§ 780.146 Importance of relationship of the practice to farming generally.

The inclusion of incidental practices in the definition of agriculture was not intended to include typical factory workers or industrial operations, and the sponsors of the bill made it clear that the erection and operation on a farm by a farmer of a factory, even one using raw materials which he grows, “would not make the manufacturing "a farming operation” (see 81 Cong. Rec. 7658; Maneja v. Waialua, 349 U.S. 254). Accordingly, in determining whether a given practice is performed “as an incident to or in conjunction with” farming operations under the intended meaning of section 3(f), the nature of the practice and the circumstances under which it is performed must be considered in the light of the common understanding of what is agricultural and what is not, or the facts indicating whether performance of the practice is in competition with agricultural or with industrial operations, and of the extent to which such a practice is ordinarily performed by farmers incidentally to their farming operations (see Bowie v. Gonzales, 117 F. 2d 11; Calaf v. Gonzalez, 127 F. 2d 934; Vives v. Seralles, 145 F. 2d 552; Mitchell v. Hunt, 263 F. 2d 913; Holtville Alfalfa Mills v. Wyatt, 230 F. 2d 398; Mitchell v. Budd, 350 U.S. 473; Maneja v. Waialua, supra). Such an inquiry would appear to have a direct bearing on whether a practice is an “established” part of agriculture. The fact that farmers raising a commodity on which a given practice is performed do not ordinarily perform such a practice has been considered a significant indication that the practice is not agriculture (see 81 Cong. Rec. 7659–7660, 7877–7879). Consideration should also be given to the value added to the product as a result of the practice and whether

§ 780.147 Practices performed on farm products—special factors considered.

In determining whether a practice performed on agricultural or horticultural commodities is incident to or in conjunction with the farming operations of a farmer or a farm, it is also necessary to consider the type of product resulting from the practice—whether the raw or natural state of the commodity has been changed. Such a change may be a strong indication that the practice is not within the scope of agriculture (Mitchell v. Budd, 350 U.S. 473); the view was expressed in the legislative debates on the Act that it marks the dividing line between processing as an agricultural function and processing as a manufacturing operation (Maneja v. Waialua, 349 U.S. 254, citing 81 Cong. Rec. 7659–7660, 7877–7879). Consideration should also be given to the value added to the product as a result of the practice and whether