

**Summary of Report**



**Statistical Reporting Service**

**U.S. Department of Agriculture**

**Washington, D.C. 20250**

# Farm Production Expenditures for 1981

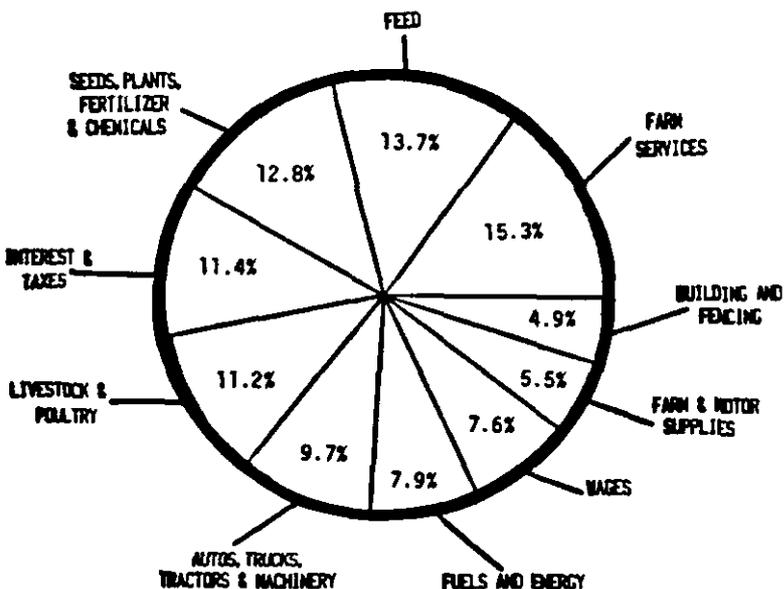
JUNE 1982

**FARM PRODUCTION EXPENDITURE UP 2 BILLION DOLLARS**

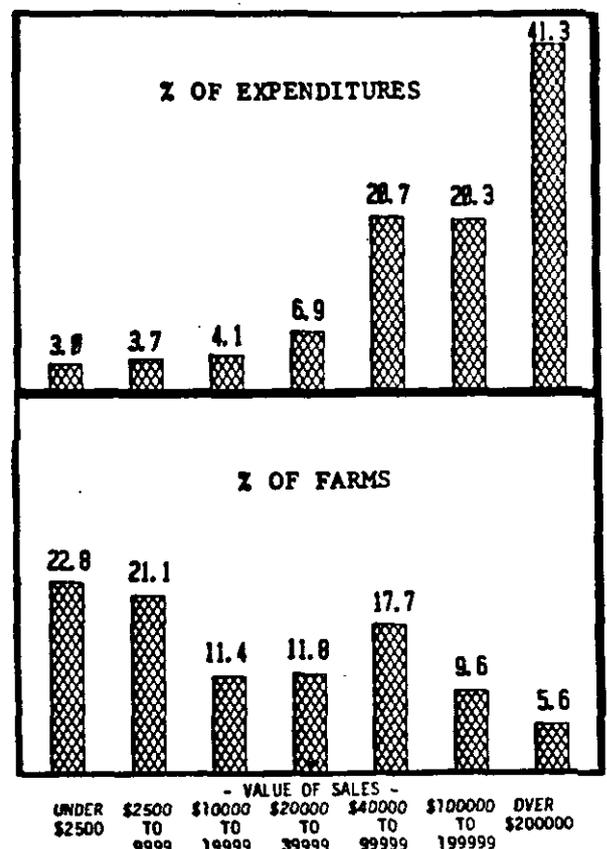
Farm production expenditures totaled \$138.5 billion in 1981, 1.5 percent above the \$136.4 billion in 1980. Interest paid on the farm debt was 24 percent higher in 1981. Expenditures for agricultural chemicals increased 18 percent while fuel and energy expenses rose almost 10 percent. For the second consecutive year, farmers and ranchers reduced their expenditures for livestock and poultry. The average total expenditure per farm during 1981 was \$56,959 compared with \$56,072 in 1980.

