



EXECUTIVE SUMMARY

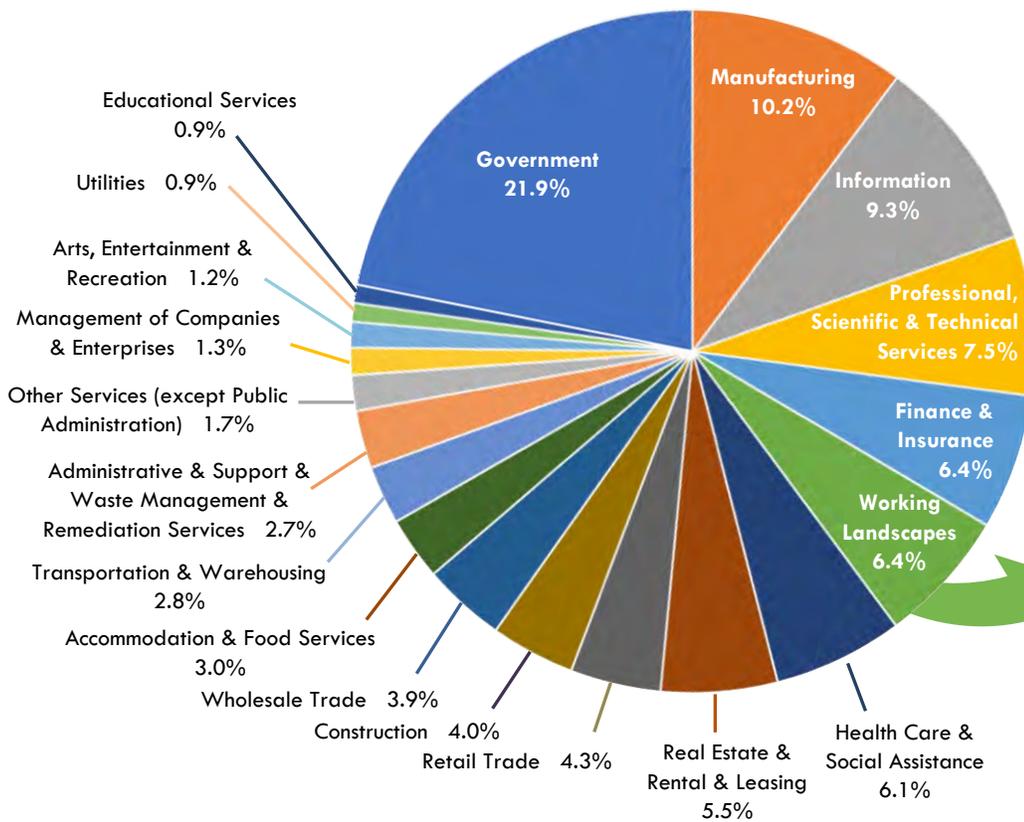
CALIFORNIA'S WORKING LANDSCAPE

A Key Contributor to the State's Economic Vitality

NOVEMBER 2019

In light of the important role that the landscape has played in California's development as the fifth largest economy in the world and the nation's largest agricultural producer, the California Community Colleges' Centers of Excellence collaborated with University of California Agriculture and Natural Resources to measure economic impact of the many facets of the state's working landscape, from fishing to agriculture and ranching, from mining to renewable energy. This study identifies and analyzes nine industry segments – agricultural distribution, agricultural processing, agricultural production, agricultural support, fishing, forestry, mining, outdoor recreation, and renewable energy — to quantify the contributions of Californians whose livelihoods are tied to the land.

Collectively, these segments contribute significantly to the state's economic vitality and account for more than 1.5 million jobs and nearly 70,000 business establishments. In 2018, the nine working landscape segments paid workers \$85 billion in earnings and generated \$333 billion in sales.



\$333 Billion
Sales

| | |
|--------------------|-----------|
| Agriculture | \$263.5 B |
| Mining | \$32.2 B |
| Forestry | \$23.2 B |
| Outdoor Recreation | \$6.3 B |
| Renewable Energy | \$5.9 B |
| Fishing | \$1.7 B |

1.5 Million
Jobs

\$85 Billion
Earnings

Total California 2018 sales is \$4,015,337,714,945 — just over \$4 trillion.

SOURCE: Report by California Community Colleges Centers of Excellence using 2018 data from the North American Industry Classification System (NAICS)



The working landscape is complex and quickly evolving, spanning dozens of industries and industry sub-sectors. The research team identified relevant industries based on each working landscape segment's diverse mix of technologies, products, and companies using NAICS codes. A complete list of NAICS codes used to define each of the nine segments is in the report's appendix.

Another objective was to measure the importance and impact of the nine working landscape segments by region. For example, some segments, although relatively small in terms of employment or sales income, are cornerstones of local economies and play a critical role in the livelihoods of communities. Each industry segment has data on number of jobs, total earnings paid to workers, and total sales income reported by the regions shown to the right.



California is the nation's largest agricultural producer and exports many agricultural commodities grown nowhere else in the U.S.

Although agriculture accounts for 85% of all working landscape business establishments and generates 79% of working landscape sales income, it is important to note that while some of the other working landscape segments might seem diminutive in comparison to the agricultural segments, they are still sizeable when compared to the rest of the nation. This is only because California's agriculture is a massive economic juggernaut.

For example, California has the largest outdoor recreation economy in the United States and the value of its mineral production ranks fourth in the nation. While forestry ranks fourth to last for number of jobs, earnings, and sales income of the nine working landscape segments, it is important to keep in mind that compared to other states, the forestry segment is quite large. After Alaska and Oregon, California has the third greatest amount of forested land in the United States.

This report does not include economic values for Ecosystem Services provided by California's Working Lands

Ecosystem services are ways that the natural world provides biological necessities, such as clean water, nutritious food and a livable climate, as well as indirect economic benefits, such as jobs and revenue created along food value chains. More broadly, they encompass intangible goods that contribute to human well-being, such as recreation, aesthetic inspiration and cultural connection. New techniques for quantifying the value of ecosystem services clearly demonstrate that nature has significant value and provides exceptional return on investment. While this report did not attempt to derive a monetary value for the ecosystem services provided by California's working landscape, related studies indicate that the economic value could surpass the amount of direct sales derived from working lands.

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