

Farm Production Expenditures



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Production Expenditures Up 6.5 Percent

U.S. farm production expenditures totaled \$132.2 billion in 1990, up 6.5 percent from \$124.1 billion in 1989. Expenditures were higher for all major categories except feed and fertilizer which decreased 0.6 percent and 1.0 percent, respectively. Farm services including rent, the largest 1990 expenditure by farmers at \$28.0 billion, accounted for 21 percent of the Nation's production expenses. This level was 4.7 percent above 1989. Feed expenses totaled \$18.1 billion and accounted for 14 percent of the U.S. total.

Average expenditures per U.S. farm in 1990 were \$61,813, an increase of \$4,335 (7.5 percent) from a year earlier. On the average, farm operations in 1990 spent \$13,091 for farm services including rent; \$8,475 for feed; \$7,401 for seeds, fertilizer, and chemicals; \$7,016 for livestock; and \$6,246 for labor.

Large farm (sales of \$100,000 or greater) expenditures averaged \$316,314 and accounted for 71 percent of the U.S. total. Purchases of farm services, feed, livestock & poultry, and labor were major expenses (60 percent of the total) for operations with sales of at least \$100,000. The large farms accounted for more than 63 percent of the U.S. expenses for farm services, feed, livestock and poultry, labor, farm machinery, interest, fertilizer, chemical, and fuels.

Medium-sized farm (sales of \$40,000-\$99,999) expenses averaged \$78,295 for 1990 and accounted for 14 percent of the U.S. total. Leading expenditures were farm services, feed, and farm machinery.

Small farm (sales less than \$40,000) expenditures averaged \$15,959 and accounted for 15 percent of the Nation's production expenses. The three leading expenditure categories for small farms were farm services, feed, and farm machinery.

For additional information, call (202 447-4214). Office hours are 8:00 a.m to 4:30 p.m. ET.

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Farm Production Expenditures, United States 2/ 1989 and 1990

Expenditure - Farm Share	United States			
	Farms Rptng <u>3/</u>		Avg per Farm <u>4/</u>	
	1989	1990	1989	1990
	Percent		Dollars	
Total Expenditures <u>6/</u>	100.0	100.0	57,478	61,813
Livestock & Poultry:	40.2	39.9	6,468	7,016
Cattle Purchased	28.0	28.8	5,392	5,848
Hogs & Pigs Purchased	8.7	8.1	405	521
Poultry Purchased	4.9	4.7	471	382
Other Livestock & Poultry <u>7/</u>	5.4	4.9	117	221
Feed:	72.4	72.1	8,408	8,475
Grains	23.8	21.0	1,581	1,735
Hays & Forages	29.0	25.1	966	1,101
Complete Ration/Formula Feed	30.0	28.6	3,596	3,688
Protein Meals or Conc.	24.4	24.4	1,420	1,455
Supplements	16.0	16.1	455	585
Minerals, Salts & Additives	48.7	49.4	391	382
Farm Services: <u>8/ 9/</u>	97.9	97.8	12,335	13,091
Crop Custom Services	40.8	37.7	905	831
Livestock Custom Services	9.1	9.3	274	441
Transportation	28.4	22.6	613	491
Vet Supplies, Svcs, Etc.	56.1	49.2	626	643
Rent	38.9	39.3	5,237	5,576
Marketing & Storage	60.8	63.4	917	960
Insurance	82.8	79.6	1,298	1,361
Leasing <u>10/</u>	6.5	6.9	217	285
Misc. Farm Business <u>11/</u>	88.5	90.3	951	1,164
Utilities	78.8	77.3	1,299	1,338
Electricity	74.7	74.6	1,076	1,092
Ag Chemicals & Sprays: <u>12/</u>	61.9	64.8	2,098	2,231
Fertilizer: <u>13/</u>	68.5	66.7	3,317	3,330
Commercial Fertilizer	65.9	60.5	3,124	2,970
Interest:	50.8	54.7	3,879	4,371
Farm Real Estate	39.8	41.1	2,622	2,964
Operating Loans	26.2	29.9	1,257	1,407
Taxes: (Property & Real Estate)	94.5	96.5	1,930	2,194
Labor:	44.5	43.7	5,232	6,246
Cash	39.1	38.6	4,167	4,635
Fuels & Lubricants:	91.0	91.0	2,053	2,418
Diesel	63.6	61.4	979	1,172
Gasoline - Bulk	39.7	39.2	432	519
Gasoline - Service Station	48.0	49.2	234	282
Farm Supplies:	69.8	76.8	1,085	1,404
Supplies used in Prod. <u>14/</u>	68.6	76.0	835	1,064
Containers used for Marketing	4.5	4.9	250	340
Building & Fencing:	54.0	58.3	1,060	1,524
New Construction & Remodeling	19.2	21.5	699	1,075
Farm & Land Improvements:	17.4	22.9	408	519
New Construction	7.8	9.5	279	341
Farm Machinery: <u>15/16/17/18/</u>	84.3	83.2	5,937	6,053
Seeds & Plants: <u>19/ 20/</u>	61.7	59.6	1,778	1,840
Trucks & Autos: <u>21/</u>	16.8	17.7	982	1,024
Trucks incl. Beds, Hydraulic systems, etc.	14.7	14.6	903	919

