

SAN DIEGO COUNTY AGRICULTURE

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May 26, 1987

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SAN DIEGO COUNTY AGRICULTURE

San Diego County has achieved notoriety as one of the nation's most rapidly growing urban centers. Less well known is the fact that the county is also the national leader in one of the most important agricultural industries of the 1980's: nursery products, including flowers and foliage. And the county is also novel in that its agricultural base has been expanding despite the pressures of urbanization.

While most urban residents have the perception that farmland disappears whenever urban sprawl envelops rural areas recent data from San Diego County show that it is actually possible for certain types of agriculture to expand and benefit from urban growth. Table 1 shows the trend of irrigated land in San Diego County in the recent period.

Table 1

Irrigated Land, San Diego County

Year	Irrigated Land
1974	50,458 acres
1978	70,957
1982	75,171

Source: U.S. Department of Commerce, Bureau of the Census, Census of Agriculture, California, State and County Data, Washington, DC. Data from 1974, 1978 and 1982 Census.

Thus, in just eight years the amount of irrigated land planted to crops has increased by 50% in San Diego County. Of course, this growth has been at the expense of dryland (whether used for crops or for pasture).

The county's leading crop industries as ranked by value of annual farm cash receipts from the sale of crops are: nursery

products, fruit and vegetables. The most important non-crop products in the agricultural sector are eggs and dairy products. Overall, San Diego County ranks 13th among the California's 58 counties in agricultural production and actually leads some of the better known agricultural counties (such as Madera, Sonoma¹ and Santa Barbara Counties.

Number and Size of Farms

San Diego County boasts some 6,183 farms.² However, most of these are small "hobby" or part-time farms. The definition of a farm, as used in the Census of Agriculture, is that it is any place which produces \$1,000 or more in annual cash receipts from the sale of agricultural commodities. Only 917 of the county's farms, roughly 1 out of 7, produces \$40,000 or more in such cash receipts.³ Consideration of costs of production leads to the conclusion that a farm with \$40,000 in farm sales would earn less than \$8,000 in net income, too little to support a farm family. For this reason we take \$40,000 per year in cash receipts from the sale of agricultural commodities to be the lower limit on the size of commercial farms.

The 917 farms producing at least \$40,000 per year in cash receipts from the sale of agricultural commodities account for about 92% of all of the county's agricultural product.⁴ These farms average about \$400,000 per year in gross receipts.⁵ Table 2 shows the rapid increase in the number of such "commercial farms" in the county during the period of the 1970's and 1980's. As is clear from the data the number of commercial farms in San Diego County increased by 87% in the period from 1969 to 1982, in sharp contrast to the changes in the number of such farms in the

state as a whole.

Table 2

Commercial Farms, San Diego County
(Gross Receipts of \$40,000 per year or more)

Year	Number of Commercial Farms
1969	490
1974	642
1978	764
1982	917

Source: U.S. Department of Commerce, Bureau of the Census, Census of Agriculture, California, State and County Data, Washington, DC. Census of 1969, 1974, 1978 and 1982.

San Diego County is unusual in that the number of commercial farms is actually increasing. In most areas of the state and in the U.S. as a whole it is well-established that the number of commercial farms is decreasing. As is discussed later in this report the reason for the exceptional behavior of San Diego County farms is that both nursery products and fruit production, the two leading commodities produced in the county, have enjoyed a rapid expansion during the recent period.

Nursery Products

This crop industry includes flowers and foliage production but not the sale of cut flowers. Thus, it represents the wholesale end of the business. Taken as a whole this industry is now the state's leading crop industry.⁶ And San Diego County is the state's leader in terms of production.⁷ Shown in Table 3 is the annual total for San Diego County and, separately, for the state, of nursery product production. Of particular note is the seven-fold increase in state production in this thirteen year period and the eleven-fold increase in San Diego County's share.

Table 3

Nursery Products (Flowers and Foliage), by Year
Farm Cash Receipts, in Millions

Year	California	San Diego County	
		County Total	As Per Cent of State
1969	180.5	16.7	9.25%
1978	398.7	46.7	11.94
1984	1,294.1	190.7	14.74

Source: California Department of Food and Agriculture,
California Agriculture, Statistical Review,
Sacramento, CA. 1969, 1978 and 1984.

Just as impressive as the overall increase in the San Diego County's total production of nursery products is its rapidly increasing share of the state total. From 9.25% in 1969 to just under 15% in 1984, the county's share of the state total has expanded by 59% in just 15 years.

As is usual for a rapidly expanding industry, the number of farms producing flowers or foliage in San Diego County has also experienced a sharp increase in this period. There were 238⁸ nursery farms in the county in 1969. By 1982 the number of⁹ nurseries had increased to 592. It is likely that the number is even greater today.

Tree Fruit Production

San Diego County is the state's leading producer of avocados and is an important producer of citrus (grapefruit, oranges and lemons). Total plantings of all tree crops in the county has also experienced rapid increases in recent years. Total land in orchards increased from 32,439 acres in 1969 to 58,229 acres in¹⁰ 1984. Virtually all of the increase was the result of major new plantings of avocados in the 1970's. Table 4 shows the acreage of both avocado and citrus plantings in the county for

the recent period.

