
Farm Production Expenditures, 1986



Agricultural
Statistics
Board

National Agricultural
Statistics Service

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Department of
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PRELIMINARY SUMMARY

FARM EXPENDITURES DOWN 16 PERCENT

Farm production expenditures totaled \$106.0 billion in 1986, down 16 percent from \$125.9 billion in 1985. Lower expenditures were experienced in all major categories except building and fencing which increased 5.2 percent from a year earlier. Farm services, including rent, represented the largest 1986 expenditures by farmers at \$23.3 billion. This was 17 percent below 1985, and accounted for 22 percent of the Nation's production expenses. Feed expenses totaled \$14.9 billion (down 19 percent) and accounted for 14 percent of the U.S. total. Average expenditures per farm were \$47,976, a drop of \$7,266 from 1985.

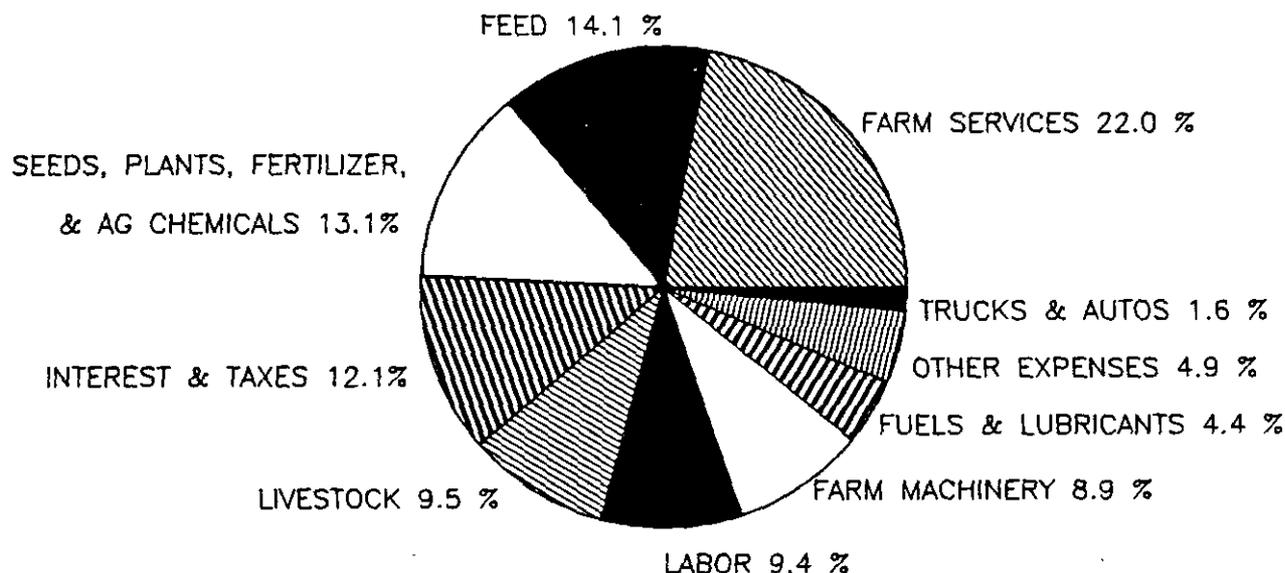
Large farm (sales over \$100,000) expenditures averaged \$244,141 and accounted for over 67 percent of the U.S. total. Purchases of farm services, feed, labor, and livestock & poultry were major expenses (over 50 percent of the total) for operations with sales over \$100,000. The large farms accounted for more than two-thirds of the U.S. expenses for farm services, feed, labor, livestock & poultry, agriculture chemical & sprays, and seeds & plants.

Medium sized farms (sales of \$40,000-\$100,000) averaged \$68,535 in expenses per farm during 1986 and contributed 17 percent of the U.S. total. Leading expenditures for medium sized farms were farm services, feed, and farm machinery.

Small farm (sales less than \$40,000) expenditures averaged \$17,331 and accounted for 16 percent of the Nations production expenses. The three leading expenditure categories for small farms were farm services, feed, and farm machinery.

