
Farm Production Expenditures, 1989



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United States
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Agricultural
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Preliminary Summary

FARM EXPENDITURES UP NEARLY 5 PERCENT

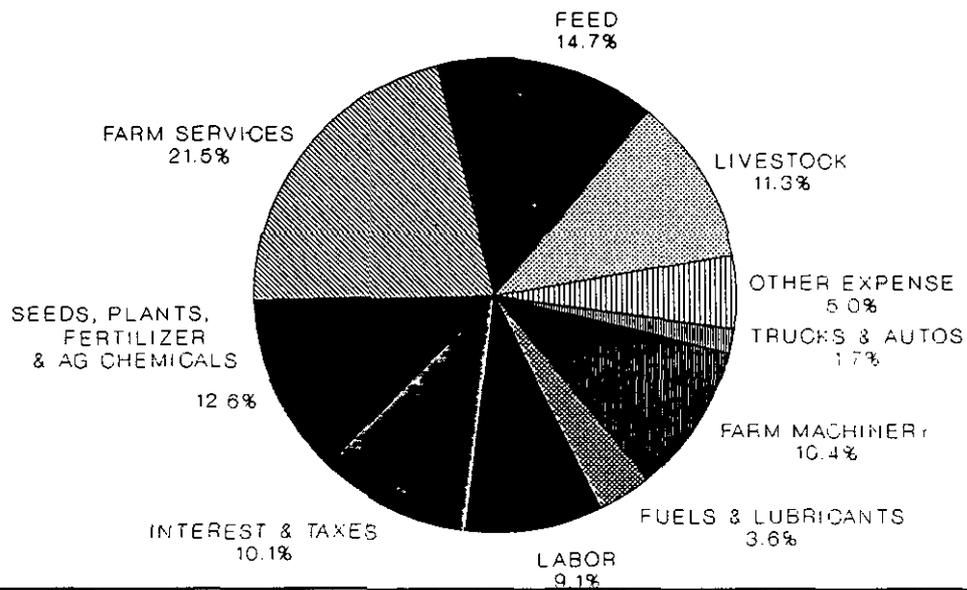
Farm production expenditures totaled \$124.1 billion in 1989, up 4.9 percent from \$118.4 billion in 1988. Average expenditures per farm were \$57,478, an increase of \$2,522 from last year. Expenditures were higher for all major categories except farm and land improvements which decreased 6.3 percent and fuel which declined slightly. Farm services including rent, the largest 1989 expenditure by farmers at \$26.7 billion, accounted for 22 percent of the Nation's production expenses. This level was 0.7 percent above 1988. Feed expenses totaled \$18.2 billion and accounted for 15 percent of the U.S. total.

Large farm (sales over \$100,000) expenditures averaged \$298,589 and accounted for nearly 70 percent of the U.S. total. Purchases of farm services, feed, livestock & poultry, and labor were major expenses (nearly 60 percent of the total) for operations with sales over \$100,000. The large farms accounted for more than one-half of the U.S. expenses for farm services, feed, livestock & poultry, labor, taxes, interest, fuels, farm & land improvements, farm machinery, and seeds.

Medium sized farm (sales of \$40,000-\$100,000) expenses averaged \$79,207 for 1989 and contributed 15 percent of the U.S. total. Leading expenditures were farm services, feed, and farm machinery.

Small farm (sales less than \$40,000) expenditures averaged \$15,896 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.

