



Oregon's Agricultural Industry



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Introduction and Summary

Oregon producers of farm commodities and the initial handlers of these commodities pushed their dollar contribution to the economy to \$913 million in 1971. Reflecting Oregon's reliance upon its natural resource base, the farm sector together with the lumber and tourism industries compose the leading economic sectors in Oregon's overall economy.

Oregon farmers received \$587,526,000 for their production in 1971. First handlers of these products added an estimated \$325,728,000 for a total processed value of \$913,254,000. Of the value added by processing, 35 percent went to payroll. Crops comprised 53 percent of all farm gate receipts, 72 percent of the value added by processing, and 60 percent of the total processed value in 1971.

Vegetables underwent the most extensive processing, resulting in the highest value added for the groups listed. Fruits also were highly processed. Together, fruits and vegetables constituted 64 percent of the total value added to all crops and livestock in Oregon in 1971.

Over the years Oregon's food industry has shown a tendency towards increases in gross dollar amounts. Since 1956, cash receipts from farm marketings have grown by 49 percent. Crop receipts increased 40 percent, while livestock sales gained 60 percent from 1956 to 1971. Value added by first handlers rose 85 percent over the 1956 estimate. The increase in value added by processing was 44 percent over the 1956 estimate in the livestock sector, while value in the crop sector was more than double.

All estimates are in current dollars; that is, the effects of inflation have not been removed. From 1956 to 1971, the U.S. consumer price index rose 49 percent and prices paid by U.S. farmers rose 47 percent.

Commodity Summaries

Summary of Cash Receipts from Farm Marketings and Value Added by Processing, by Commodity Groups, Oregon, 1971

Commodity Groups	Income received by farmers ^b	Value Added by Processing ^a			Total	Total Processed Value
		Payroll	Packaging Materials	Others ^c		
	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>
Livestock Products:						
Meat Animals	176,810,000	20,233,000	5,797,000	11,859,000	37,889,000	214,699,000
Dairy Products	61,137,000	19,300,000	9,650,000	9,650,000	38,600,000	99,737,000
Poultry and Eggs	32,543,000	5,973,000	2,931,000	4,122,000	13,026,000	45,569,000
Misc. Livestock	5,531,000	212,000		88,000	300,000	5,831,000
Total Livestock	276,021,000	45,718,000	18,378,000	25,719,000	89,815,000	365,836,000
Crops:						
Grain and Hay	83,201,000	5,959,000		4,760,000	10,719,000	93,920,000
Fruits and Nuts	60,191,000	21,282,000	19,386,000	48,235,000	88,903,000	149,094,000
Vegetables	72,378,000	35,818,000	32,483,000	51,004,000	119,305,000	191,683,000
All Other Crops	95,735,000	6,377,000 ^d	1,325,000 ¹	4,551,000 ^d	16,986,000	112,721,000
Total Crops	311,505,000	69,436,000 ^d	53,194,000 ¹	108,550,000 ^d	235,913,000	547,418,000
All Commodities:	587,526,000	115,154,000 ^d	71,572,000 ^d	134,269,000 ¹	325,728,000	913,254,000

^a Value added in processing includes all the activities performed by processors or first handlers such as meat packers, canners, freezers, or simply cleaning, grading, and sacking as in the case of grass seeds. Also, it includes delivery when generally practiced and costs connected with selling the product. It does not include wholesaling and retailing.

^b From sales of farm products. These data were taken from "Farm Income State Estimates, USDA, FIS 220 Supplement, August 1972." The data showing cash receipts from marketings for each commodity

produced in Oregon were also taken from this publication.

^c Includes other ingredients, depreciation, repairs, power, heat, lights, water, telephone, office supplies, advertising, licenses, insurance, rent, taxes, interest, bad debt loss, and profit. Profit in most cases is a minor item in terms of total expenses in processing and handling farm products.

^d Sugar beets are included in the total value added by processing, but not the components.