See footnotes on page 9.

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Farm Production Expenditures, United States 2/ 1989 and 1990 (continued)

Expenditure - Farm Share	United States	
	Total Expenditures <u>5/</u> 1989	1990
	1,000 Dollars	
Total Expenditures <u>6/</u>	124,123,722	132,153,790
Livestock & Poultry:	14,019,495	15,000,324
Cattle Purchased	11,689,032	12,503,379
Hogs & Pigs Purchased	878,736	1,113,710
Poultry Purchased	1,020,775	816,768
Other Livestock & Poultry <u>7/</u>	254,262	471,531
Feed:	18,225,017	18,119,397
Grains	3,426,625	3,514,889
Hays & Forages	2,093,071	2,230,031
Complete Ration/Formula Feed	7,794,541	7,468,739
Protein Meals or Conc.	3,078,572	2,946,516
Supplements	985,230	1,184,854
Minerals, Salts & Additives	846,978	774,368
Farm Services: <u>8/ 9/</u>	26,739,285	27,988,421
Crop Custom Services	1,960,963	1,777,559
Livestock Custom Services	593,208	942,453
Transportation	1,328,746	1,050,304
Vet Supplies, Svcs, Etc.	1,356,663	1,374,017
Rent	11,352,601	11,921,802
Marketing & Storage	1,987,712	2,052,846
Insurance	2,813,733	2,910,308
Leasing <u>10/</u>	469,487	609,089
Misc. Farm Business <u>11/</u>	2,060,765	2,486,115
Utilities	2,815,407	2,860,929
Electricity	2,332,938	2,297,575
Ag Chemicals & Sprays: <u>12/</u>	4,548,318	4,769,064
Fertilizer: <u>13/</u>	7,190,920	7,119,073
Commercial Fertilizer	6,772,460	6,349,641
Interest:	8,408,597	9,345,014
Farm Real Estate	5,683,534	6,337,845
Operating Loans	2,725,064	3,007,169
Taxes: (Property & Real Estate)	4,183,392	4,690,150
Labor:	11,340,182	13,353,594
Cash	9,032,223	9,910,084
Fuels & Lubricants:	4,449,270	5,169,105
Diesel	2,121,712	2,418,025
Gasoline - Bulk	935,906	1,071,977
Gasoline - Service Station	507,443	581,577
Farm Supplies:	2,351,251	3,002,210
Supplies used in Prod. <u>14/</u>	1,809,901	2,275,332
Containers used for Marketing	541,349	726,878
Building & Fencing:	2,297,420	3,257,256
New Construction & Remodeling	1,514,256	2,298,247
Farm & Land Improvements:	883,450	1,110,028
New Construction	605,840	728,458
Farm Machinery: <u>15/16/17/18/</u>	12,869,156	12,940,710
Seeds & Plants: <u>19/ 20/</u>	3,855,168	3,933,047
Trucks & Autos: <u>21/</u>	2,129,107	2,190,257
Trucks incl. Beds, Hydraulic systems, etc.	1,957,133	1,964,793

See footnotes on page 9.

