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Tools for Community Self-determination

Gorge Grown Region (Oregon & Washington) Local Farm & Food Economy

Highlights of a data compilation
by Ken Meter, Crossroads Resource Center (Minneapolis) for

Gorge Grown Network June 15, 2008

*The Gorge Grown region includes:
Hood River, Sherman, & Wasco Counties in Oregon;
Klickitat & Skamania Counties in Washington*

Gorge Grown Region (Bureau of Economic Analysis, 2006)

76,765 residents receive \$ 2.2 billion income annually. Real personal income (adjusted for inflation) has more than doubled since 1969. Residents pay \$97 million in taxes [BLS].

The region's farms (Agricultural Census, 2002)

Land:

- 2,111 farms.
- 351 (17%) of these are acres or 1,000 more in size.
- 915 (43%) farms are less than 50 acres.
- Average farm size is 1,059 acres, 250% of average for each of the two states.
- The region has 2.2 million acres of land in farms.
- 350,000 acres of harvested cropland.
- 1,088 farms (52%) have a total of 79,000 acres of irrigated land.
- Average value of land and buildings per farm is \$596,000.

Sales:

- \$182 million of crops and livestock sold by all farms combined (2002).
- \$147 million of crops sold (81% of sales).
- \$35 million of livestock and products sold (19% of sales).
- 1,182 (56%) of the region's farms sold less than \$10,000 of products in 2002.
- These sales from small farms amount to 1.3 percent of the region's farm sales.
- 396 farms (19%) sell more than \$100,000 of products.
- These larger farms account for 84% of the region's farm sales.
- 56% of region farms (1,178) reported a net loss in 2002.
- For comparison, 64% of Oregon farms, and 59% of Washington farms, reported net losses.

Highlights of Gorge Grown Region Local Farm & Food Economy (Oregon & Washington)

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- The region's farmers collected \$25 million of federal subsidies in 2006 [Bureau of Economic Analysis].

Cattle & Dairy:

- 693 ranches and farms hold an inventory of 59,000 cattle.
- 20,000 cattle were sold in 2002 for total sales of \$10 million, a 39% decline from the \$16 million sold in 1997. This is also a 24% drop in the number of farms selling cattle.
- Sales data for several counties are suppressed by USDA due to confidentiality concerns.
- 4 farms sell \$2.2 million of milk. In 1997, there were 11 dairy farms in the region, so the number of dairy farms fell 64%. Sales fell 28% from \$3.2 million.
- 572 farms produce 119,000 tons of forage crops (hay, etc.) on 60,000 acres.

Other livestock & animal products:

- 66 farms hold an inventory of 1,377 hogs and pigs.
- Although the number of farms selling hogs fell 14%, hog and pig sales rose 86% from \$157,000 in 1997 to \$292,000 in 2002.
- Poultry and egg sales total \$255,000, although considerable data are not reported due to confidentiality concerns.
- 135 farms sold \$314,000 of sheep and lambs.
- 15 fish farms sold \$9.7 million.

Grains

- The region's farmers sell \$21 million of grain.
- 274 farms raise wheat on 229,000 acres of land, producing a total of 6.7 million bushels.
- 711,000 bushels of barley were raised on 21,000 acres by 82 farms.

Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- 39 farms work 1,712 acres to raise vegetables and potatoes, selling \$4.7 million.
- 9 farms raise 503 acres of edible dry beans, for total production of 9,384 cwt., and sales of \$21 million.
- 104,000 cwt. of potatoes are grown on 280 acres by 8 farms.

Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- The Gorge Grown region has 576 fruit farms having a total of 32,000 acres of orchards.
- \$106 million of fruits are sold, 58% of the region's agricultural sales.
- Hood River County alone accounts for 53% of all fruit sales in the region.
- Fruit sales in Hood River County fell 11% from 1997 to 2002.

Direct and organic sales:

- 273 farms sell \$1.7 million of food directly to consumers. This is an 8% increase in the number of farms (253 in 1997) selling direct, and a 62% increase of direct sales, from 1997 to 2002.
- 24 region farms sold organic foods (\$1.6 million sales).

Top 25 products sold by Oregon farmers, 2006

- State farmers sold \$3.9 billion of crops and livestock in 2006.
- Of these sales, \$1 billion of livestock sales, and \$2.9 billion of crop sales.
- Received \$118 million in federal subsidies.
- Oregon farms produce all of the fescue and ryegrass sold commercially in the U.S., as well as all hazelnuts. 90% of all commercial blackberries are produced in the state, and half of all Kentucky Bluegrass.
- One-quarter of Oregon’s farm income is earned by selling greenhouse and nursery crops.

