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Tools for Community Self-determination

Southwest REAP Region (North Dakota) Local Farm & Food Economy

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for

F.A.R.R.M.S.

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Covers Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope, & Stark Counties in North Dakota

Southwest REAP Region (Bureau of Economic Analysis, 2013)

44,066 residents receive \$3.1 billion of income annually. Personal income increased 276% from 1969 to 2013, after dollars were adjusted for inflation; most of this increase was earned in Stark County since 2006. Several counties have had minimal income growth. The largest source of personal income is mining, at more than \$720 million (this is the count for Bowman, Dunn, Golden Valley, & Stark Counties, with Stark contributing \$565 million; other counties suppressed the amount of mining income to protect confidentiality). Ranking second was capital income (from interest, rent or dividends), accounting for \$523 million of personal income. Transfer payments (from government programs such as pensions) ranked third with \$281 million, while workers at government jobs earned \$185 million. However, due to data suppression for confidentiality reasons, nearly \$1.4 billion of personal income was unreported, so personal income for other industries (manufacturing, health care, construction, and so forth) could not be verified.

Income earned from transfer payments includes \$119 million of retirement and disability insurance benefits; \$118 million of medical benefits; \$18 million of income maintenance benefits; income from unemployment insurance that was not disclosed; and \$8 million of veterans' benefits.

Government income includes \$25 million of income earned by federal workers and \$150 million earned by state and local government workers. Military personnel earn \$9 million of personal income.

Although the Southwest REAP region has a proud farming heritage, there has been limited public planning to assure a secure and stable food supply.

Issues affecting low-income residents of the Southwest REAP region:

Over 8,500 residents (22%) earn less than 185% of federal poverty guidelines. At this level of income, children qualify for free or reduced-price lunch at school. These lower-income residents spend an estimated \$18 million each year buying food, including \$2.7 million of SNAP benefits

¹ Considerable research assistance provided by Nick Wojciak.

(formerly known as food stamps) and additional WIC coupons. The region's 3,368 farmers receive an annual combined total of \$64 million in subsidies (25-year average, 1989-2013), mostly to raise crops such as wheat, corn or soybeans that are sold as commodities, not to feed local residents. *Data from Federal Census of 2009-2013, Bureau of Labor Statistics, & Bureau of Economic Analysis.*

6% percent of the region's households (over 2,800 residents) earn less than \$10,000 per year. *Source: Federal Census of 2009-2013.*

12% of all adults aged 18-64 in North Dakota carried no health insurance in 2012. *Source: Centers for Disease Control.*

Food-related health conditions:

40% of North Dakota residents reported in 2013 that they eat fewer than one serving of fruit per day, while 27% reported eating less than one vegetable each day. This is a key indicator of health, since eating five servings of fruit and vegetables daily has been connected to better health outcomes. *Source: Centers for Disease Control.*

16% of the state's adults reported in 2013 they "participated in enough aerobic and muscle strengthening exercises to meet guidelines." *Source: Centers for Disease Control.*

7.4% of the state's residents have been diagnosed with diabetes as of 2010. *Source: Centers for Disease Control.* Medical costs for treating diabetes and related conditions in North Dakota are estimated at \$400 million per year. *Source: American Diabetes Association.*

68% of North Dakota residents are overweight (37%) or obese (31%) as of 2013. *Source: Centers for Disease Control.*

The region's farms (Agricultural Census, 2012)

Agriculture Census data for 2012 were released May 2, 2014

The Census of Agriculture defines a "farm" as "an operation that produces, or would normally produce and sell, \$1,000 or more of agricultural products per year."

Land:

- 3,368 farms. This is 11% of North Dakota farms.
- The Southwest REAP region had 109 less farms in 2012 than in 2007.
- 1,325 (39%) of these are 1,000 acres or more in size.
- 408 (12%) farms are less than 50 acres.
- Average farm size is 1,742 acres, more than the state average of 1,268 acres.
- The region has 5.9 million acres of land in farms.
- This amounts to 15% of the state's farmland.
- The Southwest REAP region holds 2.4 million acres of harvested cropland.

