Agricultural Resource Management Survey (ARMS)

Presented by Rich Allen, NASS, Surveys

Presented at the AAEA Organized Symposium: Standard for Exchanging Costs and Returns Information
Long Beach, CA, July 30, 2002
Standard for Exchanging Costs and Returns Information

- David Buland, Moderator
- 1. Rich Allen, NASS, Surveys
- 2. William D. McBride, ERS, ARMS
- 3. Kevin Boyle, NRCS, ProCost
- 4. Lyubov Kurkalova, CARD, I-EPIC
- 5. Wyatte Harman, Texas, CropMan
Agricultural Resource Management Survey (ARMS)

Purpose

- Data collected in the ARMS form THE primary source of information to the U.S. Department of Agriculture on a broad range of issues about agricultural resource use and cost, and farm sector financial conditions.

- The ARMS is often the only source of information available for objective evaluation of many critical issues related to agriculture and the rural economy.
Three Phases of ARMS

- ARMS Phase I
- ARMS Phase II
- ARMS Phase III
ARMS Phase I

- Conducted between May and July.
- Collects general farm data such as crops grown, livestock inventory, and value of sales.
- Data are used to qualify (or screen) farms for the other phases.
ARMS Phase II

- Conducted from September through December.
- Collects data on chemical usage, production practices, resource use, and variable costs of production for specific commodities.
ARMS Phase III

- Conducted from February through April.
- Collects information on whole farm finance and operator characteristics.
Farm organizations, commodity groups, agribusiness, university researchers, Congress, and the USDA use information from ARMS to evaluate the financial performance of farm/ranch businesses and to recommend and make policy decisions affecting agriculture.
Specific uses of ARMS Data

- Provide information about the relationships among agricultural production, resources, and the environment.

- Help determine the characteristics and financial situations of farm/ranch operators and their households, including collecting information on management strategies and off-farm income.
Specific uses (continued)

- Determine costs of production for various crop and livestock commodities and the relative importance of various production expense items.

- Help determine net farm income and provide data on the financial situation of farm/ranch businesses, including measuring assets and debts.
Specific uses (continued)

- Measure fertilizer and pesticide/chemical usage.

- The Department of Energy uses annual fuels data to develop agricultural policy.

- The Bureau of Economic Analysis uses annual expenditures data by type of farm organization for County Business Pattern Estimates.
NASS uses of ARMS data

- Data source for the Farm Production Expenditures report (released in July of each year).

- Provides annual weights for computation of the NASS Prices Paid by Farmers Index, a component used to calculate Parity Prices as required by the 1933 Agricultural Adjustment Act.
NASS uses of ARMS data (continued)

- Data source for the Agricultural Chemical Usage
  - Field Crops (released in May of each year).
ARMS Budget Initiative

Highlights

- Restore ARMS Sample Size for fiscal year 2003 back to its original level of 18,000 samples (Sample Size for 2002 was 13,000).

- Dramatically increase ARMS Sample Size for fiscal year 2004 to provide better survey indications.
Setting State Level Farm Production Expenditures Estimates in the 15 leading Cash Receipt States.

Publishing comprehensive economic data in the 15 leading Cash Receipt States.
NASS Official Website


- Linda Hutton’s e-mail
  - lhutton@nass.usda.gov
Unlocking the Data Power of the Agricultural Census and ARMS
Wednesday, July 31, 10 a.m. - 5 p.m.

The Census of Agriculture and the Agricultural Resources Management Survey (ARMS) are the two richest data sets combining enterprise and household data. While they have been used for many important reports and studies, their full analysis and research value has not been tapped. This 3-part conference will begin by tackling some of biggest questions facing data users - What is agriculture? What is a farm? What is farm income? - and demonstrating how analysis of such concerns have led to better measures of the changing topology of farms, the emergence of bio-tech agriculture, and the impact of agribusiness contractual arrangements.