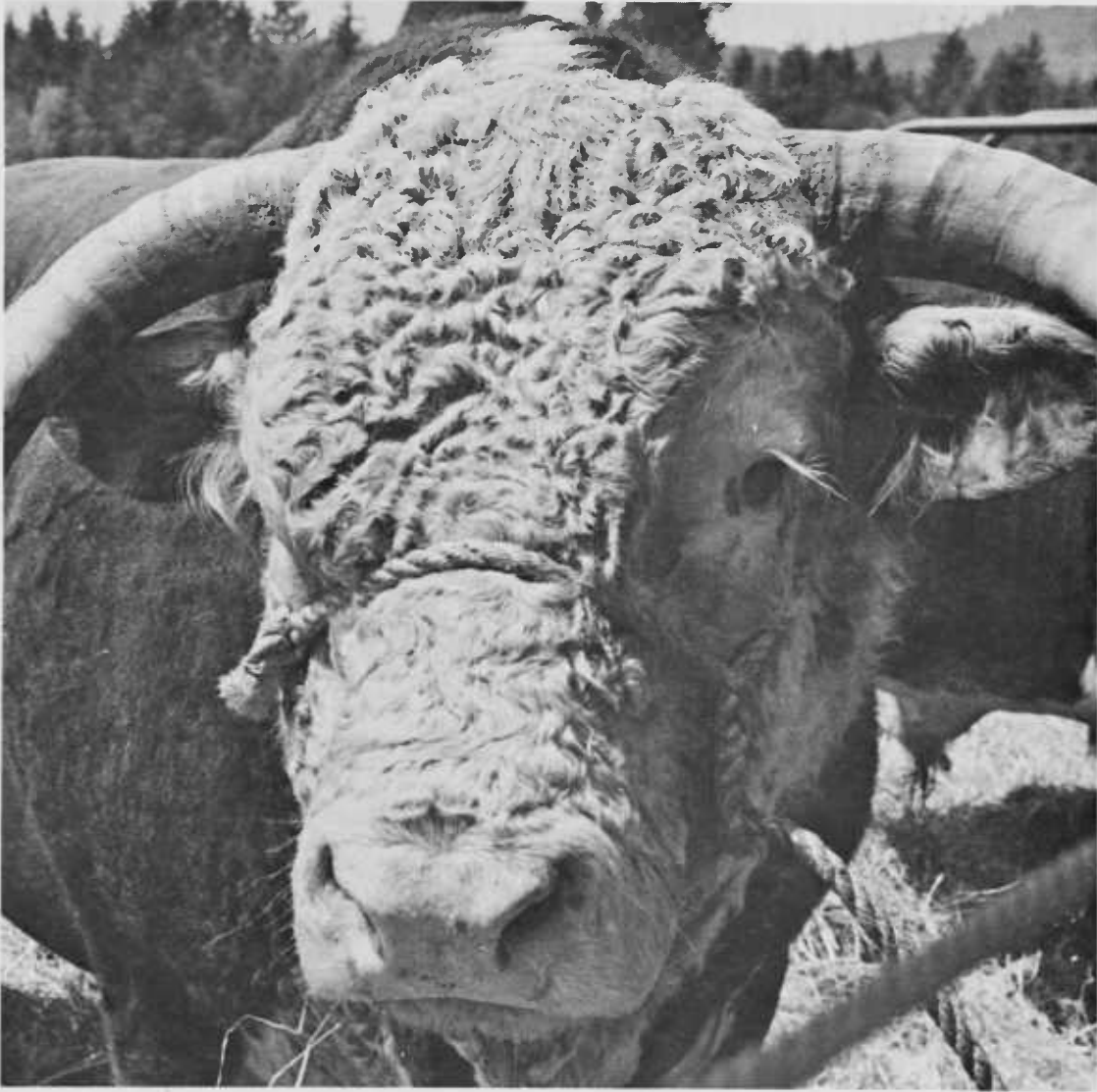
Cash Receipts from Farm Marketings and Value Added by Processing for Livestock and Crops, Oregon, selected years

Item	1956 ¹	1963 ²	1967 ³	1971	Percentage Increase 1956-1971
	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	
Livestock					
Cash Receipts	172,690,000	183,272,000	229,077,000	276,021,000	59.84
Value Added	62,224,000	72,648,000	76,234,000	89,815,000	44.34
Total	234,914,000	255,920,000	305,311,000	365,836,000	55.73
Crops					
Cash Receipts	222,224,000	235,534,000	294,566,000	311,505,000	40.18
Value Added	113,427,000	157,204,000	234,433,000	235,913,000	108.00
Total	335,651,000	392,738,000	528,999,000	547,418,000	63.09
Total					
Cash Receipts	394,914,000	418,806,000	523,643,000	587,526,000	48.77
Value Added	175,651,000	229,852,000	310,667,000	325,728,000	85.45
Total	570,565,000	648,658,000	834,310,000	913,254,000	60.06

¹ Korzan, Gerald E. "Oregon Farms Generate Buying Power," Miscellaneous Publication, Department of Agricultural Economics, OSU, Corvallis, 1958.

² Korzan, Gerald E., *Oregon's Agriculture is Everybody's Business*, Special Report 183, OSU Agricultural Experiment Station, Corvallis, 1964.

³ Korzan, Gerald E., *Oregon's Food and Fiber Industry*, Special Report 266, OSU Agricultural Experiment Station, Corvallis, 1968.



Meat Animals

Receipts from the sale of meat animals in 1971 totaled \$176,810,000, more than double the 1956 level. Farm gate receipts for cattle and calves in 1971 made this sector the greatest source of gross revenue for Oregon farmers. Additional processing beyond the farm gate, however, is relatively small. The value added to meat animals by processing (\$37,889,000) is less than for many other commodity groups. The total processed value, however, of \$214,699,000 continues to be the largest value for any commodity group in the state. Total production of meat animals has increased slightly in Oregon in recent years. Average price increases for meat animals have been reported, with prices in 1971 being generally higher than those of the past several years.

Received by producers for all meat animals	\$176,810,000
Total value added through packing and delivery	37,889,000

Total received by producers plus value added through packing and delivery	214,699,000
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Cattle and Calves

Amount paid to producers	\$163,768,000
Number of cattle slaughtered in Oregon	331,000
Number of calves slaughtered in Oregon	9,000
Number of cattle and calves sold outside Oregon***	575,000

Sheep and Lambs

Amount paid to producers	\$6,153,000
Number of sheep and lambs slaughtered in Oregon	113,000
Estimated number of sheep and lambs sold outside Oregon***	154,000

Hogs

Amount paid to producers	\$ 6,889,000
Number of hogs slaughtered in Oregon	229,000
Number produced (sold) in Oregon	180,000
Estimated number shipped in for slaughter***	54,000

Livestock Slaughtered: Values and liveweight in lbs.

