

# Crossroads Resource Center

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## ***Tools for Community Self-determination***

### **Union County, Oregon Local Farm & Food Economy**

*Highlights of a data compilation*  
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for  
**Oregon Rural Action**

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#### **Union County (Bureau of Economic Analysis, 2009)**

25,038 residents receive \$780 million of income annually. Although income from government jobs has declined over the past ten years, personal income still increased 122% from 1969 – 2009, after dollars were adjusted for inflation. Population growth [*see below*] contributed to this rise. The largest source of personal income is transfer payments (from government programs such as pensions), which account for \$210 million (27%) of personal income [*see below*]. Capital income (from interest, rent or dividends) brings in \$156 million of personal income. Government jobs rank third, with \$127 million. Health care jobs are next, with \$74 million. Manufacturing jobs produce \$56 million of personal income, and retail jobs rank sixth, with \$42 million. Note that income from public sources makes up 43% of all personal income in the county.

Income earned from transfer payments includes \$79 million of retirement and disability insurance benefits, \$76 million of medical benefits, \$18 million of income maintenance benefits, \$15 million of unemployment insurance, and \$6 million of veteran's benefits.

Government income includes \$20 million of income earned by federal workers, \$47 million for state government workers, and \$57 million earned by local government staff. Military personnel earn \$3 million of personal income.

Although population has increased 30% since 1969, there has been only limited public planning to assure a secure and stable food supply.

#### **Issues affecting low-income residents of Union County:**

Over 8,400 residents (34%) earn less than 185% of federal poverty guidelines. At this level of income, children qualify for free or reduced-price lunch at school. These lower-income residents spend \$17 million each year buying food, including \$3 million of SNAP benefits (formerly known as

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<sup>1</sup> Nick Wojciak contributed substantial research to this report.

food stamps) and additional WIC coupons. The county's 880 farmers receive an annual combined total of \$5 million in subsidies (23-year average, 1987-2009), mostly to raise crops such as wheat or corn that are sold as commodities, not to feed Union County residents. *Data from Federal Census of 2000, Bureau of Labor Statistics, & Bureau of Economic Analysis.*

9% percent of the county's households (over 2,200 residents) earn less than \$10,000 per year. *Source: Federal Census American Community Survey 2005-2009.*

20% of Oregon adults aged 18-64 carry no health insurance. *Source: Centers for Disease Control.*

### **Food-related health conditions:**

26% of Oregon residents reported in 2009 that they eat five or more servings of fruit or vegetables each day. 74% do not. This is a key indicator of health, since proper fruit and vegetable consumption has been connected to better health outcomes. *Source: Centers for Disease Control.*

56% of Oregon adults reported in 2009 they have at least 30 minutes of moderate physical activity five or more days per week, or vigorous physical activity for 20 or more minutes three or more days per week. *Source: Centers for Disease Control.*

7% of Oregon residents have been diagnosed with diabetes as of 2010. *Source: Centers for Disease Control.* Medical costs for treating diabetes and related conditions in Union County are estimated at \$15 million per year. Costs for the state of Oregon as a whole total \$2.2 billion. *Source: American Diabetes Association cost calculator.*

61% of Oregon residents are overweight (33%) or obese (28%). *Source: Centers for Disease Control.*

### **The county's farms (Agricultural Census, 2007)**

Agricultural Census data for 2007 were released February 4, 2009

*The Census of Agriculture defines a "farm" as "an operation that produces, or would normally produce and sell, \$1,000 or more of agricultural products per year."*

#### *Land:*

- 880 farms. This is 2% of Oregon farms.
- Union County had 11% less farms in 2007 than in 2002.
- 114 (13%) of these are 1,000 acres or more in size.
- 384 (44%) farms are less than 50 acres.
- Average farm size is 554 acres, more than the state average of 425 acres.
- The county has 488,000 acres of land in farms.
- This amounts to 3% of the state's farmland.
- Union County holds 98,000 acres of harvested cropland.
- 63,000 of these acres are irrigated.
- Average value of land and buildings per farm was \$834,000. This was more than the 2007 state average of \$804,000.

