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COSTS and RETURNS



Commercial
Broiler
Farms
Maine,
Delmarva,
and Georgia

1967

FARM COSTS AND RETURNS STUDIES

This report is part of a continuing nationwide study of costs and returns on commercial farms and ranches by type and size in some of the important farming regions of the United States. The study is conducted under the general supervision of Wylie D. Goodsell, Farm Production Economics Division, Economic Research Service. Objectives, methodology, procedure, and terms are uniform for all areas covered in the study.

The 1967 costs and returns studies have been conducted on the following:

Dairy Farms, Northeast and Midwest
Corn Belt Farms
Egg-Producing Farms, New Jersey
Broiler Farms, Maine, Delmarva, and Georgia
Cotton Farms
Tobacco Farms, Coastal Plain, North Carolina
Tobacco-Livestock Farms, Bluegrass Area, Kentucky and Pennyroyal Area, Kentucky-Tennessee
Wheat Farms, Plains and Pacific Northwest
Western Livestock Ranches

Summary statistics for all types of farms in the study are presented in a report, revised annually. The latest such report was published in 1967 and is titled: "Farm Costs and Returns, Commercial Farms, by Type, Size, and Location," Agriculture Information Bulletin, No. 230, Revised 1967.

Information on the studies can be obtained from Farm Production Economics Division, Economic Research Service, U.S. Department of Agriculture, Washington, D.C. 20250.