- At least 2,641 of these acres are irrigated. *Note that data for irrigated cropland in Adams, Golden Valley, and Slope counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- Average value of land and buildings per farm was \$1.6 million. This was less than the 2012 state average of \$1.8 million.

Sales:

With the exception of foods sold directly to consumers (see below), farmers typically sell commodities to wholesalers, brokers or manufacturers that require further processing or handling to become consumer items. The word “commodities” is used in this report to mean the crops and livestock sold by farmers through these wholesale channels. The term “products” encompasses commodity sales, direct sales, and any other sales.

- The region’s farmers sold \$819 million of crops and livestock in 2012.
- Farm product sales increased by 57% from 2007 to 2012.
- \$593 million of crops were sold.
- \$226 million of livestock and their products were sold.
- 1,345 (40%) of the region’s farms sold less than \$10,000 of products in 2012.
- Total sales from these small farms were at least \$2 million, less than 1% of the region’s farm product sales. *Note that data for sales from small farms in Billings, Golden Valley, and Slope counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- 1,203 (36%) of the region’s farms sold more than \$100,000 of products.
- Total sales from these larger farms were \$782 million, 95% of the region’s farm product sales.
- 32% of the region’s farms (1,086 of 3,368) reported net losses in 2012. This is more than the North Dakota state average of 26%.
- 2,533 (75%) of the Southwest REAP region’s farmers collected a combined total of \$34 million of federal subsidies in 2012.

Top farm products of Southwest REAP region (2012)

*Note: * denotes sales data has been suppressed to protect confidentiality.*

| Product | \$ Millions |
|--------------------------|--------------------|
| Wheat | 373 |
| Cattle and calves | *184 |
| Corn | *49 |
| Forage Crops (hay, etc.) | *12 |
| Barley | *7 |
| Milk from cows | *5 |
| Horses | 2 |
| Sheep and goats | *1 |

Production Expenses:

- Fertilizer, lime, and soil conditioners were the largest single expense for Southwest REAP region farmers in 2012, totaling \$111 million (19% of production expenses).
- Farmers charged \$77 million (13%) to depreciation.
- Land and building rental cost farmers \$68 million (12%).
- Chemical purchases were \$64 million (11%).
- The region's farmers purchased \$47 million of feed (8%).
- Repairs, supplies, and maintenance costs were \$46 million (8%).
- Livestock and poultry purchases totaled \$43 million (7%).
- Gasoline, fuels, and oil purchases were \$42 million (7%).
- Interest expenses were \$32 million (5%).
- Seed purchases totaled \$32 million (5%).

Cattle & Dairy:

- 1,661 farms hold an inventory of 312,000 cattle.
- 181,000 cattle were sold by farmers in 2012 for total sales of at least \$184 million. *Note that data for sales of cattle in Slope County were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- 1,516 farms raise beef cows.
- 46 farms raise milk cows.
- 136 farms produced corn for silage.
- 1,620 farms produced 459,000 tons of forage crops (hay, etc.) on 428,000 acres.
- The region's farms sold at least \$12 million of forage. *Note that data for sales of forage crops in 6 of 8 counties were suppressed by the USDA in an effort to protect confidentiality.*

Other Livestock & Animal Products:

- 20 farms hold an inventory of at least 170 hogs and pigs. *Note that data for inventory of hogs and pigs were suppressed in 5 of 8 counties, so this total is incomplete.*
- 26 farms sold at least 289 hogs and pigs in 2012. *Note that data for sales of hogs and pigs were suppressed in 5 of 8 counties, so this total is incomplete.*
- 103 farms hold an inventory of 14,000 sheep and lambs.
- 107 farms sold at least \$1 million worth of sheep, goats, and lambs in 2012. *Note that data for sales of sheep, goats, and lambs in Adams and Bowman counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- 135 farms hold an inventory of 3,177 laying hens.
- 8 farms raise broiler chickens.
- No farms engage in aquaculture.
- 219 farms raise horses and ponies.

