

USDA 2018 Outlook Forum

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Idaho State Department of Agriculture



Snapshot of Idaho Agriculture

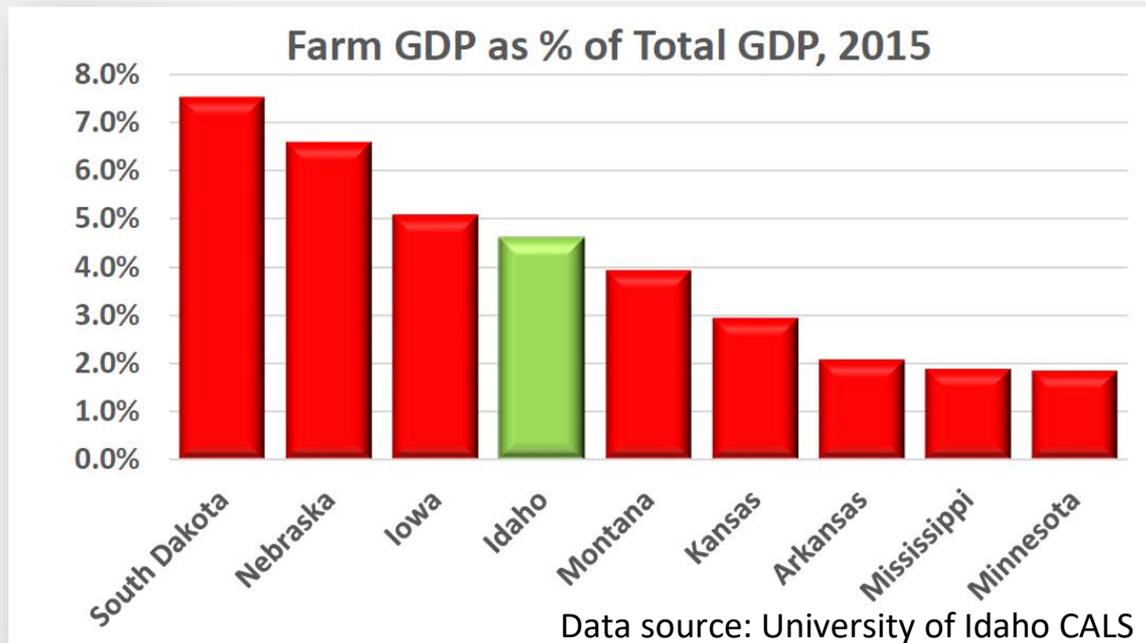
Agriculture in Idaho:

- ❖ 20% of all sales in the state
- ❖ 14% of jobs
- ❖ 16% of gross domestic product