Cattle	(27.00 \$/cwt.)—342,124,000 lbs.....	\$ 92,373,480
Calves	(33.50 \$/cwt.)— 3,177,000 lbs.....	1,064,295
Sheep and Lambs	(24.60 \$/cwt.)— 11,966,000 lbs.....	2,943,636*
Hogs	(17.40 \$/cwt.)— 52,641,000 lbs.....	9,159,534

Total received by producers and feeders for livestock slaughtered in Oregon	\$105,540,945
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Payroll (53.4%)	\$20,233,000
Packaging materials (15.3%)	5,797,000
Other (31.3%)	11,859,000

Total value added through packing and delivery*	\$ 37,889,000
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* "Financial Facts about the Meat Packing Industry 1971," published by the American Meat Institute, shows value added to the cost of livestock through meat packing (slaughter, processing, delivery) amounted to 35.9% in 1971 for the U.S. Variations may exist among the states dependent on meat packing technology.

** Five percent estimated to be ewes and 95 percent lambs. Prices received are weighted accordingly.

*** Estimates obtained from Oregon State Department of Agriculture.

Cash Receipts from Farm Marketings and Value Added by Processing for Meat Animals, Oregon, selected years

Item	1956	1963	1967	1971	Percentage Increase 1956-1971
	dollars	dollars	dollars	dollars	
Meat Animals					
Cash receipts	80,772,000	98,722,000	135,612,000	176,810,000	118.90
Value added	15,153,000	26,137,000	26,883,000	37,889,000	150.04
Total	95,925,000	124,859,000	162,495,000	214,699,000	123.82

Dairy Products

Dairy producers in the state of Oregon received \$61,137,000 for their milk in 1971, an increase of 32 percent over the 1956 level. The total quantity of milk produced decreased from 1,166, to 1,008 million pounds over this period, while average dairy product prices have exhibited some tendency to increase at the farm level in recent years.

Value added by processing, \$38,600,000, has remained relatively constant over these years, with some slight tendency to increase in 1971. The increase in total processed value to \$99,737,000 has reflected gains in farm sales rather than increases in value added.

Received by producers for sales of milk	\$ 61,137,000
Value added in processing and distribution of milk and milk products	38,600,000
Total value of Oregon-produced milk after processing and home delivery	99,737,000

All Milk

Amount paid to producers**	\$ 61,137,000
Total pounds of milk produced in Oregon ..	1,008,000,000
Less home use (lbs.)	43,000,000
Total pounds sold	965,000,000
Value added in Processing and Distribution—all uses*	
Payroll (50%)	\$ 19,300,000
Packaging Materials (25%)	9,650,000
Other (25%)	9,650,000
Total value added by processing and distribution	38,600,000

* Value added to milk sold as fluid was calculated at \$6.00 per hundredweight. The other one-half of the supply going into manufactured products shows value added at \$2.00 per hundredweight.

** Data obtained from "Milk Production, Disposition, and Income 1970-71," USDA, April 1972.

Cash Receipts from Farm Marketings and Value Added by Processing for Dairy Products Oregon, selected years

Item	1956	1963	1967	1971	Percentage Increase 1956-1971
Dairy Products	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	
Cash Receipts	46,262,000	42,802,000	49,860,000	61,137,000	32.15
Value Added	36,849,000	35,451,000	34,483,000	38,600,000	04.75
Total	83,111,000	78,253,000	84,343,000	99,737,000	20.00



Poultry and Eggs

Egg production and processing is the largest sector of Oregon's poultry industry. The \$17,926,000 total processed value for eggs compares to a processed value for broilers of \$13,601,000. Turkeys and turkey hatching eggs comprise the next most important sectors within the poultry industry.

Total cash receipts from farm marketings of poultry and eggs were \$32,543,000 in 1971. Processing of these products added an estimated \$13,026,000 for a total processed value of \$45,569,000. Increases in value added by processing in the poultry industry have failed to offset declines in cash receipts which have resulted in a 9 percent decline in the total processed value of poultry and egg products.

Poultry production has fluctuated in recent years, as have farm prices. Average poultry and egg prices received by Oregon farmers in 1971 were lower than any other year, except 1967, since 1941.

Total received by producers	\$32,543,000
Total value-added in processing	13,026,000
Total value after processing and delivery	45,569,000

Broilers

<i>Total pounds sold (18.0 ¢/lb. live wt.)—48,883,000</i>	
<i>Total pounds sold dressed wt.*—35,196,000</i>	
Amount paid producers	\$ 8,799,000
Total payroll (55%)	\$2,641,000
Total packaging materials (15%)	720,000
Other (30%)	1,441,000
Value added by processing, sales and delivery	4,802,000
Total value when processed and delivered	13,601,000

Farm Chickens

<i>Total lbs. sold (4.5¢/lb. live wt.)—9,089,000</i>	
<i>Total pounds sold dressed wt.**—5,999,000</i>	
Amount paid producers	\$ 409,000
Total payroll (44%)	\$ 405,000
Packing materials (5%)	46,000
Other (51%)	469,000
Value added by processing, sales and delivery	920,000
Total value when processed and delivered	1,329,000

Turkeys

<i>Total lbs. sold (23.0 ¢/lb. live wt.)—29,352,174</i>	
<i>Total lbs. sold dressed wt.**—23,481,740</i>	
Amount paid producers	\$ 6,751,000
Total payroll (30%)	\$ 588,000
Packaging materials (25%)	490,000
Other (45%)	882,000
Value added by processing, sales and delivery	1,960,000
Total value when processed and delivered	8,711,000

Eggs

<i>Eggs sold (29.0 ¢/doz.)—45,931,000 doz.</i>	
Amount paid producers	\$13,320,000
Total payroll (45%)	\$2,073,000
Packaging materials (33%)	1,520,000
Other (22%)	1,013,000
Value added in processing-grading, cleaning, packaging and delivery****	4,606,000
Total value when processed and delivered	17,926,000

Turkey Hatching Eggs

<i>Total number of eggs sold (21¢ each)—15,543,000</i>	
Amount paid producers	\$ 3,264,000
Payroll (36%)	\$ 266,000
Packaging materials (21%)	155,000
Other (43%)	317,000
Total value added by processing and handling	738,000
Total value after processing and handling	4,002,000

* The dressing percentage was estimated to be 72 percent.