LOCATION OF TYPES OF FARMS STUDIED

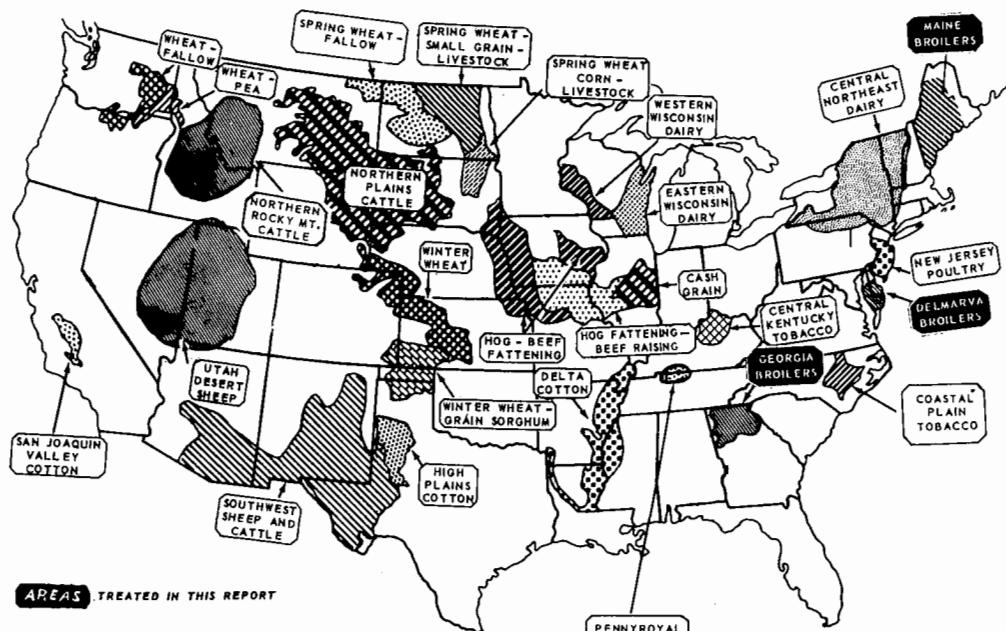


Figure 1

COSTS AND RETURNS COMMERCIAL BROILER FARMS, MAINE, DELMARVA, AND GEORGIA, 1967

Daphene E. Tippett, Wylie D. Goodsell, and William T. McAllister¹

SUMMARY

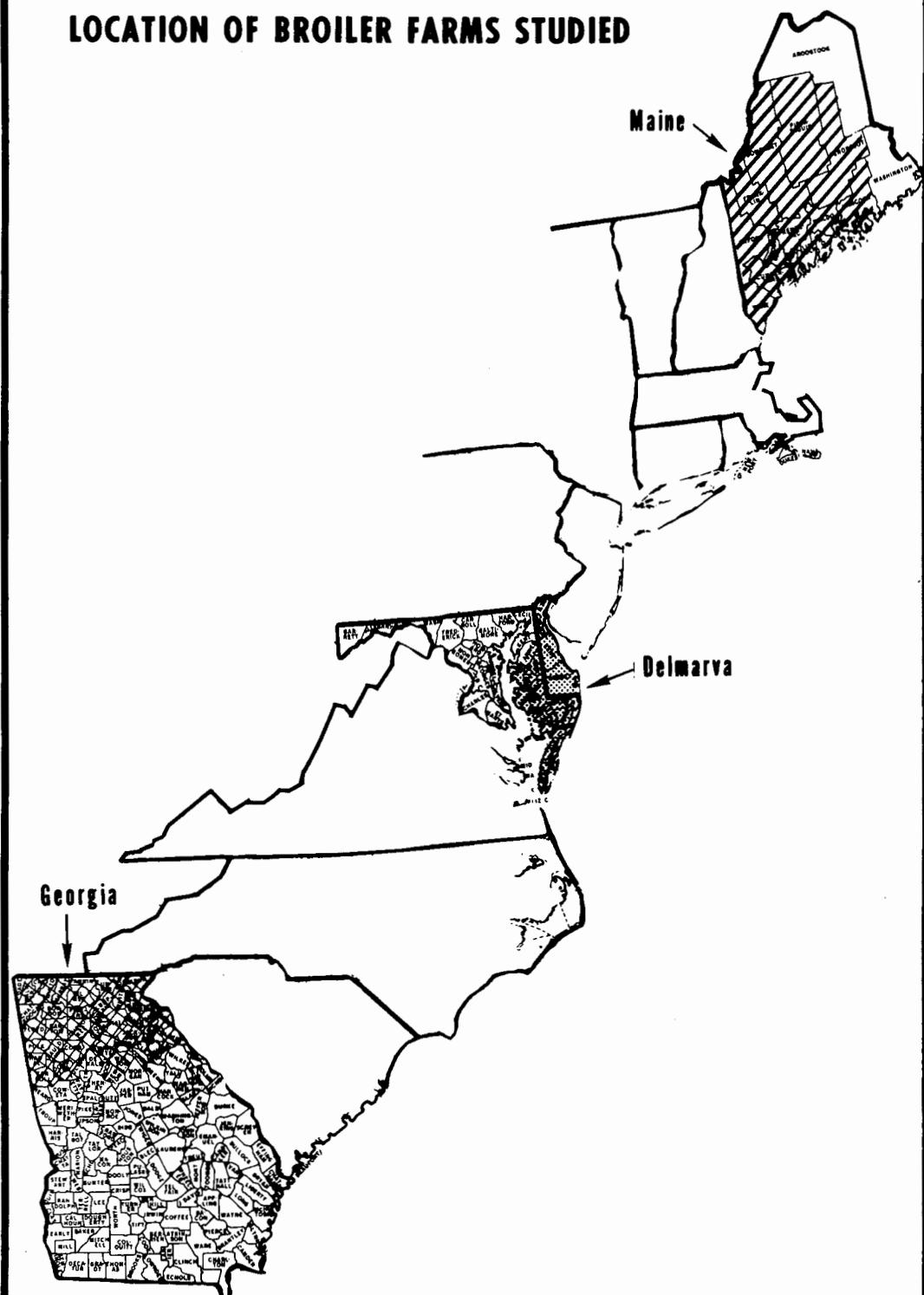
Net farm incomes in 1967 for typical broiler growers in Maine and Delmarva increased 9 and 27 percent, respectively. However, net returns for growers in north Georgia declined 9 percent. (For location of areas, see figs. 1 and 2.) Net incomes for commercial broiler farms in these areas for 1957-59, 1966, and 1967 were as follows:

