

Table 5. Farm Production Expenses by Value of Sales: 1974

All Farms									
	Farms	\$100,000 and over	\$40,000 to \$99,999	\$20,000 to \$39,999	\$10,000 to \$19,999	\$5,000 to \$9,999	\$2,500 to \$4,999	Under \$2,500	Abnormal farms
Total value of sales.....\$1,000..	81,531,026	43,699,427	20,071,570	9,246,796	4,460,240	2,138,392	981,880	696,944	235,777
Expenses as percent of sales.....	74.8	77.9	67.0	66.9	71.3	80.6	130.7	136.1	86.2
Total farm production expenses.....\$1,000..	61,007,649	34,041,863	13,438,610	6,190,441	3,178,382	1,723,160	1,283,271	948,751	203,172
Livestock and poultry purchases.....\$1,000..	9,954,580	7,180,818	1,380,074	556,527	311,308	191,332	180,054	135,071	19,395
Percent of total production expenses.....	16.3	21.1	10.3	9.0	9.8	11.1	14.0	14.2	9.5
Feed for livestock and poultry.....\$1,000..	13,651,116	8,524,301	2,752,384	1,091,764	489,799	281,879	225,969	234,694	50,327
Percent of total production expenses.....	22.4	25.1	20.5	17.6	15.4	16.3	17.6	24.7	24.8
Animal health cost for livestock and poultry.....\$1,000..	(NA)	180,286	108,544	50,346	25,143	14,851	11,484	(NA)	(NA)
Percent of total production expenses.....	(NA)	.5	.8	.8	.8	.9	.9	(NA)	(NA)
Seeds, bulbs, plants, and trees.....\$1,000..	1,798,643	808,028	502,793	246,403	124,355	60,249	31,660	21,601	3,554
Percent of total production expenses.....	2.9	2.4	3.7	4.0	3.9	3.5	2.5	2.3	1.7
Commercial fertilizer.....\$1,000..	5,137,361	2,221,716	1,480,375	674,194	346,721	188,093	117,020	96,689	12,551
Percent of total production expenses.....	8.4	6.5	11.0	10.9	10.9	10.9	9.1	10.2	6.2
Gasoline and other petroleum fuel and oil for farm business.....\$1,000..	3,087,606	1,042,061	865,455	503,074	293,084	164,445	106,741	104,597	8,148
Percent of total production expenses.....	5.1	3.1	6.4	8.1	9.2	9.5	8.3	11.0	4.0
Agricultural chemicals, including lime.....\$1,000..	1,757,779	962,922	454,671	186,197	84,046	35,470	17,882	11,965	4,626
Percent of total production expenses.....	2.9	2.8	3.4	3.0	2.6	2.1	1.4	1.3	2.3
Hired farm labor.....\$1,000..	4,652,075	3,274,471	756,487	283,006	133,107	66,936	51,992	35,008	51,067
Percent of total production expenses.....	7.6	9.6	5.6	4.6	4.2	3.9	4.1	3.7	25.1
Contract labor.....\$1,000..	511,633	349,810	74,390	34,995	21,200	12,160	12,258	6,061	760
Percent of total production expenses.....	.8	1.0	.6	.6	.7	.7	1.0	.6	.4
Machine hire and customwork.....\$1,000..	1,342,702	531,822	325,956	202,960	126,290	74,407	48,026	30,415	2,865
Percent of total production expenses.....	2.2	1.6	2.4	3.3	4.0	4.3	3.7	3.2	1.4
All other production expenses.....\$1,000..	19,114,155	8,965,666	4,737,482	2,360,974	1,223,329	633,336	480,184	272,651	49,879
Percent of total production expenses.....	31.3	26.3	35.3	38.1	38.5	36.8	37.4	28.7	24.6
		Livestock farms, except dairy, poultry, and animal specialty					General farms, primarily livestock		
	General farms, primarily crop (0191)	animal specialty (021)	Dairy farms (024)	Poultry and egg farms (025)	Animal specialty farms (027)		(0291)	Farms not classified by SIC	
Total value of sales.....\$1,000..	2,033,596	22,124,669	9,591,737	6,356,830	356,320		576,063	210,283	
Expenses as a percent of sales.....	70.8	91.6	75.6	92.6	97.3		71.0	84.7	
Total farm production expenses.....\$1,000..	1,440,570	20,259,768	7,254,382	5,887,956	346,563		409,119	178,057	
Livestock and poultry purchases.....\$1,000..	128,984	7,251,085	438,104	1,027,657	50,764		47,719	18,460	
Percent of total production expenses.....	8.9	35.8	6.1	17.5	14.6		11.7	10.4	
Feed for livestock and poultry.....\$1,000..	120,014	5,831,724	2,707,579	3,752,312	71,724		101,345	20,690	
Percent of total production expenses.....	8.3	28.8	37.3	63.7	20.7		24.8	11.6	
Animal health cost for livestock and poultry.....\$1,000..	7,031	175,218	108,317	33,393	7,641		4,472	1,230	
Percent of total production expenses.....	.5	.9	1.5	.5	2.2		1.1	.7	
Seeds, bulbs, plants, and trees.....\$1,000..	61,772	244,924	146,952	8,314	824		14,191	4,352	
Percent of total production expenses.....	4.3	1.2	2.0	.1	.2		3.5	2.4	
Commercial fertilizer.....\$1,000..	187,814	863,624	436,248	35,228	3,768		37,952	17,624	
Percent of total production expenses.....	13.0	4.3	6.0	.6	1.1		9.3	9.9	
Gasoline and other petroleum fuel and oil.....\$1,000..	96,390	655,988	314,460	92,020	12,123		26,001	10,428	
Percent of total production expenses.....	6.7	3.2	4.3	1.6	3.5		6.3	5.8	
Agricultural chemicals, including lime.....\$1,000..	67,738	214,194	95,427	11,988	932		10,322	3,706	
Percent of total production expenses.....	4.7	1.0	1.3	.2	.3		2.5	2.1	
Hired farm labor.....\$1,000..	155,634	665,293	465,678	247,785	56,694		20,379	23,329	
Percent of total production expenses.....	10.8	3.3	6.4	4.2	16.4		5.0	13.1	
Contract labor.....\$1,000..	23,863	44,987	14,525	9,717	1,742		813	4,398	
Percent of total production expenses.....	1.7	.2	.2	.2	.5		.2	2.5	
Machine hire and customwork.....\$1,000..	54,469	236,894	97,841	11,962	2,245		8,288	5,812	
Percent of total production expenses.....	3.8	1.2	1.4	.2	.6		2.0	3.3	
All other production expenses.....\$1,000..	536,862	4,075,836	2,429,251	657,579	138,105		137,638	68,028	
Percent of total production expenses.....	37.3	20.1	33.5	11.2	39.9		33.6	38.2	

