

CROP PRODUCTION COSTS

CORN AND SOYBEAN PRODUCTION COSTS AND RETURNS HEARTLAND REGION 1/, 2002-2003

Item	Corn		Soybeans	
	2002	2003	2002	2003
	<u>Dollars per Planted Acre</u>			
Total, Gross Value of Production (Excluding Direct Government Payments)	327.93	331.06	225.59	237.02
Operating Costs:				
Seed	31.60	34.89	25.72	27.78
Fertilizer	37.24	45.00	6.47	6.87
Soil Conditioners ^{2/}	.09	.09	.09	.09
Manure	1.37	1.60	0.41	0.48
Chemicals	26.22	26.50	17.29	17.40
Custom Operations ^{3/}	9.69	10.09	5.35	5.48
Fuel, Lube, and Electricity	15.28	18.81	5.72	7.16
Repairs	12.35	12.63	8.62	8.73
Interest on Operating Capital	1.13	0.79	0.59	1.39
Total, Operating Costs	134.97	150.40	70.26	75.38
Allocated Overhead:				
Hired Labor	2.19	2.30	1.19	1.24
Opportunity Cost of Unpaid Labor	23.03	23.79	14.57	15.09
Capital Recovery of Machinery and Equipment	51.87	53.06	40.22	40.68
Opportunity Cost of Land (rental rate)	98.83	100.28	94.12	95.93
Taxes and Insurance	5.07	5.19	5.75	5.89
General Farm Overhead	10.69	10.93	11.81	12.10
Total, Allocated Overhead	191.68	195.55	167.66	170.93
Total, Costs Listed	326.65	345.95	237.92	246.31
Value of Production Less Total Costs Listed	1.28	-14.89	-12.33	-9.29
Value of Production Less Operating Costs	192.96	180.66	155.33	161.64
Supporting Information:				
Yield (bushels per planted acre)	142	157	43	36
Price (dollars per bushel at harvest)	2.30	2.10	5.19	6.57
Enterprise size (planted acres) ^{1/}	270	270	280	280
Production Practices ^{4/ 5/}				
Irrigated (percent)	5	5	5	5
Dryland (percent)	95	95	95	95

^{1/} Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

^{2/} Cost of lime.

^{3/} Cost of custom operations, technical services and commercial drying.

^{4/} Corn: 2001 estimates based on 2001 survey.

^{5/} Soybeans: For 1997 survey base year only.

Source: Economic Research Service