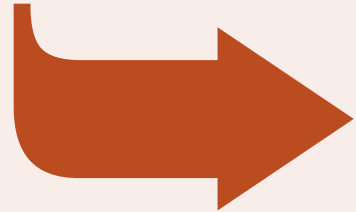




*Note: The most recent data for agricultural income is 2005 as the marketing year lags one year beyond the production year. This chart compares changes from a decade ago and from the prior year to the most recent year for which data is available.*

Overall score: B+



*Cash sales have risen nearly 35 percent over the past decade (not adjusted for inflation). Net income fluctuates significantly from year to year and recent increases in fuels, fertilizers, labor and other costs are placing growers in a tight squeeze, with total cash from farm operations rising 6 percent and expenses rising over 22 percent in the past year. The net cash income (line F) does not include outlays for principal payments on land, household living withdrawal and expenses, income taxes, or regulatory compliance costs that are difficult to document. These costs or outlays are beyond, or in addition to, the production expense categories measured by government agencies.*

# ECONOMIC SCORECARD FOR OREGON'S AGRICULTURAL INDUSTRY

Key indicators	1995	2004	2005	Change 2004-2005	Decade change 1995-2005	Score
A. Cash receipts from farm sales <sup>1</sup>	\$2.8 billion	\$3.70 billion	\$3.77 billion	2%	35%	B
B. Government payments <sup>2</sup>	\$51.8 million	\$81 million	\$129 million	59%	149%	A
C. Farm-related income <sup>3</sup>	\$524 million	\$774 million	\$954 million	23%	82%	A-
D. Total farm income = A+B+C	\$3.37 billion	\$4.47 billion	\$4.73 billion	5.8%	40%	A-
E. Production expenses <sup>4</sup>	\$3.21 billion	\$ 2.76 billion	\$3.37 billion	22%	1%	C
F. Net cash farm income=D-E	\$165.3 million	\$1.38 billion	\$1.05 billion	-24%	536%	B

## Oregon's rank among states<sup>3</sup>

Net cash farm income	#29	#23	#28	—	—	B-
Net income per acre	#41 \$16/acre	#34 \$50/acre	#41 \$38/acre	—	—	B
Value of total production	#21	#26	#26	—	—	B+
Value of total production per acre	#38 \$124/acre	#39 \$157/acre	#39 \$166/acre	—	—	B
Net income per operation	\$10,250/farm	\$35,600/farm	\$27,300/farm	-23%	166%	B

## Footnotes

1. OSU Extension and USDA Oregon Agriculture Statistics Service; cash sales from farms.
2. USDA Farm Service Agency and USDA Natural Resources Conservation Service. NOTE—approximately half the amount is in the form of support payments to wheat/ grain growers; an increasing portion of federal funding is for conservation projects and soil and water stewardship efforts.

3. USDA Economic Research Service: includes custom machine work, farm forest products sold, other farm income, and an imputed/ estimated value for farm dwelling.
4. Includes purchases of farm origin (feed, seed, livestock), manufactured inputs (fertilizers, chemicals, fuels, electricity), services (machine repair, marketing, storage, etc.), employee compensation, rent, and interest on loans.

NOTE: ODA believes many expenses in 2004 were underestimated by USDA/ERS. Does not include non-cash items such as depreciation or capital consumption.

Farm employment expanded over the past decade, gaining more than 13,000 jobs, largely due to growth in the nursery/greenhouse sector. Increases in wages and compensation have accompanied the expansion in employees. Some segments of the industry can pass these costs on, others cannot, and face tighter operating budgets. The food processing sector has experienced considerable contraction, losing nearly one quarter (5,500) of its workforce and more than 20 of the larger food processing firms, due to global competition and cost factors. Other farm-related jobs have increased, along with wages.

<b>Employment</b>	<b>1995</b>	<b>2004</b>	<b>2005</b>	<b>2004-2005 change</b>	<b>1995-2005 change</b>	<b>Score</b>
Total on-farm employment estimate (annual average)	45,000	58,000	58,600	1%	30%	A
Total farm payroll	\$450 million	\$802 million	\$881 million	10%	96%	B
Food processing employment	25,399	22,048	19,860	-10%	-22%	C
Food processing payroll	\$604 million	\$664 million	\$610 million	-8%	1%	B-
Other farm-related Employment <sup>1</sup>	16,000	19,100	19,020	—	19%	B+
Farm-related payroll	\$415 million	\$595 million	\$608 million	2%	47%	A
<b>Value-added processing</b>	<b>1995</b>	<b>2004</b>	<b>2005</b>	<b>2004-05 change</b>	<b>1995-2005 change</b>	<b>Score</b>
Number of licensed processors	1,500	n/a	2,200	Primarily, small domestic bakeries.	47%	B
Number of firms with more than 10 employees	503	515	528	2.5%	5%	C
Percent of production with value-added	49%	—	52.2%			
<b>Agricultural exports</b>	<b>\$728 million</b>	<b>\$905 million</b>	<b>\$883 million</b>	<b>-2.3%</b>	<b>21.3%</b>	<b>B-</b>
<b>Land in agricultural production</b>	<b>17.5 million acres</b>	<b>17.2 million acres</b>	<b>17.1 million acres</b>	<b>-0.6%</b>	<b>-2.3%</b>	<b>B-</b>

1. Includes services, research, veterinarians, wholesale distributors, transportation, warehousing, and related functions that are directly tied to agriculture. *Source: Oregon Employment Department.*