



AgImpacts:

The Role of Production
Agriculture in the Local Economy



The Role of Production Agriculture in the Bedford County Economy

[Penn State Cooperative Extension](#)

<http://agimpact.aers.psu.edu>

Introduction

Agriculture is an important economic activity in Bedford County. This bulletin documents some of the economic and fiscal contributions of production agriculture in the county, including:

- * Production values over time and by specialty
- * Changes in the number and acres of farms
- * The number of jobs generated by farming in the county, including spin-off impacts
- * The assessed value of agricultural land in the county

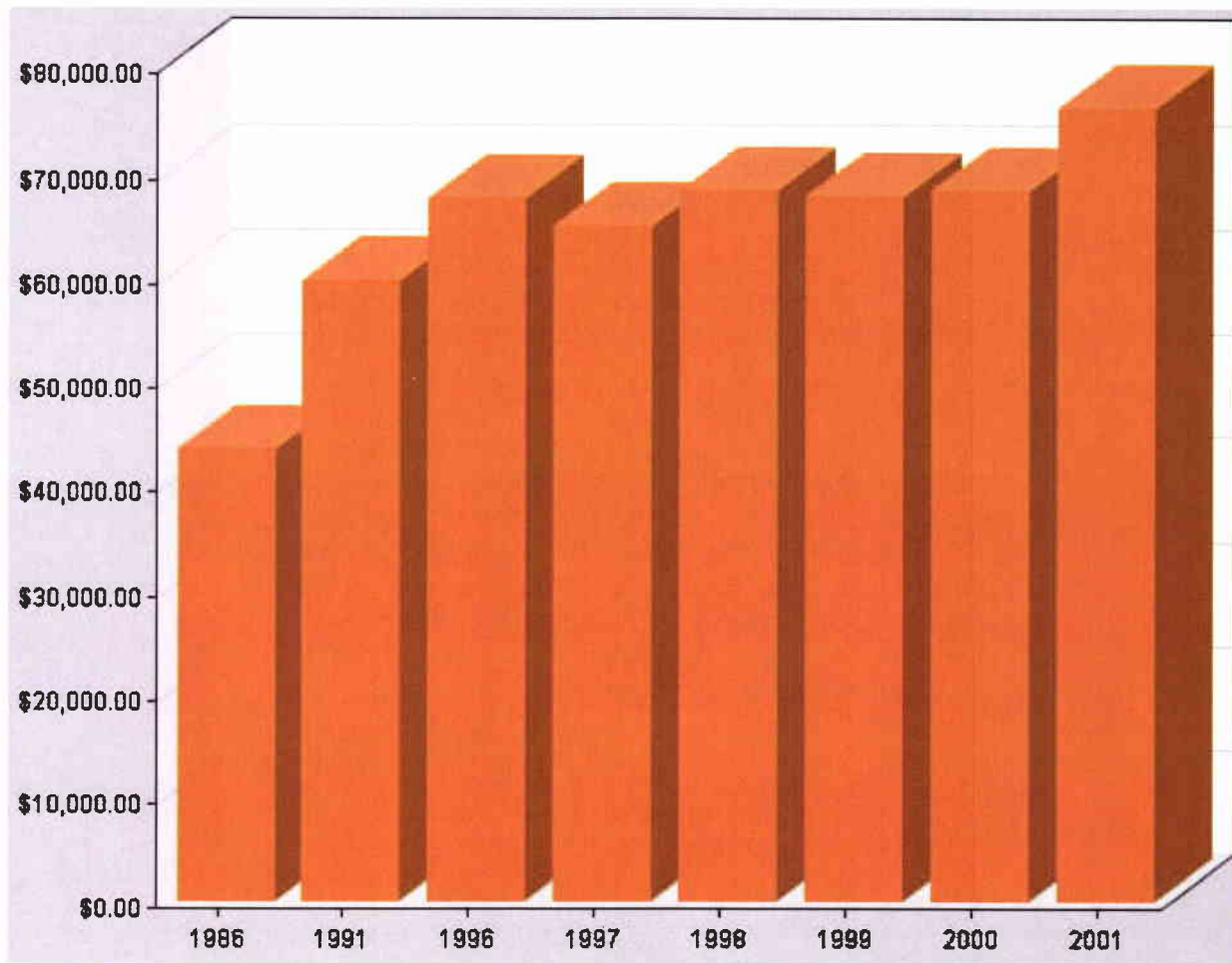
This report draws on several different data sources. While this allows a more comprehensive look at the role of agriculture in the county, it is important to note that the definition of agriculture varies according to the data source. While each section of this report notes the relevant definition, one must be careful about making inferences based on combined data from different sources. For example, the production data from the [Pennsylvania Agricultural Statistics Service](#) (PASS) has somewhat different coverage than the employment data from the Bureau of Economic Analysis (BEA). Because of this, calculations of worker productivity (output/employment) would not be correct.

