

Agriculture And Our Local Economy

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CA farms and closely related
processing generate 7% of
private sector employment

University of California Agricultural Issues Center (2009)

Each job in ag production &
processing generates 2.2 total jobs

Ag generates 24% of CV private
sector employment when you
consider all multiplier effects

U C Agricultural Issues Center


A stylized teal silhouette of a mountain range is located in the bottom right corner of the slide, partially overlapping the green background.

A \$1B increase in ag production
Results in \$2.6B increase in
Gross State Product

Every \$B in farm sales generates
18,000 jobs on and off the farm

-UC Agricultural Issues Center

A stylized, dark teal mountain range graphic is positioned in the bottom right corner of the slide, partially overlapping the text.



Farmer and her family
Equipment operators, mechanics
Irrigators, pruners, thinners, pickers
milkers, herdsman,
cowboys & cowgirls

Those who provide **goods**:

Tractors, tires, parts

Large equipment, parts

Pesticides

Irrigation equipment

Ladders, buckets

Gas, diesel, oil, grease

Shop equipment, tools, welders

Fertilizers

Pickups, tires, parts, radios

ATC's

Office equipment, fax machines

Computers, software packages

Animal health supplies

Feeds and supplements

Natural gas, propane, electricity

Is Razzari Ford an Agribusiness?



Merced County:

**2800 farms with a pickup
X \$10,000/vehicle**

= \$28,000,000 worth of trucks



Those who provide **services**:

Harvesting

Baling, swathing, harrow bed

Consultants

Irrigation design or installation

Engineering

Construction

Labor Contractors

Custom services

Breeding service

Veterinarians

Book keeping & accounting

On-line data services

Banking, insurance, real estate, legal

Companies that provide
transportation
from the farm
to the processors
(trucking)



Ag Processors

Canneries
Almond hullers
Nut processors
Cheese companies
Wineries
Meat processors
Cotton gins
Tomato processors
Container manufacturers
Dairy processing
Frozen foods
Vegetable and melon packer/shippers

Sensient Dehydrated Flavors east of Livingston





Dole Frozen Foods, Atwater



Sierra Cascade near Ballico



Central CA Tomato Growers – Merced Airport



Companies that
process waste into
useful byproducts



Companies that provide **transportation and distribution** to wholesalers and retailers

Wholesale and retail **distributors**
(Save Mart, McLane Pacific)



Countries Of Export

Albania	Denmark	Indonesia	Qatar	Singapore
Algeria	Dominican Republic	Ireland	Republic of Armenia	Slovenia
Australia		Israel	Republic of Kazakhstan	South Africa
Azerbaijan	Ecuador	Italy	Republic of Kenya	Spain
Belgium	Egypt	Japan	Republic of Korea	Sweden
Bosnia and Herzegovina	England	Jordan	Republic of Latvia	Switzerland
Bulgaria	Estonia	Kingdom of Bahrain	Romania	Taiwan
Canary Islands	Finland	Kuwait	Russia	Thailand
Chile	France	Latvia	Saudi Arabia	Tunisia
China	Georgia	Lebanon	Serbia	Turkey
Costa Rica	Germany	Lithuania		Ukraine
Croatia	Greece	Lybia		United Arab Emirates
Czech Republic	Hong Kong	Malaysia		Venezuela
	Hungary	Montenegro		Vietnam
	India	Morocco		

Products Of Export

Alfalfa Hay	Endive	Pecan	Strawberry
Almond	Fennel	Pistachio	Sudan Hay
Blackberry	Fig	Nut	Sweet Potato
Blueberry	Garlic	Prune	Timothy Hay
Broccoli	Lettuce	Radicchio	Tomato
Celery	Oat Hay	Raisin	Treviso
Chicory	Onion	Raspberry	Walnut

About $\frac{1}{4}$ of CA ag production is exported

In 2010 ag exports were valued at \$14.7B

Top 5: Canada, EU, China, Japan, Mexico

For each billion in ag exports
27,000 jobs are created in the state.