Grains, Oil Seeds, & Edible Beans:

- 1,210 farms produced at least \$428 million of grains, oil seeds, and edible beans. *Note that data for sales of grains, oilseeds, and edible beans, in Adams and Slope counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- 325 farms produced 8.2 million bushels of corn on 128,000 acres, worth more than \$49 million. *Note that data for sales of corn in Bowman and Golden Valley counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- 10 farms produced at least 42,000 bushels of soybeans on over 2,658 acres, worth more than \$557,000. *Note that data for bushels, acreage, and sales of soybeans in Bowman and Golden Valley counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- 1,106 farms produced 49 million bushels of wheat on 1.4 million acres, worth \$373 million.

Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- 9 farms produce vegetables.
- This represents a 6 farm increase in the number of farms over 2007.
- 6 farms raised potatoes.

Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- 1 farm in the region has an orchard.
- 1 farm sold fruits, nuts, and berries.

Nursery & Greenhouse Plants:

- 4 farms sold ornamentals in 2012.
- This represents a 1 farm increase in the number of farms over 2007
- No farms sold Christmas trees.

Direct & Organic Sales:

- 55 farms sell at least \$101,000 of food products directly to consumers. This is a 9-farm increase in farms selling direct over 2007. *Note that data for direct sales in Adams, and Slope counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- This amounts to more than 0.01% of farm product sales, less than the national average of 0.3%.
- Dunn County leads the region in direct sales, with \$31,000. *Note that these rankings are subject to the fact that data for direct sales were suppressed in Adams and Slope counties.*
- 2 farms in the region sold organic products.
- 3 farms market through community supported agriculture (CSA).
- 96 farms produce and sell value-added products.

- 24 farms marketed products directly to retail outlets.
- 5 farms had on-farm packing facilities.

Conservation Practices:

- 431 farms practice rotational or management intensive grazing.
- No farms practiced alley cropping or silvopasture.
- 7 farms harvested biomass for use in renewable energy.

Other Crops:

- 141 farms produced 1 million bushels of oats on 15,000 acres.
- 254 farms produced 2.4 million bushels of barley on 51,000 acres, worth at least \$7.2 million.
Note that data for sales of barley in Adams, Dunn, and Slope counties were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.
- 315 farms produced 22 billion pounds of sunflower seed on 147,000 acres.

Operations by Legal Status for Tax Purposes in the Southwest REAP Region

(Census of Agriculture, 2012)

*Note that * denotes that data has been suppressed to protect confidentiality.*

| | Farms | Acres |
|---|--------------|-------------------|
| Family or individual | 3,077 | *3,506,117 |
| Partnership | 195 | 493704 |
| Corporation (family held) | 29 | *24,912 |
| Corporation (other than family held) | 11 | *2,145 |
| Other – cooperative, estate or trust, institutional, etc. | 56 | *15,741 |
| Totals | 3,368 | *4,042,619 |

County and State Highlights

Adams County highlights (Census of Agriculture 2012):

- 392 farms, 8% less than in 2007.
- Adams County has 601,000 acres of land in farms.
- Farmers sold \$107.5 million of products in 2012.
- \$83 million (77%) of these sales were crops.
- \$24.5 million (23%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 158 farms (40%) in this category.
- The next most prevalent is 180 to 499 acres, with 89 (23%) farms.
- 50 farms (13%) are less than 50 acres.
- 180 farms (46%) sold less than \$10,000 in farm products.
- 144 farms (37%) sold more than \$100,000 in farm products.
- Adams County ranks 1st in North Dakota for inventory of sheep and lambs, with 5,801.
- The county ranks seventh in the state for inventory of colonies of bees, with 16,000.
- Adams County ranks 9th in the state for inventory of broilers, with 300.
- 1 farm sold food directly to consumers. This is a 7 farm decrease in the number of farms selling direct since 2007. *Note that data for direct sales in Adams County were suppressed by the USDA in an effort to protect confidentiality.*

Billings County highlights (Census of Agriculture 2012):