The Value of Production Agriculture in Bedford County

The first measure to look at is the value of agricultural production. Drawing on data from the PASS, the chart below shows the value of production for select years (adjusted for inflation by the Prices Received by Farmers Index). In 2001, the total value of production in Bedford County was \$76,212,000.

As you will see, the data can fluctuate from year to year, due possibly to dramatic swings in annual production or prices. Although county-specific data do not exist, there are a number of potential reasons for this variation including drought or substantial price swings.

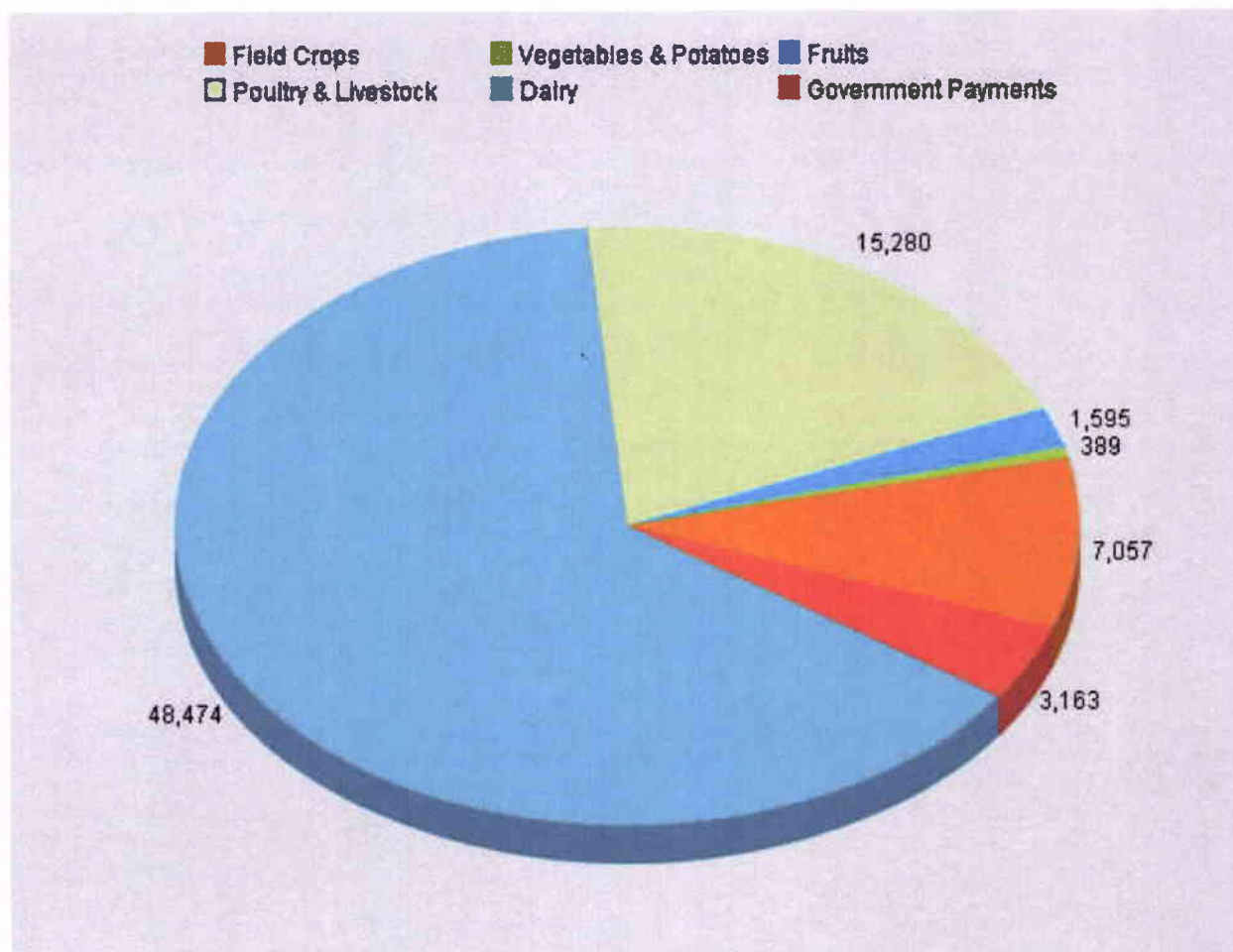
Total Value of County Production: Select Years (Thousands of dollars)