*Sales:*

*With the exception of foods sold directly to consumers (see below), farmers typically sell commodities to wholesalers, brokers or manufacturers that require further processing or handling to become consumer items. The word “commodities” is used in this report to mean the crops and livestock sold by farmers through these wholesale channels. The term “products” encompasses commodity sales, direct sales, and any other sales.*

- The county’s farmers sold \$58 million of crops and livestock in 2007.
- Farm product sales increased by 21% from 2002 to 2007.
- \$42 million of crops were sold.
- \$16 million of livestock and products were sold.
- 564 (64%) of the county’s farms sold less than \$10,000 of products in 2007.
- Total sales from these small farms were \$1.3 million, 2% of the county’s farm product sales.
- 104 (12%) of the county’s farms sold more than \$100,000 of products.
- Total sales from these larger farms were \$50 million, 86% of the county’s farm product sales.
- 62% of the county’s farms (549 of 880) reported net losses in 2007. This is slightly less than the Oregon average of 65%.
- 271 (31%) of Union County’s farmers collected a combined total of \$3.1 million of federal subsidies in 2007.

**Top farm products of Union County (2007):**

<b>Product</b>	<b>\$ millions</b>
Forage crops	23
Cattle and calves	15
Wheat	13
Vegetables	3
Fruits, tree nuts, and berries	1
Barley	1

*Production Expenses:*

- Fertilizer, lime, and soil conditioners were the largest single expense for Union County farmers in 2007, totaling \$6.4 million (12% of production expenses).
- Depreciation costs ranked as the second most important expense, at \$6.1 million (12%).
- Hired farm labor cost farmers \$5.3 million (10%).
- Land and building rental cost farmers \$5 million (10%).
- Supplies, repairs, and maintenance cost farmers \$4.6 million (9%).
- Gasoline, fuels, and oil costs totaled \$4.5 million (9%).
- Feed purchases cost \$3.7 million (7%).
- Livestock and poultry purchases were \$3.6 million (7%).
- Interest expenses were \$3.5 million (7%).

*Cattle & Dairy:*

- 416 farms hold an inventory of 36,000 cattle.
- 22,000 cattle were sold by farmers in 2007 for total sales of \$15 million.
- 360 farms raise beef cows.
- 5 farms raise milk cows.

- 2 farms produced corn for silage.
- 456 farms produced 108,000 tons of forage crops (hay, etc.) on 42,000 acres.
- 294 farms sold \$23 million of forage.

*Other Livestock & Animal Products:*

- 26 farms hold an inventory of 1,770 hogs and pigs.
- 44 farms sold 3,910 hogs and pigs in 2007.
- 50 farms hold an inventory of 1,076 sheep and lambs.
- 52 farms sold \$118,000 worth of sheep, goats, and lambs in 2007.
- 84 farms hold an inventory of 1,901 laying hens.
- 2 farms raise broiler chickens.
- 2 farms engage in aquaculture.
- 65 farms raise horses and ponies.

*Grains, Oil Seeds, & Edible Beans:*

- 120 farms produced \$15 million of grains, oil seeds, and edible beans.
- 3 farms produced 47,000 bushels of corn on 361 acres, worth \$213,000.
- This amounts to an average price per bushel of corn of \$4.53. *Note that this price is an approximation, and does not necessarily represent the actual price at which corn was sold.*
- 114 farms produced 2.1 million bushels of wheat on 27,000 acres, worth \$13 million.
- This amounts to an average price per bushel of wheat of \$6.19. *Note that this price is an approximation, and does not necessarily represent the actual price at which wheat was sold.*
- This includes:
  - 99 farms produced 1.6 million bushels of winter wheat on 20,000 acres.
  - 52 farms produced 503,000 bushels of spring wheat on 7,343 acres.