Average	<u>Percentage change</u>				
			1957-59	1966	1966
	<u>1957-59</u>	<u>1966</u>	<u>1967</u>	<u>to</u> <u>1967</u>	<u>to</u> <u>1967</u>
Maine.....	\$2,856	\$3,846	\$4,191	47	9
Delmarva	4,332	6,567	8,347	93	27
Georgia	986	1,896	1,724	75	-9

Cash receipts from broilers were higher in Maine and Delmarva, but decreased 3 percent in Georgia. Contract payments remained at the 1966 level for Maine and Delmarva, but were lower in Georgia. Contract payments are gross payments per 1,000 birds to the grower for buildings, equipment, farm labor, and any supplies furnished by him. Birds and feed are supplied by the contractor. Georgia growers usually furnish fuel and litter; in Maine and Delmarva, these items are furnished by the contractors.

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LOCATION OF BROILER FARMS STUDIED



U. S. DEPARTMENT OF AGRICULTURE

NEG. ERS 5519-68(2) ECONOMIC RESEARCH SERVICE

Figure 2

Payments per 1,000 birds produced were as follows:

	<u>Percentage change</u>				
	<u>Average</u>	<u>1966</u>	<u>1967</u>	<u>1957-59</u> to <u>1967</u>	<u>1966</u> to <u>1967</u>
	<u>1957-59</u>				
Maine.....	\$96	\$96	\$96	0	0
Delmarva	70	81	81	16	0
Georgia	72	76	68	-6	-11

The comparable payment for Georgia in 1967 (after deducting fuel and litter expense) averaged about \$58.00 per 1,000 birds produced.

Growers in all three areas expanded their annual production of broilers in 1967. Annual production per farm for 1966 and 1967 was as follows:

	<u>Change from 1966 to 1967</u>			
	<u>1966</u>	<u>1967</u>	<u>Number</u>	<u>Percent</u>
Maine.....	80,080	87,280	7,200	9
Delmarva	68,720	70,095	1,375	2
Georgia	37,160	40,130	2,970	8

The decline in net farm income in Georgia resulted from a decrease in the contractual payment for broilers. Receipts from other enterprises were up 4 percent, but this was not enough to offset the lower broiler payment.

Broiler production in Delmarva increased only 2 percent from 1966, as did receipts from broilers. However, 1967 was a favorable year for crops and income from crop sales together with receipts from other enterprises showed a substantial gain of about 34 percent.

In Maine, contractual payments remained the same as in 1966, but both broiler production and net farm income increased 9 percent from the previous year.

As usual, types of contracts in 1967 varied within areas, as well as between areas. The few changes made in basic contracts in 1967 were primarily aimed at promoting more efficient production.

Maine

In 1967, net farm income for typical broiler growers in Maine averaged approximately \$4,190, about \$345 more than in 1966 (table 1). A 9-percent increase in

broiler production was chiefly responsible for the increased income. Gross farm income was \$9,045 per farm, 8 percent higher than a year earlier. Operating expenses averaged about \$4,855, nearly \$360 more than in the previous year. These

Table 1.--Organization, production, costs and returns, commercial broiler farms,
Maine, 1966 and 1967

Item	Unit	Average 1957-59	1966	1967	<u>1/</u>
Land in farm-----	Acre	102	88	88	
Cropland harvested-----	do.	3.6	2.4	2.4	
Hay harvested-----	do.	3.6	2.4	2.4	
Hay yield per harvested acre-----	Ton	1.20	1.40	1.40	
Broilers started, per lot-----	Number	13,951	18,979	20,178	
Broilers produced annually:					
Number-----	do.	54,790	80,082	87,278	
Pounds-----	Pound	208,215	320,328	340,384	
Tractors on farm-----	Number	.56	.49	.46	
Total labor used-----	Hour	2,300	2,540	2,620	
Operator and family-----	do.	1,910	2,130	2,200	
Hired-----	do.	390	410	420	
Total farm capital, Jan. 1-----	Dollar	23,970	37,590	40,110	
Land and buildings-----	do.	17,690	27,300	28,900	
Machinery and equipment-----	do.	6,280	10,290	11,210	
Total cash receipts-----	do.	5,645	7,921	8,605	
Broilers-----	do.	5,253	7,688	8,379	
Crops-----	do.	110	88	78	
Forest products-----	do.	98	97	97	
Other, including Government payments--	do.	184	48	51	
Value of perquisites-----	do.	329	421	440	
Gross farm income-----	do.	5,974	8,342	9,045	

