

Land and People

- More than one-quarter of California's landmass is used for agriculture—about 27.7 million acres, including 5 million acres of federal grazing land. About half of this total is pasture and range, and 40 percent is cropland.
- Harvest cropland covers about 10 million acres. About 34 percent of California's harvested cropland is planted to orchards and vineyards, 23 percent to hay, and 14 percent to vegetables.
- Roughly 2.4 percent of the state's total agricultural land (including a similar percentage of its cropland) was converted to urban uses between 1988 and 2002.
- In 2002 there were 79,631 farms in California, with an average size of 346 acres.
- Ten percent of the farms have annual sales of more than \$500,000, while 46 percent have sales at less than \$10,000. The 5,000 largest farms (those with over \$1 million in sales) account for 78 percent of California's agricultural sales.
- Roughly 18 percent of the state's farm operators are less than 45 years old. About 28 percent are older than 65.
- The number of female farm operators doubled from 8 percent in 1978 to 16 percent in 2002.
- About 10 percent of California farm operators are of Hispanic origin while about 5 percent have Asian or Pacific Islander origins.
- The hired farmlabor workforce in California is almost entirely foreign born (95%) and largely young, with an average age of 33 years. Most of the labor force is male (76%).
- Almost two-thirds of all hired farm workers in the state were hired for less than 150 days in 2002.

Demand and Supply

- The most important market for California agricultural production is in the United States. The domestic market accounts for about 80 percent of sales. The remaining 20 percent is exported to international markets.
- Export markets typically take between one-third and two-thirds of California almonds, cotton, walnuts, rice, dried plums and pistachios. Exports take a smaller share of output for livestock products, fresh vegetables and ornamental crops.
- In 2003, international exports were valued at about \$7.5 billion. Together tree nuts, cotton, wine, table grapes, raisins, dairy products, and fresh and processed citrus accounted for more than 50 percent of exports. The other 50 percent was spread across dozens of commodities.
- The top export destinations in 2003 were the European Union, Canada, Japan, Mexico, China-Hong Kong, and South Korea.
- Americans spend about 10 percent of their income on food, compared with 23 percent in 1947. Meals away from home represent 40 percent of expenditures on food, compared to 18 percent in 1947. Expenditures on away-from-home meals include a large non-food service component.
- Over the past three decades per capita consumption has grown rapidly for fresh fruits (25%), fresh vegetables (30%), and tree nuts (60%). These are important categories for California as more than half of California agricultural cash receipts are from fruits, vegetables and tree nuts.
- Dairy is the top agricultural commodity in California, with more than \$4.0 billion in cash receipts. California is the nation's largest dairy producer, with 20 percent of national production value.

- Greenhouse and nursery products are the second most important group of commodities, with sales of about \$3.3 billion.
- Grapes (all types combined) produced \$2.6 billion in cash receipts. Winegrape acreage increased dramatically, from 300,000 acres in the early 1990s to 473,000 in 2004.
- In 2003, registered organic growers in California reported about \$337 million in gross sales on about 184,325 acres. Organic sales more than doubled since 1997, but still represented only about 1 percent of the state's agriculture.

Resources and Farm Productivity

- 2002 California farm assets totaled to \$93 billion (more than \$1 million per farm). The average value of machinery and equipment per farm is approximately \$56,000.
- On average, agriculture accounts for about 42 percent of the total annual ground-and surface water use in California. Environmental uses account for 47 percent and urban areas use 11 percent.
- Surface supplies provide 70 percent of the water for agriculture and urban consumption in a normal year. The remainder comes from groundwater.
- Average yield has increased significantly for California crops in the past two decades. For example, almonds yields grew by 86 percent, processing tomato yields by 35 percent, and cotton yields by 28 percent. Milk production per cow increased by 36 percent.
- California accounts for about 13 percent of national cash receipts from agriculture, but receives only about 3 percent of direct government payments to agriculture.

Broad Economic Impacts

- ❑ California farmers constitute an essential part of the state economy. Farm production is linked to several other industries.
- ❑ California farm and closely related industries employ 9.4 percent of the state's private sector labor force (including part time workers) and account for 5.2 percent of the private sector total payroll.
- ❑ A \$1 billion increase of the value added from farming results in a total of \$1.9 billion of Gross State Product.
- ❑ For every \$1 billion increase in farm sales, there are 17,900 jobs created in the state, 10,900 in the farm sector itself plus 7,000 in other industries.
- ❑ Farming and related industries are especially significant to the economy of California's Central Valley, where they account for 22.5 percent of the private sector employment and 17.4 percent of the private sector payroll.



Agricultural Issues Center

The University of California Agricultural Issues Center serves as a forum where important and often controversial trends and issues involving California agriculture—ranging from water transfers to international trade—are identified, studied and debated.

The Center documents the industry and its relationships to the rest of the economy by providing statistical details and an overview of unifying forces and trends.

The Center makes its findings available to policymakers, to government agencies, to interest groups and to individuals through a continuing series of conferences, workshops, its website and in-depth and popular publications.



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THE MEASURE OF California Agriculture



California agriculture is large, diverse, complex and dynamic. It generated nearly \$28 billion in cash receipts in 2003. California has been the nation's top agricultural state in cash receipts every year since 1948 and has gradually increased its share of U.S. farm cash receipts from 9.5 percent in 1960 to 13.1 percent in 2003.