1986 EXPENDITURES

(PERCENT OF TOTAL FARM OUTLAY)



1986 EXPENDITURES BY VALUE OF SALES

REGION 1/	SALES CLASS		
	UNDER \$40,000	\$40,000 TO \$99,999	\$100,000 +
MILLION DOLLARS			
NORTHEAST	1,238	1,597	5,067
LAKE STATES	1,794	2,529	7,278
CORN BELT	3,344	5,018	15,658
NORTHERN PLAINS	1,308	2,840	10,435
APPALACHIAN	1,677	794	4,351
SOUTHEAST	1,702	663	4,753
DELTA STATES	773	773	3,216
SOUTHERN PLAINS	2,499	1,363	5,080
MOUNTAIN	986	1,221	5,632
PACIFIC	1,418	819	10,170
UNITED STATES	16,739	17,616	71,640

SEE FOOTNOTES, PAGE 6.

FARM PRODUCTION EXPENDITURES, UNITED STATES 2/ 1985 AND 1986

UNITED STATES						
EXPENDITURE - FARM SHARE	FARMS REPORTING 3/		AVERAGE PER FARM 4/		TOTAL EXPENDITURES 23/	
	1985	1986	1985	1986	1985	1986
	PERCENT		DOLLARS		MILLION DOLLARS	
TOTAL EXPENDITURES 5/	100.0	100.0	55,242	47,976	125,916	105,995
LIVESTOCK & POULTRY:	43.8	42.2	5,922	4,549	13,499	10,051
CATTLE PURCHASED	31.2	30.7	4,704	3,471	10,722	7,668
HOGS & PIGS PURCHASED	10.7	10.5	398	464	907	1,025
POULTRY PURCHASED	4.0	4.4	459	433	1,046	958
OTHER LIVESTOCK & POULTRY EXPENSES 6/	4.8	5.5	274	121	625	267
FEED:	74.9	72.5	7,940	6,766	18,098	14,948
GRAINS	31.5	34.0	2,159	1,768	4,922	3,907
HAYS & FORAGES	25.7	26.9	940	753	2,141	1,665
PROTEIN MEALS OR CONC. 7/	35.5	25.1	1,661	1,144	3,785	2,527
SUPPLEMENTS	N/A	20.9	N/A	573	N/A	1,265
MINERALS, SALTS & ADDITIVES	54.2	52.6	466	301	1,061	665
FARM SERVICES: 8/ 9/	99.8	99.7	12,368	10,546	28,192	23,300
CROP CUSTOM SERVICES	39.7	39.9	762	621	1,736	1,372
LIVESTOCK CUSTOM SERVICES	15.8	14.4	394	244	898	538
TRANSPORTATION	35.2	36.3	498	507	1,135	1,120
VET SUPPLIES & SERVICES	66.7	65.0	828	791	1,888	1,748
CASH RENT	37.2	34.5	2,357	2,053	5,372	4,535
SHARE RENT	22.5	21.1	3,206	2,273	7,307	5,022
MARKETING & STORAGE	61.4	54.4	1,074	832	2,449	1,838
INSURANCE 5/	88.6	82.4	1,089	1,079	2,482	2,383
LEASING 10/	8.0	7.6	187	190	427	419
MISC. FARM BUSINESS 11/	96.1	95.7	794	845	1,811	1,868
UTILITIES	91.7	88.5	1,179	1,111	2,686	2,455
ELECTRICITY	89.8	85.7	972	905	2,214	2,000
AG CHEMICALS & SPRAYS: 12/	59.1	56.7	1,729	1,604	3,942	3,544
FERTILIZER: 13/	76.3	75.9	3,779	3,109	8,614	6,868
COMMERCIAL FERTILIZERS	74.6	74.8	3,607	2,963	8,222	6,547
INTEREST: 5/	62.6	60.5	5,494	4,603	12,522	10,170
FARM REAL ESTATE	45.3	43.9	3,274	2,955	7,463	6,529
OPERATING LOANS	42.2	38.8	2,219	1,648	5,059	3,641
TAXES (PROPERTY) 5/	90.9	90.3	1,172	1,179	2,672	2,605
LABOR:	55.5	53.7	4,811	4,487	10,965	9,913
CASH WAGES	51.8	50.0	3,804	3,644	8,672	8,051
FUELS & LUBRICANTS:	97.3	96.2	2,829	2,124	6,449	4,692
DIESEL	70.4	67.7	1,280	923	2,918	2,039
GASOLINE - BULK	52.4	47.2	677	481	1,543	1,063
GASOLINE - SERVICE STATION	55.8	53.2	269	201	614	444
FARM SUPPLIES:	80.9	80.8	779	697	1,775	1,539
SUPPLIES USED IN PROD. 15/	83.9	79.7	540	383	1,231	846
CONTAINERS USED FOR MKTG.	4.6	5.2	238	314	543	693
BUILDING & FENCING:	55.5	53.5	998	1,083	2,275	2,393
NEW CONSTRUCTION & REMODELING	21.2	20.0	667	736	1,520	1,626
FARM & LAND IMPROVEMENTS:	27.7	21.4	457	383	1,042	847
NEW CONSTRUCTION	14.1	10.3	323	233	736	514
FARM MACHINERY 16/ 17/ 18/ 19/	90.8	90.6	4,417	4,278	10,068	9,452
SEEDS & PLANTS: 20/ 21/	72.3	71.0	1,729	1,589	3,941	3,511
TRUCKS & AUTOS: 22/	19.1	19.2	773	776	1,762	1,714
TRUCKS INCL BEDS, HYDRAULIC SYSTEMS, ETC.	15.7	15.5	674	662	1,537	1,464