Table 1.--Organization, production, costs and returns, commercial broiler farms,
Maine, 1966 and 1967--Continued

Item	Unit	Average 1957-59	1966	1967	<u>1/</u>
Total cash expenditures <u>2/</u> -----:	Dollar	3,841	5,055	5,370	
Farm buildings-----:	do.	1,245	1,808	1,798	
Machinery-----:	do.	1,451	1,550	1,688	
Hired labor-----:	do.	407	528	612	
Taxes-----:	do.	314	563	613	
Electricity and miscellaneous broiler expense-----:	do.	358	496	538	
Other-----:	do.	66	110	121	
Inventory adjustment, machinery and buildings-----:	do.	-723	-559	-516	
Total operating expenses-----:	do.	3,118	4,496	4,854	
Net farm income-----:	do.	2,856	3,846	4,191	
Purchasing power in 1947-49 dollars---:	do.	2,433	2,981	3,175	
Charge for capital at current interest rates-----:	do.	1,321	2,161	2,808	
Return per hour, operator and family labor-----:	do.	.80	.79	.63	
Charge for capital at 4.1 percent interest-----:	do.	983	1,541	1,645	
Return per hour, operator and family labor-----:	do.	.98	1.08	1.16	
INDEX NUMBERS (1957-59 = 100):					
Gross farm income-----:	---	100	140	151	
Net farm income-----:	---	100	135	147	
Net farm production-----:	---	100	140	152	
Broilers produced annually-----:	---	100	154	163	
Production per hour of man labor-----:	---	100	127	133	
Production per unit of input-----:	---	100	115	121	
Operating expense per unit of production-----:	---	100	103	103	
Total cost per unit of production-----:	---	100	103	105	
Power and machinery (quantity)-----:	---	100	120	125	
Prices received for products sold-----:	---	100	100	100	
Prices paid, including wages to hired labor-----:	---	100	112	118	

1/ Preliminary. 2/ Feed, chicks, medicines, fuel, litter, and miscellaneous items
are supplied by the broiler contracting firms.

Note: Information presented here is on an owner-operator basis primarily for comparability between types of farms. Net farm income is the return to operator and unpaid members of the family for their labor and management on the farm and return to total capital. No allowance has been made for payment of rent, interest, and mortgage.

growers averaged 4.4 lots per farm in 1967. The average size of flock started was 20,180 birds, nearly 1,200 more than in 1966. Total production was approximately 87,300 birds (broilers and roasters) per farm, 9 percent above a year earlier. Contractual returns averaged \$8,400 per farm, compared with \$7,700 in 1966.

In 1967, the contractual payment averaged \$96 per 1,000 birds produced. The payment is a composite per unit return for growing both broilers and roasters. Per unit returns from roasters average considerably higher than those from broilers to compensate for longer growing time, space and other added expenses to the grower. Nearly 8 percent of the birds produced on these farms in 1967 were carried an average of 13 weeks and marketed as roasters. Most broilers were marketed at about 9 weeks. The average weight of all birds produced was approximately 3.9 pounds.

The basic contract (and the one most widely used in Maine) provided for a payment per square foot of floor space per week of occupancy. This was usually 1.0 cent per square foot per week. In most cases, this can be considered as a minimum guaranteed payment. Other incentive features provided additional returns ranging from 0.1 to 0.4 cent per square foot per week for above average performance. The most common method of determining the bonus payment was the comparison of an individual grower's costs with the average cost for all growers associated with a particular contractor for the marketing period. Additional changes in the contracts made by some firms during 1967 included a

payment of 1.0 cent per square foot for the clean-out period (this period ranges from 1 to 3 weeks, averaging about 2 weeks between flocks), and the inauguration of an annual contract. In all cases, contracting firms in Maine provide nearly all the input items, including litter and fuel. None of the contracts are tied to either the price of feed or the price of broilers.

