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Tools for Community Self-determination

Northern Olympic Peninsula (Washington state) Food & Farm Economy

Highlights of a data compilation covering Clallam and Jefferson Counties
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for
**City of Port Townsend
Washington State University Extension**

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Northern Olympic region (*Clallam and Jefferson Counties, Washington*)

90,500 residents earn \$2 billion of annual income

The county's farms (2002)

662 farms. xxx Native American operators, xxx Black, xx Hispanic.

- Average size is 52 acres (12% of the state average of 426 acres)
- Three of every four farms is less than 50 acres in size
- Only four farms are larger than 500 acres
- Average value of land and buildings is \$478,000
- 19,109 acres of total cropland (2% of state's)
- \$13 million of crop and livestock sales [BEA]
- \$8.9 million sales of livestock and products
- Milk sales increased 42% from 1997 to 2002, reaching \$5 million.
- The number of farms selling livestock & related products fell 24% from 1997 to 2002
- The value of livestock sales fell 34% from 1997 to 2002
- Sales of hogs and pigs fell from \$45,000 to \$21,000 from 1997 to 2002
- \$4.4 million crop sales
- 35 aquaculture operations (10% of Washington's) sold \$3 million of fish (1.3% of state)
- 76% of the region's farms sell less than \$10,000 of products per year
- 47 (7%) of the region's farms sell more than \$100,000 of products per year
- 29 growers receive federal farm subsidies (about \$300,000 total per year)
- 260 farms (40% of the region's farms) raise livestock
- 3,778 cattle were sold by 186 farms in 2002 (2% of the state's total)
- 69 farms raise 2,025 chickens (primarily laying hens)
- Total poultry & egg sales amounted to \$26,000, from 43 farms
- 48 farms raise sheep and lambs, with a total inventory of 1,513 animals (3% of Washington's animals)
- Total sheep, lamb and goat sales amounted to \$99,000 (2% of Washington's sales)

Highlights of Northern Olympic Peninsula Farm & Food Economy (Washington)

- 48 farms sell horses, mules or donkeys, selling a total of \$142,000 of animals
- 14 farms hold an inventory of 75 hogs and pigs
- 218 farms raise 28,000 tons of forage
- 110 farms raise 1,265 tons of hay
- 6 farms raise 6,570 tons of corn silage
- 9,900 bushels of oats produced on 4 farms
- 31,000 bushels of barley raised by 5 farms
- 44 farms raise 60 acres of vegetables, selling \$382,000
- This amounts to sales of 6,400 per acre
- 6 farms raise 1,260 hundredweight of potatoes
- 172 acres of orchard on 45 farms
- 83 farms raise greenhouse or nursery crops
- 10 farms sell \$246,000 of Christmas trees
- \$241,000 of organic foods are sold by 24 farms (4% of Washington's)
- 136 farms (21% of the region's farms) sell \$257,000 of food directly to consumers
- This is a 43% increase in the number of farms, and a 22% increase in direct food sales, from 1997 to 2002

Northern Olympic farmers have not had a truly good year financially since the period 1972-1977, when farmers brought in an average \$12 million surplus each year. Overall, in the 27 years since 1978, farmers have lost a total of \$33 million producing crops and livestock — an average of \$1.2 million per year. Cash receipts have exceeded production expenses in only six of those years. Farmers earned \$7 million less in 2004 than they had in 1969 [*All dollar figures in this section are listed in 2004 dollars*]. 2004 was the best year the region's farmers have had in ten years.

The region's farmers produced an average of \$15.6 million of food commodities per year (1978-2004 average), spending \$16.8 million to raise them, losing an average \$1.2 million in production costs each year. Note that the annual production *surplus* during the early seventies is as large as *average annual sales* during the past 27 years.

Each year since 1978, the region's farmers have earned an average of \$5.9 million of other farm-related income (such as cash rents for land, custom work for neighbors, production of nursery crops, etc.) which more than cover their losses producing crops and livestock. Federal subsidies are small, amounting to an average of about \$300,000 each year for all farms in the region over the past five years.

Most of the declines are due to declining prices for livestock and livestock products. While cash receipts from raising crops have held steady at about \$4 million each year since 1978, livestock receipts (including milk) have fallen from \$18 million in 1969 to \$9 million (50% decline). However, it should also be noted that the large surpluses generated in the early 1970s were primarily due to crop income.

While farmers are using less energy and fewer chemical inputs in recent years, labor costs have risen from \$2 million per year from 1978-1992 to \$3 million in the period 1999-2004.

Overall, after subsidies were taken into account, 65% of the region's farms reported net losses in 2002.

The county's consumers:

Clallam and Jefferson consumers spend \$242 million buying food each year. \$141 million of this buys food to eat at home, and \$101 million is spent for eating out. Most of this food is sourced outside the region. \$257,000 of food products (2%) are sold by farmers directly to consumers, four times the national average.

Poverty level:

24,423 residents (27%) live in a household earning less than a living wage. "Living wage" is defined as 185% of the federal poverty guideline — the level at which children are eligible for free or reduced prices for school lunch, but still not enough to live well.

Farm and food economy summary:

Farmers lose \$1.2 million each year producing food commodities, while spending \$13 million buying outside inputs, while the region's consumers spend \$145 million buying food from outside. This is a total loss to the region of \$160 million of potential wealth *each year*. This loss amounts to ten times the value of all food commodities raised in the region.

Northern Olympic region: markets for food eaten at home (BLS)

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 36
Fruits & vegetables	25
Cereals and bakery products	16
Dairy products	19
"Other," incl. sweets, fats, & oils	46

Individual County Highlights (2002 Ag Census):

Local, County & State Food markets (BLS):

Clallam County: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 25
Fruits & vegetables	18
Cereals and bakery products	11
Dairy products	13
"Other," incl. sweets, fats, & oils	32

Jefferson County: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 11
Fruits & vegetables	8

Highlights of Northern Olympic Peninsula Farm & Food Economy (Washington)

Cereals and bakery products	5
Dairy products	6
“Other,” incl. sweets, fats, & oils	14

City of Seattle: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 238
Fruits & vegetables	167
Cereals and bakery products	106
Dairy products	124
“Other,” incl. sweets, fats, & oils	304

Seattle Metro area: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 889
Fruits & vegetables	662
Cereals and bakery products	396
Dairy products	463
“Other,” incl. sweets, fats, & oils	1,135

State of Washington: markets for food eaten at home

	<i>millions</i>
Meats, poultry, fish, and eggs	\$2,094
Fruits & vegetables	1,465
Cereals and bakery products	934
Dairy products	1,090
“Other,” incl. sweets, fats, & oils	2,673

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 Minnesota, Iowa, California, Hawaii: <http://www.crcworks.org/fffc.pdf>.

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 by Ken Meter at a plenary appearance to the Community Food Security Coalition in October 2006: <http://www.crcworks.org/crcppts/cfsc06.pdf>.

To link to further analysis of farm and food economies in the U.S.:
<http://www.crcworks.org/rural.html>.

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