SEE FOOTNOTES, PAGE 6.

FARM PRODUCTION EXPENDITURES, BY REGION 1/ 1986

EXPENDITURE - FARM SHARE	TOTAL EXPENDITURES BY REGION, 1986				
	NORTHEAST	LAKES STATES	CORN BELT	NORTHERN PLAINS	APPALACHIAN
MILLION DOLLARS					
TOTAL EXPENDITURES 5/	7,903	11,601	24,020	14,582	6,822
LIVESTOCK & POULTRY:	436	617	2,233	2,428	628
CATTLE PURCHASED	239	398	1,566	2,213	331
HOGS & PIGS PURCHASED	34	169	462	188	50
POULTRY PURCHASED	126	32	108	6	226
OTHER LIVESTOCK & POULTRY EXPENSES 6/	37	13	75	8	19
FEED:	1,574	1,460	2,936	1,781	1,269
GRAINS	337	288	652	771	205
HAYS & FORAGES	77	98	169	158	47
PROTEIN MEALS OR CONC. 7/	197	511	801	383	116
SUPPLEMENTS	87	86	543	169	69
MINERALS, SALTS & ADDITIVES	59	120	167	81	49
FARM SERVICES: 8/ 9/	1,461	2,527	6,177	3,423	1,334
CROP CUSTOM SERVICES	42	110	222	224	58
LIVESTOCK CUSTOM SERVICES	45	37	50	169	11
TRANSPORTATION	243	138	165	96	64
VET SUPPLIES & SERVICES	290	285	310	166	123
CASH RENT	160	656	1,357	689	207
SHARE RENT	20	255	2,438	1,051	219
MARKETING & STORAGE	155	260	331	204	179
INSURANCE 5/	174	269	503	313	197
LEASING 10/	17	47	102	49	7
MISC. FARM BUSINESS 11/	99	138	223	176	117
UTILITIES	216	333	476	285	152
ELECTRICITY	172	276	381	218	112
AG CHEMICALS & SPRAYS: 12/	158	376	999	395	195
FERTILIZER: 13/	406	746	2,062	840	489
COMMERCIAL FERTILIZERS	338	722	1,984	834	444
INTEREST: 5/	485	1,460	2,442	1,467	543
FARM REAL ESTATE	370	928	1,625	805	365
OPERATING LOANS	115	532	816	662	178
TAXES (PROPERTY) 5/	255	494	531	338	118
LABOR:	1,059	798	948	516	693
CASH WAGES	867	692	826	444	593
FUELS & LUBRICANTS:	296	603	1,013	769	331
DIESEL	105	232	449	382	116
GASOLINE - BULK	77	145	253	196	62
GASOLINE - SERVICE STATION	32	33	64	48	56
FARM SUPPLIES:	168	236	201	144	78
SUPPLIES USED IN PROD. 15/	76	206	175	109	64
CONTAINERS USED FOR MKTG.	92	30	26	35	14
BUILDING & FENCING:	342	334	514	220	169
NEW CONSTRUCTION & REMODELING	236	238	351	141	99
FARM & LAND IMPROVEMENTS:	59	88	128	75	46
NEW CONSTRUCTION	38	67	97	44	30
FARM MACHINERY 16/ 17/ 18/ 19/	751	1,183	2,208	1,452	573
SEEDS & PLANTS: 20/ 21/	254	441	1,046	485	194
TRUCKS & AUTOS: 22/	178	176	317	188	157
TRUCKS INCL BEDS, HYDRAULIC SYSTEMS, ETC.	145	134	260	149	140

