

Writing Sample for Melissa Hill:

Economic Output and Employment in Michigan's Agri-Food System

Economic Output of the Agricultural and Food Sectors

In Michigan, agriculture is an essential part of our culture and economics, creating 17% of all employment. We are the number one tart cherry producer in the nation, producing 69.3 million pounds annually. Michigan agriculture is the second most diverse in the nation, producing over 300 different agricultural products.

It's not always easy to calculate the revenue produced by our Agri-food systems, double-counting can occur in the tally. For instance, cattle feed can be an input as well as a source of revenue. But even after adjusting for the complex interactions of our food systems, Michigan farming accounts for more than \$7.11 billion in direct economic activity.

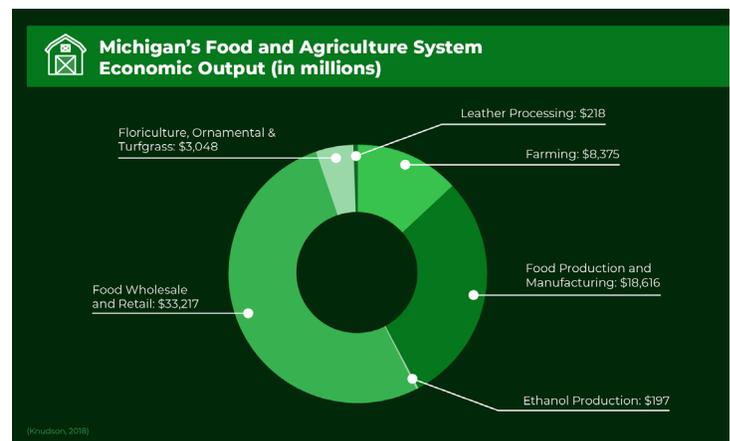
Our Agri-Food system includes farms, yet it is so much more than just farming. Food processing and manufacturing is an incredibly important part of our economy, from Kellogg's to Meijer to the Michigan Sugar Company. Leather Processing is another important part of the total agri-food system as well as ethanol production. Floriculture, turfgrass, and ornamental plant production also generate significant jobs and revenue.

These sectors don't operate independently from one another. Our manufacturing, farming, processing, wholesale, and retail sectors combine to create an interconnected web of economic activity. We grow more cucumbers and tomatoes than any other vegetable in the state. Those farms need inputs from manufacturing to succeed and in turn our processing and pickling plants create jobs and economic value for the state.

While Michigan is well known for cherry and apple production due to the mild microclimates created by the Great Lakes, what is less well known is that Michigan is the center national pickle production. In 2018 we harvested 34,000 acres of pickling cucumbers, 27% of the entire nation's production. Our sandy soils create ideal conditions for growing, and the immigrant populations that settled here knew just what to do, creating a longstanding tradition of cucumber pickling we still enjoy.

Fruit production in the state is hugely important from an economic and cultural perspective. The Traverse City National Cherry Festival is an annual celebration of the importance of this agricultural sector. It brings people from around the state to celebrate and to generate a \$19 million increase in economic output just from the festival alone. We're first in the nation for tart cherries, but we also produce significant amounts of apples, blueberries and sweet cherries.

Floriculture and other non-food ornamental plants and grass continue to be an essential component of our Agri-Food System, creating over 1.2 billion dollars in revenue including backward linked industries. Michigan is a major producer of geraniums, impatiens, petunias, and Christmas trees.

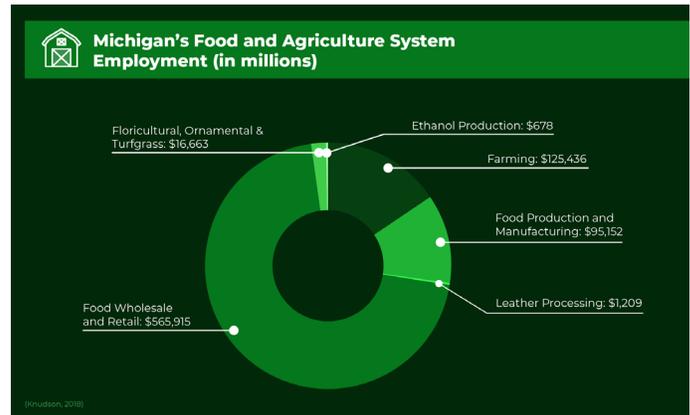


Employment in Michigan's Agricultural and Food Sectors

Employment was down 13% across the agricultural and food sectors according to a study done in 2012. Automation in production lines, retail, and farming may be influencing the downward trend. Food processing, wholesale and retail and landscape services all experienced job losses over this time period.

The USDA census of agriculture calculated that there are 88,274 full time equivalent jobs in farming. This equivalency is needed because so many people work in part time or seasonal work. Farm employment is often not the primary source of income for farming families, who work other jobs to bring in enough income. However, employment in the farming sector was steady but shifting, seeing more farm owners and less farm employees.

In spite of the downward trend in jobs in the Agri-Food System, employment in these sectors remains important for the Michigan economy. Approximately 805,000 jobs are created by this sector, from farming, to manufacturing, to retail. In an economy that has known the decline of car manufacturing, food production systems are stability. No matter how economic realities and technological advances change the face of Michigan economics, the production of food will continue to be needed and can create an economic buffer in the face of downturns in other sectors of the Michigan economy.



Sources:

Glupker, Christian. "The Economic Impact of the 2016 National Cherry Festival" Scholarworks @ GVSU Oct 2016
https://scholarworks.gvsu.edu/cgi/viewcontent.cgi?article=1002&context=eco_otherpubs

Knudson, William "The Economic Impact of Michigan's Food and Agriculture System" College of Agriculture & Natural Resources. July 2018. https://www.canr.msu.edu/miim/uploads/kundson_william_economic_impact_food-ag_system_201807.pdf

"Michigan Agriculture Resources" Department of Agriculture and Rural Development.
<https://www.michigan.gov/mdard/0,4610,7-125-1572-519110--,00.html>

"Pickling cucumber industry centered in Michigan" Vegetable Growers News. 17 Apr. 2019.
<https://vegetablegrowersnews.com/news/pickling-cucumber-industry-centered-in-michigan/>

"Tart cherry production in the United States in 2020, by state" Statista. 18 May 2021.
<https://www.statista.com/statistics/194673/us-leading-states-for-tart-cherry-production/>