In 1967, these growers grossed about \$225 per farm from sales of hay and forest products. This was about 3 percent less than in 1966. These products were relatively unimportant on most of the broiler farms and income derived from them comprised only about 3 percent of cash receipts.

Operating expenses per farm rose from about \$4,500 in 1966 to \$4,850 in 1967, an increase of 8 percent (table 1). About two-thirds of the total operating costs are fixed costs and their level depends on broiler capacity per farm. Variable expenditures also increased because of larger capacity and a slight increase in the number of lots produced.

Housing capacity per farm continued an upward trend but at a slower rate than in 1966. Construction costs per square foot were 3 percent higher in 1967 than in the preceding year. The combined outlay for machinery and equipment purchases and operating and repair costs increased 9 percent from a year earlier. Hired labor expense of around \$610 was 16 percent higher in 1967 than in the preceding year, and total taxes and insurance were up 9 and 14 percent, respectively. Prices paid for production goods and services averaged 8 percent above a year earlier.

Delmarva

In 1967, net farm income on typical broiler farms averaged about \$8,350 (table 2). This was an increase of about \$1,780, or 27 percent from 1966, and almost double the 1957-59 average. Cash receipts from broilers in 1967 increased about \$130, or 2 percent, but receipts from crops showed a gain of approximately \$1,960 or 37 percent from the previous year. Operating expenses increased 5 percent, but this was more than offset by the increase in cash receipts.

Sales from corn and soybeans amounted to about \$7,260 per farm, approximately 55 percent of total cash receipts. Corn and soybean prices were down in 1967, but increased yields more than compensated for the price decline. Favorable weather in 1967 contributed largely to the higher crop yields on these farms. Corn yields averaged about 65 bushels an acre, 49 percent higher than in 1966. The per acre yield of soybeans was about 96 percent greater in 1967, but the acreage planted to soybeans was around 8 percent less. Total production of soybeans and corn in 1967 increased .83 and 58 percent, respectively.

Gross returns from broilers showed a moderate gain from about \$5,560 in 1966 to \$5,695 in 1967. A 2-percent increase in production per farm was responsible, as contractual payments remained at the 1966 level. Total gross income per farm was \$2,045 above that of the previous year.

Contractual payments for Delmarva growers in 1967 averaged \$81 per 1,000 birds produced. Types of contracts varied within the area

as in previous years but were essentially the same as those in effect in 1966. Most contracts are set up to encourage more efficient production on the part of the grower. Some contracts offer a base payment per 1,000 birds started, plus a bonus (so much per thousand) for each 0.1-cent reduction in production cost per pound from the predicted average production cost of all growers under the same contractor during a given period.

Under the feed-conversion contract, payment is based on the live weight of birds passing inspection. This, of course, is another quality or efficiency measure. Feed conversion, as computed by most Delmarva firms, is total weight of feed consumed divided by total weight of birds passing inspection.

The payment under some contracts is calculated by the relationship of each grower's production cost to the average production cost of all growers under contract. The grower receives a minimum base payment per 1,000 birds. Other contracts use the average cost of a specified number of flocks marketed rather than weekly averages to determine cost-based payments and pay on a per pound produced basis rather than per bird started.

In 1967, average broiler capacity per lot was 17,510 birds, compared with 17,195 during 1966. Total production was slightly over 70,000 birds per farm, nearly 1,400 more than the previous year. This was an average of 4.2 lots per farm at full capacity.

New construction and bird density remained about the same as in 1966.