Source: PA Agricultural Statistics Service and Penn State Cooperative Education

In addition to total production value it is informative to know the relative distribution of sales by commodity. For example, in Bedford County, the leading product in 2001 was Dairy with a total value of \$48,474,000. This comprises 64% of total production in the county. The following chart uses PASS data to describe the relative importance of the various commodities in the county.

2001 Receipts by Product
(in Thousands of Dollars)



Source: PA Agricultural Statistics Service and Penn State Cooperative Education

Farms and Farmland in Bedford County

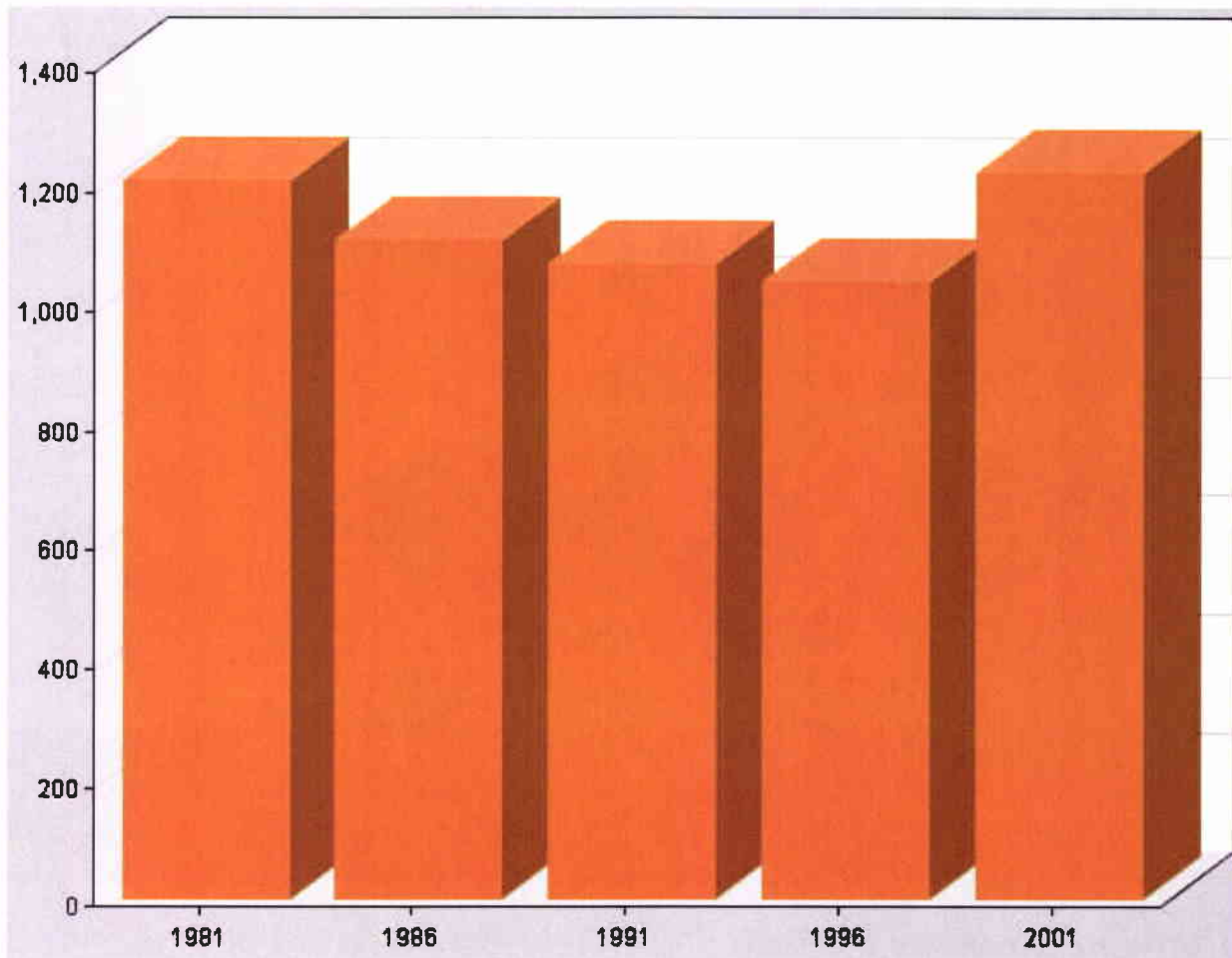
The amount of farmland and the number of farms in a county are other important indicators that are often of interest. In Pennsylvania, both the farm numbers and acreage have declined over time. For example, in 1981 Pennsylvania had 61,000 farms that encompassed about 9 million acres. In 2001, PASS data shows that the Commonwealth had 59,000 farms, comprising 7.7 million acres. (For added historical perspective, Pennsylvania had 100,051 farms in 1959 covering nearly 11.9 million acres.)

There are a number of reasons for this loss. For example, increasing demand for land for residential and commercial development has, in some places, driven up its price to a point where it is more profitable to sell the land than it is to farm it. This is especially true in the southeastern counties of the state. Another reason for the loss, however, is the increased productivity of agriculture due to technological progress. As farms become more productive, less land is needed to produce the same amount of output. If productivity grows faster than demand, then fewer productive acres are needed.

As an example of this increased productivity, consider that in 1960 the average grain corn yield in the state was 63 bushels per acre. By 2001, the yield was 98 bushels per acre. A similar story applies to milk. In 1960, the average annual milk production per dairy cow in Pennsylvania was 7,700 pounds. In 2001, the average production per cow was 18,112 pounds.