** The dressing percentage was estimated to be 80 percent.

*** The dressing percentage was estimated to be 66 percent.

**** Value added calculated at 10¢ per dozen eggs.

**Cash Receipts from Farm Marketings
and Value Added by Processing for Poultry and Eggs
Oregon, selected years**

Item	1956	1963	1967	1971	Percentage Increase 1956-1971
	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	
Poultry and Eggs					
Cash					
Receipts	39,994,000	33,315,000	33,003,000	32,543,000	-18.63
Value					
Added	10,222,000	10,869,000	14,233,000	13,026,000	27.43
Total	50,216,000	44,184,000	47,236,000	45,569,000	- 9.25

Miscellaneous Livestock

Total received by producer	\$5,531,000
Total value added in handling	300,000
<hr/>	
Total value after processing, handling	5,831,000

Wool

<i>Total lbs. sold (27¢/lb.)—4,311,000</i>	
Amount paid to growers	\$1,164,000
Payroll (55%)	\$ 36,000
Other (45%)	29,000
Value added in grading, handling, marketing	65,000
<hr/>	
Value of marketed wool	1,229,000

Mink

<i>Total pelts sold (\$10 each)—235,300</i>	
Amount paid to growers	\$2,353,000
Payroll (75%)	\$176,000
Other (25%)	59,000
Value added as result of selling costs**	235,000
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Value including selling costs	2,588,000

Honey and Beeswax

Amount paid to growers	\$ 542,000
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Mohair

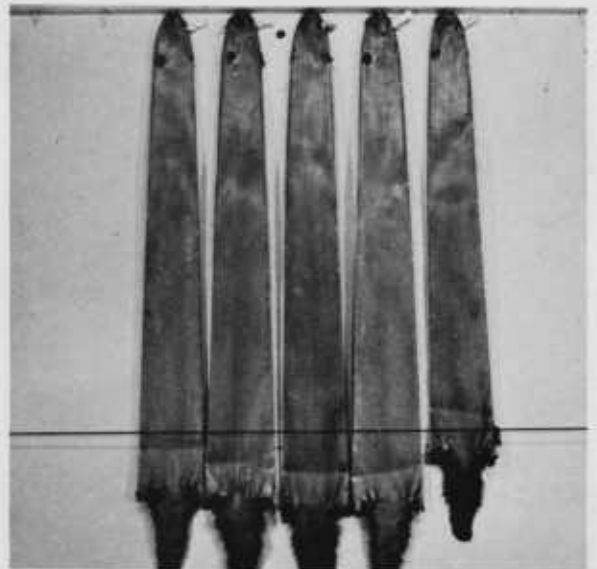
Amount paid to growers	\$ 9,000
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Other Livestock

Amount paid to growers	\$1,463,000
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* Includes other poultry, horses and mules, pelts other than mink, and miscellaneous livestock.

** Value added was estimated to be approximately 10% of the farm value of pelts.



Grain and Hay Crops

Oregon's leading crop at the farm gate is wheat. Hay is the top crop in terms of value of production, but since relatively little of the hay crop is sold, wheat and other crops surpass hay in terms of farm sales. Sales of wheat in 1971 amounted to \$46,813,000, comprising the bulk of the \$83,201,000 received by growers for all grain and hay crops.

Value added by processing by first handlers of all grains and hay was \$10,719,000. Compared to 1956, however, value added by first handlers has increased substantially for these grain and hay products. Increases in farm gate receipts have been relatively insignificant since 1956.

Wheat prices have fluctuated from year to year, but over the past twenty years the tendency has been downward. Price trends for feed grains and hay have not been as strongly downward, but wheat tends to dominate the grain and hay sales picture. Grain and hay production has fluctuated over time, but wheat tonnage has exhibited some tendency to rise over time.

Total received by growers	\$83,201,000
Value added in handling and transport	10,719,000
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Total value after handling and transport	93,920,000

Wheat

<i>Total bushels sold (\$1.35/bu.)—34,676,000</i>	
Amount paid to growers	\$46,813,000
Payroll (50%)	\$2,800,000
Other (50%)	2,800,000
Total value added by handling and transport*	5,600,000
<hr/>	
Value of 85% of crop delivered in Portland	52,423,000

Rye

<i>Total bushels sold (\$1.13/bu.)—286,700</i>	
Amount paid to growers	\$ 324,000
Payroll (50%)	\$ 29,000
Other (50%)	29,000
Total value added by handling and transport	58,000
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Value of crop delivered to market	382,000

Barley

<i>Total bushels sold (\$1.05/bu.)—15,410,000</i>	
Amount paid to growers	\$16,179,000
Payroll (50%)	\$ 450,000
Other (50%)	449,000
Total value added by handling and transport	899,000
<hr/>	
Value of crop delivered to markets or feeders	17,078,000

Hay

<i>Total tons sold (\$31.00/ton)—526,000</i>	
Amount paid to growers	\$16,321,000
Payroll (65%)	\$2,588,000
Other (35%)	1,392,000
Total value added by handling and transport	3,980,000
<hr/>	
Value when delivered to market or feeders	20,301,000

