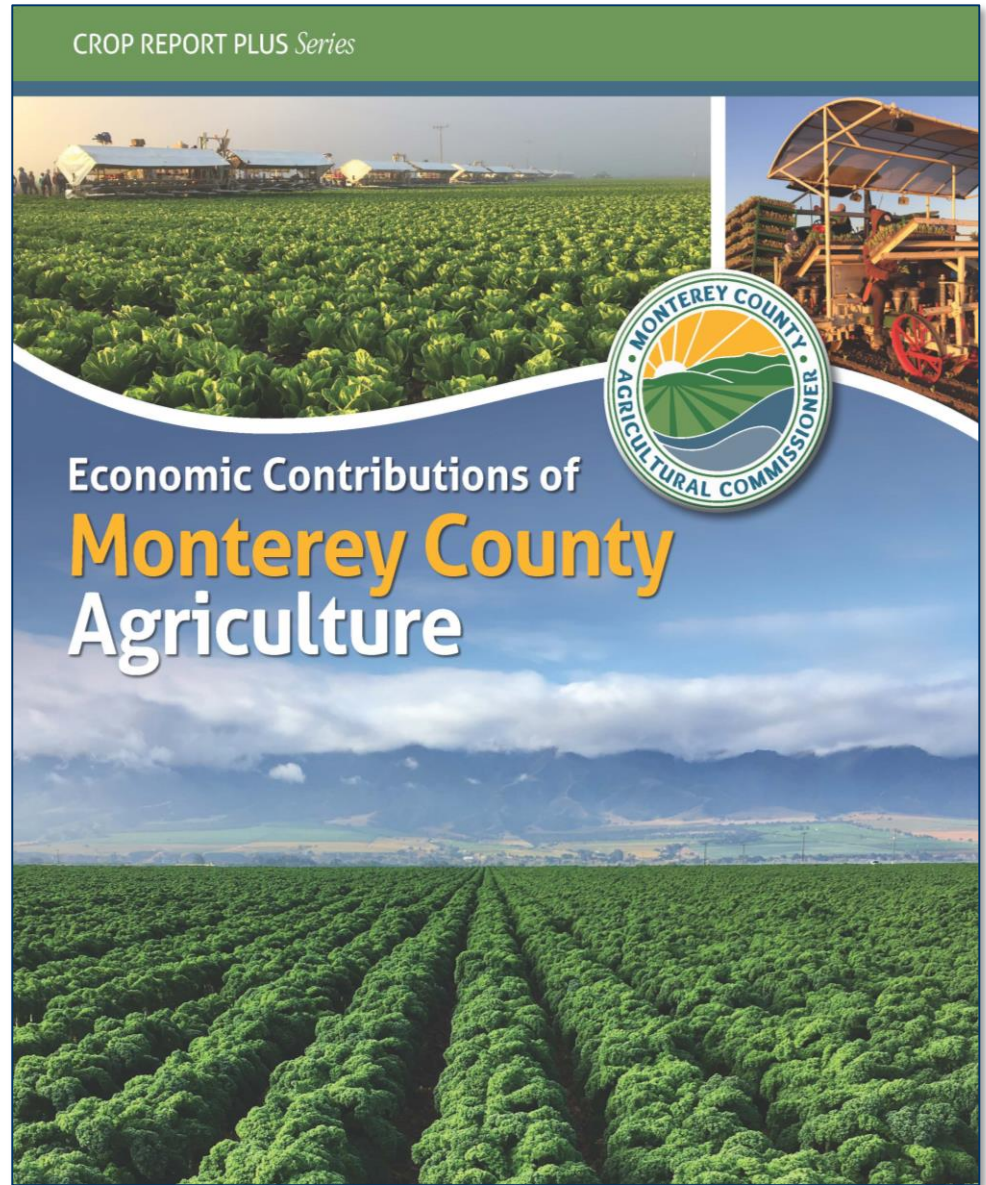


Economic Contributions of Monterey County Agriculture

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*Salinas, CA.,
July 21, 2020*



RATIONALE: new tools for an important mandate

Section 2279 of the *California Food and Agriculture Code* requires every county to report the “value” of agriculture

MONTEREY COUNTY
CROP REPORT

2018

Economic Contributions of
Monterey County
Agriculture

✓ Production (\$)

✓ Production (\$)

✓ Processing (\$)

✓ Multiplier Effects (\$)

✓ Employment

Monterey County was first to report agriculture's fuller value in this manner



19 counties have followed Monterey's lead

two kinds of Multiplier Effects

INDIRECT:

Local “**business to business**” spending by Ag companies

vehicles, fuel, seeds, insurance, veterinary services, banking, fertilizer, chemicals, contract work, etc.



INDUCED:

local “**consumer spending**” by Ag-related employees

groceries, health care, housing, utilities, clothing, transportation, education, entertainment, etc.