	\$ millions
1 Greenhouse & nursery	1,040
2 Cattle and calves	544
3 Dairy products	326
4 Hay	274
5 Ryegrass	231
6 Fescue	175
7 Wheat	174
8 Potatoes	116
9 Onions	99
10 Pears	77
11 Grapes	60
12 Blueberries	53
13 Cherries	49
14 Hazelnuts (filberts)	46
15 Blackberry group	40
16 Chicken eggs	34
17 Corn, sweet	31
18 Mint	30
19 Apples	26
20 Bluegrass, Kentucky	23
21 Hops	23
22 Cranberries	22
23 Beans, snap	16

(Source: USDA Economic Research Service — broiler chickens and mushroom data withheld to protect confidentiality)

Top 25 products sold by Washington farmers, 2006

- State farmers sold \$6.1 billion of crops and livestock in 2006.
- Of these sales, \$1.6 billion of livestock sales, and \$4.5 billion of crop sales.
- Received \$196 million in federal subsidies.
- Two-thirds of all apples sold in the U.S. were grown in Washington state orchards.
- Half of the Kentucky Bluegrass raised in the U.S. is raised in Washington state (with most of the rest coming from Oregon).
- Half of all cherries and pears, 45% of all mint, and 75% of hops sold commercially in the U.S. are produced by Washington farmers.

	\$ millions
1 Apples	1,378
2 Dairy products	686
3 Cattle and calves	649
4 Wheat	521
5 Potatoes	498
6 Greenhouse & nursery	390
7 Cherries	273
8 Hay	268
9 Pears	151
10 Grapes	144
11 Onions	128
12 Hops	89
13 Aquaculture	84
14 Corn, sweet	71
15 Mint	52
16 Chicken eggs	51
17 Carrots	50
18 Corn	33
19 Barley	31
20 Blueberries	30
21 Bluegrass, Kentucky	24
22 Raspberries	21
23 Asparagus	19

(Source: USDA Economic Research Service — *broiler chickens and mushroom data withheld to protect confidentiality*)

Highlights for Specific Counties

Hood River County, Oregon (2002)

- \$56 million of fruit sales — 94% of the county's total agricultural sales.
- Top fruit-producing county in the state of Oregon, and ranked 49th nationally.

- Ranked first in U.S. for pear production, with 12,194 acres of orchard.
- Ranked 2nd in state and 13th nationally for sweet cherry production, with 1,694 acres.
- Ranked 2nd in Oregon for apple acreage, with 1,631.
- 43% of all farms are 10-49 acres.
- 70% of all farms are less than 49 acres.
- No farms are larger than 1,000 acres.

Sherman County, Oregon (2002)

- Ranked 4th in Oregon for sales of grains, with \$13 million (85% of county agricultural sales).
- Ranked 2nd in state for barley acreage, with 12,000.
- Ranked 3rd in state for acreage in wheat, with 117,000.
- Ranked 7th in Oregon for acreage devoted to vegetable seeds (sales not disclosed by USDA)
- Ranked 12th in state for triticale acreage.
- Sales of cattle and calves totaled \$1.5 million.
- Sales of hogs and pigs totaled \$7,000.
- Sales of sheep and lambs totaled \$3,000.
- 7% of all farms are 10-49 acres.
- 53% of all farms are more than 1,000 acres.

Wasco, Oregon (2002)

- Ranked first in Oregon, and third in U.S., in acreage devoted to sweet cherries, with 8,390.
- Ranked first in state in acreage devoted to mustard seed.
- Ranked first in Oregon in commercial pheasant production, second in quail.
- Ranked fifth in state for wheat production, with \$8 million in sales on 73,700 acres.
- Ranked sixth in Oregon for fruit sales, with \$22 million (two-thirds of county crop sales).
- Ranked seventh in state for hog sales, with \$174,000.
- 25% of all farms are 10-49 acres.
- 23% of all farms are larger than 1,000 acres.

Klickitat County, Washington (2002)

- Ranked fourth in Washington for sales of sheep & goats, with \$230,000 sales.
- Sixth in acreage planted in grapes, with 2,587.
- Seventh in acreage devoted to forage crops, with 42,000 acres.
- Ranked tenth in state for fruit production, with \$26 million sales (half of county agricultural sales).
- Tenth in land devoted to barley, with 4,827 acres.
- 29% of all farms are 10-49 acres.
- 17% of all farms are more than 1,000 acres.

Skamania County, Washington (2002)

- Ranked seventh in state for aquaculture sales, with \$9.7 million (84% of county farm sales).
- Ranked seventh in Washington in acreage devoted to grape production.
- Ranked 20th in state for fruit sales, with \$1.5 million.
- 47% of all farms are 10-49 acres.

- 35% of all farms are 50-179 acres.
- No farms are larger than 500 acres.