1989 EXPENDITURES (PERCENT OF TOTAL FARM OUTLAY)



1989 EXPENDITURES BY ECONOMIC CLASS AND REGION

REGION 1/	GROSS VALUE OF SALES		
	UNDER \$40,000	\$40,000 TO \$99,999	\$100,000+
MILLION DOLLARS			
NORTHEAST	1,718	1,195	5,518
LAKE STATES	1,865	2,148	9,582
CORN BELT	3,258	4,297	17,631
NORTHERN PLAINS	1,384	2,766	11,799
APPALACHIAN	2,880	1,718	4,573
SOUTHEAST	1,503	1,544	4,772
DELTA STATES	1,131	837	4,372
SOUTHERN PLAINS	2,568	1,828	6,279
MOUNTAIN	1,280	1,113	6,996
PACIFIC	1,547	1,181	14,842
UNITED STATES	19,135	18,624	86,364

SEE FOOTNOTES ON PAGE 6

FARM PRODUCTION EXPENDITURES, UNITED STATES 2/ 1988 AND 1989

EXPENDITURE - FARM SHARE	UNITED STATES					
	FARM REPORTING 3/		AVERAGE PER FARM 4/		TOTAL EXPENDITURES 5/	
	1988	1989	1988	1989	1988	1989
	PERCENT		DOLLARS	1,000 DOLLARS		
TOTAL EXPENDITURES 6/	100.0	100.0	54,956	57,478	118,361,751	124,123,722
LIVESTOCK & POULTRY:	41.5	40.2	6,318	6,468	13,607,228	14,019,495
CATTLE PURCHASED	28.3	28.0	5,171	5,392	11,137,770	11,689,032
HOGS & PIGS PURCHASED	10.3	8.7	607	405	1,308,065	878,736
POULTRY PURCHASED	4.6	4.9	298	471	641,353	1,020,775
OTHER LIVESTOCK & POULTRY 7/	5.8	5.4	154	117	332,664	254,262
FEED:	73.8	72.4	8,318	8,408	17,914,533	18,225,017
GRAINS	24.1	23.8	1,733	1,435	3,732,322	3,426,625
HAYS & FORAGES	29.9	29.0	903	876	1,945,125	2,093,071
COMPLETE RATION/FORMULA FEED	29.2	30.0	3,071	3,263	6,613,164	7,794,540
PROTEIN MEALS OR CONC.	25.8	24.4	1,603	1,289	3,453,500	3,078,573
SUPPLEMENTS	19.1	16.0	642	412	1,382,086	985,231
MINERALS, SALTS & ADDITIVES	49.2	48.7	366	355	788,335	846,977
FARM SERVICES: 8/ 9/	98.6	97.9	11,436	12,335	24,630,443	26,739,285
CROP CUSTOM SERVICES	40.9	40.8	800	905	1,723,266	1,960,963
LIVESTOCK CUSTOM SERVICES	13.0	9.1	280	274	602,160	593,208
TRANSPORTATION	34.6	28.4	514	613	1,107,937	1,328,746
VET SUPPLIES, SVCS, ETC.	56.8	56.1	577	626	1,242,488	1,356,663