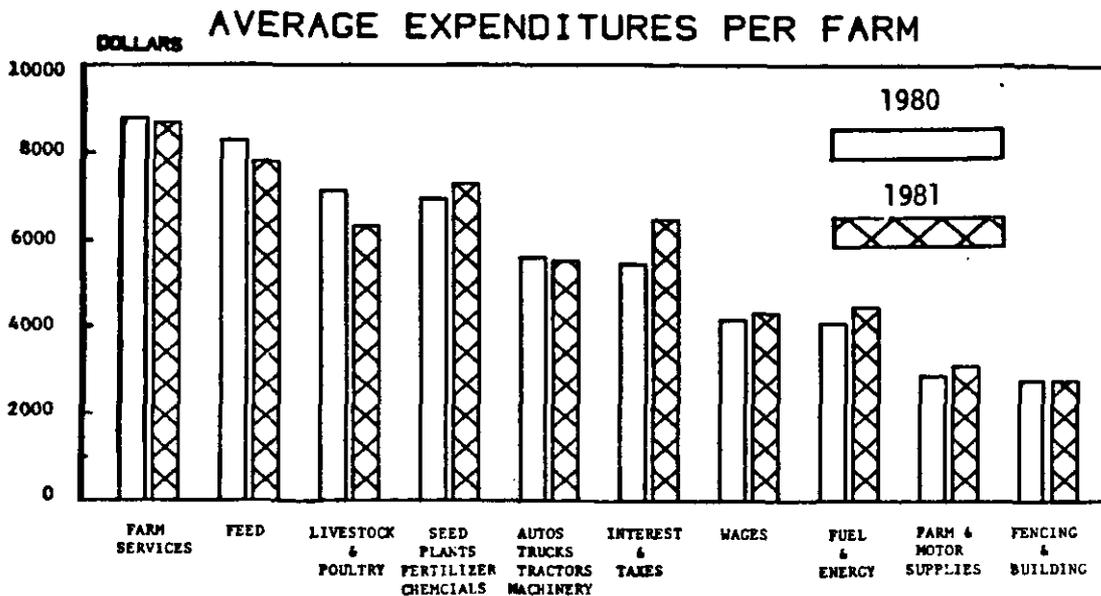
Farm services at \$21.1 billion was the largest expenditure group and accounted for 15 percent of the total. Feed purchases at \$19.0 billion represented 14 percent of the total; seeds, plants, fertilizer and agricultural chemicals \$17.7 billion - 13 percent; interest and taxes \$15.8 billion - 11 percent; livestock and poultry, \$15.4 billion - 11 percent. Motor vehicles and farm machinery accounted for \$13.5 billion or 10 percent of the total expenditure. Fuel and energy expenditures were \$10.9 billion - 8 percent of the total.

**1981 EXPENDITURES AS % OF TOTAL**



**PERCENT OF EXPENDITURES & PERCENT OF FARMS BY VALUE OF SALES**





Fifteen percent of the farms reported sales of \$100,000 or more. These farms accounted for more than 62 percent of the total expenditures. Compared with 1980, there were three percent fewer farms with sales of more than \$100,000 and they represented 2 percent less of the total expenditures. In 1981, 44 percent of the farms had sales of less than \$10,000. They accounted for only 7 percent of the farm expenditures. The 41 percent of total farms with sales between \$10,000 and \$100,000 accounted for 31 percent of the total expenditures.

The average expenditure per farm for interest and taxes was 18 percent higher than in 1980. Electricity expenses rose nearly 20 percent and diesel fuel expenditures were up 10 percent. Expenses for farm supplies including repairs, accessories and shop equipment was 7 percent higher in 1981 than in 1980 while seeds, plants, fertilizers and chemicals rose 5 percent. Labor costs increased 4 percent. The average farm expenditure for livestock and poultry decreased 11 percent reflecting the lower prices for replacement livestock and reduced purchases in 1981. Farmers spent 6 percent less for feed.