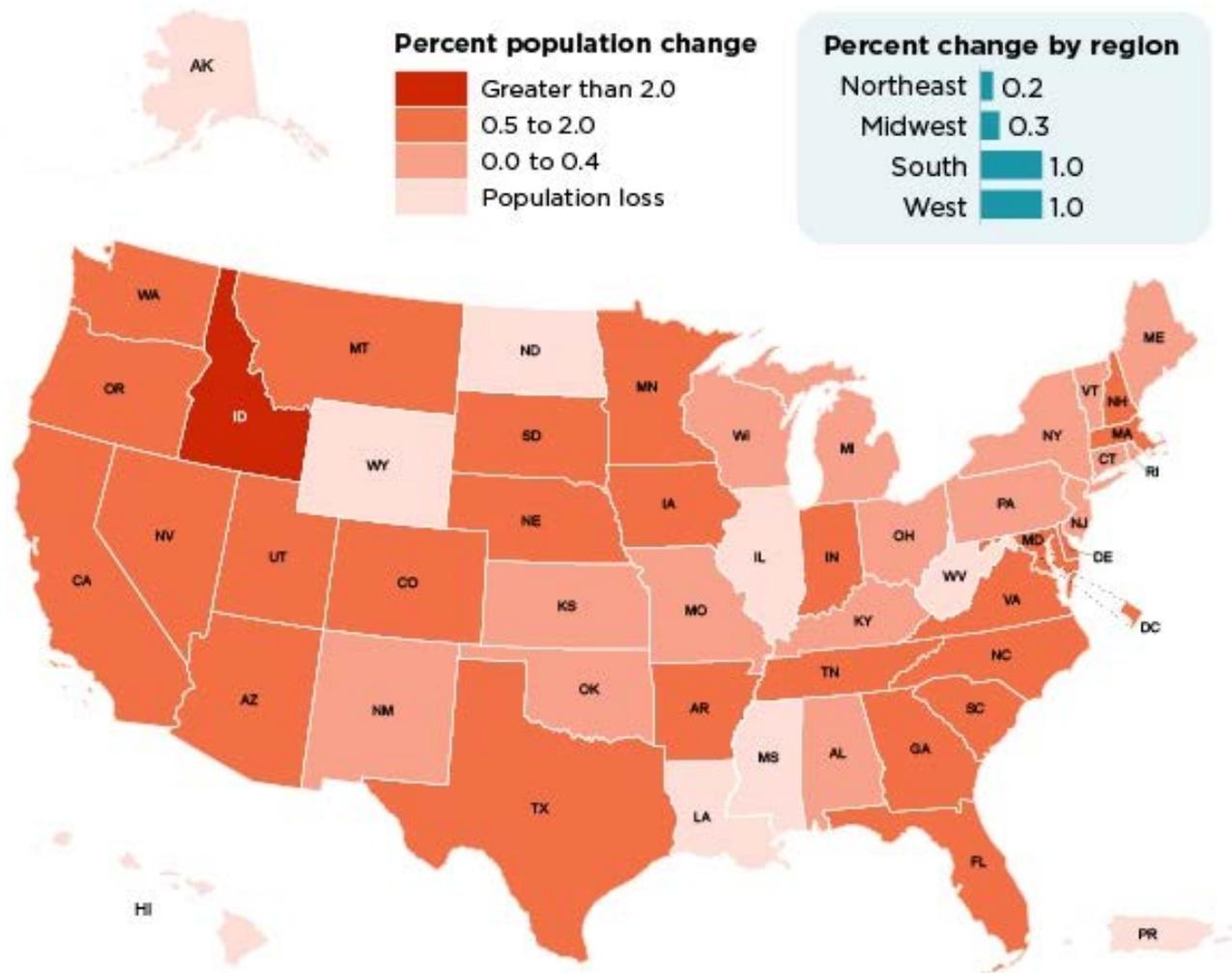
Idaho Agriculture

- Arid state dependent on irrigation
- Diverse: 180 commodities but dominated by dairy and beef
 - Livestock industries account for more than half of ag receipts
- Agriculture and food processing: \$16 billion
- Agriculture is still respected – in our Capitol and in communities
- Small population with big ag impact
 - Strong percentage of total state GDP