Table 2.--Organization, production, costs and returns, commercial broiler-crop farms,
Delmarva, 1966 and 1967

Item	Unit	Average 1957-59	1966	1967 1/
Land in farm-----	Acre	106	120	120
Cropland harvested-----	do.	79	100	100
Crops harvested:				
Corn-----	do.	37.8	54.7	58.0
Soybeans-----	do.	40.9	45.6	42.4
Crop yields per harvested acre:				
Corn-----	Bushel	48.8	43.5	64.8
Soybeans-----	do.	22.4	14.2	27.9
Broilers started, per lot-----	Number	10,401	17,195	17,510
Broilers produced annually:				
Number-----	do.	38,014	68,720	70,094
Pounds-----	Pound	131,574	261,136	273,367
Tractors on farm-----	Number	1.30	1.53	1.53
Total labor used-----	Hour	2,230	2,930	2,920
Operator and family-----	do.	2,010	2,570	2,570
Hired-----	do.	220	360	350
Total farm capital, Jan. 1-----	Dollar	30,910	62,760	67,940
Land and buildings-----	do.	23,720	51,070	55,390
Machinery and equipment-----	do.	7,130	11,690	12,550
Crops and livestock-----	do.	60	---	---
Total cash receipts-----	do.	7,068	11,165	13,213
Broilers-----	do.	2,680	5,566	5,695
Crops-----	do.	4,254	5,300	7,258
Livestock and livestock products-----	do.	91	0	0
Other, including Government payments-----	do.	43	299	260
Value of perquisites-----	do.	501	664	661
Change in inventory of crops and livestock:	do.	-12	0	0
Gross farm income-----	do.	7,557	11,829	13,874

Table 2.--Organization, production, costs and returns, commercial broiler-crop farms, Delmarva, 1966 and 1967--Continued

Item	Unit	Average 1957-59	1966	1967 1/
Total cash expenditures 2/-----	Dollar	3,623	6,156	6,082
Feed purchased and livestock expense-----	do.	53	54	55
Fertilizer and lime-----	do.	553	737	786
Other crop expense-----	do.	256	348	358
Machinery-----	do.	1,619	2,345	2,335
Farm buildings and fences-----	do.	638	1,768	1,613
Hired labor-----	do.	221	432	449
Taxes-----	do.	129	217	232
Other-----	do.	154	255	254
Inventory adjustment, machinery and buildings-----	do.	-398	-894	-555
Total operating expenses-----	do.	3,225	5,262	5,527
Net farm income-----	do.	4,332	6,567	8,347
Purchasing power in 1947-49 dollars-----	do.	3,684	5,091	6,323
Charge for capital at current interest rates-----	do.	1,742	3,824	4,817
Return per hour, operator and family labor-----	do.	1.29	1.07	1.37
Charge for capital at 4.1 percent interest 3/-----	do.	1,307	2,631	2,847
Return per hour, operator and family labor-----	do.	1.50	1.53	2.14
INDEX NUMBERS (1957-59 = 100):				
Gross farm income-----	---	100	157	184
Net farm income-----	---	100	152	193
Net farm production-----	---	100	130	171
Broilers produced annually-----	---	100	198	208
Production per hour of man labor-----	---	100	99	131
Production per unit of input-----	---	100	98	127
Operating expense per unit of production-----	---	100	124	100
Total cost per unit of production-----	---	100	128	104
Power and machinery (quantity)-----	---	100	138	140
Prices received for products sold-----	---	100	118	106
Prices paid, including wages to hired labor-----	---	100	118	120

1/ Preliminary. 2/ Feed, chicks, medicines, fuel, litter, and miscellaneous items are supplied by the broiler contracting firms. 3/ Invested capital at 4.1 percent and production credit at current short-term interest rates charged by production credit associations on loans outstanding.

Note: Information presented here is on an owner-operator basis primarily for comparability between types of farms. Net farm income is the return to operator and unpaid members of the family for their labor and management on the farm and return to total capital. No allowance has been made for payment of rent, interest, or mortgage.

Operating expenses in 1967 averaged about \$5,530 per farm, \$265 above 1966 (table 2). Nearly all expense items were higher. Total costs for taxes were up 7 percent, crop expense increased 5 percent, and hired labor and machinery operating costs were both 4 percent higher than in 1966. Although some growers are partly reimbursed for electricity and a few minor supplies, they must pay for all hired labor, custom work on crops, cleaning out poultry houses, and repairs to buildings and machinery. In 1967, total inputs for these farms were 3 percent above a year earlier. Prices paid for production goods and services averaged 5 percent above those in 1966.

