

**FACTOR ANALYSIS OF TOTAL EXPENDITURE LEVEL LIVESTOCK
(MEAT PRODUCT) ACHIEVED DURING THE PLAN- MADE**

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Abstract: *The paper examines the evolution of total expenditure by category of livestock (cattle, pigs and sheep) and the influence of factors (number average, the average unit cost) during the plan - made.*

Key words: *economic model, iterating method, absolute deviation.*

INTRODUCTION

Economic model based on factor analysis which carry total expenditure is as follows:

$$Ch_r = \sum_{i=1}^n \overline{Ef}_i \cdot \overline{q}_i \cdot cu_i$$

Where:

\overline{Ef}_i - The average number of animals for fattening;

\overline{q}_i - average production class of animals, and"

cu_i - unit cost per unit;

Ch_r - Total costs at farm level.

Methodology: *iterating method.*

Economic data that are informative support. Total expenditure analysis are listed in

Table 1

Table 1

Agricultural product	Average effect - Head -		Average production - Kg / cap -		Unit cost - Lei / kg -		Total expenditure - lei -	
	P	R	P	R	P	R	P	R
Meat cattle	200	300	400	350	5	6	400000	630000
Meat pigs	5000	4000	90	110	5.5	6.5	2475000	2,860
Meat sheep	1.50 0	1000	35	40	4	5	210000	200000
TOTAL	X	X	X	X	X	X	3085000	3690000

Analysis of expenditure to t them several stages:

a) determine the absolute deviation of total expenditure

$$\Delta Ch_T = Ch_{T1} - Ch_{T0} = 3690000lei - 3085000lei = 605\ 000\ lei$$

b) determine the influence of factors: the actual average production and average unit expenditure

$$\begin{aligned} \Delta Ch_T(\overline{Ef}) &= \sum \overline{Ef}_{i1} \cdot \overline{q}_{i0} \cdot cu_{i0} - \sum \overline{Ef}_{i0} \cdot \overline{q}_{i0} \cdot cu_{i0} = \\ &= 300cap \cdot 400kg \cdot 5lei / cap + 4.000cap \cdot 90kg \cdot 5,5lei / kg + \\ &+ 1000cap \cdot 35kg \cdot 4lei / kg - 3085000lei = \\ &= 600000lei + 1980000lei + 140000lei - 3085000lei = \\ &= 2720000lei - 3085000lei = -365 000 lei \end{aligned}$$

$$\begin{aligned} \Delta Ch_T(\overline{q}) &= \sum \overline{Ef}_{i1} \cdot \overline{q}_{i1} \cdot cu_{i0} - \sum \overline{Ef}_{i1} \cdot \overline{q}_{i0} \cdot cu_{i0} = \\ &= 300cap \cdot 350kg \cdot 5lei / cap + 4.000cap \cdot 110kg \cdot 5,5lei / kg + \\ &+ 1000cap \cdot 40kg \cdot 4lei / kg - 2720000lei = \\ &= 525000lei + 2420000lei + 160000lei - 2720000lei \\ &= 3105000lei - 2720000lei = 385 000 lei \end{aligned}$$

$$\begin{aligned} \Delta Ch_T(cu) &= \sum \overline{Ef}_{i1} \cdot \overline{q}_{i1} \cdot cu_{i1} - \sum \overline{Ef}_{i1} \cdot \overline{q}_{i1} \cdot cu_{i0} = \\ &= 3690 000 lei - 3105 000 lei = 585 000 lei \end{aligned}$$

- c) The determination of the equality relationship between the amount equal ments influence factors and deviation of total expenditure.

$$\begin{aligned} \Delta Ch_T(\overline{Ef}) + \Delta Ch_T(\overline{q}) + \Delta Ch_T(c_u) &= \Delta Ch_T \\ - 365000lei + 385000lei + 585000lei &= 605000lei \\ 605 000 lei &= 605 000 lei \end{aligned}$$

CONCLUSIONS

Livestock operation is shaped cattle and sheep fattening and rails in plan-period real grounds made a total expenditure exceeded 605000 to plan.

This tolerance level complex, worth 605 000 was generated by:

- The influence of livestock which amounted to - 365 000 lei (the economy was driven by expenses: increased by 100 cattle to the plan; decrease of 1000 pig heads towards planned and decrease the number of 500 sheep to plan complex level, joined the herd of 5300 head to 6700 head planned. Actual difference in pigs and sheep was due to lack of financial resources necessary purchase.

- The influence of the average production recorded a value of 385 000, this extra expense is determined by capitalizing pigs and sheep over time (110kg/cap to 90kg/cap plan to pigs to 40 kg / capita to plan 35kg/cap in sheep).

- Unit cost reflects the influence exceeded 585 000, due to increased cost items every animal species (cattle 6 lei / kg to 5 lei / kg level, pigs 6.5 lei / kg to 5.5 lei / kg ovine plan and 5 lei / kg to 4 lei / kg level).

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