FARM PRODUCTION EXPENDITURES - 1980 AND 1981  
STATE OR REGION

STATE OR REGION	1980	1981	STATE OR REGION	1980	1981
BILLION DOLLARS					
CALIFORNIA	9.2	10.6	NORTH DAKOTA	2.1	1.8
ILLINOIS	9.1	7.9	OHIO	2.9	3.7
INDIANA	4.9	4.0	TEXAS	8.7	8.9
IOWA	10.7	11.3	WISCONSIN	5.5	5.1
KANSAS	5.9	4.8	*NORTHEAST	8.0	8.3
KENTUCKY	2.3	2.1	*APPALACHIAN	7.3	6.6
MICHIGAN	3.6	3.0	*SOUTHEAST	7.9	9.0
MINNESOTA	7.1	9.9	*DELTA	6.9	6.9
MISSOURI	4.5	4.3	*NORTHERN PLAINS	6.8	8.0
NEBRASKA	6.3	5.7	*SOUTHERN PLAINS AND MOUNTAIN	10.1	9.7
			*NORTHERN PACIFIC	6.8	6.9

\* NORTHEAST: CONN, DEL, MAINE, MD, MASS, N H, N J, N Y, PA, R I, VT.  
 APPLACHIAN: N C, TENN, VA, W VA.  
 SOUTHEAST: ALA, FLA, GA, S C.  
 DELTA: ARK, LA, MISS.  
 NORTHERN PLAINS: MONT, S DAK, WYO.  
 SOUTHERN PLAINS AND MOUNTAIN: ARIZ, COLO, NEV, N MEX, OKLA, UTAH.  
 NORTHERN PACIFIC: IDAHO, OREG, WASH.

FARM PRODUCTION EXPENDITURES - 1980 AND 1981  
UNITED STATES 1/

TYPE OF EXPENDITURE 2/	FARMS REPORTING 3/		AVERAGE PER FARM 4/		TOTAL EXPENDITURE 5/	
	1980	1981	1980	1981	1980	1981
	PERCENT	PERCENT	DOLLARS	DOLLARS	1,000 DOLLARS	1,000 DOLLARS
TOTAL FARM PRODUCTION EXPENDITURES 6/	100.0	100.0	56,271	56,959	136,352,999	138,473,913
FARM SERVICES:	99.3	98.7	8,803	8,691	21,332,066	21,129,125
CUSTOM HIRE	46.3	45.2	842	856	2,040,937	2,080,490
VETERINARIAN SERVICES, MEDICINE & BREEDING FEES	62.3	54.2	432	319	1,045,774	775,938
INSURANCE	85.3	85.6	849	941	2,057,047	2,288,684
MARKETING & HIRED TRANSPORTATION	62.3	61.8	958	1,144	2,320,865	2,781,127
MISCELLANEOUS FARM BUSINESS EXPENSES	93.1	92.1	713	754	1,728,555	1,834,136
CASH RENT	27.9	29.3	1,580	1,849	3,829,423	4,494,700
SHARE RENT	21.1	18.7	3,346	2,739	8,106,972	6,658,264
FEED:	75.7	75.6	8,294	7,821	20,097,505	19,014,370
GRAINS	31.5	30.4	2,643	2,273	6,404,907	5,525,583
HAYS & FORAGES	27.1	29.4	831	883	2,014,710	2,145,889
MIXED OR FORMULA FEEDS	55.5	54.5	4,399	4,174	10,660,234	10,147,806
LIVESTOCK & POULTRY & OTHER RELATED EXPENSES:	53.4	57.8	7,163	6,355	17,355,912	15,449,306
CATTLE PURCHASED	33.0	32.6	5,844	5,068	14,162,128	12,320,530
HOGS & PIGS PURCHASED	15.4	12.0	446	607	1,081,389	1,476,670
POULTRY PURCHASED	6.8	5.5	422	246	1,023,463	598,881
INTEREST: 6/	61.4	60.8	4,365	5,388	10,575,982	13,099,238
FARM REAL ESTATE 6/	43.2	43.5	2,304	2,693	5,582,159	6,547,819
OPERATING LOANS	42.7	42.4	2,061	2,695	4,993,822	6,551,419
FUELS & ENERGY:	99.4	99.2	4,094	4,481	9,919,884	10,892,752
GASOLINE	95.6	95.5	1,432	1,526	3,469,289	3,710,598
DIESEL FUEL	60.4	59.5	1,306	1,437	3,165,271	3,494,388
ELECTRICITY	85.2	84.6	734	879	1,779,491	2,137,253
WAGE & CONTRACT LABOR:	54.2	51.8	4,169	4,338	10,103,288	10,547,315
CASH WAGES	52.0	49.5	3,255	3,387	7,886,203	8,233,662
TOTAL PERQUISITES FURNISHED	23.9	23.9	601	641	1,455,988	1,559,528
FERTILIZER, LIME & SOIL CONDITIONERS: 7/	76.2	71.9	4,198	4,143	10,171,929	10,071,621
CUSTOM APPLIED FERTILIZER	27.4	26.4	1,370	1,457	3,320,612	3,541,269
NOT CUSTOM APPLIED FERTILIZER	55.2	51.3	2,291	2,197	5,552,507	5,341,705
FARM & MOTOR SUPPLIES:	98.1	98.0	2,904	3,121	7,037,474	7,587,884
MOTOR VEHICLES OPERATING COSTS OTHER THAN FUELS	97.1	97.3	1,996	2,151	4,836,030	5,229,275
BUILDING, FENCING, & FARM & LAND IMPROVEMENTS:	61.2	63.3	2,779	2,806	6,734,298	6,822,015
NEW BUILDING CONSTRUCTION & REMODELING	17.9	16.7	1,461	1,207	3,540,257	2,933,744
BUILDING MAINTENANCE & REPAIRS & FENCING	N/A	N/A	408	445	988,777	1,081,918
LAND & FARM-NEW CONSTRUCTION IMPROVEMENTS	17.4	16.4	618	836	1,496,413	2,033,613
TRACTORS & SELF-PROPELLED MACHINERY:	24.8	24.1	2,580	2,607	6,251,644	6,337,603
TRACTORS	16.2	16.6	1,514	1,696	3,668,299	4,122,504
SELF-PROPELLED MACHINERY	7.7	7.2	999	836	2,421,883	2,033,151
OTHER FARM MACHINERY, IMPLEMENTS & LVSK EQUIPMENT:	54.7	53.1	1,975	1,938	4,786,324	4,712,608
OTHER FARM MACHINERY	38.7	38.6	1,409	1,494	3,413,288	3,632,456
SEEDS AND PLANTS: 9/	75.7	71.8	1,494	1,667	3,619,232	4,053,311
AGRICULTURAL CHEMICALS: 8/	66.5	66.1	1,267	1,490	3,070,000	3,622,160
TAXES: 6/	93.8	92.4	1,116	1,099	2,703,737	2,671,560
FARM REAL ESTATE 6/	87.0	87.3	829	897	2,008,859	2,180,179
AUTOS, TRUCKS & OTHER MOTOR VEHICLES:	30.5	28.8	1,061	1,006	2,570,907	2,446,503
TRUCKS	18.4	15.9	772	680	1,871,032	1,653,643