Idaho is Nation's Fastest-Growing State

Population Change From July 1, 2016, to July 1, 2017



Growth & Examples
from Idaho's Dairy
Sector

Idaho's Dairy Industry

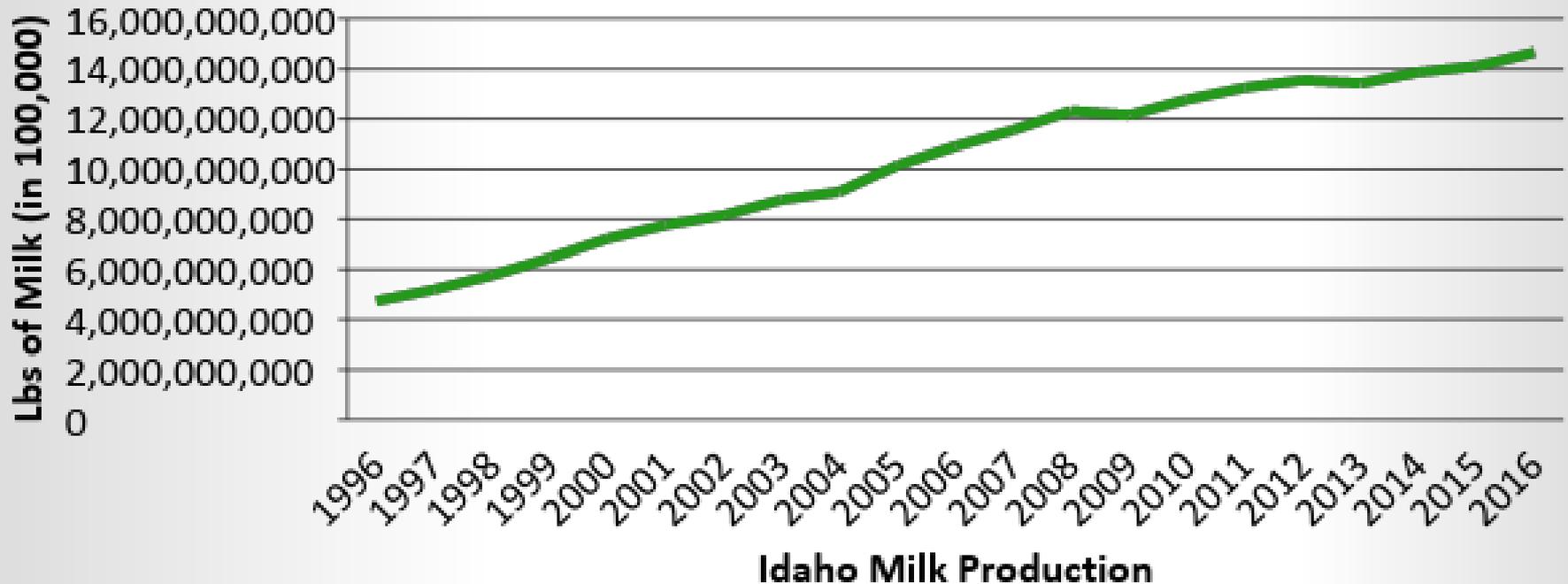
Idaho's No. 1 Ag Sector

No. 4 Dairy State in U.S.

1/3 of state's total ag receipts

State's top export

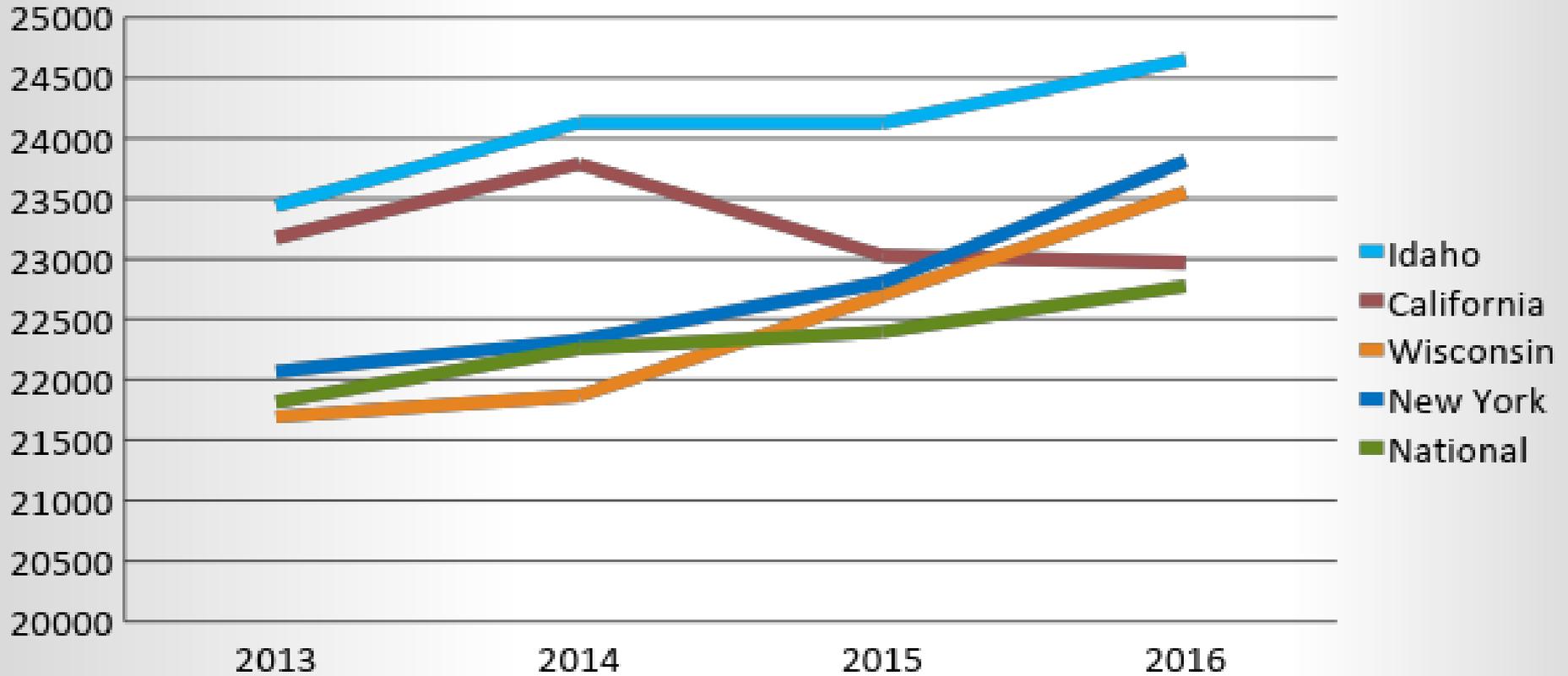
\$10.4 billion in economic output



Data source: USDA NASS Survey

Idaho's Dairy Industry

Milk Production (lbs/head)



