

Table 6. Farm Production Expenses by Standard Industrial Classification of Farms: 1974

Farms With Sales of \$2,500 and Over	Total	Cash grain farms (011)	Cotton farms (0131)	Tobacco farms (0132)	Sugar crop, Irish potato, hay, peanut, and other field crop farms (0133, 0134, 0139)	Vegetable and melon farms (016)	Fruit and tree nut farms (017)	Horticultural specialty farms (018)
Total value of sales.....\$1,000..	80,598,305	23,672,963	1,850,180	1,651,941	5,484,249	2,144,368	2,858,110	1,686,995
Expenses as a percent of sales.....	74.3	56.6	75.7	53.7	61.1	73.4	75.8	77.5
Total farm production expenses.....\$1,000..	59,855,726	13,395,001	1,400,283	886,354	3,352,461	1,573,075	2,165,128	1,307,010
Livestock and poultry purchases.....\$1,000..	9,800,115	666,803	18,027	28,938	101,858	7,905	11,397	2,412
Percent of total production expenses.....	16.4	5.0	1.3	3.3	3.0	.5	.5	.2
Feed for livestock and poultry.....\$1,000..	13,366,096	599,992	16,649	38,033	80,213	8,245	15,435	2,138
Percent of total production expenses.....	22.3	4.5	1.2	4.3	2.4	.5	.7	.2
Animal health cost for livestock and poultry.....\$1,000..	390,654	42,331	1,422	2,430	5,811	471	716	172
Percent of total production expenses.....	.7	.3	.1	.3	.2	(2)	(2)	(2)
Seeds, bulbs, plants, and trees.....\$1,000..	1,773,488	785,040	58,458	19,574	188,158	59,291	21,470	160,169
Percent of total production expenses.....	3.0	5.8	4.2	2.2	5.6	3.8	1.0	12.3
Commercial fertilizer.....\$1,000..	5,028,120	2,305,111	176,533	157,819	462,080	164,025	155,318	24,977
Percent of total production expenses.....	8.4	17.2	12.6	17.8	13.8	10.4	7.2	1.9
Gasoline and other petroleum fuel and oil for farm business.....\$1,000..	2,974,861	1,165,441	110,295	95,062	190,853	56,573	75,743	73,485
Percent of total production expenses.....	5.0	8.7	7.9	10.7	5.7	3.6	3.5	5.6
Agricultural chemicals, including lime.....\$1,000..	1,741,188	722,560	153,538	31,304	178,061	87,313	148,127	15,999
Percent of total production expenses.....	2.9	5.4	11.0	3.5	5.3	5.6	6.8	1.2
Hired farm labor.....\$1,000..	4,566,000	679,078	185,450	129,882	466,370	402,838	600,051	467,539
Percent of total production expenses.....	7.6	5.1	13.2	14.6	13.9	25.6	27.7	35.8
Contract labor.....\$1,000..	504,812	50,496	24,222	6,545	58,612	91,357	163,287	10,248
Percent of total production expenses.....	.8	.4	1.7	.7	1.7	5.8	7.6	.8
Machine hire and customwork.....\$1,000..	1,309,421	518,984	71,040	25,249	139,767	44,555	85,435	6,880
Percent of total production expenses.....	2.2	3.9	5.1	2.9	4.2	2.8	4.0	.5
All other production expenses.....\$1,000..	18,400,971	5,859,185	584,649	351,520	1,480,678	650,500	888,149	542,991
Percent of total production expenses.....	30.7	43.7	41.8	39.7	44.2	41.4	41.0	41.5
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	87.7	
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	2.1	
Commercial fertilizer.....\$1,000..	187,814	863,624	436,243	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.....	39.3	20.1	35.5	11.2	39.9	33.6	38.2	

the 1969 index price for gasoline and other fuels was 190. This rose to 292 in 1974; a 54 percent increase. Yet, the cost for fuel per acre of cropland harvested did not rise as dramatically; increasing from \$6.98 per acre harvested to \$10.18 per acre harvested, a 46 percent increase. In 1974, farmers bought more fuel to harvest more acres of cropland but used slightly less fuel per acre harvested than in 1969.

Data for specific types of fuel were obtained for farms with sales of \$2,500 and over (table 10). The number of farms reporting gasoline, LP gas, and motor oil categories declined. These declines all

closely paralleled the decline in the number of farms. Yet, even with a declining farm count, farms reporting diesel fuel usage increased 29 percent. The growing popularity of diesel fuel is explained by the longevity of diesel engines compared with gasoline engines and the traditionally lower price of diesel fuel as compared with gasoline. Table 11 reveals that farms with high value of sales use more diesel fuel and are more likely to be diesel fuel users.

Hired labor—Although aggregate labor costs rose nearly 38 percent between the 1969 and 1974 censuses from \$3.4 billion

to \$4.7 billion, the number of all farms reporting hired labor expense decreased 40 percent from 1.4 million to 832 thousand. However, payroll costs per farm for farms reporting hired labor rose from \$2,424 in 1969 to \$5,595 in 1974; an increase of 131 percent.

The number of farm workers reported did not decline as sharply as the 40-percent decline in farms reporting hired labor might imply. In 1969, there were 5.8 million hired workers reported versus 5.2 million in 1974; a 10-percent reduction. The user is cautioned about the number of hired workers. The data are for workers who worked on a farm for