Farm Production Expenditures, By Region 1/, 1990

Expenditure - Farm Share <u>5/</u>	Total Expenditures by Region		
	Northeast	Lake States	Corn Belt
	1,000 Dollars		
Total Farm Production Expend <u>6/</u>	9,482,678	15,378,223	26,007,195
Livestock & Poultry:	593,811	977,158	2,125,026
Cattle Purchased	361,801	686,879	1,546,599
Hogs & Pigs Purchased	28,908	100,563	468,735
Poultry Purchased	176,860	50,655	75,449
Other Livestock & Poultry <u>7/</u>	25,904	131,383	20,266
Feed:	1,927,841	2,046,144	2,980,780
Grains	126,060	411,853	495,921
Hays & Forages	82,832	105,567	204,150
Complete Ration/Formula Feed	1,276,544	506,046	1,041,686
Protein Meals or Concentrates	270,807	755,622	764,388
Supplements	81,855	129,413	384,446
Minerals, Salts & Additives	89,743	137,644	90,189
Farm Services: <u>8/</u> <u>9/</u>	1,376,375	3,045,301	6,874,775
Crop Custom Services	73,976	150,806	240,443
Livestock Custom Services	13,384	57,339	45,796
Transportation	108,177	139,827	130,185
Vet Supplies, Svcs, Etc.	175,458	260,251	217,085
Rent	204,898	1,153,621	4,696,896
Marketing & Storage	210,357	205,166	194,346
Insurance	186,570	403,065	546,479
Leasing <u>10/</u>	44,934	89,066	90,389
Misc. Farm Business <u>11/</u>	137,880	232,268	298,565
Utilities	220,741	353,893	414,591
Electricity	183,514	293,956	316,534
Ag Chemicals & Sprays: <u>12/</u>	191,748	603,476	1,266,618
Fertilizer: <u>13/</u>	405,393	921,557	1,965,852
Commercial Fertilizer	308,589	866,026	1,839,710
Interest:	564,388	1,309,312	1,851,737
Farm Real Estate	412,250	923,194	1,262,240
Operating Loans	152,138	386,118	589,497
Taxes: (Property & Real Estate)	572,182	860,654	1,002,174
Labor:	1,342,586	1,172,112	1,354,382
Cash	1,061,600	932,335	927,640
Fuels & Lubricants:	317,177	627,917	971,123
Diesel	121,799	275,120	482,649
Gasoline - Bulk	75,596	164,042	215,742
Gasoline - Service Station	23,724	44,399	66,340
Farm Supplies:	294,904	378,333	438,391
Supplies Used in Prod. <u>14/</u>	221,415	341,424	398,471
Containers Used for Marketing	73,489	36,910	39,921
Building & Fencing:	464,763	522,945	613,476
New Construction & Remodeling	368,785	388,792	421,629
Farm & Land Improvements:	78,327	100,656	181,013
New Construction	55,919	62,812	122,417
Farm Machinery: <u>15/16/17/18/</u>	939,407	1,950,289	2,876,794
Seeds & Plants: <u>19/</u> <u>20/</u>	261,504	584,845	1,119,154
Trucks & Autos: <u>21/</u>	132,622	267,098	364,540
Trucks incl Beds, Hydraulic Systems. Etc.	110,431	225,247	330,228

See footnotes on page 9.

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Farm Production Expenditures, By Region 1/, 1990 (continued)

Expenditure - Farm Share <u>5/</u>	Total Expenditures by Region	
	Northern Plains	Appalachian
1,000 Dollars		
Total Farm Production Expend <u>6/</u>	18,734,847	9,427,916
Livestock & Poultry:	4,946,868	902,146
Cattle Purchased	4,753,860	376,156
Hogs & Pigs Purchased	154,693	292,094
Poultry Purchased	14,369	162,831
Other Livestock & Poultry <u>7/</u>	9,476	68,824
Feed:	2,215,383	1,529,879
Grains	967,313	141,943
Hays & Forages	196,867	50,210
Complete Ration/Formula Feed	513,384	892,949
Protein Meals or Concentrates	244,834	183,031
Supplements	181,437	198,153
Minerals, Salts & Additives	111,549	63,593
Farm Services: <u>8/ 9/</u>	3,651,193	1,806,843
Crop Custom Services	198,668	82,039
Livestock Custom Services	218,514	9,041
Transportation	62,446	52,952
Vet Supplies, Svcs, Etc.	146,600	109,124
Rent	1,930,713	733,529
Marketing & Storage	111,177	216,069
Insurance	416,325	229,884
Leasing <u>10/</u>	70,967	9,797
Misc. Farm Business <u>11/</u>	186,098	185,365
Utilities	309,686	179,043
Electricity	232,767	145,414
Ag Chemicals & Sprays: <u>12/</u>	504,929	320,462
Fertilizer: <u>13/</u>	773,317	594,983
Commercial Fertilizer	730,293	502,505
Interest:	1,347,680	600,151
Farm Real Estate	788,366	475,821
Operating Loans	559,313	124,330
Taxes: (Property & Real Estate)	694,992	235,544
Labor:	642,224	961,035
Cash	494,983	762,024
Fuels & Lubricants:	794,618	415,830
Diesel	412,308	151,564
Gasoline - Bulk	203,760	46,545
Gasoline - Service Station	54,059	78,701
Farm Supplies:	254,217	231,602
Supplies Used in Prod. <u>14/</u>	246,603	182,008
Containers Used for Marketing	7,614	49,594
Building & Fencing:	252,343	331,945
New Construction & Remodeling	157,313	234,181
Farm & Land Improvements:	121,191	53,135
New Construction	73,776	24,640
Farm Machinery: <u>15/16/17/18/</u>	1,785,487	982,978
Seeds & Plants: <u>19/ 20/</u>	486,090	223,214
Trucks & Autos: <u>21/</u>	255,441	220,619
Trucks incl Beds, Hydraulic Systems, Etc.	220,601	202,228