Data source: USDA NASS Survey

Idaho's Dairy Industry

Competitive milk prices

- Averaged \$0.55 lower than U.S. all milk price

Not part of federal milk marketing order

- At \$15/cwt our breakeven costs are lower than other large dairy states

Processors able to negotiate

- Can contract based on market conditions

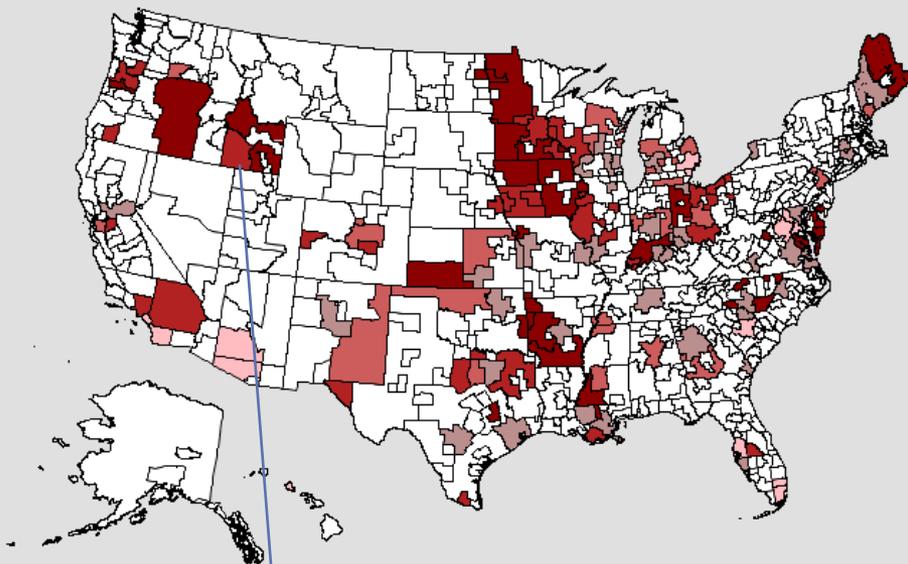
Production increases year after year

- Doubled production in just 16 years

Location quotient

- Higher than average farm and processing employment concentration

Location quotient of food processing workers, all other, by area, May 2016

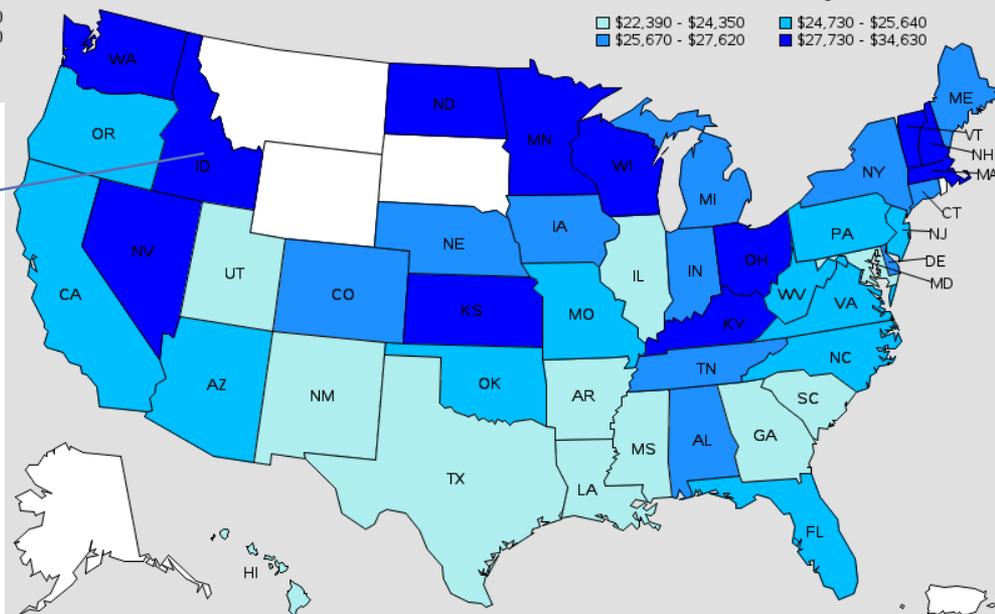


Location quotient



Blank areas indicate data not available.