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

- 25 farms produced vegetables, selling \$3.4 million. *Note that data for acreage of vegetables were suppressed by the USDA in an effort to protect confidentiality.*
- This represents a 19% increase in the number of farms (from 21 in 2002) and a 9% decrease in sales (from \$3.7 million) from 2002 levels.
- 10 farms raised potatoes.

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

- 39 farms in the county have 435 acres of orchards.
- 32 farms sold \$1 million of fruits, nuts and berries.

*Nursery & Greenhouse Plants:*

- 10 farms sold \$484,000 worth of ornamentals in 2007.
- This represents an increase of 43% in the number of farms (from 7 in 2002) and an increase of 241% in sales (from 142,000) from 2002.
- 7 farms sold Christmas trees.

*Direct & Organic Sales:*

- 106 farms sold \$222,000 of food products directly to consumers. This was the same number of farms selling direct as in 2002, and a 34% increase in direct sales over 2002 sales of \$166,000.
- This amounts to 0.4% of farm product sales, the same as the national average of 0.4%.
- 4 farms in the county sold organic products. *Note that data for dollars of organic sales were suppressed by the USDA in an effort to protect confidentiality.*
- For comparison, 799 farms in Oregon sold \$88 million of organic food products.
- 5 farms market through community supported agriculture (CSA).
- 105 farms produce and sell value-added products.

*Conservation Practices:*

- 274 farms use conservation methods such as no-till, limited tilling, filtering field runoff to remove chemicals, fencing animals to prevent them from entering streams, etc.
- 272 farms practice rotational or management intensive grazing.
- 12 farms generate energy or electricity on the farm.

*Other Crops:*

- 40 farms produced 218,000 bushels of barley on 3,783 acres, worth \$996,000.
- 4 farms produced 13,000 bushels of oats on 128 acres. *Note that the USDA did not report sales of oats in 2007.*
- 4 farms produced 343,000 pounds of sunflower seed. *Note that the USDA did not report acreage data for sunflower seed in 2007.*
- 9 farms produced 55,000 tons of sugar beets on 2,006 acres.

**Limited-resource farms and others in Union County  
(Census of Agriculture, 2007)**

<b>Small family farms:</b>	<b>Farms</b>	<b>Percent</b>	<b>Acres</b>	<b>Percent</b>
Limited-resource	129	15%	20,067	4%
Retirement	192	22%	51,251	11%
Residential/lifestyle	339	39%	89,114	18%
Farming occupation/lower sales	103	12%	59,807	12%
Farming occupation/higher sales	33	4%	37,136	8%
 <b>Large family farms</b>	 23	 3%	 71,296	 15%
<b>Very large family farms</b>	27	3%	83,766	17%
<b>Nonfamily farms</b>	34	4%	75,147	15%
<b>Total</b>	880		487,584	

*Definitions of terms (Agricultural Census 2007):*

**Limited-resource farms** have market value of agricultural products sold gross sales of less than \$100,000, and total principal operator household income of less than \$20,000.

**Retirement farms** have market value of agricultural products sold of less than \$250,000, and a principal operator who reports being retired.

**Residential/lifestyle farms** have market value of agricultural products sold of less than \$250,000, and a principal operator who reports his/her primary occupation as other than farming.

**Farming occupation/lower-sales farms** have market value of agricultural products sold of less than \$100,000, and a principal operator who reports farming as his/her primary occupation.

**Farming occupation/higher-sales farms** have market value of agricultural products sold of between \$100,000 and \$249,999, and a principal operator who reports farming as his/her primary occupation.