See footnotes on page 9.

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Farm Production Expenditures, By Region 1/, 1990 (continued)

Expenditure - Farm Share <u>5/</u>	Total Expenditures by Region		
	Southeast	Delta States	Southern Plains
	1,000 Dollars		
Total Farm Production Expend. <u>6/</u>	8,059,521	6,583,612	10,906,495
Livestock & Poultry:	535,597	488,853	2,168,250
Cattle Purchased	411,247	295,678	2,037,854
Hogs & Pigs Purchased	17,606	27,315	10,617
Poultry Purchased	87,234	141,460	37,273
Other Livestock & Poultry <u>7/</u>	19,047	24,143	74,312
Feed:	1,319,075	1,333,269	1,187,360
Grains	201,190	167,390	328,993
Hays & Forages	34,140	29,183	203,364
Complete Ration/Formula Feed	726,102	1,042,514	350,562
Protein Meals or Concentrates	263,263	29,811	182,570
Supplements	40,649	32,117	44,325
Minerals, Salts & Additives	53,732	32,255	77,546
Farm Services: <u>8/ 9/</u>	1,120,320	1,513,169	2,269,447
Crop Custom Services	79,510	103,236	333,919
Livestock Custom Services	44,060	33,041	148,149
Transportation	89,481	160,513	65,437
Vet Supplies, Svcs, Etc.	43,257	82,853	89,769
Rent	239,657	611,149	731,135
Marketing & Storage	132,269	130,901	155,921
Insurance	166,777	135,519	261,533
Leasing <u>10/</u>	35,272	59,962	30,145
Misc. Farm Business <u>11/</u>	135,870	88,405	178,905
Utilities	154,167	107,590	274,534
Electricity	122,367	80,465	212,960
Ag Chemicals & Sprays: <u>12/</u>	471,579	450,079	226,980
Fertilizer: <u>13/</u>	591,613	325,370	502,798
Commercial Fertilizer	489,982	297,913	461,389
Interest:	435,411	343,366	808,715
Farm Real Estate	348,149	210,705	483,297
Operating Loans	87,262	132,661	325,418
Taxes: (Property & Real Estate)	188,137	78,288	296,887
Labor:	1,411,628	520,237	824,967
Cash	1,039,365	420,188	575,138
Fuels & Lubricants:	297,694	265,409	531,279
Diesel	143,429	159,194	242,549
Gasoline - Bulk	38,104	20,665	67,215
Gasoline - Service Station	48,910	38,480	119,720
Farm Supplies:	223,702	92,179	228,444
Supplies Used in Prod. <u>14/</u>	101,276	80,471	190,793
Containers Used for Marketing	122,426	11,708	37,651
Building & Fencing:	270,020	97,499	251,066
New Construction & Remodeling	176,443	57,698	176,077
Farm & Land Improvements:	106,195	37,918	98,882
New Construction	83,195	21,220	61,346
Farm Machinery: <u>15/16/17/18/</u>	634,170	737,865	1,018,032
Seeds & Plants: <u>19/ 20/</u>	278,705	150,242	186,086
Trucks & Autos: <u>21/</u>	139,483	123,155	297,362
Trucks incl Beds, Hydraulic Systems, Etc.	130,678	119,832	277,890

See footnotes on page 9.