Annual mean wage of food processing workers, all other, by state, May 2016



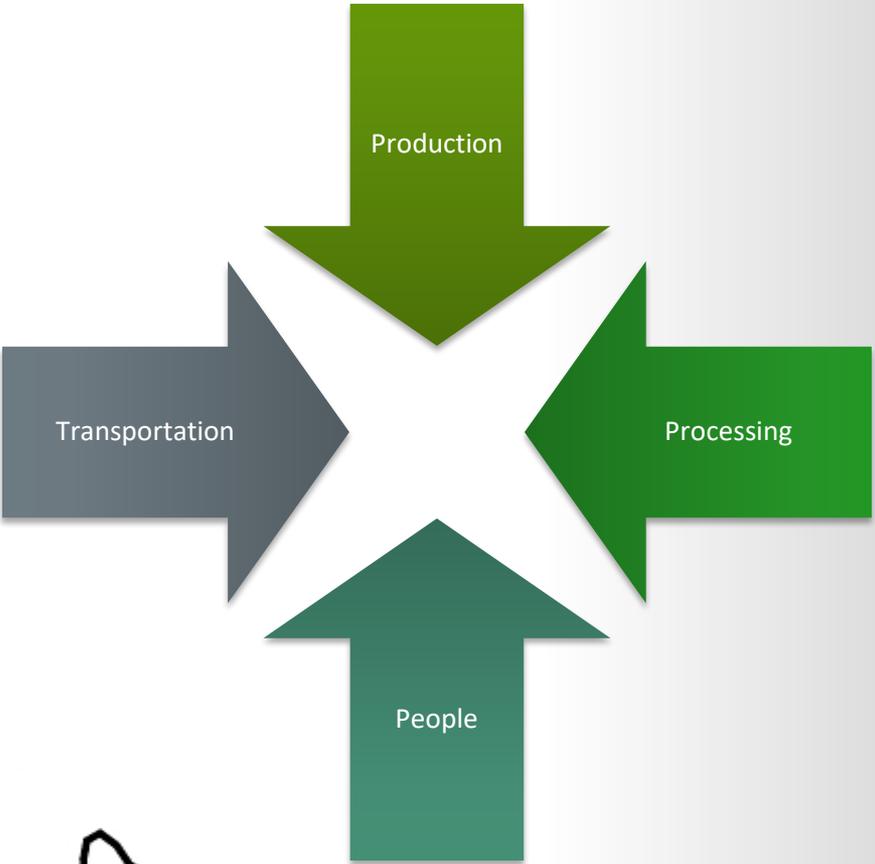
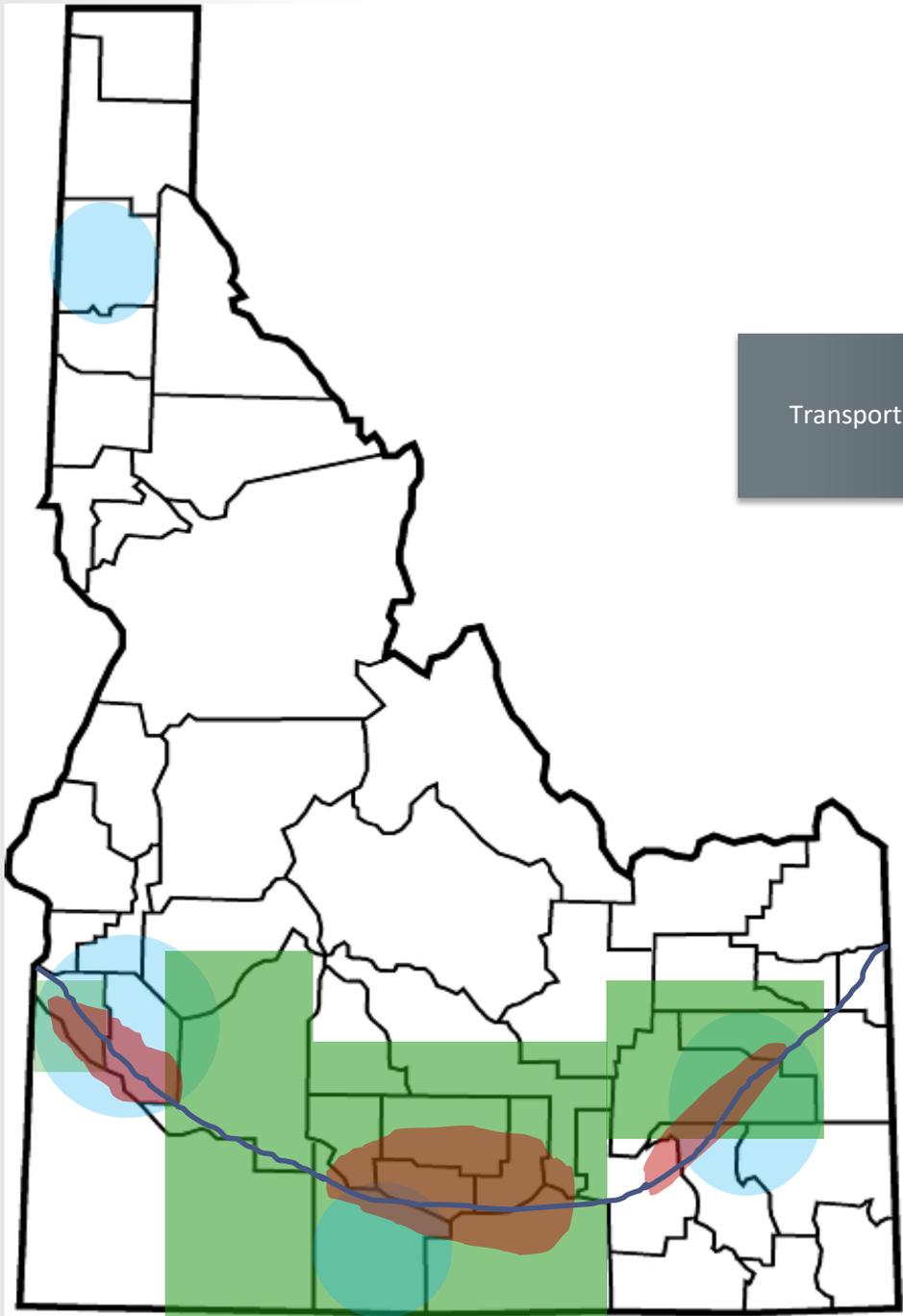
Annual mean wage