Georgia

Net farm income for typical broiler growers in Georgia averaged about \$1,725, almost \$175 less than in 1966, but about \$740 more than the 1957-59 average (table 3). Income from other farm sources was about 4 percent above 1966 and accounted for 18 percent of cash receipts. Receipts from broilers were 3 percent below those of the previous year. Operating expenses increased about 7 percent.

In 1967, production averaged 40,130 birds per farm, up about 2,970 from a year earlier. Growers averaged 4.4 lots per farm in 1967, compared with 4.2 in 1966. Thus, larger average capacity and more lots per farm resulted in an increase in production.

The crop and livestock enterprises on these farms are small. All the hay and about one-fourth of the corn produced in 1967 was fed to the livestock. Corn yields per acre increased about 35 percent

from 1966, but prices received declined proportionately, keeping returns from corn sales at a fairly low level.

Contractual broiler income amounted to about \$2,730 per farm, down about \$95 from the previous year. Contract payments in 1967 averaged \$68 per 1,000 birds produced, compared with \$76 in 1966. Most growers who grew for cooperatives did not receive patronage refund payments in 1967 as they had a year earlier. This accounted, in part, for the lower contract payments. The patronage refund in 1966 amounted to approximately \$6 per 1,000 birds produced. Production increased about 8 percent in 1967, but was not enough to offset the reduced payments to growers.

Georgia growers still provide most of the fuel and litter, while these are furnished by the contractor in Maine and Delmarva. In recent years, the cost of these items averaged between \$10 and \$11 per 1,000 birds produced. Thus, Georgia growers remain at some disadvantage compared with growers in other areas. Most cost rates, however, are lower in Georgia, compensating to some extent for the contract payment difference.

Growers received an average of about 1.95 cents per pound for all birds produced in 1967, compared with 2.20 cents in 1966. The average live weight for all lots sold was slightly more than 3.5 pounds per bird. Average age was about 62 days, but varied by the contractor and his market.

Contracts in 1967 were essentially the same as in 1966, except for a few minor changes. Some contractors in the area had higher

requirement standards for housing and equipment, such as insulation, concrete floors, and mechanical ventilation. The contractors requiring these items usually offered a slightly higher payment. For a number of years, the base payment under some contracts has been about 2.0 cents a pound. In 1967, however, the base was raised for most of the year and the average grower payment for the year was 2.025 cents a pound. Grower compensation under this type contract was based on the previous week's average production cost of all birds sold, including the cost of birds condemned by inspection. Under some feed-conversion contracts, payment was 2.0 cents a pound with a guaranteed minimum of \$55 per 1,000 head. Bonus was based on feed conversion, with a maximum payment of 2.35 cents a pound. The bonus for feed conversion in 1967 was on a different scale from the previous years, but the grower could earn an additional bonus based on the spread between feed conversion and average weight. The

majority of contracts contain extra benefit incentive clauses and the more efficient grower can increase his profits substantially.

New housing construction was slightly below that in 1966, but cost per square foot increased about 4 percent. Future construction in the area is expected to keep pace with production. More up-to-date equipment and better built houses increase production efficiency, not only in time and production costs, but also in repairs and maintenance.

In 1967, operating expenses averaged about \$2,315, up nearly \$160 from a year earlier (table 3). Taxes and hired labor showed the largest increases, with gains of 26 and 16 percent, respectively. Machinery purchases were down, but machinery repairs and operating costs increased by 4 percent. Total inputs in 1967 were about 4 percent higher than in 1966 and variable expenses were up nearly 8 percent.