RENT	40.5	38.9	4,652	5,237	10,020,172	11,352,601
MARKETING & STORAGE	55.1	60.8	769	917	1,656,056	1,987,712
INSURANCE	85.4	82.8	1,282	1,298	2,761,457	2,813,733
LEASING 10/	5.6	6.5	206	217	444,056	469,487
MISC. FARM BUSINESS 11/	91.2	88.5	893	951	1,922,858	2,060,765
UTILITIES	84.4	78.8	1,463	1,299	3,149,994	2,815,407
ELECTRICITY	85.3	74.7	1,230	1,043	2,649,728	2,332,937
AG CHEMICALS & SPRAYS: 12/	62.6	61.9	1,792	2,098	3,858,857	4,548,318
FERTILIZER: 13/	70.0	68.5	3,230	3,317	6,957,661	7,190,920
COMMERCIAL FERTILIZER	67.7	65.9	3,039	3,047	6,544,200	6,772,460
INTEREST:	51.5	50.8	3,884	3,879	8,365,498	8,408,597
FARM REAL ESTATE	39.3	39.8	2,656	2,603	5,721,416	5,683,533
OPERATING LOANS	27.8	26.7	1,228	1,276	2,644,083	2,725,064
TAXES: (PROPERTY & REAL ESTATE)	95.3	94.5	1,824	1,930	3,927,991	4,183,392
LABOR:	41.5	44.5	4,747	5,448	10,224,049	11,340,182
CASH WAGES	35.1	39.1	3,737	3,856	8,048,845	9,032,224
FUELS & LUBRICANTS:	92.1	91.0	2,066	2,053	4,450,295	4,449,270
DIESEL	63.4	63.6	984	982	2,119,382	2,121,712
GASOLINE - BULK	40.2	39.7	446	433	960,701	935,906
GASOLINE - SERVICE STATION	47.0	48.0	211	235	454,708	507,443
FARM SUPPLIES:	69.1	69.8	1,044	1,085	2,249,287	2,351,251
SUPPLIES USED IN PROD. 14/	68.0	68.6	787	801	1,694,515	1,809,902
CONTAINERS USED FOR MARKETING:	5.0	4.5	258	239	554,771	541,349
BUILDING & FENCING:	51.8	54.0	1,034	1,060	2,226,172	2,297,420
NEW CONSTRUCTION & REMODELING:	19.2	19.2	698	699	1,503,013	1,514,256
FARM & LAND IMPROVEMENTS:	17.1	17.4	438	408	943,058	883,450
NEW CONSTRUCTION	8.3	7.8	297	279	640,050	605,840
FARM MACHINERY: 15/16/17/18/	85.9	84.3	5,340	5,937	11,501,268	12,869,156
SEEDS & PLANTS: 19/ 20/	63.9	61.7	1,714	1,778	3,692,164	3,855,168
TRUCKS & AUTOS: 21/	19.0	16.8	956	982	2,058,496	2,129,107
TRUCKS INCL. BEDS, HYDRAULIC SYSTEMS, ETC.	15.0	14.7	839	900	1,807,080	1,957,133