- 197 farms, 19% less than in 2007.
- Billings County has 722,000 acres of land in farms.
- Farmers sold \$36.67 million of products in 2012.
- \$17.6 million (48%) of these sales were crops.
- \$19 million (52%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 106 farms (54%) in this category.
- The next most prevalent are both 50 to 179 acres, and 500 to 999 acres, with 29 (15%) farms each.
- 9 farms (5%) are less than 50 acres.
- 42 farms (21%) sold less than \$10,000 in farm products.
- 81 farms (41%) sold more than \$100,000 in farm products.
- Billings County ranks eighth in North Dakota for acreage of winter wheat for grain, with 24,000.
- 4 farms sold \$7,000 of food directly to consumers. This is a 4 farm increase, and a \$7,000 increase in direct sales over 2007, which had no direct sales.
- Direct sales were 0.02% of farm product sales, less than the national average of 0.3%.

Bowman County highlights (Census of Agriculture 2012):

- 348 farms, 5 farms less than in 2007.
- Bowman County has 730,000 acres of land in farms.
- Farmers sold \$111 million of products in 2012.
- \$60 million (54%) of these sales were crops.
- \$51 million (46%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 159 farms (46%) in this category.
- The next most prevalent is 180 to 499 acres, with 71 (20%) farms.
- 30 farms (9%) are less than 50 acres.
- 134 farms (39%) sold less than \$10,000 in farm products.
- 144 farms (41%) sold more than \$100,000 in farm products.
- Bowman County ranks 4th in the state for sales of livestock and poultry, with \$51 million.
- The county ranks fifth in the state for sales of hogs and pigs, but *sales figures were suppressed by the USDA in an effort to protect confidentiality.*
- Bowman County ranks 6th in the state for sales of cattle and calves, with \$44 million.
- The county ranks seventh in the state for inventory of hogs and pigs, but *inventory figures were suppressed by the USDA in an effort to protect confidentiality.*
- Bowman County ranks ninth in the state for acreage of durum wheat, with 35,000.
- The county ranks 9th in North Dakota for inventory of sheep and lambs, with 2,329.
- 8 farms sold \$16,000 of food directly to consumers. This is a 1 farm decrease, and a 74% decrease in direct sales since 2007 sales of \$61,000.
- Direct sales were 0.01% of farm product sales, less than the national average of 0.3%.

Dunn County highlights (Census of Agriculture 2012):

- 628 farms, 12% more than in 2007.
- Dunn County has 1 million acres of land in farms.
- Farmers sold \$124.8 million of products in 2012.
- \$75.6 million (61%) of these sales were crops.
- \$49.2 million (39%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 274 farms (44%) in this category.
- The next most prevalent is 50 to 179 acres, with 96 (15%) farms.
- 82 farms (13%) are less than 50 acres.
- 174 farms (28%) sold less than \$10,000 in farm products.
- 247 farms (39%) sold more than \$100,000 in farm products.
- Dunn County ranks 2nd in North Dakota for inventory of horses and ponies, with 2,555.
- The county ranks third in the state for inventory of cattle and calves, with 80,000.

- Dunn County ranks third in North Dakota for acreage of forage crops (hay, etc.), with 117,000.
- The county ranks third in the state for sales of horses, with \$710,000.
- Dunn County ranks fourth in the state for sales of cattle and calves, with \$47 million.
- The county ranks 5th in the state for sales of livestock and poultry products, with \$49 million.
- 11 farms sold \$31,000 of food directly to consumers. This is a 2 farm increase, and a 71% decrease in direct sales since 2007 sales of \$108,000.
- Direct sales were 0.02% of farm product sales, less than the national average of 0.3%.

Golden Valley County highlights (Census of Agriculture 2012):

- 251 farms, 8 farms more than in 2007.
- Golden Valley County has 562,000 acres of land in farms.
- Farmers sold \$59.57 million of products in 2012.
- \$43.6 million (73%) of these sales were crops.
- \$15.9 million (27%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 111 farms (44%) in this category.
- The next most prevalent is 180 to 499 acres, with 44 (18%) farms.
- 18 farms (7%) are less than 50 acres.
- 92 farms (37%) sold less than \$10,000 in farm products.
- 96 farms (38%) sold more than \$100,000 in farm products.
- Golden Valley County ranks seventh in North Dakota for inventory of sheep and lambs, with 2,739.
- The county ranks ninth in the state for acreage of winter wheat for grain, with 23,000.
- Golden Valley County ranks 9th in the state for sales of sheep and goats, with \$286,000.
- 7 farms sold \$12,000 of food directly to consumers. This is a 4 farm increase in the number of farms selling direct over 2007.
- Direct sales were 0.02% of farm product sales, less than the national average of 0.3%.