**Large family farms** have market value of agricultural products sold between \$250,000 and \$499,999.

**Very large family farms** have market value of agricultural products sold of \$500,000 or more.

**Nonfamily farms are farms** organized as nonfamily corporations, as well as farms operated by hired manager.

## **County and State Highlights**

### **Union County highlights (Agriculture Census 2007):**

- 880 farms, 11% less than in 2002.
- Union County has 488,000 acres of land in farms.
- Farmers sold \$58 million of products in 2007.
- \$42 million (72%) of these sales were crops.
- \$16 million (28%) of these sales were livestock.
- The most prevalent farm size is 10 to 49 acres with 247 farms (28%) in this category.
- The next most prevalent is 50 to 179 acres with 175 (20%) farms.
- 114 farms (13%) are 1,000 acres or more.
- 384 farms (44%) are less than 50 acres.
- 564 farms (64%) sold less than \$10,000 in farm products.
- 104 farms (12%) sold more than \$100,000 in farm products.
- Union County ranks second in Oregon and 5<sup>th</sup> in the country for acreage of mint for oil, with 6,797.
- The county ranks 5<sup>th</sup> in the state for sales of hogs and pigs, with \$419,000.
- Union County ranks sixth in Oregon for acreage of wheat, with 27,000.
- The county ranks 7<sup>th</sup> in the state for acreage of forage crops (hay etc.), with 42,000.
- Union County ranks 7<sup>th</sup> in Oregon for sales of grains, oilseeds, and dry beans and peas, with \$15 million.
- The county ranks seventh in the state for acreage of barley, with 3,783.
- Union County ranks 7<sup>th</sup> in Oregon for inventory of hogs and pigs, with 1,770.
- The county ranks 9<sup>th</sup> in the state for acreage of field and grass seed crops, with 11,000.
- 106 farms sell \$222,000 of food products directly to consumers. There was no change in number of farms selling direct since 2002 and a 34% increase in direct sales over 2002 sales of \$166,000.
- This amounts to 0.4% of farm product sales, the same as the national average of 0.4%.

**State of Oregon highlights (Agriculture Census 2007):**

- 38,553 farms, 4% less than in 2002.
- Oregon has 16 million acres of land in farms.
- Farmers sold \$4.4 billion of products in 2007.
- \$3 billion (68%) of these sales were crops.
- \$1.4 billion (32%) of these sales were livestock.
- The most prevalent farm size is 10 to 49 acres with 14,142 farms (37%) in this category.
- The next most prevalent is 1 to 9 acres with 9,546 (25%) farms.
- 2,564 farms (7%) are 1,000 acres or more.
- 23,688 farms (61%) are less than 50 acres.
- 26,035 farms (68%) sold less than \$10,000 in farm products.
- 4,678 farms (12%) sold more than \$100,000 in farm products.
- Oregon ranks 1<sup>st</sup> in the U.S. for acreage of Christmas trees, with 67,000.
- The state ranks 1<sup>st</sup> in the country for acreage of field and grass seed crops, with 557,000.
- Oregon ranks first in the country for sales of Christmas trees, with \$117 million.
- The state ranks 3<sup>rd</sup> in the U.S. for sales of ornamentals, with \$989 million.
- Oregon ranks 3<sup>rd</sup> in the country for sales of forage crops (hay, etc.), with \$698 million.
- The state ranks fourth in the country for sales of fruits, tree nuts, and berries, with \$516 million.
- Oregon ranks 9<sup>th</sup> in the U.S. for sales of sheep, goats, and their products, with \$21 million.
- The state ranks 9<sup>th</sup> in the country for acreage of vegetables, with 150,000.
- Oregon ranks ninth in the country for inventory of sheep and lambs, with 217,000.
- The state ranks 10<sup>th</sup> in the U.S. for vegetable sales, with \$339 million.
- 6,274 farms sold \$56 million of food directly to consumers. This is a 2% decrease in the number of farms selling direct (6,383 in 2002), and a 163% increase in direct sales over 2002 sales of \$21 million.
- Direct sales were 1.3% of farm product sales, over three times the national average of 0.4%.
- If direct food sales made up a single commodity, the value of these sales would outrank the state's 15<sup>th</sup>-most important product, chicken eggs.
- 933 farms farm organically, with a total of 46,000 acres of harvested cropland, and 42,000 acres of pastureland.
- 16,000 acres on 470 farms are undergoing organic conversion.
- 799 farms in Oregon sold \$88 million of organic food products, including \$42 million of crops (this may include ornamental and greenhouse crops), \$3 million of livestock and poultry, and \$43 million of products from livestock and poultry (such as milk or eggs).
- 311 farms market through community supported agriculture (CSA).
- 1,753 farms produce value-added products.
- 9,327 farms use conservation methods such as no-till, limited tilling, filtering field runoff to remove chemicals, fencing animals to prevent them from entering streams, etc.
- 9,694 farms practice rotational management of intensive grazing.
- 631 farms generate energy or electricity on the farms.