SEE FOOTNOTES ON PAGE 6.

FARM PRODUCTION EXPENDITURES, BY REGION 1/, 1989

EXPENDITURE - FARM SHARE 5/	TOTAL EXPENDITURES BY REGION				
	NORTHEAST	LAKE STATES	CORN BELT	NORTHERN PLAINS	APPALACHIAN
	1,000 DOLLARS				
TOTAL FARM PROD. EXPEND. 6/	8,430,434	13,594,148	25,185,984	15,946,927	9,171,201
LIVESTOCK & POULTRY:	464,520	906,734	1,986,229	3,267,300	1,080,615
CATTLE PURCHASED	287,202	789,464	1,418,004	3,040,538	631,077
HOGS & PIGS PURCHASED	9,223	81,381	406,221	191,945	91,056
POULTRY PURCHASED	139,861	19,650	102,708	6,116	282,620
OTHER LIVESTOCK & POULTRY 7/	26,219	9,838	48,719	12,122	70,944
FEED:	1,923,666	1,857,753	3,138,578	1,660,078	1,900,688
GRAINS	130,167	336,973	602,782	683,851	200,671
HAYS & FORAGES	66,700	245,070	114,609	267,018	52,267
COMPLETE RATION/FORMULA FEED	1,257,709	508,492	988,752	209,959	1,192,089
PROTEIN MEALS OR CONCENTRATES	346,448	567,631	874,623	324,255	301,764
SUPPLEMENTS	52,800	96,082	307,516	110,772	57,312
MINERALS, SALTS & ADDITIVES	69,842	103,506	250,295	64,224	96,584
FARM SERVICES: 8/ 9/	1,351,711	2,541,757	6,994,601	3,383,032	1,591,722
CROP CUSTOM SERVICES	57,172	148,533	260,815	228,991	96,137
LIVESTOCK CUSTOM SERVICES	14,412	19,712	22,394	75,046	63,466
TRANSPORTATION	98,459	139,263	139,927	55,450	71,682
VET SUPPLIES, SVCS, ETC.	139,923	235,316	226,108	132,125	130,310
RENT	190,306	928,922	4,799,763	1,890,750	512,268
MARKETING & STORAGE	278,380	156,997	164,737	100,926	210,656
INSURANCE	178,931	359,281	583,046	378,514	220,122
LEASING 10/	27,660	42,624	106,676	50,630	13,412
MISC. FARM BUSINESS 11/	138,308	173,444	254,430	162,932	97,284
UTILITIES	228,160	337,666	436,704	307,668	176,386
ELECTRICITY	195,516	281,609	352,140	233,456	140,070
AG CHEMICALS & SPRAYS: 12/	208,077	527,422	1,133,316	454,060	303,911
FERTILIZER: 13/	323,472	834,673	2,225,820	828,905	572,160
COMMERCIAL FERTILIZER	283,048	797,059	2,089,845	814,047	512,244
INTEREST:	438,163	1,200,563	1,658,893	1,166,675	546,650
FARM REAL ESTATE	310,277	809,888	1,110,003	643,258	420,596
OPERATING LOANS	127,886	390,674	548,890	523,417	126,054
TAXES: (PROPERTY & REAL ESTATE)	358,599	718,236	957,585	595,801	193,705
LABOR:	1,217,311	1,004,159	976,192	639,897	733,141
CASH	1,029,743	854,675	836,880	561,045	618,266
FUELS & LUBRICANTS:	251,859	463,729	859,015	734,038	324,791
DIESEL	95,454	215,119	435,385	401,646	121,147
GASOLINE - BULK	55,729	136,114	199,332	162,933	43,911
GASOLINE - SERVICE STATION	24,947	27,433	52,595	62,411	58,006
FARM SUPPLIES:	270,813	383,101	324,019	216,854	159,984
SUPPLIES USED IN PROD. 14/	149,355	320,778	299,487	214,556	148,029
CONTAINERS USED FOR MARKETING:	121,458	62,323	24,532	2,298	11,955
BUILDING & FENCING:	298,114	350,339	401,501	155,414	270,115
NEW CONSTRUCTION & REMODELING:	203,693	245,525	256,371	91,754	167,643
FARM & LAND IMPROVEMENTS	64,215	79,922	160,725	117,374	50,098
NEW CONSTRUCTION	46,977	52,935	115,901	87,952	32,321
FARM MACHINERY: 15/16/17/18/	857,424	1,867,181	2,631,538	1,816,864	1,008,904
SEEDS & PLANTS: 19/ 20/	258,297	496,739	1,110,954	554,927	205,921
TRUCKS & AUTOS: 21/	135,569	213,670	379,522	242,079	209,174
TRUCKS INCL BEDS, HYDRAULIC SYSTEMS, ETC.	124,185	182,977	347,932	203,569	203,722

SEE FOOTNOTES ON PAGE 6.