\$1 in exports \Rightarrow \$1.40 in economic activity

University of California Agricultural Issues Center

The introduction of exotic pests and diseases threatens to close California's lucrative export markets.

Improved exclusion efforts and tighter border controls = best way to protect markets.

WATER = JOBS

Water for food, fiber, forage and fuel production

Agricultural processors such as Gallo, Dole, Foster Farms, Ingomar Packing, etc.
need > 1 Million gallons/day to operate

All water used gets treated and reused for
irrigation or wildlife refuges

Some housing projects have been halted while
waiting for court rulings on water issues.

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Water captured in reservoirs or
pumped from ground:

Environmental uses 48%

Agriculture 41%

Urban areas 11%

Cash return for applied water
increased 1%/year from 1960 to
1995

UC Agricultural Issues Center



Supply & cost of
water influences
ag output and
ultimately food
processing



Nationally, from 1967 to 2007 crop production increased 85% while on-farm water applied actually decreased by 14.5%

-CA Farm Water Coalition

Snow falls on the mountains and thaws



Mountains: wildlife, recreation



Reservoir: fish, recreation, flood control



Valley Rivers: fish, recreation



Irrigation system: crops → ground water recharge



Tail water reused or used for wildlife



**Groundwater pumped for residential, industrial,
municipal and recreational uses**



Treated and re-used for irrigation and wildlife



Ultimately drains into SJR where benefits fish and wildlife



Delta & Pacific Ocean

Ag processors: Pump water

- use in processing plant
- separate solids
- crop irrigation
- recharge

or

→ wildlife refuges → river

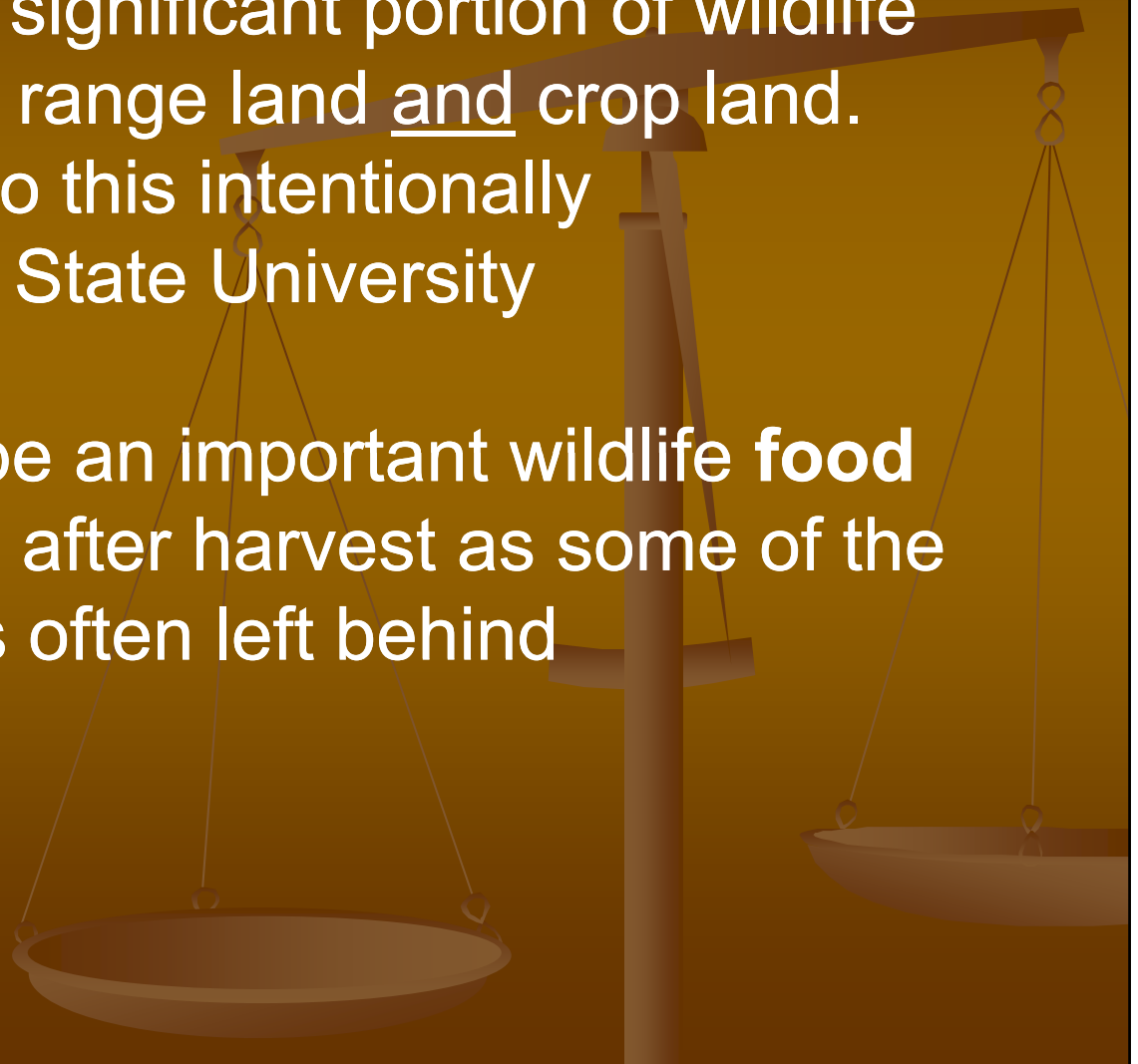
Dairies: Pump water

- livestock use + washing
- separate solids
- irrigation

Farms provide a significant portion of wildlife **habitat** on both range land and crop land.

Many do this intentionally
-Utah State University

Agriculture can be an important wildlife **food** source before and after harvest as some of the crop is often left behind



Range lands serve important
role of watersheds

Crop lands & un-lined canals can
be important to cities
for ground water recharge



Contributions of most productive farmlands:

- ☀ Economic engine for region
- ☀ Employment on and off the farm
- ☀ Ag exports important for reducing US trade deficit

- ☀ Open space
- ☀ Misc. environmental benefits



Only about 25% of California's land is in some type of agriculture.

About 50% is open pasture and range,
about 40% is croplands
remainder is woodlands and other
categories.

