



KA 'OIHANA MAHI'AI

## Market Analysis and News Branch

1428 South King Street  
Honolulu, HI 96814-2512

In Cooperation with the United States Department of Agriculture  
National Agricultural Statistics Service, Pacific Region

# Net Cash Farm Income State of Hawaii, 2017 and 2022

Recent analysis using Census of Agriculture data suggests that Hawaii’s net cash farm income reached \$143 million in 2022, more than quadrupling the figure from 2017. This impressive growth was attributed to an sharp increase in farm-related income, generous government payments, and higher market value of farm products sold. Farm related income accelerated by 93 percent to reach \$73.7 million, while government payments jumped to \$15.5 million, an 85 percent increase over the 2017 figure. Additionally, the market value of agricultural products sold increased 19.5 percent, reaching \$673.8 million in 2022.

**Table 1: Derivation of Net Cash Farm Income in Hawaii, 2017 and 2022**

Farm Item by Value (\$1,000)	2017	2022	% Change
Market value of products sold	563,803	673,776	19.5%
Crops, including nursery/greenhouse crops	417,069	514,495	23.4%
Livestock, poultry, and their products	146,733	159,282	8.6%
Government payments	8,362	15,515	85.5%
Farm-related income	38,102	73,658	93.3%
Total farm production expenses	575,703	620,263	7.7%
<b>Net cash farm income*</b>	<b>34,564</b>	<b>142,687</b>	<b>312.8%</b>

Sources:

USDA-NASS and HDOA-MANB.

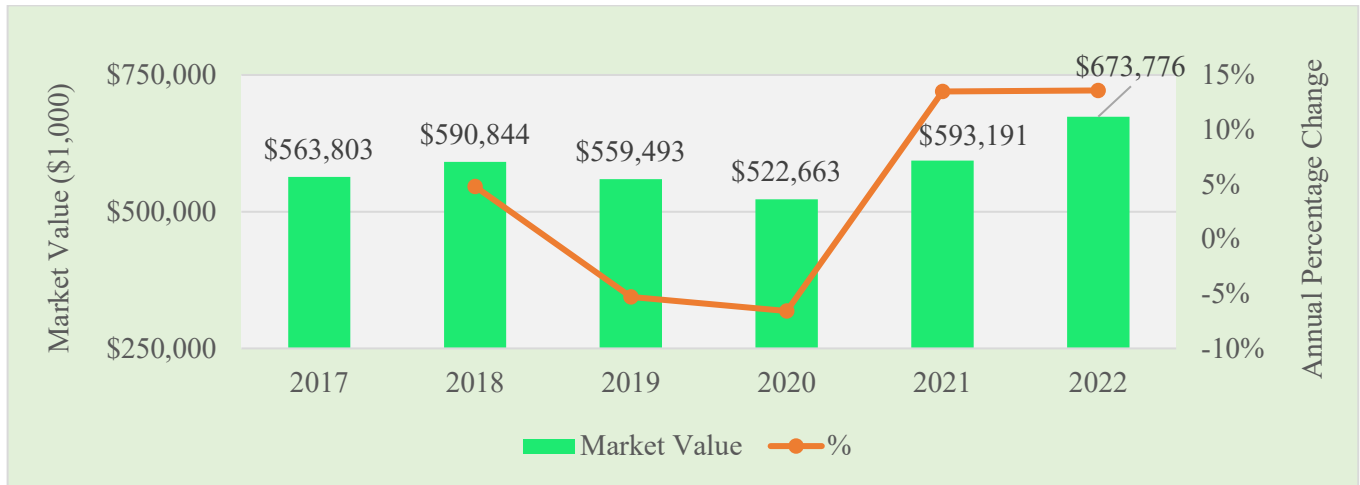
\* *Net cash farm income is the sum of market value of products sold, government payments, and farm-related income, less total farm production expenses.*

In analyzing farm production expenses, categories such as gas, fuels, oil; utilities; fertilizer, lime; feed; repairs, supplies; and hired farm labor, increased moderately, ranging from 0 percent to 8 percent. During the same period, inflation averaged an increase of 16 percent.<sup>1</sup> One category, contract labor, which experienced severe shortages, significantly outpaced the inflation rate (see Chart 2).

<sup>1</sup> Inflation, as measured by the Consumer Price Index (CPI) Urban Hawaii, has risen from 272 in 2017 to 316 in 2022. This represents a cumulative effect of 16.20 percent over this period. According to the U.S. Bureau of Labor Statistics (BLS), the increases in CPI between 2017 and the various years, 2018, 2019, 2020, 2021, and 2022, has been 1.86 percent, 3.52 percent, 5.14 percent, 9.12 percent, and 16.20 percent respectively,. The link to the source is available at: [https://www.bls.gov/regions/west/news-release/consumerpriceindex\\_honolulu.htm#tableA](https://www.bls.gov/regions/west/news-release/consumerpriceindex_honolulu.htm#tableA)

