

CHAPTER I Continued

In 1974, 894,000 farms with sales of \$2,500 and over reported spending \$1.7 billion for agricultural chemicals. Of these farms, 49 percent spent less than \$500 for chemicals. In 1969, 70 percent of farms reported less than \$500 worth of chemicals. The proportion of farms spending \$5,000 or more for chemicals rose from 2 percent in 1969 to 7 percent in 1974 (table 14). More chemical data are available in chapter IV.

All other production expenses—As in 1969, this category was the largest expenditure item in 1974. For both censuses, it represented 31 percent of

Table 13. Machine Hire and Customwork Expenditures by Value of Sales Group: 1974

	Farms		Expenditures	
	Number	Per-cent	Total (\$1,000)	Per-cent
Total value of sales..	832,906	100.0	1,309,421	100.0
\$100,000 and over..	80,263	9.6	531,783	40.6
\$40,000 to \$99,999.	180,699	21.7	325,956	24.9
\$20,000 to \$39,999.	172,861	20.8	202,960	15.5
\$10,000 to \$19,999.	152,504	18.3	126,290	9.6
\$5,000 to \$9,999....	131,882	15.8	74,407	5.7
\$2,500 to \$4,999....	114,697	13.8	48,026	3.7

Table 14. Agricultural Chemical Expenditures by Purpose of Treatment: 1974

	Farms		Expenditures	
	Number	Per-cent	Total (\$1,000)	Per-cent
Total chemical expenditures.....	918,362	100.0	1,741,188	100.0
To control--				
Insects on hay...	82,291	9.0	22,802	1.3
Insects on crops.	336,406	36.6	572,947	32.9
Nematodes in crops.....	26,884	2.9	28,953	1.7
Disease in crops and orchards....	36,759	4.0	83,808	4.8
Weeds or grass in crops.....	548,756	59.8	784,020	45.0
Weeds on all other land.....	63,223	6.9	6,516	.4
Weeds on brush in pasture.....	44,122	4.8	12,677	.7
Insects on livestock and poultry	131,994	14.4	18,770	1.1
Defoliation and growth control....	36,553	4.0	34,383	2.0
Lime.....	144,553	15.7	104,475	6.0
Other chemicals ¹	164,932	18.0	71,837	4.1

¹Excludes fertilizer but includes lime for sanitation, pesticides used for rodent and bird control, and other unspecified chemicals.

total expenditures reported. Many miscellaneous expenses were included in this category as well as many fixed cost items.

Unfortunately, little data exist on the cost of various components in this category. Since so many diverse costs must be combined by the respondent, the difficulty of reporting this item is accentuated. Consequently, the data for all other production expenses are less reliable than those for itemized expenditures.

Farms with sales of \$2,500 and over accounted for 96 percent of all other production expenses reported by all farms. In relation to total production expenditures, other expenses represented a high of 44 percent for cash-grain farms (SIC-011) and a low of 11 percent for poultry farms (SIC-025).

Total production expenses—All farm expenditures for 1974 totaled \$61 billion. Value of products sold from all the Nation's farms was \$82 billion. Conse-

quently, 1974 census net farm income from the sale of agricultural products was nearly \$21 billion for the Nation's 2.3 million farms.

Of the 1.7 million farms that had sales of \$2,500 or more, 22 percent reported farm expenditures greater than farm sales (table 15). These farms shared in a \$3.7 billion operating loss. Less than 31,000 farms (less than 2 percent) of farms with sales of \$2,500 and over reported losses of \$20,000 or more. The other 78 percent of farms with positive net sales income reported \$24.4 billion net sales income. Of these farms with positive net sales income, 96,405 (7 percent) reported net sales income of \$50,000 or more.

Table 16 shows positive or negative average net sales income of farms by value of sales for all farms. The average per farm net sales income was as high as \$63,284 for farms with sales of \$100,000 and over versus a low of negative net sales income or loss of \$1,038 for farms with sales of \$2,500 to \$4,999.

Table 15. Farms by Relation of Expenditures to Value of Sales: 1974

	Farms	Farms with expenditures			
		Less than farm sales		More than farm sales	
		Number	Percent	Number	Percent
Total.....	1,695,047	1,330,372	78.5	364,675	21.5
Value of sales...(\$1,000)..	80,598,305	66,657,354	82.7	13,940,950	17.3
\$100,000 and over.....	152,599	131,917	86.4	20,682	13.6
\$40,000 to \$99,999.....	324,310	284,653	87.8	39,657	12.2
\$20,000 to \$39,999.....	321,771	278,952	86.7	42,819	13.3
\$10,000 to \$19,999.....	310,011	253,437	81.8	56,574	18.2
\$5,000 to \$9,999.....	296,373	222,052	74.9	74,321	25.1
\$2,500 to \$4,999.....	289,983	159,361	55.0	130,622	45.0

Table 16. Relation of Production Expenditures to Value of Agricultural Products Sold: 1974

	Farms (number)	Sales (million dollars)	Expenditures (million dollars)	Net difference (million dollars)	Average net difference per farm (dollars)
Total.....	2,314,013	81,531	61,008	20,523	8,869
Value of sales:					
\$100,000 and over.....	152,599	43,699	34,042	9,657	63,284
\$40,000 to \$99,999.....	324,310	20,072	13,439	6,633	20,453
\$20,000 to \$39,999.....	321,771	9,247	6,190	3,057	9,501
\$10,000 to \$19,999.....	310,011	4,460	3,178	1,282	4,135
\$5,000 to \$9,999.....	296,373	2,138	1,723	415	1,400
\$2,500 to \$4,999.....	289,983	982	1,283	-301	-1,038
Under \$2,500.....	616,728	697	949	-252	-409
Abnormal.....	2,238	236	203	33	14,745