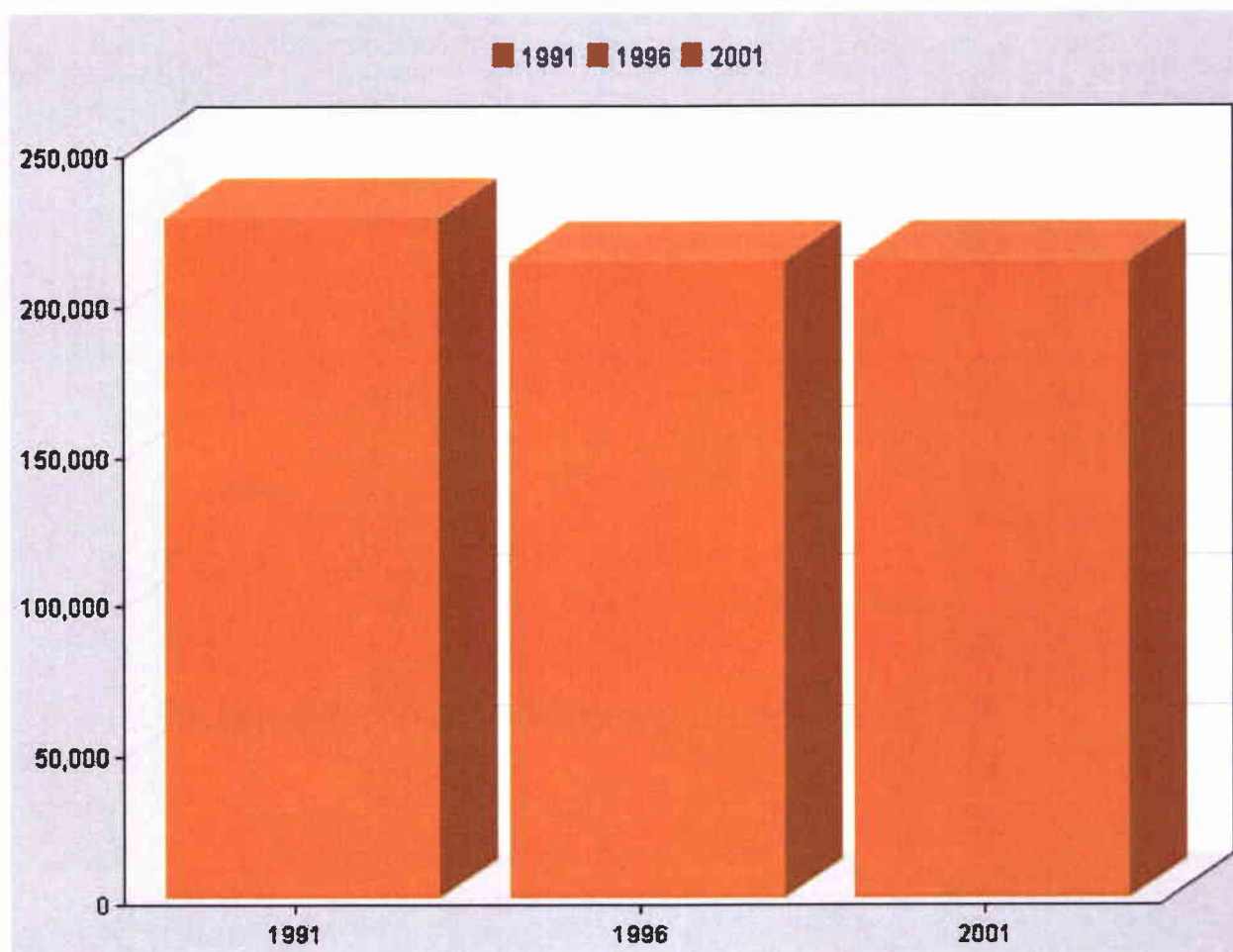
The following two charts show changes in the number of farms and acreage in Bedford County. In 2001 the county had 1225 farms covering 213,500 acres. (In 1959 the county had 2,185 farms covering 352,756 acres).

Number of Farms: Select Years



Source: PA Agricultural Statistics Service and Penn State Cooperative Education

Total Land in Farms: Select Years



Source: PA Agricultural Statistics Service and Penn State Cooperative Education

Farmland Preservation in Bedford County

The continuing loss of farmland is a growing concern for many citizens and public officials. One program aimed at slowing the development of farmland is the purchase of conservation easements. This program uses state and county funding to buy the development rights of farmland.

In this voluntary program, farmers are paid the difference between the appraised value of their land in development and its appraised value in agricultural production. In return, this land cannot be developed in the future. As of March 2003, Pennsylvania has spent more than \$514.8 million on purchasing the development rights on more than 252296 acres comprising 2,132 farms.

In Bedford County, as of March 2003 this program has enrolled 6 farms, comprising 1,442 acres. The total amount paid has been \$ 928,309. For more information on this program, visit the [Pennsylvania Bureau of Farmland Preservation](#).

Farms by Sales Class in Bedford County