Hettinger County highlights (Census of Agriculture 2012):

- 494 farms, 10% less than in 2007.
- Hettinger County has 716,000 acres of land in farms.
- Farmers sold \$159 million of products in 2012.
- \$145 million (91%) of these sales were crops.
- \$14 million (9%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 175 farms (35%) in this category.
- The next most prevalent is 50 to 179 acres, with 115 (23%) farms.
- 29 farms (6%) are less than 50 acres.

- 250 farms (51%) sold less than \$10,000 in farm products.
- 170 farms (34%) sold more than \$100,000 in farm products.
- Hettinger County ranks 4th in North Dakota for acreage of spring wheat, with 224,000.
- The county ranks fifth in the state for acreage of wheat, with 298,000.
- Hettinger County ranks eighth in the state for acreage of durum wheat, with 45,000.
- The county ranks 10th in North Dakota for acreage of canola, with 60,000.
- Hettinger County ranks tenth in the state for sales of milk, with \$2.4 million.
- 9 farms sold \$15,000 of food directly to consumers. This is a 7 farm increase in the number of farms selling direct over 2007.
- Direct sales were 0.01% of farm product sales, less than the national average of 0.3%.

Slope County highlights (Census of Agriculture 2012):

- 221 farms, 7% less than in 2007.
- Slope County has 674,000 acres of land in farms.
- Farmers sold \$67.6 million million of products in 2012.
- \$48.65 million (72%) of these sales were crops.
- \$18.9 million (28%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 116 farms (52%) in this category.
- The next most prevalent is 180 to 499 acres, with 36 (16%) farms.
- 21 farms (10%) are less than 50 acres.
- 79 farms (36%) sold less than \$10,000 in farm products.
- 92 farms (42%) sold more than \$100,000 in farm products.
- 3 farms sold food directly to consumers. This is a one farm increase over 2007. *Note that data for direct sales were suppressed by the USDA in an effort to protect confidentiality.*

Stark County highlights (Census of Agriculture 2012):

- 837 farms, 3% less than in 2007.
- Stark County has 829,000 acres of land in farms.
- Farmers sold \$153 million of products in 2012.
- \$119 million (78%) of these sales were crops.
- \$34 million (22%) of these sales were livestock.
- The most prevalent farm size is 1,000 acres or more, with 226 farms (27%) in this category.
- The next most prevalent is 180 to 499 acres, with 185 (22%) farms.
- 169 farms (20%) are less than 50 acres.
- 394 farms (47%) sold less than \$10,000 in farm products.
- 229 farms (27%) sold more than \$100,000 in farm products.
- Stark County ranks third in the state for inventory of colonies of bees, with 24,000.

- The county ranks fourth in the state for acreage of winter wheat, with 41,000.
- Stark County ranks 5th in North Dakota for inventory of horses and ponies, with 1,804.
- The county ranks seventh in the state for acreage of forage crops (hay, etc.), with 80,000.
- Stark County ranks 7th in the state for sales of ornamentals, with *but sales figures were suppressed by the USDA in an effort to protect confidentiality*.
- The county ranks eighth in the state for sales of sheep and goats, with \$374,000.
- Stark County ranks 8th in the state for acreage of wheat, with 256,000.
- The county ranks ninth in the state for acreage of spring wheat, with 182,000.
- Stark County ranks 10th in North Dakota for acreage of durum wheat, with 33,000.
- 12 farms sold \$20,000 of food directly to consumers. This is a 1 farm decrease, and a 33% decrease in direct sales since 2007 sales of \$30,000.
- Direct sales were 0.01% of farm product sales, less than the national average of 0.3%.