Table 3.--Organization, production, costs and returns, commercial broiler farms, Georgia,
1966 and 1967

Item	Unit	Average 1957-59	1966	1967 <u>1/</u>
Land in farm-----				
Cropland harvested-----	Acre do.	64 6.29	65 3.50	65 3.60
Crops harvested:				
Corn-----	do.	4.34	2.80	2.90
Hay-----	do.	1.95	.70	.70
Crop yields per harvested acre:				
Corn-----	Bushel	28.1	43.0	58.0
Hay-----	Ton	1.17	1.88	1.95
Livestock on farm, Jan. 1:				
All cattle-----	Number	6.06	6.79	6.72
Hogs-----	do.	2.60	.60	.60
Broilers started, per lot-----	do.	6,317	9,215	9,471
Broilers produced annually:				
Number-----	do.	22,083	37,157	40,130
Pounds-----	Pound	70,665	128,192	140,856
Tractors on farm-----	Number	.60	.64	.64
Total labor used-----	Hour	1,690	1,760	1,770
Operator and family-----	do.	1,580	1,620	1,630
Hired-----	do.	110	140	140
Total farm capital, Jan. 1-----	Dollar	12,610	21,250	24,240
Land and buildings-----	do.	8,320	16,030	18,640
Machinery and equipment-----	do.	3,540	4,320	4,590
Crops and livestock-----	do.	750	900	1,010
Total cash receipts-----	do.	2,012	3,410	3,338
Broilers-----	do.	1,590	2,824	2,729
Crops-----	do.	22	109	138
Livestock and livestock products-----	do.	239	214	194
Other, including Government payments-----	do.	161	263	277
Value of perquisites-----	do.	465	652	685
Change in inventory of crops and livestock-----	do.	13	-10	17
Gross farm income-----	do.	2,490	4,052	4,040

Table 3.--Organization, production, costs and returns, commercial broiler farms, Georgia,
1966 and 1967--Continued

Item	Unit	Average 1957-59	1966	1967	<u>1/</u>
Total cash expenditures <u>2/</u> -----:	Dollar	1,853	2,445	2,416	
Feed purchased and livestock expense-----:	do.	336	499	538	
Fertilizer and lime-----:	do.	42	30	31	
Other crop expense-----:	do.	4	4	5	
Machinery-----:	do.	950	1,034	1,023	
Farm buildings and fences-----:	do.	373	583	479	
Hired labor-----:	do.	64	123	143	
Taxes-----:	do.	38	90	113	
Other-----:	do.	46	82	84	
:	:	:	:	:	
:	:	:	:	:	
Inventory adjustment, machinery and buildings-----:	do.	-349	-289	-100	
:	:	:	:	:	
Total operating expenses-----:	do.	1,504	2,156	2,316	
:	:	:	:	:	
Net farm income-----:	do.	986	1,896	1,724	
Purchasing power in 1947-49 dollars-----:	do.	840	1,470	1,306	
:	:	:	:	:	
Charge for capital at current interest rates---:	do.	695	1,275	1,687	
Return per hour, operator and family labor----:	do.	.18	.38	.02	
:	:	:	:	:	
Charge for capital at 4.1 percent interest----:	do.	517	871	988	
Return per hour, operator and family labor----:	do.	.30	.63	.45	
:	:	:	:	:	
INDEX NUMBERS (1957-59 = 100):	:	:	:	:	
:	:	:	:	:	
Gross farm income-----:	---	100	163	162	
Net farm income-----:	---	100	192	175	
:	:	:	:	:	
Net farm production-----:	---	100	144	155	
Broilers produced annually-----:	---	100	181	199	
:	:	:	:	:	
Production per hour of man labor-----:	---	100	138	147	
Production unit of input-----:	---	100	125	131	
:	:	:	:	:	
Operating expense per unit of production-----:	---	100	101	101	
Total cost per unit of production-----:	---	100	104	108	
Power and machinery (quantity)-----:	---	100	99	98	
:	:	:	:	:	
Prices received for products sold-----:	---	100	106	95	
Prices paid, including wages to hired labor-----:	---	100	117	83	
:	:	:	:	:	

1/ Preliminary. 2/ Feed, chicks, medicines, and miscellaneous items are supplied by the broiler contracting firms.

Note: Information presented here is on an owner-operator basis primarily for comparability between types of farms. Net farm income is the return to operator and unpaid members of the family for their labor and management on the farm and return to total capital. No allowance has been made for payment of rent, interest, or mortgage.

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