The Economic Importance of Food and Fiber

A Spotlight on Gilmer County, Georgia

Prepared for Gilmer County Cooperative Extension
March, 2008

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%

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%

Gilmer Co. 90.2%

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

- Residential: 55.8%
- Commercial: 10.0%
- Industrial: 2.0%
- Public Utility: 2.0%
- Motor Vehicle: 4.9%
- Mobile Home: 0.7%
- Timber: 0.1%
- Ag- Preferential- Environ- Conserv: 24.5%

40% Assessment Value of Property
Gross Digest = $1,326,051,110

STATE Homestead & Property Exemptions = $173,000,955
Net M&O Digest = $1,153,050,155

Value of exempt property = $142,522,629

* Timber taxed at 100% based on previous year sales

Primary data source: GA Dept. of Revenue
# County Property Tax Digest Comparisons: 2006

<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>GILMER</td>
<td>55.8</td>
<td>24.5</td>
<td>10.0</td>
<td>2.0</td>
<td>4.9</td>
<td>2.8</td>
</tr>
<tr>
<td>DAWSON</td>
<td>62.4</td>
<td>16.8</td>
<td>14.2</td>
<td>0.3</td>
<td>4.7</td>
<td>1.6</td>
</tr>
<tr>
<td>FANNIN</td>
<td>72.3</td>
<td>8.7</td>
<td>9.4</td>
<td>0.7</td>
<td>6.6</td>
<td>2.2</td>
</tr>
<tr>
<td>GORDON</td>
<td>37.4</td>
<td>14.5</td>
<td>17.8</td>
<td>20.1</td>
<td>7.6</td>
<td>2.6</td>
</tr>
<tr>
<td>LUMPKIN</td>
<td>44.5</td>
<td>31.6</td>
<td>12.9</td>
<td>2.4</td>
<td>5.6</td>
<td>3.0</td>
</tr>
<tr>
<td>MURRAY</td>
<td>42.9</td>
<td>9.2</td>
<td>14.6</td>
<td>18.4</td>
<td>7.6</td>
<td>7.3</td>
</tr>
<tr>
<td>PICKENS</td>
<td>61.7</td>
<td>13.2</td>
<td>13.1</td>
<td>2.3</td>
<td>6.2</td>
<td>3.4</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: $1.01
  - Jones: $1.18
  - Carroll: $1.17
  - Oconee: $1.25
  - US Avg: $1.92
  - Total: $2.86

- **Commercial**
  - Cherokee: $1.17
  - Jones: $1.25
  - Carroll: $1.93
  - Oconee: $3.19
  - US Avg: $3.45

- **Residential**
  - Cherokee: $0.64
  - Jones: $0.87
  - Carroll: $0.83
  - Oconee: $0.90
  - US Avg: $0.87

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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

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

2006 Farm Gate Value by County in Millions of Dollars

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

- 2006 Farm Gate Value in Gilmer Co. was $189.6 million. Adding $891 thousand of landscape services increased the total agricultural production value to $190.5 million.

- The highest value commodity group was poultry-eggs, representing 93.2% of the total agricultural production value.
Gilmer County
2006 Agricultural Production Value

2006 Agricultural Production
- Livestock-Aquaculture: 3.4%
- Row-Forage crops: 0.6%
- Forestry: 0.3%
- Vegetables: 0.2%
- Orn Hort: 0.4%
- Fruits-Nuts: 1.0%
- Other: 0.3%
- Landscape services: 0.5%
- Poultry-Eggs: 93.2%
- Total AG Value = $190.5 million

2006 Top Farm Gate Commodities
- Broilers: 82.7%
- Dairy: 1.1%
- Beef: 1.0%
- Horses: 1.0%
- Breeder Pullet Unit: 4.8%
- Layers: 6.2%
- Apples: 1.0%
- Hay: 0.4%
- Ag Tourism: 0.3%
- Timber: 0.3%
- Rest of commodities: 1.0%
Trends in Gilmer County:
Number of Farms & Average Farm Size

Number of Farms, Gilmer County

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

Source: 1945-2002 (quinquennial) Censuses of Agriculture
Trends in Gilmer County
Number of Farms by Commodity

- Beef cows: 138
- Broilers sold: 102
- Layers 20+ wks: 22
- Corn for grain: 10
- Hay: 77

Source: 1987-2002 (quinquennial) Censuses of Agriculture
How Do We Compare?