SEE FOOTNOTES, PAGE 6.

CONTINUED

FARM PRODUCTION EXPENDITURES, BY REGION 1/ 1986 CONTINUED

EXPENDITURE - FARM SHARE	TOTAL EXPENDITURES BY REGION, 1986				
	SOUTHEAST	DELTA STATES	SOUTHERN PLAINS	MOUNTAIN	PACIFIC
MILLION DOLLARS					
TOTAL EXPENDITURES 5/	7,118	4,761	8,942	7,838	12,407
LIVESTOCK & POULTRY:	555	323	1,174	1,371	287
CATTLE PURCHASED	204	171	1,066	1,270	210
HOGS & PIGS PURCHASED	57	11	9	43	2
POULTRY PURCHASED	290	119	34	5	14
OTHER LIVESTOCK & POULTRY EXPENSES 6/	5	23	22	15	51
FEED:	1,154	823	1,381	770	1,800
GRAINS	137	215	629	259	408
HAYS & FORAGES	41	25	167	244	648
PROTEIN MEALS OR CONC. 7/	82	71	229	31	106
SUPPLEMENTS	81	57	103	46	23
MINERALS, SALTS & ADDITIVES	43	39	37	37	34
FARM SERVICES: 8/ 9/	1,049	1,068	1,801	1,691	2,770
CROP CUSTOM SERVICES	81	65	179	156	236
LIVESTOCK CUSTOM SERVICES	14	4	68	93	49
TRANSPORTATION	105	52	40	61	157
VET SUPPLIES & SERVICES	95	94	145	80	161
CASH RENT	213	211	282	229	532
SHARE RENT	15	266	270	272	217
MARKETING & STORAGE	96	77	140	103	293
INSURANCE 5/	171	98	192	199	267
LEASING 10/	36	26	36	32	67
MISC. FARM BUSINESS 11/	104	94	260	252	405
UTILITIES	119	82	191	215	387
ELECTRICITY	95	67	147	184	344
AG CHEMICALS & SPRAYS: 12/	337	296	151	186	451
FERTILIZER: 13/	577	322	447	394	586
COMMERCIAL FERTILIZERS	532	308	439	388	556
INTEREST: 5/	498	353	874	927	1,121
FARM REAL ESTATE	345	209	558	592	732
OPERATING LOANS	154	144	316	335	388
TAXES (PROPERTY) 5/	140	55	193	172	309
LABOR:	1,158	401	784	795	2,762
CASH WAGES	922	347	540	584	2,235
FUELS & LUBRICANTS:	279	245	445	351	359
DIESEL	129	138	186	149	151
GASOLINE - BULK	34	24	51	113	111
GASOLINE - SERVICE STATION	37	33	89	22	33
FARM SUPPLIES:	124	22	141	116	388
SUPPLIES USED IN PROD. 15/	28	10	64	103	88
CONTAINERS USED FOR MKTG.	95	11	77	13	300
BUILDING & FENCING:	237	141	191	84	161
NEW CONSTRUCTION & REMODELING	182	122	125	39	93
FARM & LAND IMPROVEMENTS:	167	32	76	70	106
NEW CONSTRUCTION	46	26	53	47	66
FARM MACHINERY 16/ 17/ 18/ 19/	489	461	804	588	865
SEEDS & PLANTS: 20/ 21/	259	167	201	200	265
TRUCKS & AUTOS: 22/	93	49	272	113	171
TRUCKS INCL BEDS, HYDRAULIC SYSTEMS, ETC.	88	45	263	98	145

