The Economic Importance of Food and Fiber

A Spotlight on Wilkes County, Georgia

Prepared for
Wilkes County Cooperative Extension
October, 2007

by:
The Center for Agribusiness and Economic Development
College of Agricultural and Environmental Sciences
The University of Georgia
Primary data sources: U.S. Census Bureau, decennial censuses & estimate; CAED (Center for Agribusiness & Economic Development).

Loss
0 – 6.4%
6.4 – 14.4%
14.4 – 34%
34 – 53.4%

Avg. GA
County = 9.1%
GA = 14.4%
US = 6.4%

Wilkes Co.
-2.0%

Primary data source: U.S. Census Bureau (3/07)
Percent of Land in Cropland & Forestland: 2002

GA Total = 78.5%
GA Avg. Co. = 77.3%
Metro Avg. Co. = 70.7%
Nonmetro Avg. Co. = 82.6%

Wilkes Co. 86.5%

Primary data sources:
U.S. Census of Agriculture, 2002
Forest Statistics for Georgia, 1997
Components of 2006 Property Tax Gross Digest
Wilkes County

- Residential: 28.0%
- Ag-Preferential-Environ-Conserv: 44.3%
- Commercial: 11.6%
- Industrial: 3.3%
- Public Utility: 2.6%
- Motor Vehicle: 5.9%
- Mobile Home: 1.6%
- Heavy Equipment: 0.1%
- Timber*: 2.6%
- Value of exempt property = $36,113,035

40% Assessment Value of Property
Gross Digest = $402,673,617
STATE Homestead & Property Exemptions = $73,488,380
Net M&O Digest = $329,185,237

* Timber taxed at 100% based on previous year sales

Primary data source: GA Dept. of Revenue
<table>
<thead>
<tr>
<th>County</th>
<th>% Residential</th>
<th>% Agricultural</th>
<th>% Commercial</th>
<th>% Industrial</th>
<th>% Motor Vehicle</th>
<th>% Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>WILKES</td>
<td>28.0</td>
<td>44.3</td>
<td>11.6</td>
<td>3.3</td>
<td>5.9</td>
<td>6.7</td>
</tr>
<tr>
<td>ELBERT</td>
<td>37.6</td>
<td>26.7</td>
<td>14.7</td>
<td>6.9</td>
<td>8.0</td>
<td>6.1</td>
</tr>
<tr>
<td>LINCOLN</td>
<td>54.0</td>
<td>29.2</td>
<td>5.2</td>
<td>0.4</td>
<td>6.4</td>
<td>4.7</td>
</tr>
<tr>
<td>MCDUFFIE</td>
<td>44.4</td>
<td>12.3</td>
<td>13.9</td>
<td>15.7</td>
<td>7.6</td>
<td>6.1</td>
</tr>
<tr>
<td>OGLETHORPE</td>
<td>37.2</td>
<td>46.2</td>
<td>4.4</td>
<td>0.7</td>
<td>6.7</td>
<td>4.8</td>
</tr>
<tr>
<td>TALIAFERRO</td>
<td>14.8</td>
<td>68.1</td>
<td>2.4</td>
<td>0.2</td>
<td>3.9</td>
<td>10.6</td>
</tr>
<tr>
<td>WARREN</td>
<td>18.3</td>
<td>45.8</td>
<td>4.7</td>
<td>12.5</td>
<td>5.6</td>
<td>13.1</td>
</tr>
<tr>
<td>Avg. GA Co.</td>
<td>41.9</td>
<td>22.5</td>
<td>12.8</td>
<td>7.6</td>
<td>7.4</td>
<td>7.7</td>
</tr>
</tbody>
</table>

Primary data source: GA Dept. of Revenue
Revenue : Expenditure Ratios
$ of Revenue for Each $ of Expenditure

- **Farm/Forest**
  - Cherokee: $0.64
  - Jones: $0.87
  - Carroll: $0.83
  - Oconee: $0.90
  - US Avg: $0.87
  - Ratio: $1.92
  - Total Expenditure: $2.86

- **Commercial**
  - Cherokee: $0.64
  - Jones: $0.87
  - Carroll: $0.83
  - Oconee: $0.90
  - US Avg: $0.87
  - Ratio: $1.17
  - Total Expenditure: $1.93

- **Residential**
  - Cherokee: $0.64
  - Jones: $0.87
  - Carroll: $0.83
  - Oconee: $0.90
  - US Avg: $0.87
  - Ratio: $0.64
  - Total Expenditure: $2.70

Agriculture in Georgia

- Georgia's 2006 Farm Gate Value was $10.4 billion. Adding the value of landscape services increased the total agricultural production value to $12.2 billion.

- Total food and fiber production and directly related businesses account for a $34.5 billion output impact on Georgia's $55 billion economy.
Production Agriculture: 2006

Georgia Total Agricultural Production Value $12.2 Billion

- Livestock & Aquaculture: 10.4%
- Vegetables: 6.8%
- Ornamental Horticulture: 6.3%
- Forestry & Products: 5.5%
- Fruits & Nuts: 2.5%
- Other Income: 5.3%
- Landscape services: 14.7%
- Row & Forage Crops: 12.4%
- Poultry & Eggs: 36.1%

2006 Farm Gate Value by County in Millions of Dollars

- $0 - $20
- $20 - $45
- $45 - $80
- $80 - $200
- $200 - $385
What We Know about Wilkes County

- 2006 Farm Gate Value in Wilkes Co. was $77.6 million. Adding $1 million of landscape services increased the total agricultural production value to $78.7 million.

