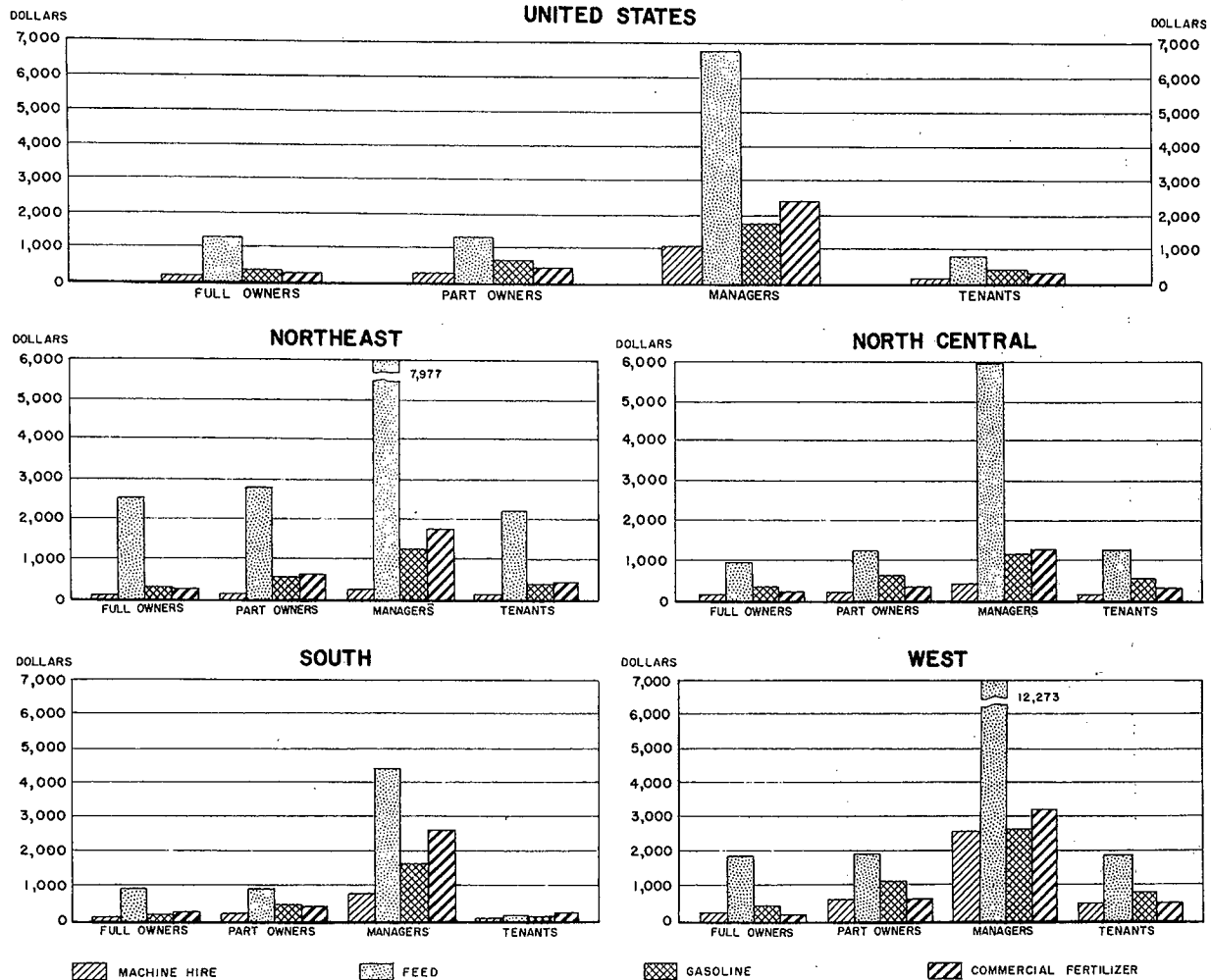


**AVERAGE EXPENDITURE PER COMMERCIAL FARM FOR SPECIFIED COST ITEMS,
BY TENURE OF OPERATOR, FOR THE UNITED STATES AND REGIONS: 1954**



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Figure 41.

SPECIFIED FARM EXPENDITURES

Changes in costs.—As farms continue to increase in size and total agricultural production continues to increase, expenditures become more important to the individual farm and to the agricultural industry. In addition to the general increases in costs attendant to increased production, there have been shifts in combination of production factors which have changed the composition of farm costs. Many of these changes in farm expenditures have been accompanied by adjustments in tenure arrangements or even in the form of tenure.

One important shift in the production pattern influencing the structure of costs has been the substitution of working capital for labor. In general, there has been an increase of capital and a decrease of labor, in physical terms, per acre of farmland. For example, machine hire on commercial farms increased from \$579 million in 1949 to \$603 million in 1954 and expenditures for gasoline and petroleum increased from \$1,091 million in 1949 to \$1,312 million in 1954, while hired labor costs decreased from \$2,336 million in 1949 to \$2,216 million in 1954.

Both the form of tenure and the conditions of a particular tenure arrangement may be affected by the type and level of farm expenditures. Owner-operatorship might be the most efficient tenure form if, for example, relatively large expenditures are required from the operator for repair of fences, buildings, or

(Continued on page 190)

**TABLE 7.—AVERAGE EXPENDITURE PER COMMERCIAL FARM
REPORTING SPECIFIED COST ITEMS, BY TENURE OF OPERATOR,
FOR THE UNITED STATES AND REGIONS: 1954**

[Data are based on reports for only a sample of farms]

Specified expenditure and area	All com- mercial farms	Full owners	Part owners	Managers	Tenants
Machine hire:	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
United States.....	291	244	391	2,055	258
Northeast.....	218	198	254	501	253
North Central.....	246	213	289	744	258
South.....	259	226	383	1,570	210
West.....	764	502	1,059	5,301	868
Feed:					
United States.....	1,444	1,482	1,550	9,256	1,092
Northeast.....	3,059	3,018	3,138	10,044	2,576
North Central.....	1,291	1,127	1,387	7,277	1,438
South.....	981	1,158	1,150	5,895	410
West.....	2,959	2,785	2,652	21,598	2,364
Gasoline and other petroleum products:					
United States.....	492	380	686	1,899	472
Northeast.....	432	359	607	1,373	448
North Central.....	511	384	664	1,254	571
South.....	395	331	580	1,862	303
West.....	778	513	1,149	2,895	862
Commercial fertilizer:					
United States.....	440	363	633	3,360	379
Northeast.....	525	414	733	2,078	589
North Central.....	430	331	536	1,703	488
South.....	389	358	582	3,475	283
West.....	971	516	1,518	6,205	1,116