Oats

<i>Total bushels sold (\$.71/bu.)—4,082,000</i>	
Amount paid to growers	\$ 2,898,000
Payroll (50%)	\$ 74,000
Other (50%)	73,000
Total value added by handling and transport	147,000
<hr/>	
Value of crop delivered to market or feeders	3,045,000

Corn

<i>Total bushels sold (\$1.39/bu.)—479,000</i>	
Amount paid to growers	\$ 666,000
Payroll (50%)	\$ 18,000
Other (50%)	17,000
Total value added by handling and transport	35,000
<hr/>	
Value of crop delivered to markets or feeders	701,000

* It was estimated that 85% of the crop was moved to Portland for export of domestic sale. The average margin between Portland and the farm price was estimated at 19¢ per bushel (based on 11¢ transportation, 4¢ handling cost before transportation, and 4¢ handling cost at Portland).

**Cash Receipts from Farm Marketings
and Value Added by Processing for Grain and Hay
Oregon, selected years**

Item	1956	1963	1967	1971	Percentage Increase 1956-1971
	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	
Grain and Hay					
Cash Receipts	83,112,000	72,252,000	72,856,000	83,201,000	0.11
Value Added	1,793,000	2,474,000	10,938,000	10,719,000	498.38
Total	84,905,000	74,726,000	83,794,000	93,920,000	10.63



Fruits and Nuts

Total cash receipts for fruits and nuts in 1971 were \$60,191,000, an increase of 45 percent over the 1956 level. Value added by first handlers of \$88,903,000 is surpassed only by the leading commodity group in the state—vegetables. Total processed value for fruits and nuts in 1971 was \$149,094,000, an increase of 86 percent over 1956. Pears, strawberries, and cherries were the top three fruits in terms of the value of the processed pack in Oregon in 1971.

Not only is the production of fruits and nuts important to the economy of the state, but the state is a significant contributor to the nation's production of these commodities. In 1971 Oregon's production of pears, strawberries, and sweet cherries earned it the rank of the second largest producing state in the nation for each of these commodities. In that year Oregon produced 24 percent of the pears, 44 percent of the processed strawberries, and 24 percent of the sweet cherries grown in this nation. These three crops were the state's fifth, seventh, and ninth most important crops in terms of value of production during that year.

Amount paid to growers	\$60,191,000
Total value added in processing	88,903,000
Total value of processed products	149,094,000

Strawberries

<i>Total pounds sold (15¢/lb.)—83,300,000</i>	
Amount paid to growers	\$12,565,000
Payroll (20%)	\$ 4,094,000
Packaging materials (23%)	4,707,000
Other (57%)	11,667,000
Total value added by processing	20,468,000
Value of processed pack	33,033,000

Pears

<i>Total tons sold (\$87/ton)—164,000</i>	
Amount paid to growers	\$14,288,000
Payroll (22%)	\$ 5,198,000
Packaging materials (26%)	6,144,000
Other (52%)	12,287,000
Total value added in processing	23,629,000
Value of processed pack	37,917,000

Cherries

<i>Tons sold sweet and sour (\$256/ton)—38,000</i>	
Amount paid to growers	\$ 9,715,000
Payroll (20%)	\$ 4,139,000
Packaging materials (13%)	2,690,000
Other (67%)	13,864,000
Total value added by processing	20,693,000
Value of processed pack	30,408,000

Apples

<i>Total lbs. sold (4.9¢/lb.)—130,000,000</i>	
Amount paid to growers	\$ 6,381,000
Payroll (41%)	\$ 3,231,000
Packaging materials (33%)	2,601,000
Other (26%)	2,049,000
Total value added by processing and packaging	7,881,000
Value of processed pack	14,262,000

Filberts

<i>Total tons sold (\$454/ton)—11,000</i>	
Amount paid to growers	\$ 4,991,000
Payroll (59%)	\$ 1,289,000
Packaging materials (3%)	76,000
Other (37%)	801,000
Total value added by processing	2,166,000
Value of processed nuts	7,157,000

Plums and Prunes

<i>Total tons sold all uses (\$53/ton)—16,900</i>	
Amount paid to growers	\$ 897,000
Payroll (17%)	\$ 816,000
Packaging materials (32%)	1,536,000
Other (51%)	2,447,000
Total value added by processing	4,799,000
Value of processed products	5,696,000

Peaches

<i>Total sold fresh (8.5¢/lb.)—14,000,000</i>	
Amount paid to growers	\$ 1,184,000
Payroll (50%)	\$ 140,000
Other (50%)	140,000
Total value added by packaging and delivery	280,000
Total delivered value	1,464,000

Walnuts

<i>Total tons sold all uses (\$397/ton)—2,100</i>	
Amount paid to growers	\$ 833,000
Payroll (70%)	\$ 532,000
Packaging materials (2%)	15,000
Other (28%)	213,000
Total value added by processing	760,000
Value of processed nuts	1,593,000

Cranberries

<i>Total barrels produced (\$11.6/barrel)—68,800</i>	
Amount paid to growers	\$ 798,000
Payroll (45%)	\$ 65,000
Other (55%)	79,000
Total value added in Oregon	144,000
Value of Oregon crop when delivered in Washington	942,000

Other Berries*

Amount paid to growers	\$ 7,924,000
Payroll (22%)	\$ 1,778,000
Packaging materials (20%)	1,617,000
Other (58%)	4,688,000
Total value added by processing	8,083,000
Value of processed crop	16,007,000

Other Fruits and Nuts**

Amount paid to growers	\$ 615,000
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* Blackberries and raspberries.

