



P.O. Box 27766
Raleigh, North Carolina 27611
919.782.1705

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the LEADER

NC AGRICULTURE TO \$100 BILLION.

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Agriculture is the foundation of our state's economy. It contributes \$85 billion to North Carolina's \$500 billion annual economy, supports one out of nearly every six jobs and remains our state's leading economic driver. We are proud of the work our state's farmers do and will continue to share that message every chance we get.

However, there is another message that needs all our voices behind it. That message is growth. Given the obstacles to growing agriculture in the past few years – hurricanes, low commodity prices, trade disputes, and lawsuits, just to name a few – it's remarkable that we're talking about growth. But it's not surprising because we know the resilience and fortitude of farmers.

A few years ago, North Carolina Commissioner of Agriculture Steve Troxler issued a great challenge to the state of North Carolina: to grow NC Agriculture to a \$100 billion economic driver. At the time, agriculture was approximately \$22 billion away from reaching the goal. Now, we have \$15 billion to go.



So what will it take to get the rest of the way there?

FREE AND OPEN TRADE

Growth requires consumers. No matter how much farmers grow, someone has to buy it. There are nearly 330 million people in the United States, the third largest population in the world, but that's less than 5 percent of the world's population. International markets provide valuable opportunities for American farmers to sustain and expand their businesses to the other 95 percent of the world.

Valued at \$3.6 billion in 2017, the state ranked 13th nationally in ag exports and grows several high value commodities like pork, poultry, tobacco, soybeans, sweet potatoes, and cotton. Free and open trade in international markets provides North Carolina farmers a golden opportunity to grow as consumer income rises and dietary preferences expand overseas. Conversely, barriers to free trade stifle profitability and discourage productivity. For example, the recent trade dispute with China has taken its toll on farmers who grow these export sensitive commodities like tobacco, which saw exports to China plummet from \$161 million in 2017 to only \$4 million in 2018, a 98 percent decrease in just one year. As a result, in 2019, North Carolina is on course to harvest the smallest tobacco crop since World War II.

The bottom line is this: whether selling close to home or around the world, North Carolina farmers and agribusinesses will be more profitable by having access to more markets and more consumers.

STABLE, SKILLED WORKFORCE FOR AG

Growth requires stable, reliable, and affordable inputs. And the time and energy people put into growing our food and fiber might be the most valuable input of all.

Because American farmers have come to rely heavily on immigrant labor, their productivity and profitability are significantly connected with immigration policy. And when farmers don't have the workers they need at the times they need them, we all suffer. Produce rots in the field, costing farmers thousands of dollars, limiting the supply of fresh and local produce, and indirectly affecting the price and quality of your food. This is not a formula for growth.

Despite farmers' ability to adapt to difficult circumstances, it would be short-sighted to assume that farmers will continue to succeed in an environment that fails to meet their basic need for workers. By promoting common-sense changes that address ag labor shortages, we can give farm businesses a stable foundation for growth.

STRENGTHEN RURAL INFRASTRUCTURE

North Carolina farmers are fortunate to have great infrastructure, but there is room for improvement. One such area of improvement is rural broadband. The Federal Communications Commission's 2016 Broadband Progress Report stated that 10 percent of all Americans lack access to high-speed broadband service, while 39 percent of rural Americans lack access. This is a critical opportunity for growth as more farmers embrace technology as a means of improving productivity and efficiency.

Affordable electricity and access to natural gas are also crucial for economic development. The Atlantic Coast Pipeline will provide natural gas to the rural utilities that need it to serve their communities. For farmers specifically, access to natural gas provides lower input costs and less price volatility.

Investing in infrastructure means investing in jobs both on and off the farm. Every job on the farm creates about three more in other industries, supporting about one out of every six jobs in North Carolina. These economic impacts are particularly important in rural communities that rely heavily on agriculture.

We are committed to spreading a unified message of growth and will always advocate for solutions that help farmers succeed. Free and open trade, a stable workforce, and forward-thinking investment in rural infrastructure are three keys to unlocking the full potential of our state's farmers for generations to come. We believe agriculture can grow to a \$100 billion economic driver for North Carolina because we believe in our state's farmers. If we give them what they need to grow, then anything is possible.