\$391 million. Nearly 10 percent of the farms reporting had an expenditure of \$1,000 or more. Data for this item were collected only for farms with sales of \$2,500 and over. The greatest costs were reported on livestock and dairy farms. For dairy farms, animal health costs accounted for 1.5 percent of total production expenses.

**Seeds, bulbs, plants, and trees**—Outlays for seeds, bulbs, plants, and trees on all farms more than doubled from 1969 to 1974, increasing 106 percent from nearly \$.9 billion to \$1.8 billion respectively. Cost per farm rose from \$519 in 1969 to \$1,275 in 1974. Fifty-four percent of the

farms reported seed expenditures of less than \$500 and less than 2 percent reported seed cost in excess of \$10,000.

**Commercial fertilizer**—The expenditure for fertilizer on all farms increased faster than any other expenditure item; increasing 132 percent in the 5-year period since the 1969 census. This fast-paced price increase affected the 70 percent of the Nation's farmers who purchased fertilizer. In 1969, only 5.9 percent of all expenditure costs were for fertilizer purchases; in contrast, in 1974, the proportion for fertilizer purchases had grown to 8.4 percent of all expenditures. In 1974, farms with sales of \$100,000

and over represented 10 percent of farms with sales of \$2,500 and over that purchased fertilizer, however, that 10 percent accounted for 44 percent of expenditures for fertilizer purchased.

**Gasoline and other petroleum fuel and oil for the farm business**—Overall expenditures for fuel used for the farm business rose by 62 percent between the 1969 and the 1974 censuses; increasing from \$1.9 billion to \$3.1 billion. However, this increase cannot be used as an indicator of price level changes since it does not account for changes in quantity of fuel used. Looking at the index of price levels in table 7 it can be seen that