** Apricots, grapes, blueberries, currants, other berries, and miscellaneous fruits and nuts.



Cash Receipts from Farm Marketings and Value Added by Processing for Fruits and Nuts Oregon, selected years

Item	1956	1963	1967	1971	Percentage Increase 1956-1971
	dollars	dollars	dollars	dollars	
Fruits and Nuts					
Cash					
Receipts	41,353,000	42,293,000	71,195,000	60,191,000	45.55
Value					
Added	38,987,000	49,705,000	82,089,000	88,903,000	128.03
Total	80,340,000	91,998,000	153,284,000	149,094,000	85.58

Vegetables

Oregon vegetable producers received \$72,378,000 for their product in 1971. The increase of 64 percent in cash receipts over 1956 is overshadowed by an increase of 123 percent in the value added by first handlers of vegetable products. At \$119,305,000 in 1971, value added by vegetable processors constituted the largest segment of the processing industry in the state. The processed value of vegetables of \$191,683,000 is surpassed only in the meat animal sector. At the farm gate level, sales of meat animals are two and one-half times the level of vegetable sales. However, the high degree of processing in the vegetable industry makes up most of the difference by the time total processed value is estimated.

Five vegetable crops in the state exceed \$10 million in processed value, ranging from \$13,343,000 for green peas to \$59,418,000 for potatoes. Potatoes and snap beans, the top two vegetable crops in total processed value, are listed the number three and number six crops in terms of value of production at the farm gate for the state in 1971. Oregon is the eighth largest producer of potatoes in the nation and is second in the production of snap beans.

Total received by growers	\$ 72,378,000
Total value added in processing, handling	119,305,000
<hr/>	
Value of processed vegetables	191,683,000

Potatoes

Total cwt. sold all uses (\$1.84/cwt.)	12,380,000	
Less potatoes sold for livestock feed and seed (22%)	2,724,000	
<hr/>		
Estimated total cwt. sold for food ..	9,656,000	
Amount paid to growers		\$ 22,814,000
Payroll (25%)	\$ 9,151,000	
Packaging materials (35%)	12,811,000	
Other (40%)	14,642,000	
Total value added by processing		36,604,000
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Value of processed pack		59,418,000

Snap Beans

Total tons sold (\$105/ton)—126,700		
Amount paid to growers		\$ 13,321,000
Payroll (27%)	\$ 6,807,000	
Packaging materials (28%)	7,059,000	
Other (45%)	11,344,000	
Total value added by processing		25,210,000
<hr/>		
Value of processed pack		38,531,000

Onions

Total cwt. sold (\$4.13/cwt.)—2,516,000		
Amount paid to growers		\$ 10,399,000
Payroll (35%)	\$ 1,934,000	
Packaging materials (35%)	1,934,000	
Other (30%)	1,658,000	
Value added by grading, sacking and handling (\$1.50/cwt.)		5,526,000
<hr/>		
Value of processed (graded and sacked) crop		15,925,000

Sweet Corn

Total tons sold all uses (\$31.2/ton)—237,000		
Amount paid to growers		\$ 7,386,000
Payroll (27%)	\$ 5,086,000	
Packaging materials (22%)	4,143,000	
Other (51%)	9,605,000	
Total value added by processing		18,834,000
<hr/>		
Value of processed pack		26,220,000

Green Peas

Total tons sold (\$93.8/ton)—56,900		
Amount paid to growers		\$ 5,337,000
Payroll (19%)	\$ 1,521,000	
Packaging materials (21%)	1,681,000	
Other (60%)	4,804,000	
Total value added by processing		8,006,000
<hr/>		
Value of processed pack		13,343,000

Broccoli

<i>Total cwt. sold (\$10.1/cwt.)—224,000</i>	
Amount paid to growers	\$ 2,268,000
Payroll (50%)	\$ 3,175,000
Packaging materials (20%)	1,270,000
Other (30%)	1,905,000
Total value added by processing	6,350,000
Value of processed pack	8,618,000

Carrots

<i>Total cwt. sold (\$1.66/cwt.)—760,000</i>	
Amount paid to growers	\$ 1,264,000
Payroll (52%)	\$ 3,221,000
Packaging materials (19%)	1,177,000
Other (29%)	1,796,000
Total value added by processing	6,194,000
Value of processed pack	7,458,000

Cabbage

<i>Total cwt. sold (\$2.24/cwt.)—380,000</i>	
Amount paid to growers	\$ 851,000
Payroll (55%)	\$ 187,000
Packaging materials (30%)	102,000
Other (15%)	51,000
Total value added by processing	340,000
Value of processed pack	1,191,000

Dry Peas

<i>Total cwt. sold (\$4.26/cwt.)—150,000</i>	
Amount paid to growers	\$ 641,000
Payroll (40%)	\$ 57,000
Packaging materials (23%)	32,000
Other (37%)	52,000
Total value added by processing	141,000
Value of processed pack	782,000

Lettuce

<i>Total cwt. sold (\$5.7/cwt.)—104,000</i>	
Amount paid to growers	\$ 590,000
Payroll (55%)	\$ 48,000
Packaging materials (10%)	9,000
Other (35%)	31,000
Total value added by processing	88,000
Value of processed pack	678,000

Cauliflower

<i>Total cwt. sold (\$6.76/cwt.)—184,000</i>	
Amount paid to growers	\$ 1,243,000
Payroll (40%)	\$ 1,542,000
Packaging materials (16%)	616,000
Other (44%)	1,695,000
Total value added by processing	3,853,000
Value of processed pack	5,096,000