Georgia, Gilmer and Surrounding Counties
Farm Gate Value

Sources: 2002 Census of Agriculture and 2006 Farm Gate Value Report
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?
## Gilmer County Economy

### Agriculture OUTPUT

<table>
<thead>
<tr>
<th>Industry</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>190.472</td>
<td>11.2</td>
</tr>
<tr>
<td>Mining</td>
<td>3.369</td>
<td>.2</td>
</tr>
<tr>
<td>Construction</td>
<td>110.429</td>
<td>6.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>726.054</td>
<td>42.6</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>120.180</td>
<td>7.1</td>
</tr>
<tr>
<td>Trade</td>
<td>119.680</td>
<td>7.0</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>105.545</td>
<td>6.2</td>
</tr>
<tr>
<td>Services</td>
<td>188.671</td>
<td>11.1</td>
</tr>
<tr>
<td>Government</td>
<td>139.801</td>
<td>8.2</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $1.7 Billion**
## Gilmer County Economy

### Agriculture + Directly Related Businesses OUTPUT

<table>
<thead>
<tr>
<th>Sector</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>565.105</td>
<td>33.2</td>
</tr>
<tr>
<td>Mining</td>
<td>3.369</td>
<td>.2</td>
</tr>
<tr>
<td>Construction</td>
<td>110.429</td>
<td>6.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>351.421</td>
<td>20.6</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>120.180</td>
<td>7.1</td>
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<tr>
<td>Trade</td>
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<td>7.0</td>
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<td>105.545</td>
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<tr>
<td>Services</td>
<td>188.671</td>
<td>11.1</td>
</tr>
<tr>
<td>Government</td>
<td>139.801</td>
<td>8.2</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $1.7 Billion**
An Economic Snapshot of Gilmer County

- How much of Gilmer County’s total economic output comes from food and fiber production?

- AG value alone of $190.5 million consisting of Farm Gate Value and landscape services comprises 11.2% of the county’s economy.

- AG plus directly related businesses (ex. poultry processing, logging, etc.) comprise 33.2% of the county’s economy.
Food and Fiber Production and Directly Related Manufacturing as % of Total Output

Gilmer Co. 33.2%
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.
What Impact Means: A Brief Explanation

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.
## Gilmer 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>190.472</td>
<td>0</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>.0003</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>.497</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>2.356</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>6.724</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>5.819</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>3.524</td>
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<tr>
<td>Services</td>
<td>0</td>
<td>9.292</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>4.543</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>190.472</strong></td>
<td><strong>32.755</strong></td>
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</table>

Total Impact of Production AG = $223.2 million—13% of total economy
## Gilmer County
### Production Agriculture + Directly Related Businesses IMPACT

<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>195.559</td>
<td>0</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>.0009</td>
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<tr>
<td>Construction</td>
<td>0</td>
<td>2.206</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>369.547</td>
<td>67.787</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>17.828</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>15.902</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>11.908</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>24.218</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>11.367</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>565.105</strong></td>
<td><strong>151.217</strong></td>
</tr>
</tbody>
</table>

**Total Impact of AG + Directly Related = $716.3 million—42% of total economy**
## Gilmer 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>2,118</td>
<td>0</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Construction</td>
<td>0</td>
<td>21</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>311</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>95</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>176</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>73</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>395</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>10</td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related Employment = 3,199 Jobs
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $195.6 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $15.9 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.
Gilmer County Food and Fiber
Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is $716.3 million.

- The total *output* is $1.7 billion.

- Thus, food and fiber (directly and indirectly) account for 42% of the total output.
Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output

Gilmer Co. 42%
Contact Information

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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
#0810A
March, 2008