State of North Dakota highlights (Agriculture Census 2012):

- 30,961 farms, 3% less than in 2007.
- North Dakota has 39 million acres of land in farms.
- Farmers sold \$11 billion of products in 2012.
- \$9.7 billion (88%) of these sales were crops.
- \$1.3 billion (12%) of these sales was livestock.
- The most prevalent farm size is 1,000 acres or more, with 10,861 farms (35%) in this category.
- The next most prevalent is 50 to 179 acres, with 6,557 (21%) farms.
- 3,400 farms (11%) are less than 50 acres.
- 12,698 farms (41%) sold less than \$10,000 in farm products.
- 12,556 farms (41%) sold more than \$100,000 in farm products.
- North Dakota ranks 1st in the country for acreage of spring wheat, with 5.7 million.
- The state ranks 2nd in the country for inventory of colonies of bees, with 370,000.
- North Dakota ranks 2nd in the country for acreage of wheat, with 7.8 million.
- The state ranks 5th in the country for sales of grains, oilseeds, dry beans, and dry peas, with \$8.8 billion.
- North Dakota ranks sixth in the country for crop sales, with \$9.7 billion.
- The state ranks 7th in the country for acreage of soybeans for beans, with 4.7 million.
- North Dakota ranks 9th in the country for acreage of corn for grain, with 3.5 million.
- The state ranks ninth in the country for acreage of forage (hay, etc.), with 2.2 million.
- Statewide vegetable sales totaled \$251 million.
- 433 farms sold \$1.94 million of food directly to consumers. This is a 11 farm decrease in the number of farms selling direct, and a 20% decrease in direct sales since 2007 sales of \$2.43 million.
- Direct sales were 0.02% of farm product sales, much lower than the national average of 0.3%.
- At \$1.9 million, direct sales from farmers to consumers amounted to more than the value of the 11th-ranking product, fruits and nuts.
- 118 farms in North Dakota sold \$9.8 million of organic food products.
- 49 farms market through community supported agriculture (CSA).
- 674 farms produce and sell value-added products.
- 111 farms marketed products directly to retail outlets.
- 47 farms had on-farm packing facilities.
- 3,270 farms practice rotational or management intensive grazing.
- 38 farms harvested biomass for use in renewable energy.

North Dakota's top farm products in 2013 (Economic Research Service)

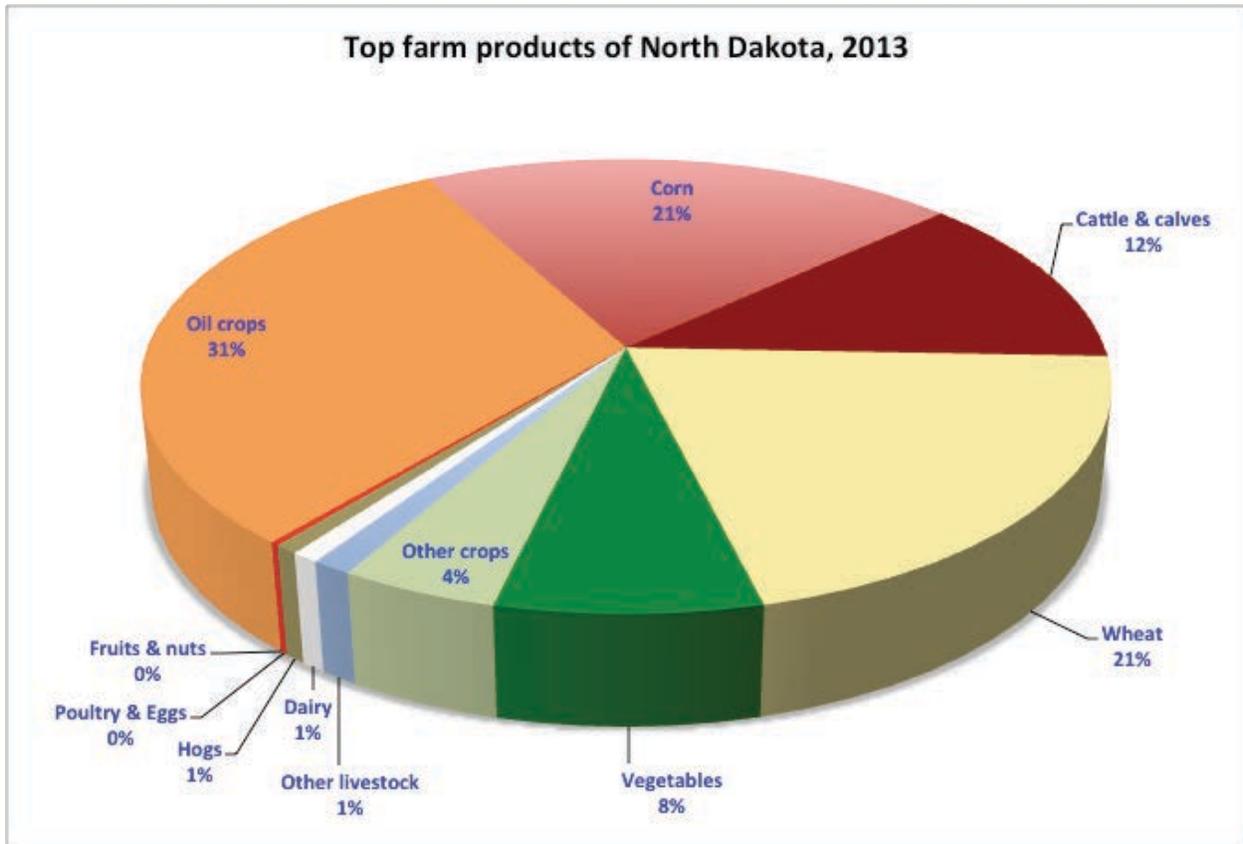
The data in the table below and pie chart on next page are for North Dakota as a whole.