Blank areas indicate data not available.

One of the top-paying & highest density food processing areas in the U.S. (non-metropolitan)

Data source: U.S. Dept. of Labor, Bureau of Labor Statistics



- Population
- Ag Production
- Processing
- Transportation

Data sources: USDA NASS Survey & UI CALS

Team

IDAHO



- ✓ Established by the Governor to move at the speed of business
- ✓ Highly collaborative to capitalize on group expertise
- ✓ Works with companies to address regulatory hurdles

- Governor
- Lt. Governor
- Dept. of Agriculture
- Dept. of Commerce
- Dept. of Labor

Chobani

- ✓ Chose Idaho to build the largest, most tech-advanced yogurt plant in the world
- ✓ Plant was built and running in just 326 days
- ✓ State, county and city all pulled together to provide resources
- ✓ Direct & indirect employment: 7,000 (including several hundred refugees)
- ✓ Chobani CEO Hamdi Ulukaya: southcentral Idaho is the “Silicon Valley of food”
- ✓ Recently broke ground to add a major expansion
 - \$20 million
 - 70,000 sq. ft. expansion focused on research & innovation



A proud part of the Magic
Valley Miracle

IDAHO

A great place to build...

Chobani

GoGo
Squeeze

Amy's
Kitchen

Clif Bar

Caviness/
Simplot

Dow

And grow...