SEE FOOTNOTES, PAGE 6.

FOOTNOTES

- 1/ NORTHEAST: CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT; LAKE STATES: MI, MN, WI; CORN BELT: IL, IN, IA, MO, 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.
- 5/ INCLUDES LANDLORD EXPENDITURES.
- 6/ 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 & LEASING OF LIVESTOCK).
- 7/ EXCLUDED PROTEIN CONCENTRATES IN 1985.
- 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 AND FEES FOR 1985.
- 12/ EXCLUDES SEED TREATMENT.
- 13/ INCLUDES MATERIALS AND APPLICATIONS.
- 14/ NOT INCLUDED IN TOTAL.
- 15/ INCLUDES BEDDING, LITTER, STRAW & ETC.; OTHER NON-CAPITALIZED EQUIPMENT FOR LIVESTOCK & POULTRY. EXCLUDES POWER FARM SHOP EQUIPMENT AND MOTOR SUPPLIES.
- 16/ INCLUDES REPAIR & MAINTENANCE OF LIVESTOCK & POULTRY EQUIPMENT AND MOTOR SUPPLIES.
- 17/ INCLUDES OTHER MOTOR VEHICLES PURCHASED.
- 18/ INCLUDES PURCHASE OF CAPITAL EQUIPMENT FOR LIVESTOCK & POULTRY.
- 19/ INCLUDES POWER FARM SHOP EQUIPMENT.
- 20/ EXCLUDES BEDDING PLANTS, NURSERY STOCKS AND SEED PURCHASED FOR RESALE.
- 21/ INCLUDES SEED TREATMENT.
- 22/ EXCLUDES OTHER MOTOR VEHICLES PURCHASED.
- 23/ SOME DETAILED REGIONAL BREAKDOWNS WILL NOT ADD TO THE U.S. TOTAL BECAUSE OF ALLOCATION PROCEDURES USED TO DISTRIBUTE MAJOR EXPENDITURE COMPONENTS.

EXPENDITURE DATA IN THIS REPORT WILL DIFFER FROM PRODUCTION EXPENSE ESTIMATES IN THE FARM INCOME TABLES PUBLISHED IN THE "ECONOMIC INDICATORS OF THE FARM SECTOR" 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. OVERALL, THE TOTAL FARM PRODUCTION EXPENDITURES WILL GENERALLY EXCEED THE ESTIMATED EXPENSES SHOWN IN THE FARM INCOME ACCOUNTS.

THE FARM PRODUCTION EXPENDITURE DATA ARE THE RESULTS OF SAMPLE SURVEYS OF OVER 24,000 FARMERS AND RANCHERS ANNUALLY. INDIVIDUALS SURVEYED WERE CHOSEN FROM A LIST OF FARM OPERATORS SUPPLEMENTED WITH PRODUCERS LIVING INSIDE RANDOMLY SELECTED GEOGRAPHICAL AREAS TO ENSURE REPRESENTATION OF ALL FARMS WITH AT LEAST \$1,000 WORTH OF AGRICULTURAL SALES.

 * NOTICE *
 * *
 * FARM PRODUCTION EXPENDITURES, 1986 FINAL DATA WILL BE RELEASED JULY 21, *
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