TOTAL Economic Output

FOR 2018

\$11.659 billion

Monterey County Agriculture's total contribution to the local economy

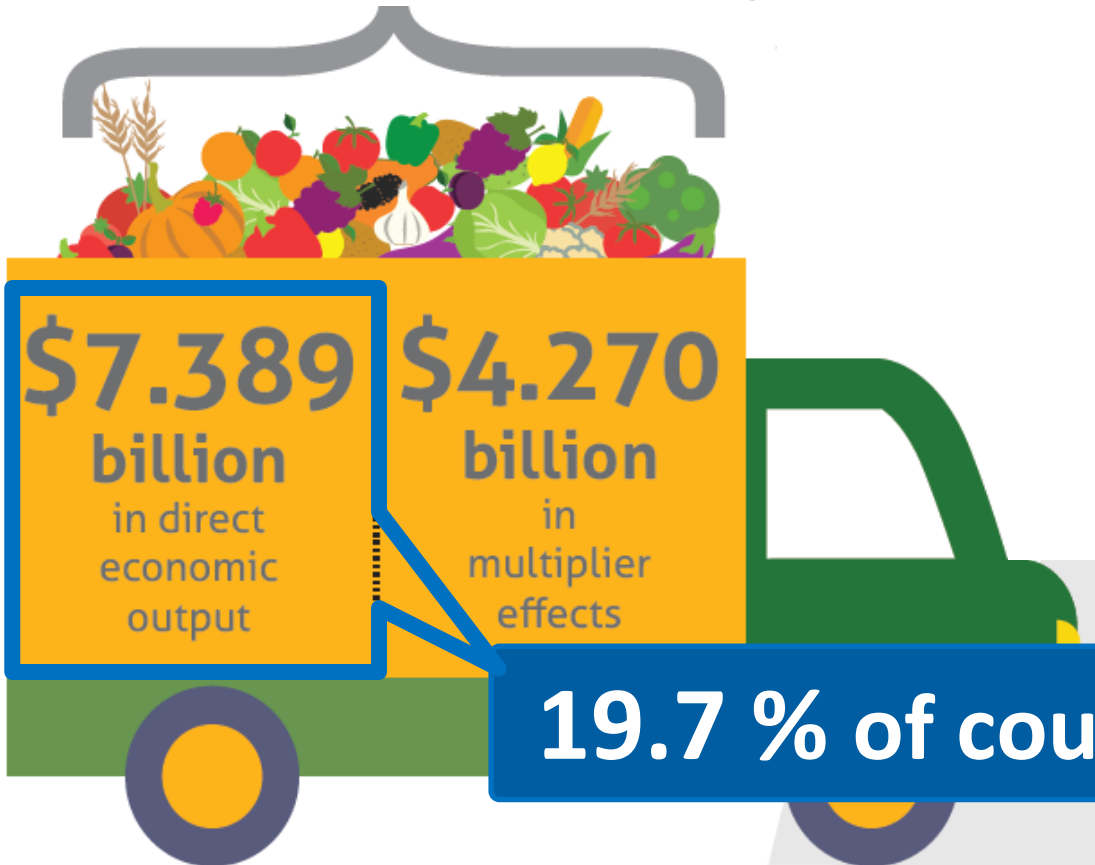
\$31.9 million
per day

\$1.3 million
per hour

\$7.389
billion
in direct
economic
output

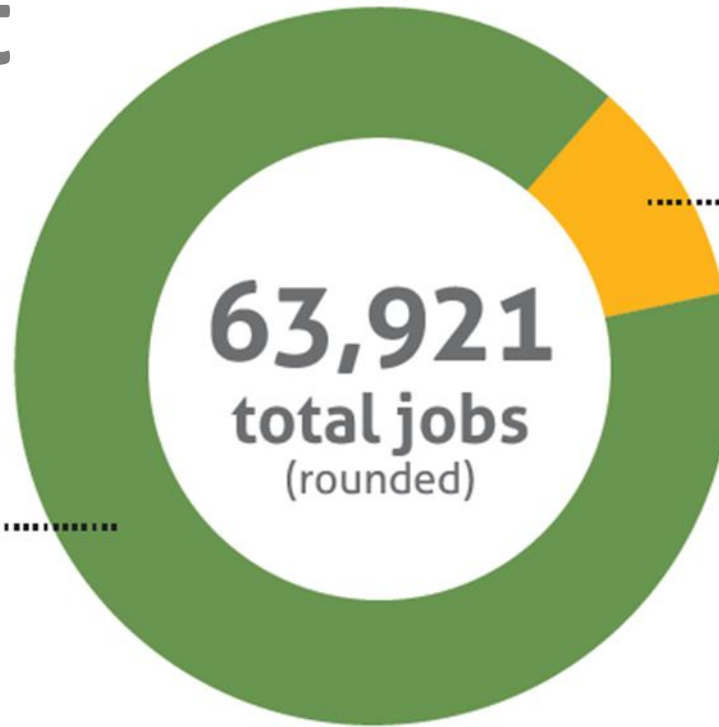
\$4.270
billion
in
multiplier
effects

19.7 % of county total



Employment

57,503
direct
employees



6,417
multiplier
effect jobs



Economic Diversification: *insurance against economic shocks*

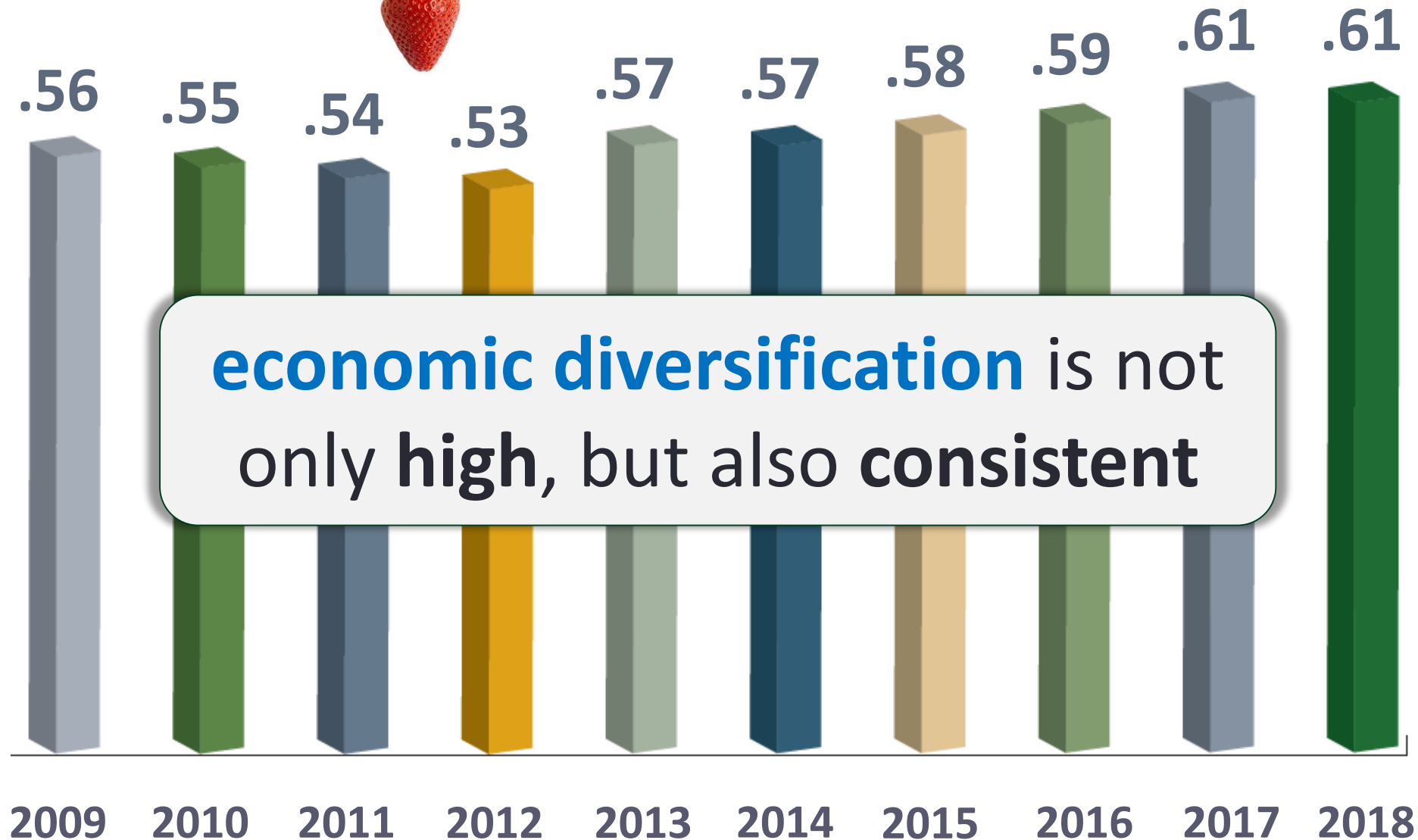


- ✓ Price drops
- ✓ Disease outbreaks
- ✓ New regulations
- ✓ New competitors
- ✓ Price spikes for key inputs

Monterey County Agriculture's Diversification Index: **0.61**

- ✓ exceptionally high diversification
- ✓ provides critical **economic resilience** within agriculture and to the wider county economy.





Ecosystem Services

= non-market benefits from agricultural lands



plus a dozen others described in the report

Initial Estimated Value

FOR 2018

- ✓ **\$4.7 to \$10.9 billion/yr.**
 - compared to \$4.8 billion in direct production of commodities



- ✓ **Mostly from grazing lands:**
\$4.6 to \$9.9 billion
 - Per acre value = **\$4,349 to \$9,267.**

Key Points



- 1. Large Economic Output* → **\$11.659 billion**
- 2. Significant Employment* → **1 of every 5 jobs**
- 3. Exceptional Diversification* → **a stabilizing force**
- 4. Valuable Ecosystem Services* → **\$4.7 to \$10.9 billion per year**

Thank You

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