### Oregon's top farm products in 2010 (Economic Research Service)

See chart on next page.

	<b>\$ millions</b>
1 Ornaments	760
2 Cattle & calves	446
3 Dairy products	412
4 Wheat	326
5 Hay	253
6 Potatoes	139
7 Onions	129
8 Ryegrass	123
9 Pears	90
10 Cherries	78
11 Fescue	73
12 Hazelnuts (filberts)	67
13 Blueberries	64
14 Grapes	63
15 Chicken eggs	52
16 Mint	43
17 Blackberries	35
18 Hops	31
19 Corn	27
20 Apples	26
21 Corn, sweet	26
22 Beans, snap	20
23 Sheep and lambs	19
24 Bluegrass, Kentucky	19

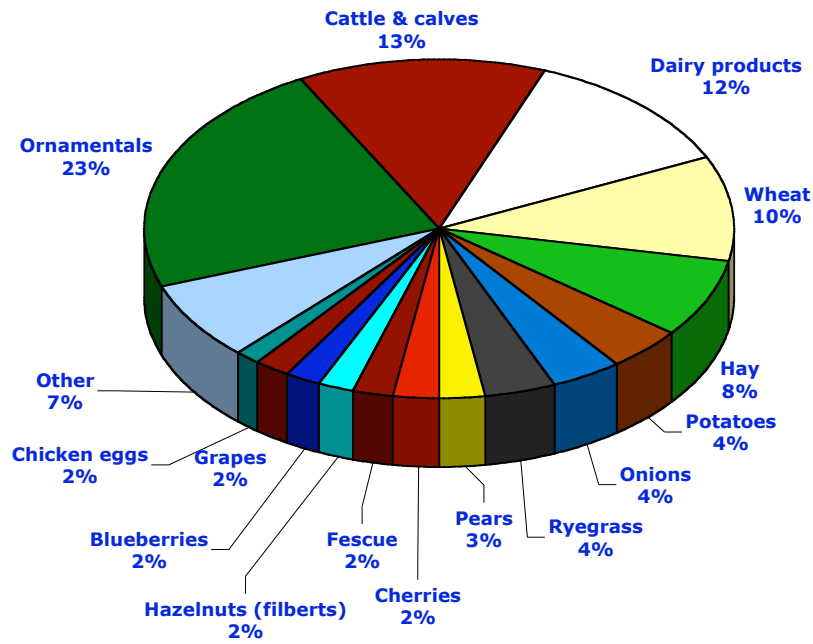
*Note: broiler chickens were also listed among Oregon's top 25 products, but sales figures for these products were not released by ERS, in an effort to protect confidentiality.*

Note also that at \$56 million, direct sales from farmers to consumers amount to more than the value of the 15<sup>th</sup>-ranking product, chicken eggs.

### Oregon's top farm products in 2010 (Economic Research Service)

See table on previous page

Top farm products in Oregon, 2010



Source: USDA Economic Research Service

**Balance of Cash Receipts and Production Costs (BEA):**

Union County ranchers and farmers sell \$76 million of food commodities per year (1987-2009 average), spending \$79 million to raise them, for an average loss of \$3 million each year. This loss amounts to 4% of sales. *Note that these sales figures compiled by the BEA may differ from cash receipts recorded by the USDA Agriculture Census (above).*

Overall, farm producers spent \$75 million more producing crops and livestock than they earned by selling these products from 1987 to 2009. Farm production costs exceeded cash receipts for 17 years of that 23-year period. Moreover, 62% of the county's farms and ranches reported a net loss to the 2007 Census of Agriculture. Union County farmers and ranchers earned \$21 million less by selling products in 2009 than they earned in 1969 (in 2009 dollars).