1/ EXCLUDES ALASKA AND HAWAII. 2/ FARM SHARE. 3/ PROPORTION REPORTING IN SURVEY. 4/ TOTAL EXPENDITURE DIVIDED BY OFFICIAL NUMBER OF FARMS PUBLISHED BY SRS. 5/ TOTALS AND SUBTOTALS MAY NOT ADD. 6/ LANDLORD EXPENDITURES FOR REAL ESTATE INTEREST AND TAXES ARE EXCLUDED. 7/ INCLUDES CUSTOM APPLICATIONS AND MATERIALS. 8/ INCLUDES SEED TREATMENTS. 9/ EXCLUDES BEDDING PLANTS AND NURSERY STOCKS PURCHASED FOR IMMEDIATE RESALE.

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WASHINGTON, D.C. 20250

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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 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 1981 farm production expenditure data are results of a sample survey of more than 9800 farmers and ranchers. 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.

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\* The complete report, Farm Production Expenditures for 1981 will be available on \*  
\* July 20, 1982. It will contain more detailed U.S. data, regional summaries and \*  
\* expenditures by gross values of sales. Copies of the Farm Production Expendi- \*  
\* tures for 1981, SpSy (7-82) July 1982 and Agricultural Prices Annual Summary \*  
\* can be purchased on a continuing basis for \$9.00 from the: \*  
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\* Individual copies of the Farm Production Expenditures for 1981, SpSy (7-82) \*  
\* July 1982 can be purchased for \$4.50 and additional copies of this report can \*  
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