FARM PRODUCTION EXPENDITURES, BY REGION 1/, 1989 CONTINUED

EXPENDITURE - FARM SHARE 5/	TOTAL EXPENDITURES BY REGION				
	SOUTHEAST	DELTA STATES	SOUTHERN PLAINS	MOUNTAIN	PACIFIC
	1,000 DOLLARS				
TOTAL FARM PROD. EXPEND. 6/	7,819,428	6,340,651	10,674,864	9,389,604	17,570,481
LIVESTOCK & POULTRY:	428,098	551,811	2,445,654	1,270,830	1,617,703
CATTLE PURCHASED	209,085	302,926	2,362,015	1,131,574	1,517,147
HOGS & PIGS PURCHASED	21,634	38,706	18,011	19,550	1,008
POULTRY PURCHASED	191,915	196,141	14,437	7,853	59,474
OTHER LIVESTOCK & POULTRY 7/	5,457	13,847	26,258	14,285	26,575
FEED:	1,574,855	1,418,356	1,196,756	1,183,009	2,371,279
GRAINS	100,735	244,786	268,019	337,706	517,753
HAYS & FORAGES	52,028	32,468	170,706	400,529	715,142
COMPLETE RATION/FORMULA FEED	1,307,696	1,039,187	407,410	158,114	834,288
PROTEIN MEALS OR CONCENTRATES	51,358	54,074	177,787	177,675	103,266
SUPPLEMENTS	34,909	25,928	104,056	62,735	118,520
MINERALS, SALTS & ADDITIVES	28,131	21,910	68,778	46,252	82,310
FARM SERVICES: 8/ 9/	1,449,705	1,232,774	2,078,140	2,179,271	3,936,573
CROP CUSTOM SERVICES	160,414	108,057	291,802	205,184	403,858
LIVESTOCK CUSTOM SERVICES	10,271	1,673	119,113	136,051	131,071
TRANSPORTATION	208,757	166,720	60,072	106,416	282,000
VET SUPPLIES, SVCS, ETC.	51,059	98,639	116,049	89,110	138,025
RENT	271,820	450,963	784,983	684,626	838,200
MARKETING & STORAGE	291,614	78,464	106,023	101,292	498,624
INSURANCE	169,114	122,508	223,797	231,610	346,809
LEASING 10/	16,728	52,506	19,527	45,610	94,114
MISC. FARM BUSINESS 11/	116,976	64,555	143,938	262,170	646,729
UTILITIES	152,952	88,690	212,836	317,203	557,143
ELECTRICITY	124,245	69,058	159,159	275,605	502,658
AG CHEMICALS & SPRAYS: 12/	408,683	419,567	197,422	250,039	645,821
FERTILIZER: 13/	577,623	323,771	549,106	408,303	547,088
COMMERCIAL FERTILIZER	525,811	300,120	541,946	403,235	505,421
INTEREST:	404,549	309,152	673,553	789,875	1,220,524
FARM REAL ESTATE	312,148	209,068	384,791	523,681	989,774
OPERATING LOANS	92,401	100,084	288,760	266,193	230,752
TAXES: (PROPERTY & REAL ESTATE)	190,058	93,978	279,624	252,845	542,960
LABOR:	1,160,559	457,248	699,188	898,695	3,553,793
CASH	910,796	374,041	528,841	685,464	2,582,450
FUELS & LUBRICANTS:	266,984	241,616	478,270	366,517	462,450
DIESEL	134,111	133,882	209,266	158,417	222,812
GASOLINE - BULK	37,326	25,691	56,568	118,557	108,057
GASOLINE - SERVICE STATION	38,483	30,570	111,884	44,943	53,257
FARM SUPPLIES:	128,716	94,915	137,961	183,704	451,183
SUPPLIES USED IN PROD. 14/	73,770	45,026	125,632	162,515	270,329
CONTAINERS USED FOR MARKETING	54,946	49,889	12,328	21,188	180,854
BUILDING & FENCING:	116,121	64,162	225,848	114,230	301,575
NEW CONSTRUCTION & REMODELING	67,239	40,208	153,399	73,412	215,011
FARM & LAND IMPROVEMENTS	50,451	38,752	82,512	101,300	138,100
NEW CONSTRUCTION	37,970	20,750	52,656	76,749	81,629
FARM MACHINERY: 15/16/17/18/	620,370	786,495	1,121,893	943,785	1,214,702
SEEDS & PLANTS: 19/ 20/	276,872	165,172	196,135	233,620	356,530
TRUCKS & AUTOS: 21/	116,203	131,176	293,072	203,893	204,750
TRUCKS INCL BEDS, HYDRAULIC SYSTEMS, ETC.	108,290	129,746	276,020	195,648	182,555

SEE FOOTNOTES ON 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/ 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 & 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. EXCLUDES 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/ INCLUDES POWER FARM SHOP EQUIPMENT.
- 19/ EXCLUDES BEDDING PLANTS, NURSERY STOCKS AND SEED PURCHASED FOR RESALE.
- 20/ INCLUDES SEED TREATMENT.
- 21/ EXCLUDES OTHER MOTOR VEHICLES PURCHASED.

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" 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. 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 FARMS 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 POTENTIAL AGRICULTURAL SALES OF AT LEAST \$1,000 IN VALUE.

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