



# **Idaho State Department of Agriculture**

## **Economic Outlook & Revenue Assessment Committee**

January 4, 2007



# Strengths

- Agriculture is a **GROWING** industry in Idaho setting record cash receipts in five of the last six years
- Idaho agriculture is diversified with 144 different commodities
- Food manufacturing is Idaho's second largest manufacturing sector. Together, agriculture and food processing are the backbone of much of rural Idaho
- World Class research (INL, U of I)



# Weaknesses

- Lack of understanding of agricultural issues in growing urban centers
- Lack of access to reliable and affordable transportation – declining rail service, shortage of trucks
- Lack of large scale beef processing plant
- Lack of reliable and consistent labor
- Increasing crop prices a two-edge sword. Balance between crop and livestock interests



# Opportunities

- Continued growth in milk production
- Alternative uses for farm waste to supplement farm income
  - Biofuels – ethanol and biodiesel
  - Iogen (Shelley), cellulosic ethanol from wheat straw
  - Biogas from livestock – Methane
  - Carbon credits
- Expanded use of fresh, local products in schools
- Opportunities for value – added and premium, niche products



# Threats

- Potential for milk production to exceed processing capacity
- Stricter regulatory environment
- Pest detections (PCN, Water Milfoil)
- Trade restrictions
- Fuel prices
- Uncertain federal environment - Farm Bill reauthorization
- Growing food safety concerns
- Growing need for economically viable methods to reduce phosphorus in dairy waste



Thank you

Questions?