| | \$ millions |
|-----------------|--------------------|
| Oil crops | 2,617 |
| Corn | 1,776 |
| Cattle & calves | 1,052 |
| Wheat | 1,734 |
| Vegetables | 640 |
| Other crops | 382 |
| Other livestock | 97 |
| Dairy | 67 |
| Hogs | 58 |
| Poultry & eggs | 20 |
| Fruits & nuts | 0.4 |

Note also that at \$1.9 million, direct sales from farmers to consumers amounted to more than the value of the 11th-ranking product, fruits and nuts.

North Dakota's top farm products in 2013 (Economic Research Service)

See table on previous page



Source: USDA Economic Research Service

Balance of Cash Receipts and Production Costs (BEA):

Southwest REAP region farmers sell \$434 million of food commodities per year (1989-2013 average), spending \$443 million to raise them, for an average loss of \$9 million each year. This is a net loss of \$2,670 per farm. *Note that these sales figures compiled by the BEA may differ from cash receipts recorded by the USDA Census of Agriculture (above).*

Overall, farm producers lost \$200 million by selling crops and livestock over the years 1989 to 2013. Cash receipts exceeded farm production costs for 12 years of that 25-year period. Moreover, 32% of the region's farms reported that they lost money in 2012 (Ag Census), and Southwest REAP region farmers and ranchers earned \$23 million less by selling commodities in 2013 than they earned in 1969 (in 2013 dollars).

Farmers and ranchers earn another \$35 million per year of farm-related income — primarily custom work, and rental income (25-year average for 1989-2013). Federal farm support payments are a more important source of net income than commodity production, averaging \$64 million per year for the region for the same years.

The region's consumers:

See also information covering low-income food consumption and food-related health conditions, page 1-2 above. Southwest REAP region consumers spend \$117 million buying food each year, including \$72 million for home use. Most of this food is produced outside the region, so Southwest REAP region consumers spend about \$105 million per year buying food sourced outside the region. Only \$101,000 of food products (0.02% of farm cash receipts and 0.09% of the region's consumer market) are sold by farmers directly to consumers.

Farm and food economy summary:

Farmers lose \$9 million each year producing food commodities, and spend \$380 million buying inputs sourced outside of the region. Even when farmers make money, these input purchases result in substantial losses to the region as a whole. Overall, farm production creates a loss of \$390 million to the region.