State of Oregon (2002)

- Ranked first in U.S. for sales of Christmas trees (\$108 million).
- Ranked first in U.S. for acres of Christmas trees (67,804).
- First in U.S. for acres of field and grass seed crops (545,000).
- Ranked third in U.S. for sales of field and grass seed crops (\$499 million).
- Third in U.S. for sales of nursery, greenhouse, flowers, and sod (\$806 million).
- Ranked fourth in U.S. for sales of fruit, nuts and berries (\$277 million).
- Seventh in U.S. for sales of vegetables, melons, potatoes and sweet potatoes (\$354 million).
- Ranked tenth in U.S. for sales of sheep, goats and their products (\$17 million).
- Tenth in U.S. for inventory of sheep & lambs (237,076).
- 63% of all farms are less than 49 acres.
- 6% of all farms are more than 1,000 acres.

State of Washington (2002)

- First in nation in apple sales, with \$173 million.
- Ranked first in U.S. in aquaculture sales, with \$215 million.
- Third in U.S. for fruit sales (\$1.3 billion).
- Ranked third in U.S. for vegetable sales, with \$805 million.
- Ranked fourth in nation for barley acreage, with 337,000 acres.
- Ranked fifth in U.S. for vegetable acreage, with 215,000.
- Fifth in U.S. for Christmas tree sales, with \$26 million.
- Ranked sixth in nation for forage crop sales, with \$422 million.
- Sixth in U.S. for wheat acreage, with 2.3 million acres.
- Seventh in U.S. for crop sales at \$3.6 billion.
- Ninth in nation for greenhouse and nursery crops, with \$391 million in sales.
- Ranked tenth in U.S. in dairy sales, with \$634 million.
- 58% of all farms are less than 49 acres.
- 8% of all farms are more than 1,000 acres.

Balance of Cash Receipts and Production Costs (BEA):

Gorge Grown Region ranchers and farmers sell \$234 million of food commodities per year (average for the 30 years 1977-2006), spending \$254 million to raise them, for an average loss of \$20 million each year. Note that these sales figures compiled by the BEA are considerably higher than cash receipts recorded by the USDA Agriculture Census (above).

Overall, farm producers have lost \$600 million in production costs since 1977. Farmers have spent more in production costs than they earned by selling their products each year since 1992. Overall, 56% of the region's farms and ranches reported net losses in 2002 (Ag Census), even after subsidies are taken into account. Gorge Grown Region farmers and ranchers earned \$137 million less by selling commodities in 2006 than they earned in 1969 (in 2006 dollars), a decline of 245%.

Farmers and ranchers earn another \$23 million per year of farm-related income — primarily custom work, and rental income (30-year average for 1977-2006). The region won \$25 million in federal farm subsidies in 2006. Average data for the entire region over the past 30 years could not be compiled because records for Hood River and Skamania counties were incomplete.

The region's consumers:

Gorge Grown Region consumers spend \$205 million buying food each year, including \$115 million for home use. Most of this food is produced outside the region. Only \$1.7 million of food products (0.9% of farm cash receipts) are sold by farmers directly to consumers.

Estimated change in net assets for all region households combined was a loss of \$440 million in 2006 alone (BLS).

Farm and food economy summary:

Farmers lose \$20 million each year producing food commodities, while spending \$90 million buying inputs from external suppliers, for a total outflow of \$110 million from the region's farms.

Meanwhile, consumers spend more than \$200 million buying food that is sourced outside the region. Thus, total loss to the region is \$310 million of potential wealth *each year*. This loss amounts to 1.3 times the value of all food commodities raised in the region.

Gorge Grown Region: markets for food eaten at home (2006):

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 26
Fruits & vegetables	22
Cereals and bakery products	14
Dairy products	12
“Other,” incl. sweets, fats, & oils	41

State of Oregon: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 1,199
Fruits & vegetables	1,011
Cereals and bakery products	666
Dairy products	572
“Other,” incl. sweets, fats, & oils	1,911

State of Washington: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$2,042
Fruits & vegetables	1,722
Cereals and bakery products	1,133
Dairy products	974
“Other,” incl. sweets, fats, & oils	3,255

Key data sources:

Bureau of Economic Analysis data on farm production balance

<http://www.bea.doc.gov/bea/regional/reis/>

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey

<http://www.bls.gov/cex/home.htm>

U.S. Census of Agriculture

<http://www.nass.usda.gov/census/>

USDA/Economic Research Service food consumption data:

<http://www.ers.usda.gov/data/foodconsumption/>

USDA/ Economic Research Service farm income data:

<http://ers.usda.gov/Data/FarmIncome/finfidmu.htm>

For more information:

To see results from *Finding Food in Farm Country* studies in other regions of the U.S.:

<http://www.crcworks.org/locales.html>

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written for the Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>

To view a PowerPoint presented in March, 2008, by Ken Meter at Rep. Collin Peterson's (D-MN) Minnesota agricultural forum, called the "Home Grown Economy":

<http://www.crcworks.org/crcppts/petersonkm08.pdf>

To get a brief list of essential food facts, many of which are cited in the presentation above,

<http://www.crcworks.org/foodmarkets.pdf>

To link to further analysis of farm and food economies in the U.S.:

<http://www.crcworks.org/econ.html>

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