- The highest value commodity group was poultry/eggs, representing 42.8% of the total agricultural production value.
Wilkes County
2006 Agricultural Production Value

2006 Agricultural Production
- Forestry: 15.1%
- Poultry-Eggs: 42.8%
- Livestock-Aquaculture: 27.7%
- Row-Forage crops: 6.3%
- Other: 4.5%
- Landscape services: 1.3%
- Orn Hort: 2.3%

2006 Top Farm Gate Commodities
- Broilers: 43.4%
- Timbers: 15.3%
- Pork: 7.8%
- Beef: 11.1%
- Dairy: 5.9%
- Hay: 3.6%
- Greenhouse: 1.6%
- Hunting Leases: 0.9%
- Horses: 3.2%
- Rest of Commodities: 1.7%

Total AG Value = $78.7 million
Trends in Wilkes County: Number of Farms & Average Farm Size

Source: 1945-2002 (quinquennial) Censuses of Agriculture
Trends in Wilkes County:
Land in Farms & Farms by Size

Source: 1945-2002 (quinquennial) Censuses of Agriculture
How Do We Compare?

Georgia, Wilkes Co. and Surrounding Counties
Farm Gate Value

Sources: 2002 Census of Agriculture and 2006 Farm Gate Value Report
What We Did
County Economy Modeled

- The Center for Agribusiness and Economic Development performed an analysis of the county’s economy, focusing on the role of food and fiber.

- How much of the county’s total current economic output comes from food and fiber production and directly related processing? (A Snapshot of the Economy)

- What is the total (direct and indirect) Impact of food and fiber production and directly related industries?
### Wilkes County Economy

#### Agriculture OUTPUT

<table>
<thead>
<tr>
<th>Sector</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>78.658</td>
<td>14.7%</td>
</tr>
<tr>
<td>Construction</td>
<td>16.042</td>
<td>3.0%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>201.384</td>
<td>37.7%</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>56.126</td>
<td>10.5%</td>
</tr>
<tr>
<td>Trade</td>
<td>37.419</td>
<td>7.0%</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>17.748</td>
<td>3.3%</td>
</tr>
<tr>
<td>Services</td>
<td>57.097</td>
<td>10.7%</td>
</tr>
<tr>
<td>Government</td>
<td>69.098</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $533.6 million**
### Wilkes County Economy

Agriculture + Directly Related Businesses **OUTPUT**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agriculture + Direct</strong></td>
<td>134.566</td>
<td>25.2%</td>
</tr>
<tr>
<td>Construction</td>
<td>16.042</td>
<td>3.01%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>145.475</td>
<td>27.3%</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>56.126</td>
<td>10.5%</td>
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<td>Services</td>
<td>57.097</td>
<td>10.7%</td>
</tr>
<tr>
<td>Government</td>
<td>69.098</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $533.6 million**
How much of Wilkes County’s total economic output comes from food and fiber production?

AG value alone of $78.7 million consisting of Farm Gate Value and landscape services comprises 14.7% of the county’s economy.

AG plus directly related businesses (ex. logging, paper & paperboard mfg., etc.) comprise 25.2% of the county’s economy.
Food and Fiber Production and Directly Related Manufacturing as % of Total Output

Wilkes Co. 25.2%
What is the Impact?

- What is the total (direct and indirect) *impact* of food and fiber production and directly related industries?

- This scenario illustrates how other industries are affected by the presence of food and fiber in the county. The indirect impacts measure output created due to food and fiber production and processing in the county.
The *impact* numbers capture the ripple effects that food and fiber create in the county’s economy. Many other sectors rely in part on the existence of food and fiber for sales.
### Wilkes County

**Agriculture IMPACT**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>78.658</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>.100</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>.394</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>3.355</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>3.227</td>
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<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>1.618</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>4.087</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>2.974</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78.658</strong></td>
<td><strong>15.756</strong></td>
</tr>
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**Total Impact of Production AG = $94.4 million—17.7% of total economy**
## Wilkes County
Production Agriculture + Directly Related Businesses **IMPACT**

<table>
<thead>
<tr>
<th></th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>104.453</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>.166</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>30.113</td>
<td>2.125</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>6.097</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>5.603</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>2.808</td>
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<tr>
<td>Services</td>
<td>0</td>
<td>6.438</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>4.579</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>134.566</strong></td>
<td><strong>27.816</strong></td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related=$162.4 million—30.4% of total economy
## Wilkes County
Production Agriculture + Directly Related Industries
Employment *IMPACT*

<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>956</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>46</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>136</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>7</td>
</tr>
</tbody>
</table>

**Total Impact of AG + Directly Related Employment = 1,261 Jobs**
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $134.6 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $5.6 million. This captures the effects of farmers (direct source) buying supplies (seed, fertilizer, work boots) from local stores. These stores must increase their output to meet farmer demand.
As local stores increase their output, they may demand more stock from local wholesalers (also in the Trade sector). Local wholesalers demand more from local manufacturers, thus increasing activity in the Manufacturing sector.

Local stores also hire employees to assist farmers. They take home wages and buy groceries at the local store which increases demand there.
The total impact of food and fiber production, processing and direct manufacturing is $162.4 million.

The total output is $533.6 million.

Thus, food and fiber (directly and indirectly) account for 30.4% of the total output.
Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output

Wilkes Co. 30.4%
Contact Information

Prepared by:
Sue Boatright and Archie Flanders
Center for Agribusiness & Economic Development

“Adding Value to Georgia's Agricultural Economy
Through Research and Extension“

To learn more about your county, go to:
http://www.caed.uga.edu/
...click on “Georgia Statistics System”

Special County Area Report
#0722A
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