Beets

<i>Total tons sold (\$26/ton)—29,000</i>	
Amount paid to growers	\$ 762,000
Payroll (41%)	\$ 1,593,000
Packaging materials (32%)	1,244,000
Other (27%)	1,049,000
Total value added by processing	3,886,000
Value of processed pack	4,648,000

Asparagus

<i>Total cwt. sold (\$19.09/cwt.)—32,000</i>	
Amount paid to growers	\$ 611,000
Payroll (55%)	\$ 88,000
Packaging materials (10%)	16,000
Other (35%)	56,000
Total value added by processing	160,000
Value of processed pack	771,000

Tomatoes

<i>Total cwt. sold (\$13.48/cwt.)—29,000</i>	
Amount paid to growers	\$ 391,000
Payroll (55%)	\$ 48,000
Packaging materials (10%)	9,000
Other (35%)	30,000
Total value added by processing	87,000
Value of processed pack	478,000

Cucumbers

<i>Total cwt. sold (\$4.34/cwt.)—319,000</i>	
Amount paid to growers	\$ 1,384,000
Payroll (30%)	\$ 790,000
Packaging materials (15%)	394,000
Other (55%)	1,446,000
Total value added by processing	2,630,000
Value of processed pack	4,014,000

Watermelons

<i>Total cwt. sold (\$2.6/cwt.)—160,000</i>	
Amount paid to growers	\$ 416,000
Payroll (65%)	\$ 30,000
Other (35%)	16,000
Total value added by processing	46,000
Value of processed pack	462,000

Miscellaneous Vegetables*

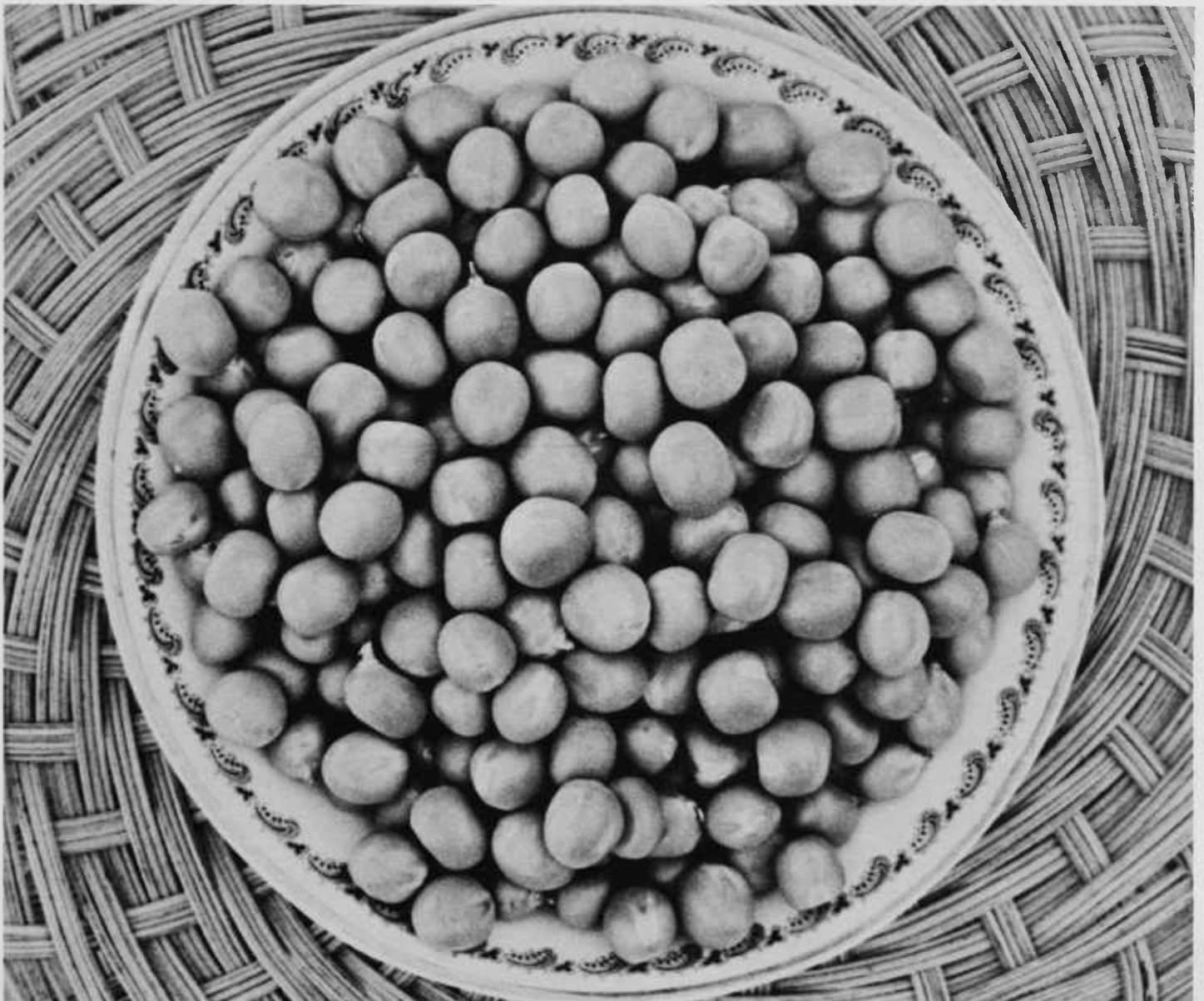
Amount paid to growers	\$ 2,700,000
Payroll (40%)	\$ 540,000
Packaging materials (30%)	405,000
Other (30%)	405,000
Total value added by processing	1,350,000
Value of processed pack	4,050,000

* Includes dry beans, lima beans for processing, brussels sprouts, celery, garlic, green peppers, spinach, cantaloupes, and miscellaneous vegetables.



