



Rice Production Cost Survey in 2018

Rice Production Cost

- Rice production costs per 10a recorded 796,415 won in 2018, which rose by 105,041 won (15.2%) from 2017.

691,374 won in 2017 → 796,415 won in 2018 (an increase of 105,041 won, 15.2%)

- A year-on-year increase in rice production costs resulted from a rise in labor costs among direct costs and costs of land services among indirect costs.

* Labor costs: 167,910 won in 2017 → 203,223 won in 2018 (an increase of 35,313 won, 21.0%)

* Costs of land services: 235,411 won in 2017 → 266,026 won in 2018 (an increase of 30,615 won, 13.0%)

- Rice production costs per 20kg amounted to 29,347 won in 2018, which grew by 4,025 won (15.9%) from 2017.

25,322 won in 2017 → 29,347 won in 2018 (an increase of 4,025 won, 15.9%)

- A year-on-year increase in rice production costs per 20kg was caused by a rise in rice production costs per 10a (15.2%) and a drop in rice production per 10a (-0.6%)

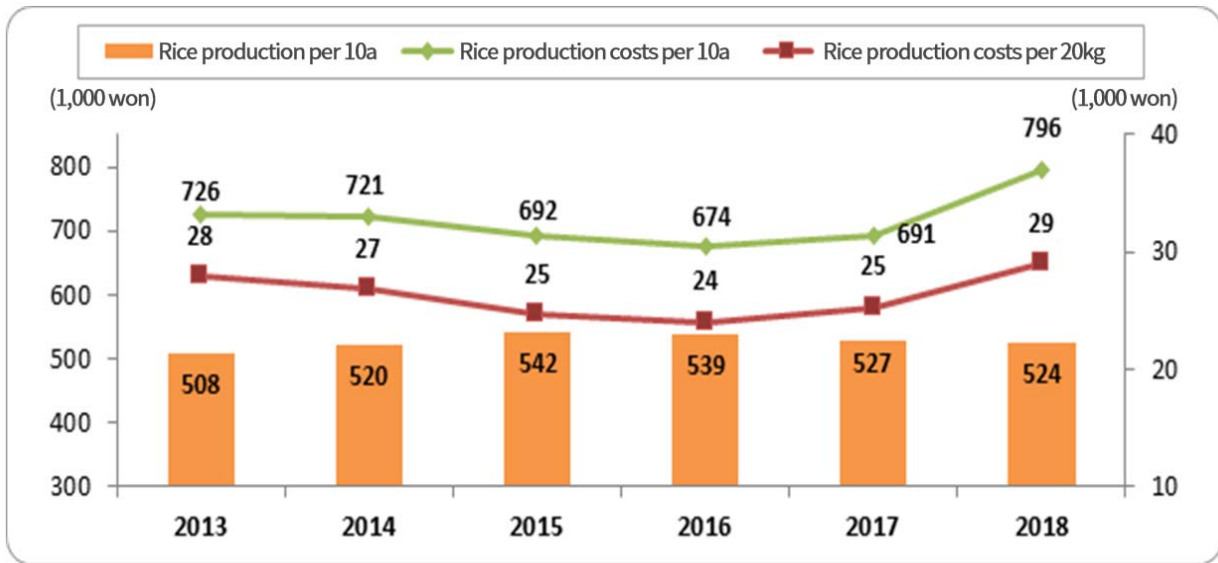
* Rice production per 10a showed a decrease due to weather conditions including heat waves, frequent rain and the drop in sunshine hours.

< Rice production costs >

(Unit: won, kg, %)

Classification	2017	2018	Year-on-year	
			Change	Percent change
<input type="checkbox"/> Rice production costs per 10a	691,374	796,415	105,041	15.2
◦ Direct costs	447,775	521,238	73,463	16.4
◦ Indirect costs	243,598	275,177	31,579	13.0
<input type="checkbox"/> Rice production costs per 20kg	25,322	29,347	4,025	15.9
<input type="checkbox"/> Rice production per 10a	527	524	-3	-0.6

< Rice production costs by year >



□ Rice profitability per 10a

- In 2018, gross receipts per 10a recorded 1,178,214 won, which grew by 20.9% (203,661 won) from 2017.

974,553 won in 2017 → 1,178,214 won in 2018 (an increase of 203,661 won, 20.9%)

- Gross receipts per 10a marked a year-on-year increase, which resulted from a slight drop in rice production and a rise in rice prices in producing areas.

* Total rice production: 3.972 million tons in 2017 → 3.868 million tons in 2018 (a decrease of 104 thousand tons, -2.6%)

* Rice prices in producing areas (20kg, 4th quarter): 38.3 thousand won in 2017 → 48.4 thousand won in 2018 (an increase of 10.1 thousand won, 26.4%)

- In 2018, the net profit ratio per 10a stood at 32.4%, up 3.3%p from 2017. In 2018, the income ratio stood at 58.0%, up 2.4%p from 2017.

· Net profit ratio: 29.1% in 2017 → 32.4% in 2018 (an increase of 3.3%p)
 · Income ratio: 55.6% in 2017 → 58.0% in 2018 (an increase of 2.4%p)

< Rice profitability per 10a >

(Unit: won, %, %p)

Classification	2017	2018	Year-on-year	
			Change	Percent change
□ Gross receipts (a)	974,553	1,178,214	203,661	20.9
□ Production costs (b)	691,374	796,415	105,041	15.2
□ Agricultural management costs (c)	433,103	495,307	62,204	14.4
□ Net profit (a) - (b)	283,179	381,799	98,620	34.8
◦ Net profit ratio*	29.1	32.4	3.3p	
□ Income (a) - (c)	541,450	682,907	141,457	26.1
◦ Income ratio*	55.6	58.0	2.4p	

Note: Net profit ratio = (Net profit / Gross receipts) × 100

Income ratio = (Income / Gross receipts) × 100

< Rice profitability by year >