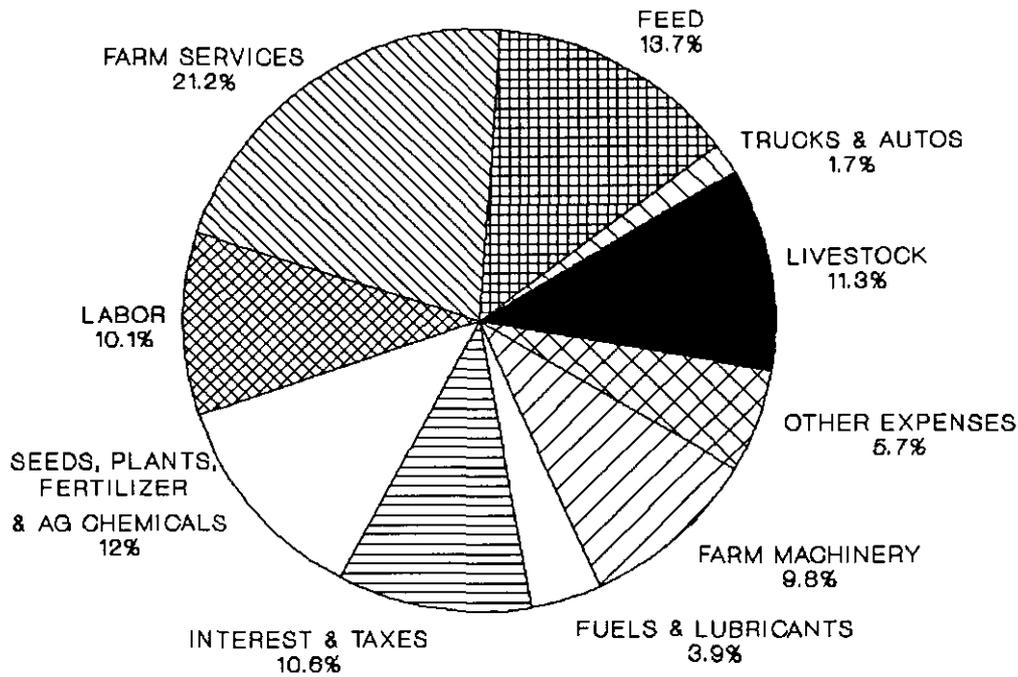
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Farm Production Expenditures, By Region 1/, 1990 (continued)

Expenditure - Farm Share <u>5/</u>	Total Expenditures by Region	
	Mountain	Pacific
1,000 Dollars		
Total Farm Production Expend. <u>6/</u>	10,151,055	17,422,247
Livestock & Poultry:	1,217,915	1,044,700
Cattle Purchased	1,090,738	942,567
Hogs & Pigs Purchased	11,677	1,503
Poultry Purchased	53,880	16,757
Other Livestock & Poultry <u>7/</u>	45,797	52,380
Feed:	1,373,374	2,206,293
Grains	337,406	423,881
Hays & Forages	462,257	835,014
Complete Ration/Formula Feed	301,322	743,965
Protein Meals or Concentrates	140,062	134,846
Supplements	47,660	25,118
Minerals, Salts & Additives	84,667	43,470
Farm Services: <u>8/</u> <u>9/</u>	2,343,992	3,987,006
Crop Custom Services	193,168	321,795
Livestock Custom Services	184,141	188,990
Transportation	58,245	183,041
Vet Supplies, Svcs, Etc.	101,787	147,834
Rent	709,107	911,096
Marketing & Storage	157,329	539,310
Insurance	225,382	338,774
Leasing <u>10/</u>	71,613	106,942
Misc. Farm Business <u>11/</u>	306,911	738,848
Utilities	336,309	510,376
Electricity	282,375	426,497
Ag Chemicals & Sprays: <u>12/</u>	250,719	482,472
Fertilizer: <u>13/</u>	391,386	646,803
Commercial Fertilizer	369,859	469,876
Interest:	872,073	1,212,181
Farm Real Estate	578,467	855,356
Operating Loans	293,606	356,825
Taxes: (Property & Real Estate)	229,214	532,077
Labor:	1,097,294	4,027,127
Cash	797,231	2,899,580
Fuels & Lubricants:	423,997	524,060
Diesel	184,463	247,628
Gasoline - Bulk	119,070	122,678
Gasoline - Service Station	50,892	57,580
Farm Supplies:	237,293	623,144
Supplies Used in Prod. <u>14/</u>	200,170	312,701
Containers Used for Marketing	37,123	310,443
Building & Fencing:	191,798	261,399
New Construction & Remodeling	133,611	183,718
Farm & Land Improvements:	126,405	206,307
New Construction	89,203	133,931
Farm Machinery: <u>15/16/17/18/</u>	969,166	1,046,523
Seeds & Plants: <u>19/</u> <u>20/</u>	230,322	412,884
Trucks & Autos: <u>21/</u>	188,175	201,761
Trucks incl Beds, Hydraulic Systems. Etc.	167,957	179,701

See footnotes on page 9.