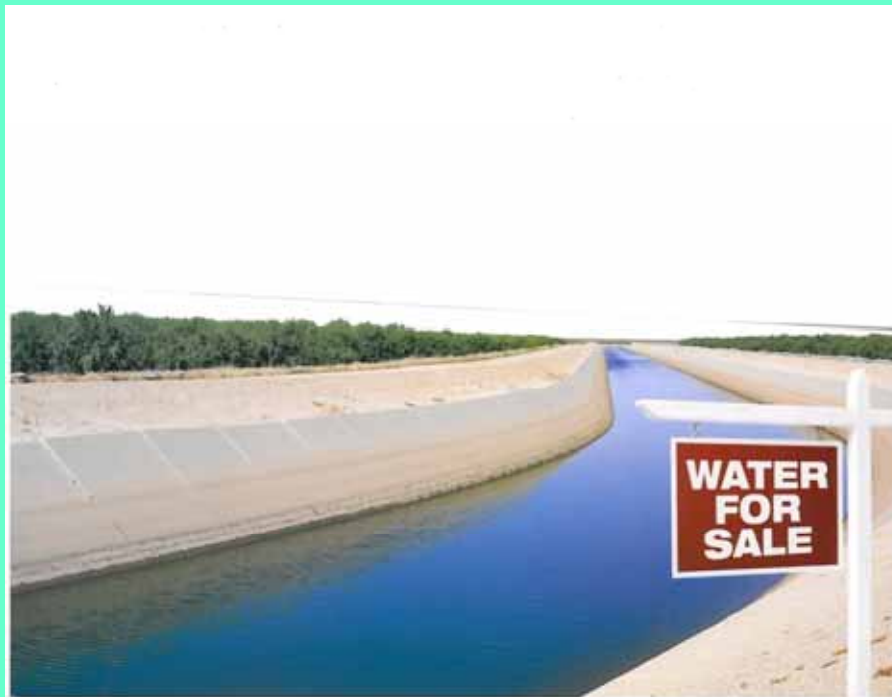
Only 10% of the state is croplands

-University of California Agricultural Issues Center

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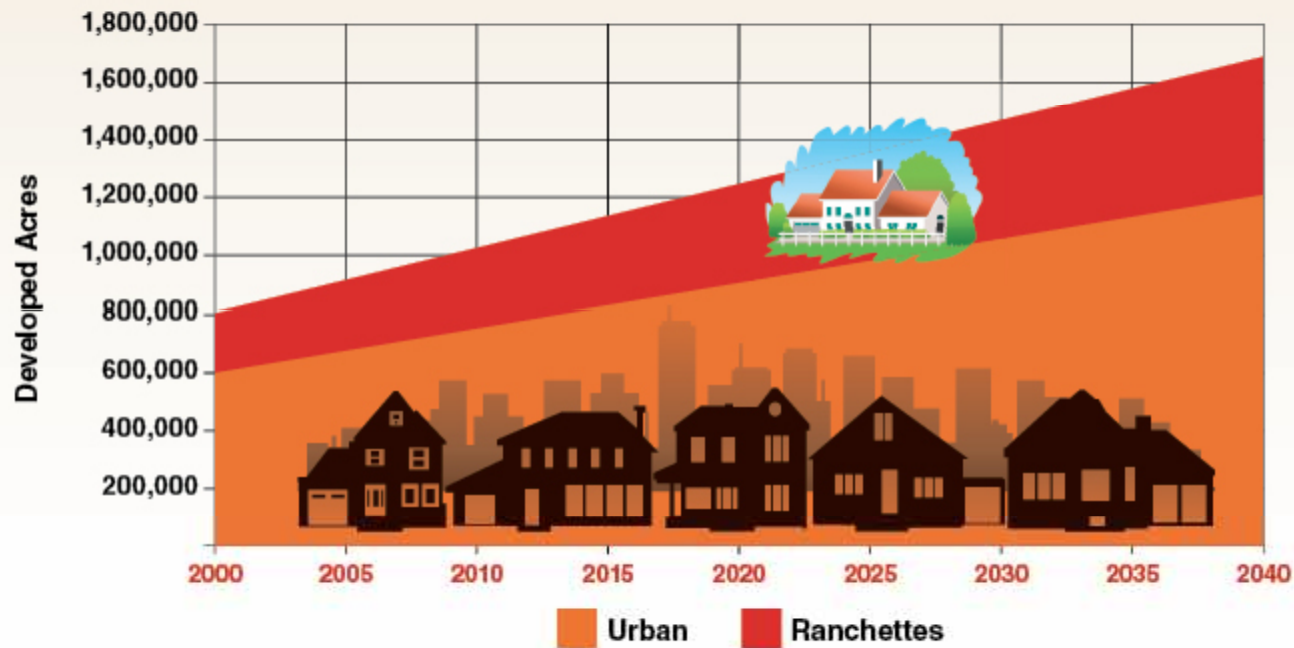
How productive farmland is lost:

1. urban growth
2. splitting up into ranchettes
3. conflict with residential neighbors
4. **can't compete for water**
5. taken for wildlife reserves



