathered in the agricultural census in a form permitting this comparison.

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(2) *Bureau of the Census. 1950. Census of Agriculture. Volume 1-Part 8, Minnesota.*

Table 1. Value Of Forest Products Sold By Farms In Minnesota, 1950 Census*.

	State	Economic Area							
		1	2&A	3	4	5	6&B	7	8
Total value of both cut forest products and stumpage sold..	\$2,157,592	\$57,294	\$1,343,714	\$295,109	\$191,472	\$16,738	\$137,809	\$101,870	\$13,586
Value of cut forest products sold.....	\$1,912,481	\$51,777	\$1,250,881	\$257,273	\$168,522	\$12,873	\$110,018	\$53,166	\$7,971
% of total value.	88.6	90.4	93.1	87.2	88.0	76.9	79.8	52.2	58.7
Value of stumpage sold.....	\$245,111	\$5,517	\$92,833	\$37,836	\$22,950	\$3,865	\$27,791	\$48,704	\$5,615
% of total value	11.4	9.6	6.9	12.8	12.0	23.1	20.2	47.8	41.3

*Bureau of the Census. 1950. Census of agriculture. Volume 1-Part 8, Minnesota. County Table 5 (Part 7 of 7). Specified crops harvested. Pp. 112 -115.

STATE ECONOMIC AREAS

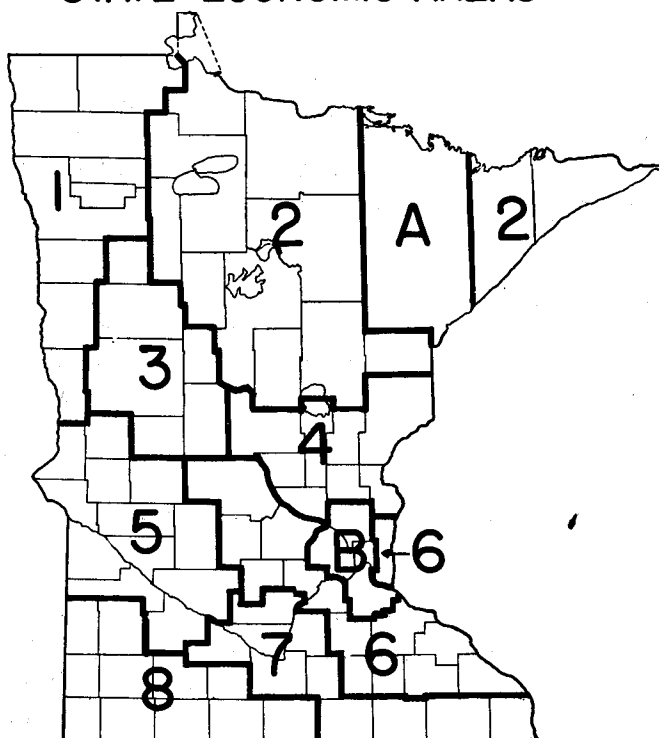


Table 2. Ranking Of Economic Areas By Value Of Average Sales Of All Farm Products Per Farm Reporting And By The Relationship Between Value Of Stumpage Sold And Total Value Of Both Cut Forest Products And Stumpage Sold, 1950 Census.

	Economic Area							
	1	2&A	3	4	5	6&B	7	8
Rank by value of average sales of all farm products per farm reporting*	5	8	6	7	2	4	3	1
Rank by relationship between value of stumpage sold and total value of both cut products and stumpage sold	7	8	5	6	3	4	1	2

*Bureau of the Census. 1950. Census of agriculture. Volume 1-Part 8, Minnesota. Economic area Table 10. Pp. 238-247.