1990 EXPENDITURES (PERCENT OF TOTAL FARM OUTLAY)



1990 Expenditures by Economic Class and Region

Region 1/	Gross Value of Sales		
	Under \$40,000	\$40,000 to \$99,999	\$100,000+
	1,000 Dollars		
Northeast	1,695,230	1,659,139	6,128,309
Lake States	2,190,900	2,559,270	10,628,053
Corn Belt	3,705,919	4,104,575	18,196,701
Northern Plains	1,270,437	3,216,248	14,248,162
Appalachian	2,556,712	1,895,374	4,975,830
Southeast	1,397,390	837,273	5,824,858
Delta States	947,388	768,058	4,868,167
Southern Plains	2,715,697	1,631,781	6,559,016
Mountain	1,082,391	1,187,360	7,881,305
Pacific	1,798,596	953,018	14,670,633
United States	19,360,660	18,812,096	93,981,034

See footnotes on page 9.

Footnotes

- 1/ Northeast: CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT; Lake States: MI, MN, WI; Corn Belt: IL, IN, IA, NO, OH; Northern Plains: KS, NE, ND, SD; Appalachian: KY, NC, TN, VA, WV; Southeast: AL, FL, GA, SC; Delta: AR, LA, MS; Southern Plains: OK, TX; Mountain: AZ, CO, ID, MT, NV, NM, UT, WY; Pacific: CA, OR, WA.
- 2/ Excludes Alaska & Hawaii.
- 3/ Survey expanded number of farms reporting item divided by survey expanded number of farms.
- 4/ Total expenditures divided by official number of farms published by NASS in "Farm Number and Land in Farms", July 1990.
- 5/ Totals may not add due to rounding. Some detailed regional breakdowns will not add to the U.S. total because of allocation procedures used to distribute major expenditures.
- 6/ Includes landlord expenditures.
- 7/ Excludes veterinary supplies; bedding, litter, straw & etc.; purchase of capital equipment for livestock & poultry; repair & maintenance of livestock & poultry equipment; other non-capitalized equipment for livestock & poultry; and custom feeding of livestock on a per head or gain basis and grazing fees for livestock. Includes purchases and leasing expenses for all other livestock and livestock products (eggs, wool, milk, and leasing of livestock).
- 8/ Includes custom feeding of livestock on a per head or gain basis and grazing fees for livestock.
- 9/ Includes veterinary supplies.
- 10/ Includes tractors, other farm machinery, self-propelled machinery, fertilizer & irrigation equipment, trucks, autos & other motor vehicles (leased or rented).
- 11/ Excludes telephone and water, but includes irrigation water cost.
- 12/ Excludes seed treatment.
- 13/ Includes materials and applications.
- 14/ Includes bedding, litter, straw & etc.; other non-capitalized equipment for livestock & poultry. Includes (in 1990) power farm shop equipment and motor supplies.
- 15/ Includes repair & maintenance of livestock & poultry equipment and motor supplies.
- 16/ Includes other motor vehicles purchased.
- 17/ Includes purchase of capital equipment for livestock & poultry.
- 18/ Excludes power farm shop equipment in 1990. In 1989 and earlier years, power shop equipment data were included here.
- 19/ Excludes bedding plants, nursery stocks, and seed purchased for resale.
- 20/ Includes seed treatment.
- 21/ Excludes other motor vehicles purchased.

Special Features: Expenditure data in this report will differ from production expense estimates published in the "Economic Indicators of the Farm Sector" issued by the Economic Research Service of the USDA. The Farm Income estimates treat agriculture as a sector within the U.S. economy. Not all transactions between farmers are measured in the income accounts since many cancel within the farm sector. In addition, there are some other conceptual and definitional differences.

The Farm Production Expenditure data are the results of sample surveys of over 24,000 farms and ranchers annually. Individuals surveyed in February and March of 1991 were chosen from a list of farm operators supplemented with producers living inside randomly selected geographical areas to ensure representation of all farms and ranches with potential agricultural sales of at least \$1,000 in value during the year. These operations meet the Standard Industrial Code classification for agricultural production of crops and livestock - major group codes 01 and 02, respectively.

The next Farm Production Expenditures report will be released at 3:00 p.m. ET on August 2, 1991.

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