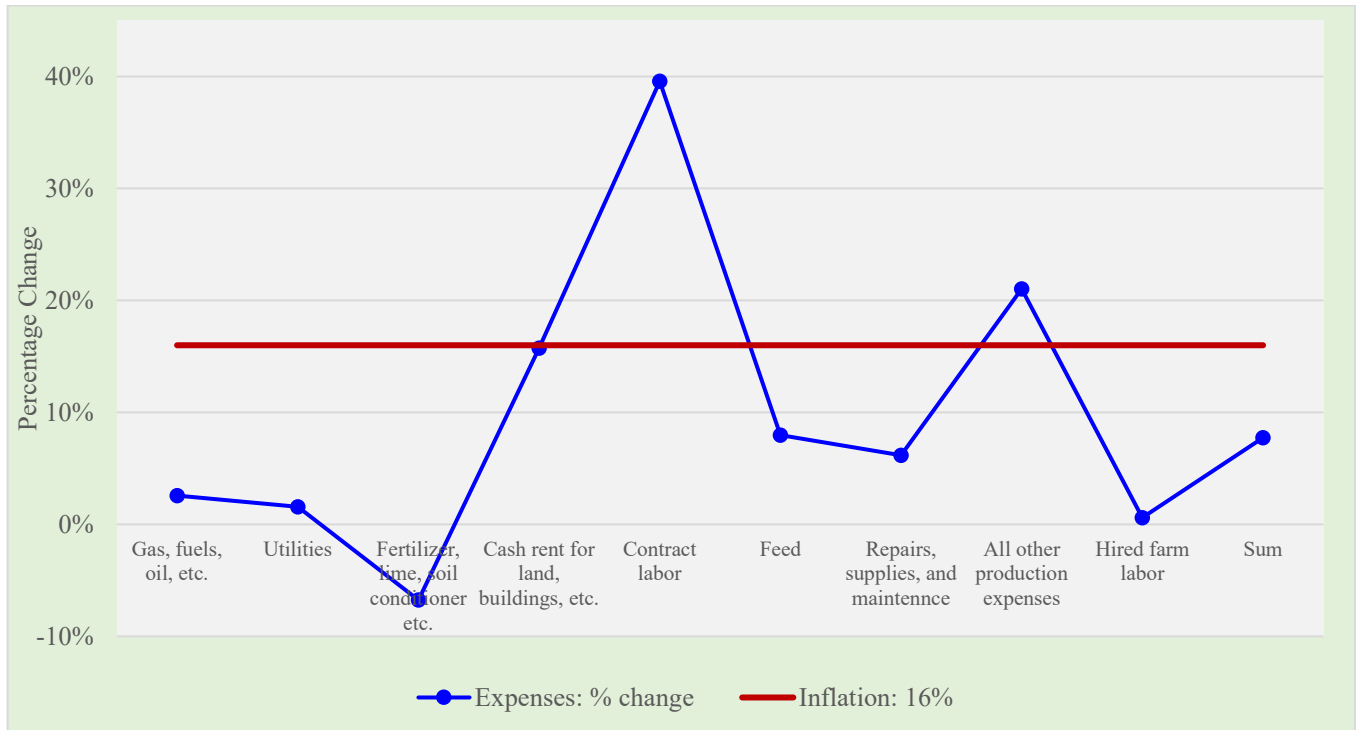
If the 16 percent inflation rate is utilized as a benchmark, and given that most farm expense categories are below this rate, this result suggests that actual production quantities in 2022 are likely lower compared to that in 2017.

**Chart 1: Market Value of Farm Products Sold in Hawaii, 2017 to 2022**



Sources:  
USDA-NASS and HDOA-MANB.

**Chart 2: Farm Production Expenses by Category in Hawaii, 2017 to 2022**



Sources:  
USDA-NASS and HDOA-MANB.

This result has been further illustrated in various USDA crop reports over the past few years. Additional observations include the following:

- Many crops production levels have decreased despite the higher prices due to inflation.
- The extent of price increases, excluding macadamia nuts (which declined), ranges from 29 percent in avocado to 79 percent in vegetables and melon total (see Table 2). These increases are significantly higher than the 19.5 percent rise in the market value of crops sold from 2017 to 2022.
- Given that the market value of crops sold is quantity of production times market price, the actual crop production in Hawaii likely decreased in 2022.

**Table 2: Production and Prices Changes of Select Crops, Hawaii, 2017 and 2022**

	Production (1,000 pounds)			Price (\$/lb.)		
	2017	2022	% Change	2017	2022	% Change
Bitter melon	10	50	400%	\$1.50	\$2.50	67%
Cabbage, Chinese	2,920	2,320	-21%	\$0.59	\$1.31	123%
Cabbage, mustard	375	380	1%	\$0.79	\$0.97	24%
Daikon Radish	715	550	-23%	\$1.18	\$1.27	8%
Eggplant	860	960	12%	\$1.08	\$1.27	18%
Kale	400	400	0%	\$2.33	\$3.40	46%
Lettuce, head	1,255	1,520	21%	\$1.65	\$2.89	75%
Lettuce, Romaine	1,510	1,000	-34%	\$1.48	\$2.28	54%
Onions, green	670	1,520	127%	\$2.15	\$2.59	20%
Potatoes, sweet	6,170	2,500	-59%	\$0.51	\$0.90	77%
Squash, Oriental	110	70	-36%	\$0.86	\$1.00	16%
Snap beans	460	290	-37%	\$1.85	\$2.21	19%
Unpublished	31,540	31,340	-1%	\$0.78	\$1.54	98%
<b>Vegetable and Melon Total</b>	<b>50,220</b>	<b>44,885</b>	<b>-11%</b>	<b>\$0.91</b>	<b>\$1.63</b>	<b>79%</b>
Avocado	1,560	600	-62%	\$1.04	\$1.35	29%
Macadamia nuts	49,000	37,700	-23%	\$1.10	\$0.88	-20%
Papayas	22,250	7,020	-68%	\$0.42	\$0.64	51%
Coffee (cherry basis)	28,571	27,410	-4%	\$1.71	\$2.26	32%

Source: USDA-NASS.

Based on the crop sample data in Table 2, if an average price increase of 34.2<sup>2</sup> percent from 2017 to 2022 is applied to the market value of crops sold, the resulting 19.5 percent increase in market value of products sold corresponds to an estimated 11 percent decrease in crop production quantity for Hawaii.

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<sup>2</sup> Reflects the composite average change in value of vegetable and melon total, avocado, macadamia nuts, papayas, and coffee.