Projected development of Central Valley farmland by 2040

Cumulative development forecast 2000–2040



Source: California Department of Conservation

Competing for land and water

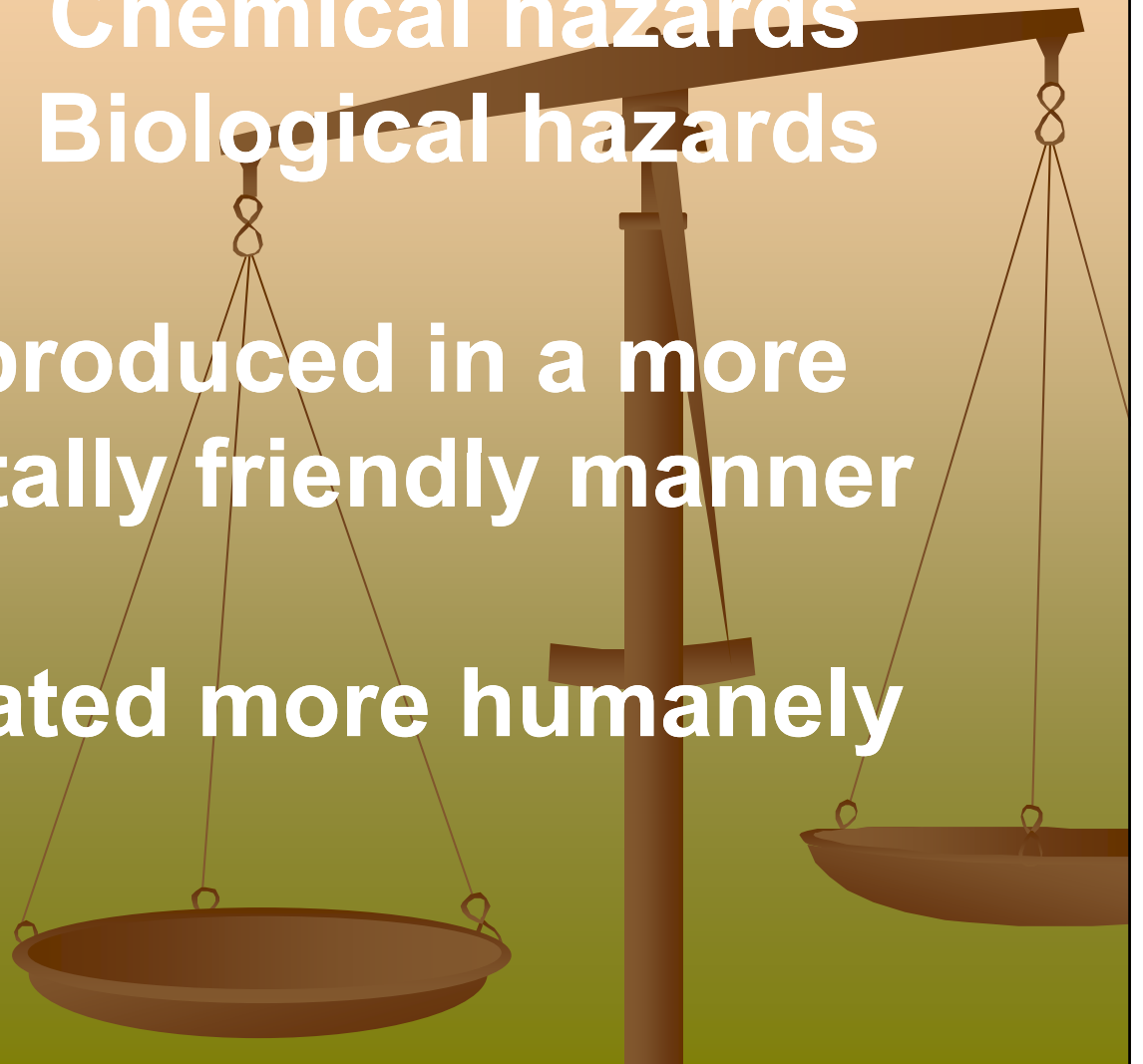


Why is a domestic source of food important?

**Safer from: Chemical hazards
Biological hazards**

**Generally produced in a more
environmentally friendly manner**

Workers treated more humanely





Does farmland play a role in national security?

We are dependent on foreigners for oil

Dependent on others for cooperation in the war on terrorism and other foreign policy objectives.

Can we be dependent on external sources for any of our critical food needs?

Seemingly small events can be disruptive to our economy.

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“....we have to concentrate on feeding ourselves.
We have to look at our food supply and keep it
safe, and more importantly, make sure that is
stays here in this country.”

-Army Colonel Cheryl Smart,
Assistant professor of national security studies

More info:
cemerced.ucanr.edu >Agriculture's Impact