**Cash Receipts from Farm Marketings
and Value Added by Processing for Vegetables
Oregon, selected years**

Item	1956	1963	1967	1971	Percentage Increase 1956-1971
	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	<i>dollars</i>	
Vegetables					
Cash Receipts	44,104,000	49,994,000	70,647,000	72,378,000	64.11
Value Added	53,414,000	84,145,000	127,792,000	119,305,000	123.36
Total	97,518,000	134,139,000	198,439,000	191,683,000	96.56



All Other Crops

Total amount received by growers	\$ 95,735,000
Total value added by processing and handling	16,986,000
Value of processed crops	112,721,000

Sugar Beets

<i>Total tons sold (\$15/ton)—464,000</i>	
Amount paid to growers	\$ 6,960,000
Total value added by processing	4,733,000
Value of processed crop	11,693,000

Seed Crops*

Amount paid to growers (all seeds)	\$ 27,797,000
Payroll (41%)	\$ 1,504,000
Packaging materials (22%)	807,000
Other (37%)	1,357,000
Total value added by cleaning, sacking, handling	3,668,000
Value of clean, sacked seed	31,465,000

Mint

<i>Total pounds of oil sold (\$3.80/lb.)—2,111,000</i>	
Amount paid to growers	\$ 8,022,000
Payroll (60%)	\$ 553,000
Packaging materials (40%)	368,000
Total value added in transport, selling, storage	921,000
Value at market center	8,943,000

Hops

<i>Total pounds sold (69¢/lb.)—8,656,522</i>	
Amount paid to growers	\$ 5,973,000
Payroll (80%)	\$ 180,000
Other (20%)	45,000
Total value added by storage and selling	225,000
Total value at time of shipment to market	6,198,000

Nursery and Greenhouse

Amount paid to growers	\$ 28,796,000
Payroll (60%)	\$ 1,728,000
Other (40%)	1,152,000
Total value added in handling and wholesaling	2,880,000
Value at wholesale level	31,676,000

Farm Forest Products

Total received by producers	\$ 6,800,000
Payroll (55%)	\$ 2,132,000
Other (45%)	1,744,000
Total value added by processing	3,876,000
Value of processed materials	10,676,000

* Includes ryegrass seed (222,180,000 lbs.); hairy vetch seed (3,220,000 lbs.); crimson clover seed (2,625,000 lbs.); bentgrass seed (9,300,000 lbs.); tall fescue seed (11,900,000 lbs.); red fescue seed (8,060,000 lbs.); chewings fescue seed (8,840,000 lbs.); red clover seed (3,990,000 lbs.); alfalfa seed (6,000,000 lbs.).

Other (Miscellaneous Crops)

Amount paid to growers**		\$ 11,387,000
Payroll (41%)	\$ 280,000	
Packaging materials (22%)	150,000	
Other (37%)	253,000	
Total value added by cleaning, sacking, handling	683,000	
Value of processed products		12,070,000

** Primarily miscellaneous seeds.



Employment

	<u>Employment</u>	<u>Payroll</u>
Manufacture of food and kindred products	23,988	\$164,398,572
Canning and preserving of fruits and vegetables	11,755	64,329,148
Meat Animals:		
Meat Packing Plants	1,359	
Sausages and other prepared meats	573	
Dairy Products:		
Creamery Butter	16	
Cheese, natural and processed	275	
Condensed and Evaporated Milk and ice cream and frozen desserts	199	
Fluid Milk	1,922	
Poultry and Eggs:		
Poultry dressing plants	700	
Other poultry processing and delivery	20	
Chicken egg processing and delivery	240	
Turkey hatching egg processing and delivery	112	
Fruits and Vegetables:		
Canning	4,897	
Freezing	4,385	
Other processing and distribution	2,473	
Manufacture of other food products	6,817	

* Data obtained from Research and Statistics Section, State of Oregon Employment Division, and refers to the average of the Fourth Quarter 1970, First Quarter 1971, Second Quarter 1971, and Third Quarter 1971.

Employment needed to provide agricultural services to farmers:

	<u>Number of Persons</u>	<u>Payroll</u>
Total Employment, 1969*	4,651	\$5,650,562
Animal Husbandry Services	984	1,890,850
Horticultural Services**	1,124	1,371,081
Fruit and Vegetable sorting	1,710	1,307,430
Other Agricultural Services	833	1,081,201

* Data obtained from U.S. Department of Commerce, Bureau of Census, 1969 Census of Agriculture, Volume III, Agricultural Services. Includes part-time and unpaid workers.

** Estimates include two establishments engaged in hunting and trapping.



Additional Notes

Data on value added to farm products by processing and distribution in Oregon are very limited. The authors consider the magnitudes of value added presented in this bulletin as conservative estimates based on the relevant data obtained.

It should be noted that "value added" in this bulletin refers only to value added by the first handler. Additional value is added through further processing, transportation, and wholesale and retail activity.

In comparing the food production and processing industry in Oregon with other economic industries such as forest products or tourism, it should be mentioned that in the food sector, the values developed are farm and wholesale values. Lumber and tourism industry estimates normally include retail values.



Acknowledgments

Data pertaining to value added were obtained first-hand from processors and handlers of agricultural commodities. Without the help of these individuals and firms, estimates could not have been made.