

Agricultural Economy

Agriculture in Baltimore County is a developed and productive industry consisting of 751 farm enterprises on over 78,282 acres of farmland. The current state reflects a decline from 889 farms and 83,232 acres in 2002.

The local farming economy continues to suffer from similar economic woes as the U.S. farm economy. Chronically low commodity prices and rising farm costs have been a common trend both nationally and locally for traditional farm commodities, such as grain production – a primary product of Baltimore County agriculture.

While lower farm prices and higher costs are indeed national phenomena for agriculture, Baltimore County farmers find their problems exacerbated by local conditions. The development growth within the Washington-Baltimore metropolitan area has put pressures on local land and has presented alternatives to farming that discourage production agriculture.

As is evidenced in the table below, Baltimore County still retains strong resources in the forestry, greenhouse, vegetable, grain, and nursery sectors. The challenge the County faces right now is to harness its strong agricultural base and continue to grow in the face of continuing changes and to transition these opportunities for future growth.

Output (Sales in Million \$)	Baltimore	Frederick	Howard	Montgomery
Forest nurseries- forest products- and timber	95.32	0.92	0.00	0.00
Greenhouse and nursery production	69.26	9.26	21.76	50.22
Agricultural and forestry support activities	8.57	9.86	2.74	9.47
Vegetable and melon farming	8.23	1.72	2.82	5.17
Animal production- except cattle and poultry	7.78	10.00	3.83	6.19
Cattle ranching and farming	7.67	73.08	3.63	6.42
All other crop farming	3.94	19.66	2.07	4.30
Grain farming	3.75	7.47	2.25	3.92
Oilseed farming	2.02	4.96	1.02	3.23
Fishing	1.84	0.00	0.00	0.00
Logging	1.18	0.17	0.62	2.00
Fruit farming	0.69	1.97	0.69	2.43
Poultry and egg production	0.25	15.49	0.00	0.00
Hunting and trapping	0.00	3.50	12.49	8.82

Source: Minnesota IMPLAN 2006

Dealing with the financial health of farm operators is a key starting point in this process and one that begins with supporting growth sectors such as nursery/greenhouse production, wine grapes, and vegetables, which constitute much of the growth in farm income over the last several decades. Baltimore County's gross farm sales have been moved upwards over the last 35 years due to sustained crop production growth. Of note, these industries are large contributors to crop related farm income (87% according to REIS),

but represent less than 6% of the County's total crop land. Livestock income has been flat during the same 35 year period due largely to the loss of dairy income, which has been partially offset by income from beef and small ruminant herds.

While farm income has been rising, so have the costs of operations. These rapid increases in costs are contributing to dwindling farm margins and flat farm proprietors' income. The main contributor to this condition has been the rising cost of production inputs such as energy, production chemicals, agronomic services, repairs, taxes, and depreciation. These rapid increases in part reflect the more capital intensive nature of agriculture practiced in Baltimore County. Historically important components of cost, such as feed and livestock expenses, have remained low while farm labor expenses have increased which is consistent with the traditional nature and small size of the remaining businesses.

As with most agricultural communities, the share of farm income to total income has steadily dropped between 1970 and 2005. The result is that farm income now represents less than one-quarter of a percent of total personal income in the County. In the local context, this trend reflects the expanding growth in the Washington-Baltimore metropolitan area rather than the performance of local farms.

A final note on economic performance: Baltimore County's output multipliers are highest in most agriculture sectors when compared to the other Maryland counties. In other words, Baltimore County farms recirculate more of their income in the local economy, which generates greater economic impact on the community as a whole.

Output Multipliers (for every \$ spent, increase in output in other sectors)	Baltimore	Frederick	Howard	Montgomery
Oilseed farming	1.37	1.31	1.29	1.31
Grain farming	1.33	1.30	1.26	1.27
Vegetable and melon farming	1.38	1.38	1.30	1.30
Fruit farming	1.35	1.37	1.26	1.26
Greenhouse and nursery production	1.37	1.44	1.29	1.27
All other crop farming	1.32	1.32	1.26	1.26
Cattle ranching and farming	1.36	1.68	1.32	1.29
Poultry and egg production	1.29	1.32	0	0
Animal production- except cattle and poultry	1.36	1.51	1.32	1.27
Logging	1.45	1.29	1.44	1.40
Forest nurseries- forest products- and timber	1.19	1.47	0	0
Fishing	1.90	0	0	0
Hunting and trapping	0	1.54	1.31	1.24
Agricultural and forestry support activities	1.72	1.60	1.54	1.57

Source: Minnesota IMPLAN