Meanwhile, consumers spend \$105 million buying food from outside. Thus, total loss to the region is \$490 million of potential wealth *each year*. This loss equals the value of all food commodities raised in the region.

Southwest REAP region: markets for food eaten at home (2012):

Southwest REAP region residents purchase \$117 million of food each year, including \$72 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 15 |
| Fruits & vegetables | 13 |
| Cereals and bakery products | 10 |
| Dairy products | 8 |
| “Other,” incl. Sweets, fats, & oils | 26 |

If Southwest REAP region residents purchased \$5 of food for home use directly from farmers in the region, this would generate \$11 million of new farm income for the region.

Adams County: markets for food eaten at home (2012):

Adams County residents purchase \$6 million of food each year, including \$4 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 0.8 |
| Fruits & vegetables | 0.7 |
| Cereals and bakery products | 0.5 |
| Dairy products | 0.4 |
| “Other,” incl. Sweets, fats, & oils | 1.4 |

Billings County: markets for food eaten at home (2012):

Billings County residents purchase \$2 million of food each year, including \$1 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 0.3 |
| Fruits & vegetables | 0.3 |
| Cereals and bakery products | 0.2 |
| Dairy products | 0.2 |
| “Other,” incl. Sweets, fats, & oils | 0.5 |

Bowman County: markets for food eaten at home (2012):

Bowman County residents purchase \$9 million of food each year, including \$5 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 1.1 |
| Fruits & vegetables | 1.0 |
| Cereals and bakery products | 0.7 |
| Dairy products | 0.8 |
| “Other,” incl. Sweets, fats, & oils | 1.9 |

Dunn County: markets for food eaten at home (2012):

Dunn County residents purchase \$11 million of food each year, including \$7 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 1.4 |
| Fruits & vegetables | 1.3 |
| Cereals and bakery products | 1.0 |
| Dairy products | 0.7 |
| “Other,” incl. Sweets, fats, & oils | 2.4 |

Golden Valley County: markets for food eaten at home (2012):

Golden Valley County residents purchase \$5 million of food each year, including \$3 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 0.6 |
| Fruits & vegetables | 0.6 |
| Cereals and bakery products | 0.4 |
| Dairy products | 0.3 |
| “Other,” incl. Sweets, fats, & oils | 1.1 |

Hettinger County: markets for food eaten at home (2012):

Hettinger County residents purchase \$7 million of food each year, including \$4 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 0.9 |
| Fruits & vegetables | 0.8 |
| Cereals and bakery products | 0.6 |
| Dairy products | 0.5 |
| “Other,” incl. Sweets, fats, & oils | 1.6 |

Slope County: markets for food eaten at home (2012):

Slope County residents purchase \$2 million of food each year, including \$1 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 0.3 |
| Fruits & vegetables | 0.2 |
| Cereals and bakery products | 0.2 |
| Dairy products | 0.1 |
| “Other,” incl. Sweets, fats, & oils | 0.4 |

Stark County: markets for food eaten at home (2012):

Stark County residents purchase \$75 million of food each year, including \$46 million to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 9.4 |
| Fruits & vegetables | 8.6 |
| Cereals and bakery products | 6.5 |
| Dairy products | 4.9 |
| “Other,” incl. Sweets, fats, & oils | 16.5 |

State of North Dakota: markets for food eaten at home (2012):

North Dakota residents purchase \$1.9 billion of food each year, including \$1.2 billion to eat at home. Home purchases break down in the following way:

| | <i>millions</i> |
|-------------------------------------|-----------------|
| Meats, poultry, fish, and eggs | \$ 240 |
| Fruits & vegetables | 219 |
| Cereals and bakery products | 168 |
| Dairy products | 127 |
| “Other,” incl. Sweets, fats, & oils | 423 |

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 the U.S.:

<http://www.crcworks.org/?submit=fffc>

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 in March, 2008, by Ken Meter at Rep. Collin Peterson's (D-MN) Minnesota agricultural forum, called the "Home Grown Economy":

<http://www.crcworks.org/crcppts/petersonkm08.pdf>

For further information: <http://www.crcworks.org/>

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