

Farm Production Expenditures, 2003

By Julie A. Donahoe

U.S. farm production expenditures totaled \$198.9 billion in 2003, up 3.0 percent from the revised 2002 total of \$193.1 billion. The largest contributors to the increase were farm improvements and construction, up 43.8 percent; feed, up 8.4 percent; trucks and autos, up 7.1 percent; and other farm machinery, up 5.4 percent. These increases were partially offset by decreases in interest, down 11.4 percent; farm supplies and repairs, down 9.8 percent; and labor, down 1.4 percent. The largest two expenditure categories were feed, which accounted for 13.6 percent of the U.S. total production expenses, and farm services which accounted for 13.5 percent of the U.S. total production expenses. The farm services category includes expense items such as custom work, utilities, marketing charges, veterinary services, transportation costs, and miscellaneous business expenses.

The average expenditures per U.S. farm in 2003 were \$93,785 compared to \$89,722 as revised for 2002. On the average, U.S. farm operations in 2003 spent \$12,731 on feed; \$12,637 on farm services; \$9,996 on labor; \$8,959 on livestock and poultry purchases; and \$7,733 on rent. Revised estimates for 2002 indicated U.S. farms spent an average of \$11,570 on feed; \$12,452 on farm services; \$9,990 on labor; \$8,503 on livestock and poultry purchases; and \$7,527 on rent.

The Northeast Farm Production Region (CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT) contributed \$12.8 billion or 6.4 percent of the 2003 U.S. total for farm production expenditures. The regions with the highest total expenditures were: the Corn Belt (IL, IN, IA, MO, OH) at \$35.8 billion; Pacific Region (CA, OR, WA) at \$32.3 billion; Northern Plains (KS, NE, ND, SD) at \$26.1 billion; Lake States (MI, MN, WI) at \$19.3 billion; and the Southern Plains (OK, TX) at \$17.2 billion.

Farm Production Expenditures: Major Input Items, Average per Farm and Total, Northeast Region¹⁴ & U.S.¹, 2002-2003

Expenditure - Farm Share	Farms Reporting ¹²		Average per Farm ¹³		Total Expenditures	
	2002	2003	2002	2003	2002	2003
	Percent		Dollars		Million Dollars	
Northeast¹⁴						
Total Farm Production Expenditures ^{2,3}	100.0	100.0	91,168	86,604	13,420	12,800
Livestock, Poultry & Related Expenses ⁴	34.1	36.1	5,435	5,007	800	740
Feed	64.8	67.5	15,285	14,344	2,250	2,120
Farm Services ⁵	96.0	96.4	13,519	11,231	1,990	1,660
Rent ⁶	30.4	23.9	2,446	2,030	360	300
Agricultural Chemicals ⁷	55.2	40.1	2,242	2,030	330	300
Fertilizer, Lime & Soil Conditioners ⁷	57.7	56.1	2,514	2,368	370	350
Interest	46.4	39.3	4,416	3,654	650	540
Taxes (Real Estate & Property)	98.1	98.9	3,533	3,789	520	560
Labor	34.8	32.6	14,674	13,532	2,160	2,000
Fuels	86.6	92.0	2,582	2,639	380	390
Farm Supplies & Repairs ⁸	92.6	92.9	7,133	6,563	1,050	970
Farm Improvements & Construction ^{9,10}	61.4	66.6	4,755	7,037	700	1,040
Tractors & Self-Propelled Farm Machinery	15.6	17.4	3,261	2,909	480	430
Other Farm Machinery	24.0	23.6	2,378	2,436	350	360
Seeds & Plants ¹¹	53.0	42.5	4,620	4,736	680	700
Trucks & Autos	14.2	19.6	1,698	1,962	250	290
United States¹						
Total Farm Production Expenditures ^{2,3}	100.0	100.0	89,722	93,785	193,100	198,900
Livestock, Poultry & Related Expenses ⁴	31.4	30.5	8,503	8,959	18,300	19,000
Feed	64.0	65.4	11,570	12,731	24,900	27,000
Farm Services ⁵	95.3	95.3	12,452	12,637	26,800	26,800
Rent ⁶	33.7	30.3	7,527	7,733	16,200	16,400
Agricultural Chemicals ⁷	50.6	48.2	3,857	3,961	8,300	8,400
Fertilizer, Lime & Soil Conditioners ⁷	60.9	58.1	4,461	4,715	9,600	10,000
Interest	45.6	42.0	4,879	4,385	10,500	9,300
Taxes (Real Estate & Property)	98.3	98.8	3,160	3,206	6,800	6,800
Labor	36.2	34.3	9,990	9,996	21,500	21,200
Fuels	86.4	84.4	3,020	3,159	6,500	6,700
Farm Supplies & Repairs ⁸	85.3	84.5	5,669	5,187	12,200	11,000
Farm Improvements & Construction ^{9,10}	48.6	57.2	3,717	5,422	8,000	11,500
Tractors & Self-Propelled Farm Machinery	13.4	22.3	2,881	3,065	6,200	6,500
Other Farm Machinery	19.8	27.7	1,719	1,839	3,700	3,900
Seeds & Plants ¹¹	45.7	45.4	4,135	4,385	8,900	9,300
Trucks & Autos	14.9	24.2	1,951	2,122	4,200	4,500

¹ Excludes AK and HI. ² Total includes production costs not allocated to any of the 16 expense categories published. ³ Includes landlord and contractor share of farm production expenses. ⁴ Includes purchases and leasing of livestock and poultry. ⁵ Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. ⁶ Includes public and private grazing fees. ⁷ Includes material and application costs. ⁸ Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. ⁹ Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. ¹⁰ Changed to include operator dwelling expenses (if dwelling is owned by operation) in 2003. ¹¹ Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment. ¹² Number of farms reporting item divided by total number of farms. ¹³ Total expenditures divided by total number of farms. ¹⁴ Northeast Region consists of CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT.