

The Economic Importance of Food and Fiber

A Spotlight on Habersham County, Georgia

Prepared for:
Habersham County Cooperative Extension

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Agriculture in Georgia

- Georgia's 2015 Farm Gate Value was \$13.8 billion. Adding the value of \$2.2 billion of landscape services increased the total agricultural production value to \$16.0 billion.
- Total food and fiber production and directly related businesses account for a \$74.9 billion *output impact* on Georgia's \$917.6 billion economy.



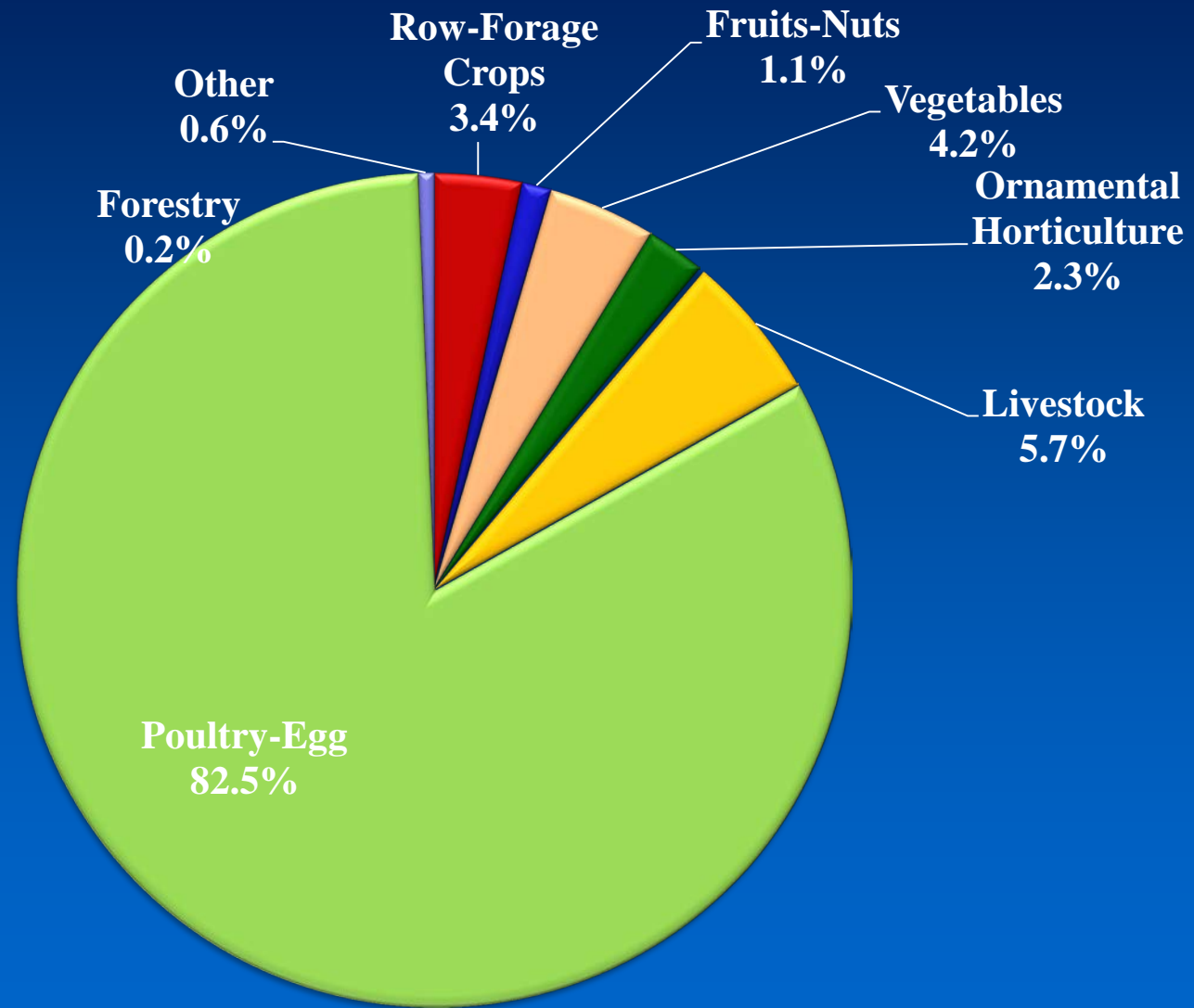
What We Know about Habersham County

- 2015 Farm Gate Value in Habersham Co. was \$269.8 million. Adding \$6.4 million of landscape services increased the total agricultural production value to \$276.2 million.
- The highest value commodity group was row and forage crops, representing 82.5% of the total agricultural production value.



Habersham County

2015 Farm Gate Production Value



Examining the Contribution

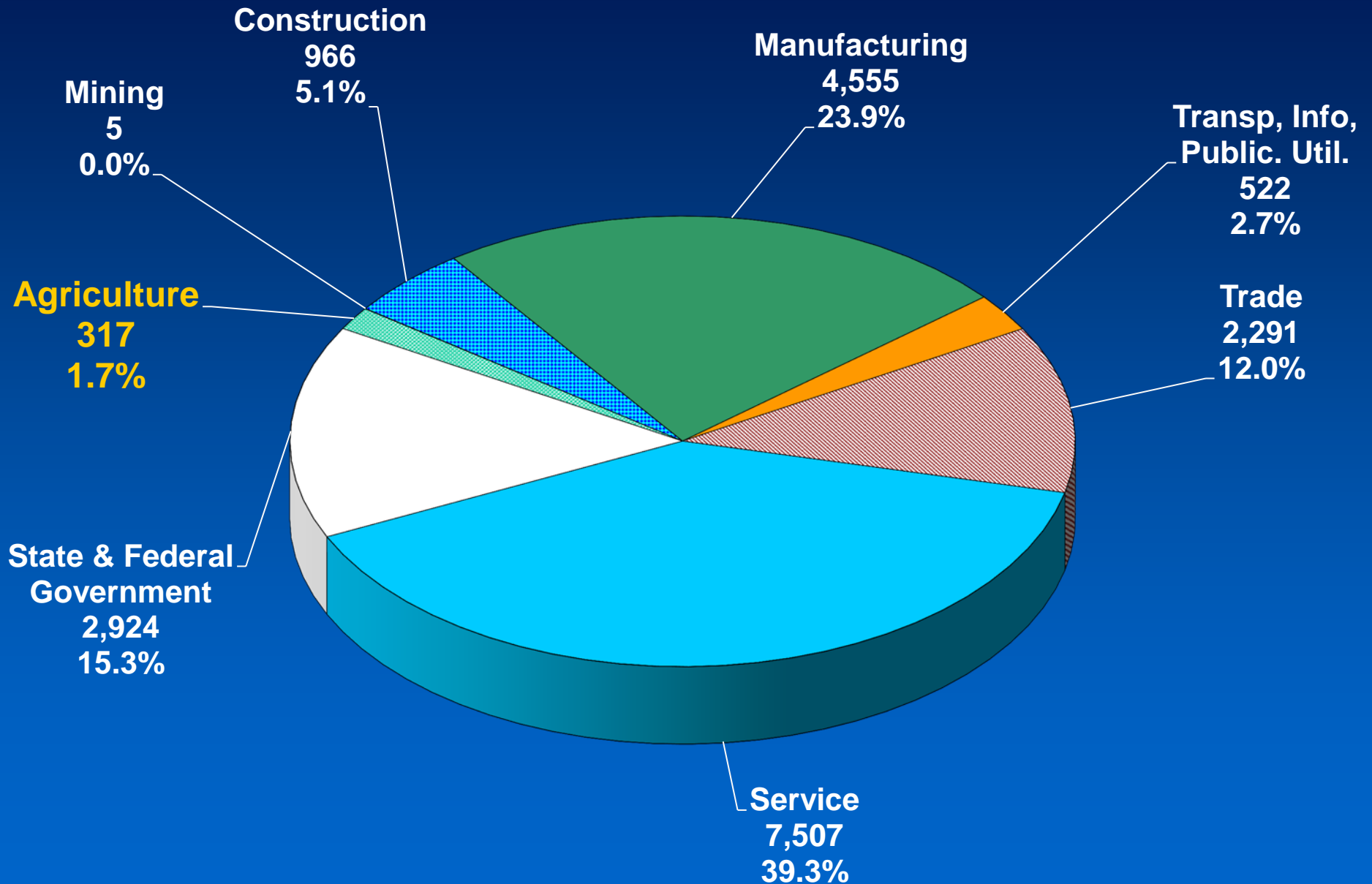
County Economy Modeled

- 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) *Economic Contribution* of food and fiber production and directly related industries?



Habersham County Employment

Total Jobs = 19,086



An Economic Snapshot of Habersham County

- How much of Habersham County's total economic output comes from food and fiber production?
- AG value alone of \$276.2 million-consisting of Farm Gate Value and landscape services comprises 9.4% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 22.7% of the county's economy.



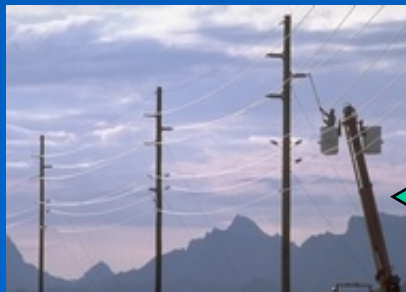
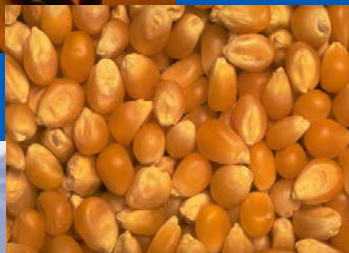
What is the Economic Contribution?

- What is the total (direct and indirect) *contribution* 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 contribution measures output created due to food and fiber production and processing in the county.



What Economic Contribution Means: A Brief Explanation

- The *contribution* 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.
- Further, agricultural commodities are sold to other sectors as the inputs to production.



Habersham County

Agriculture *Contribution*

Sector	Direct	Total
Ag + Landscape Services	\$ 276,164,808	\$ 276,164,808
Mining		48,658
Utilities		2,289,700
Construction		1,560,804
Manufacturing		10,638,898
Wholesale Trade		4,819,298
Retail trade		6,009,831
Transportation & Warehousing		1,657,103
Information		2,116,044
Finance & insurance		5,882,404
Real estate & rental		12,258,769
Professional- scientific & tech services		2,750,294
Management of companies		425,995
Administrative & waste services		1,000,184
Educational services		1,693,098
Health & social services		3,655,783
Arts-entertainment & recreation		148,720
Accommodation & food services		3,613,423
Other services		2,281,003
Government & non NAICS		171,404
TOTAL	\$ 276,164,808	\$339,186,221

**Total
Contribution
of Production
AG = \$339.2
million
11.5 % of total
economy**

Habersham County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	\$674,195,590	\$674,195,590
Mining		75,881
Utilities		5,995,698
Construction		3,375,600
Other Manufacturing		11,569,883
Wholesale Trade		8,586,529
Retail trade		10,572,696
Transportation & Warehousing		5,814,565
Information		4,178,784
Finance & insurance		11,954,272
Real estate & rental		20,228,242
Professional- scientific & tech services		4,911,047
Management of companies		4,874,252
Administrative & waste services		2,861,712
Educational svcs		2,648,428
Health & social services		6,022,352
Arts- entertainment & recreation		313,417
Accommodation & food services		6,764,887
Other services		4,284,709
Government & non NAICS		360,871
Total	\$674,195,590	\$789,589,417

**Total
Contribution
of AG +
Related =
\$789.6 million
26.8% of total
economy**

Habersham County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	2,118	2,118
Mining		0
Utilities		5
Construction		25
Manufacturing		18
Wholesale Trade		41
Retail trade		148
Transportation & Warehousing		30
Information		17
Finance & insurance		68
Real estate & rental		50
Professional- scientific & tech services		59
Management of companies		34
Administrative & waste services		62
Educational svcs		36
Health & social services		83
Arts- entertainment & recreation		4
Accommodation & food services		114
Other services		81
Government & non NAICS		4
Total	2,118	2,996

Total
Contribution
of AG + Related
Employment =
2,996

Accounts for
15.7% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$674.2 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$789.6 million. This includes the captured effects of farmers (direct source) buying supplies (seed, fertilizer, work boots) from local stores. These stores must increase their output to meet farmer demand.



What These Numbers Mean: A Brief Explanation (continued)

- 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.



Habersham County Food and Fiber

Summary/Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$789.6 million.
- The total county *output* is \$2.9 billion.
- Thus, food and fiber (directly and indirectly) account for 26.8% of the total county output, considering the multiplier effects.



Contact Information

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

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