Glanbia

Albertsons

McCain
Foods

Agri Beef/
PerforMix

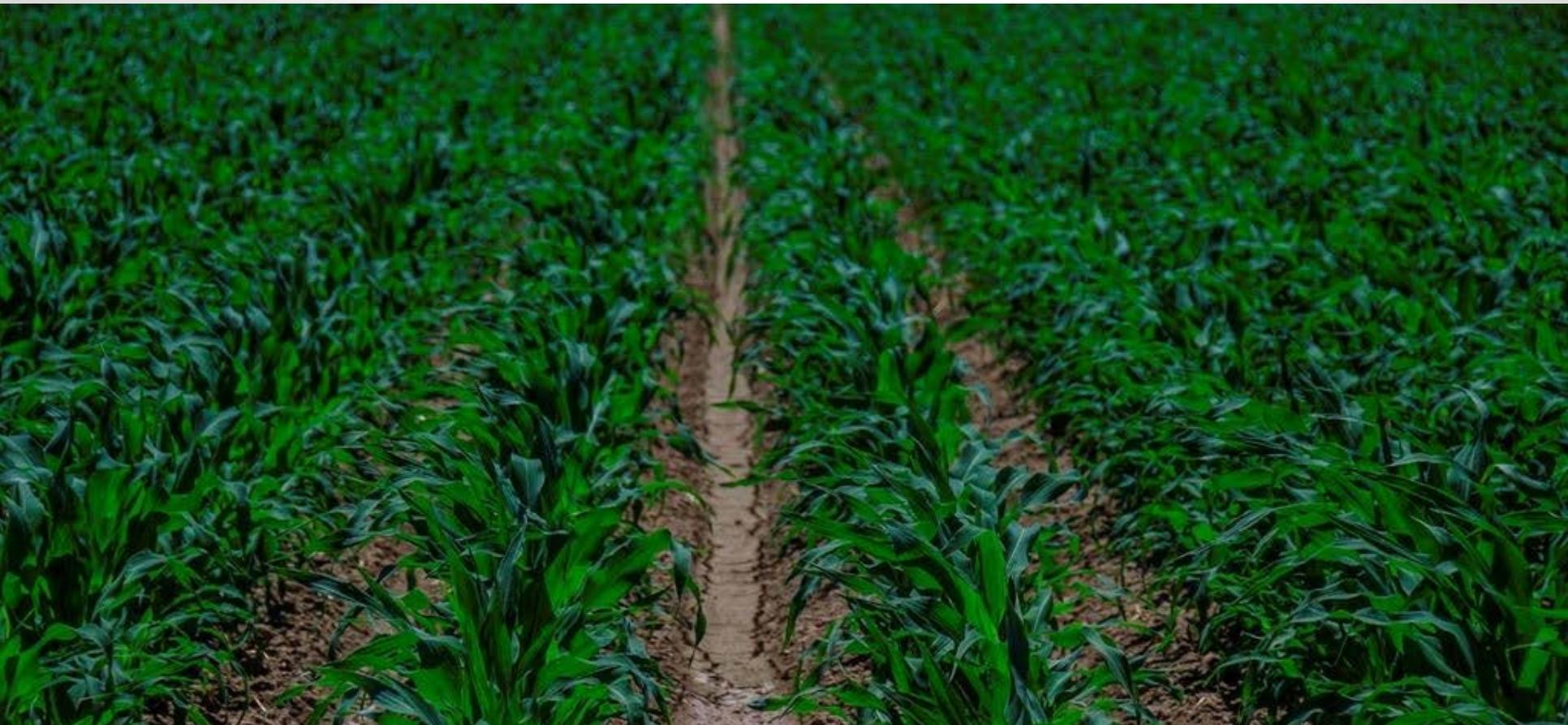
Monsanto

Regulatory
Coordination

Tax Incentives

Infrastructure
Grants

Workforce
Training



Concerns & Challenges



Labor

Foreign-born labor provides 90% of on-dairy jobs in Idaho

Seen as a moral & business issue for many Idaho ag sectors, especially dairy

Dairy industry cannot utilize the current H2A program

Idaho is an export-dependent state

- 20% of our commodities are exported
 - 1 in 6 rows of potatoes planted for export
 - 50% of Idaho grain is exported
- More than 88% of our ag exporters are small businesses
- Trade missions led by the State of Idaho team
 - Idaho ag exports have nearly doubled since 2007

NAFTA

- Since NAFTA, Idaho exports to Canada grew 289% and 994% to Mexico
- NAFTA partners account for nearly half of Idaho ag exports
- In the absence of NAFTA, Idaho could see a jump in tariffs to 45% for cheese and 20% for French fries





- Farming is still inherently risky
- Commodity prices
- Farm Bill
- Public's general lack of knowledge about agriculture or misperceptions

The next generation





More than just the
numbers...













Questions?