Farmers and ranchers earn another \$11 million per year of farm-related income — primarily custom work, and rental income (23-year average for 1987-2009). Federal farm support payments are relatively small, averaging \$5 million per year for the entire county for the same years.

**The county's consumers:**

*See also information covering low-income food consumption and food-related health conditions, page 1-2 above.*

Union County consumers spend \$66 million buying food each year, including \$39 million for home use. Most of this food (\$60 million) is sourced outside the county. Only \$222,000 of food products (0.4% of farm cash receipts and 0.3% of the county's consumer market) are sold by farmers directly to consumers.

Estimated change in net assets (that is, assets minus liabilities) for all county households combined was a loss of \$131 million in 2009 alone (BLS). This places additional pressure on Union County consumers trying to buy food.

**Farm and food economy summary:**

Farmers lose \$3 million each year producing food commodities, while spending \$30 million buying inputs sourced outside of the county. From the standpoint of the county as a whole, these external input purchases take money away from the local economy. This is a total loss of \$33 million to the county.

Meanwhile, consumers spend \$60 million buying food from outside. Thus, total loss to the county is \$90 million of potential wealth *each year*. This loss amounts to more than the value of all food commodities raised in the county.

**Union County: markets for food eaten at home (2009):**

Union County residents purchase \$66 million of food each year, including \$39 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 8.4
Fruits & vegetables	7.1
Cereals and bakery products	5.0
Dairy products	4.2
“Other,” incl. Sweets, fats, & oils	14.1

If Union County residents purchased 15% of their food for home use directly from county farmers, this would generate \$6 million of new farm income for the county. This would require each resident of the county to buy, on average, \$4.50 of food directly from farmers each week.

**Northeast Oregon: markets for food eaten at home (2009):**

Northeast Oregon residents purchase \$322 million of food each year, including \$189 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 40.8
Fruits & vegetables	34.5
Cereals and bakery products	24.1
Dairy products	20.2
“Other,” incl. Sweets, fats, & oils	68.2

If Northeast Oregon residents purchased 15% of their food for home use directly from farmers in the region, this would generate \$28 million of new farm income. This would require each resident of the region to buy, on average, \$4.50 of food directly from farmers each week.

**Pendleton: markets for food eaten at home (2009):**

Pendleton residents purchase \$225 million of food each year, including \$131 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 28.6
Fruits & vegetables	24.2
Cereals and bakery products	16.8
Dairy products	14.1
“Other,” incl. Sweets, fats, & oils	47.7

**Baker County: markets for food eaten at home (2009):**

Baker County residents purchase \$43 million of food each year, including \$25 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 5.4
Fruits & vegetables	4.6
Cereals and bakery products	3.2
Dairy products	2.7
“Other,” incl. Sweets, fats, & oils	9.0

**Umatilla County: markets for food eaten at home (2009):**

Umatilla County residents purchase \$195 million of food each year, including \$114 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 24.7
Fruits & vegetables	20.9
Cereals and bakery products	14.6
Dairy products	12.2
“Other,” incl. Sweets, fats, & oils	41.2

**Wallowa County: markets for food eaten at home (2009):**

Wallowa County residents purchase \$18 million of food each year, including \$11 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 2.3
Fruits & vegetables	2.0
Cereals and bakery products	1.4
Dairy products	1.1
“Other,” incl. Sweets, fats, & oils	3.9

**Metro Boise: markets for food eaten at home (2009):**

Metro Boise residents purchase \$1.9 billion of food each year, including \$1.1 billion to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 239
Fruits & vegetables	202
Cereals and bakery products	141
Dairy products	118
“Other,” incl. Sweets, fats, & oils	400

**Oregon: markets for food eaten at home (2009):**

Oregon residents purchase \$10 billion of food each year, including \$6 billion to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 1,287
Fruits & vegetables	1,089
Cereals and bakery products	759
Dairy products	636
“Other,” incl. Sweets, fats, & oils	2,150

**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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