Table 4

Avocado and Citrus Acreage, San Diego County

Year	Avocado Acreage	Citrus Acreage
1974	15,326	12,867
1980	24,254	16,647
1985	36,843	15,428

Source: California Crop and Livestock Reporting Service, Fruit and Nut Acreage, Sacramento, CA. Reports for 1974, 1980 and 1985.

While the expanded avocado acreage reflects increased consumer demand, in the past few years prices have declined. This suggests that supply now exceeds demand and that there may be some reductions in acreage as growers seek to reduce supply. It is likely that small reductions of avocado acreage will be seen in the next few years.

As in the case of nursery products San Diego County agriculture has benefitted from increased state production of both avocados and citrus. There are few counties in the U.S. that can boast of significant expansions in their two leading commodity industries.

Vegetables

In contrast with the situation in both the tree fruit and nursery product industries, San Diego County's vegetable industry is in turmoil. While total county harvested vegetable acreage has not significantly altered between 1969 and today there are indications that the fresh market tomato industry (pole tomatoes) is contracting. 1987 acreage of fresh market tomatoes will be about 2,000 acres, down significantly from the historic levels of 6,000 to 10,000 acres. Much of the production has shifted to

Baja California or to the region near Culiacan in Mexico.

In large part the relative stagnation of San Diego County's vegetable industry reflects the high costs of production in the county. Both land and water costs are among the highest in the state. It is not unusual for a grower to have an annual water bill of \$1,000 per acre in San Diego County. This is in sharp contrast with a typical water bill of \$25 per acre per year in the western portion of the San Joaquin Valley. Thus, growers are increasingly turning to high-value crops, such as strawberries, in order to continue to be profitable.

Hired Labor

The rapid expansion of labor intensive crop industries in San Diego County has brought a significant increase in labor demand. This is reflected in data on annual average number of hired farm workers in the county. Table 5 shows this data for the period 1976-1985. These data are estimates based on assumed

Table 5

Total Hired Farm Workers, Annual Average
San Diego County

Year	Hired Farm Workers
1976	7,300
1977	7,570
1978	7,620
1979	8,170
1980	9,820
1981	9,270
1982	*
1983	*
1984	9,660
1985	10,240

Source: State of California, Employment Development Department, Report 881-M, Annual.

* Note that data for 1982 were not collected and that data for 1983 were not prepared in a manner comparable to other years.

worker productivity figures and do not represent headcounts of workers. For this reason the absolute accuracy is questionable. However, there relative accuracy is probably quite good so that the trend toward larger numbers of hired farm workers is correct.

The mild year-round climate of San Diego County makes possible the kind of crop pattern that characterizes agriculture in that area: nursery products (including flowers), vegetables and tree fruit. In turn, this leads to a year-round pattern of labor demand that is distinctly different from that found in other major agricultural areas of California. Table 6 shows monthly data on the number of persons employed in San Diego County agriculture.

Table 6

Reported Number of Employees
San Diego County Agriculture, 1984

Month	Number of Employers	Number of Employees
January	934	10,193
February	-	10,875
March	-	11,398
April	941	12,452
May	-	13,104
June	-	13,561
July	914	12,923
August	-	12,081
September	-	11,903
October	908	12,768
November	-	12,686
December	-	11,324

Source: California Department of Employment Development, Report of Employment and Wages for Three Digit SIC Private Ownership, by County, unpublished, October 28, 1985, CIRS files.

As is evident from the data in Table 6 there is only a relatively small fluctuation in labor demand in San Diego County during the course of the calendar year. This can be understood on the basis

of the types of crops grown in the county. Nursery products, for example, are grown year-round, primarily in greenhouses. Peak labor demand for citrus and avocado harvests are in the winter while vegetable labor demand peaks in late summer. Taken together, these crop industries tend to provide a relatively stable year-round labor demand in San Diego County.

The data in Table 6 tend to confirm our suggestion regarding the number of commercial farms in the county. Based on annual farm cash receipts from commodity marketings in excess of \$40,000 we concluded that there were 917 commercial farms in 1982. EDD data for 1984 suggest that there were 924 farms (annual average) providing employment in the county.

However, the data presented in Table 6 regarding the number of employed persons must be used with some caution. EDD data are based on employer reports of wages paid subject to withholding and social security taxes. They do not reflect persons hired who do not have social security numbers and who are usually paid in cash. Such persons are invariably undocumented workers and are part of the difficult to trace "cash economy" common to border communities across the U.S.-Mexican border region. This effect would likely increase the number of persons estimated to be working in San Diego County farms by an unknown amount.

A significant, but only partially documented, development in farm employment in San Diego County is the recent sharp increase in the use of farm labor contractors. These are businesses who contract to provide specified services to a farm operator, e.g, harvest of a particular field or orchard. Because the farm labor contractor is the actual employer the farm operator has no

obligation with respect to state-mandated social benefit programs. Thus, the labor contractor assumes responsibility for workers compensation insurance, payment of employers' taxes, and similar obligations. From the point of view of workers the farm labor contractor finds work for them and handles the often difficult task of arranging a series of jobs. As suggested above it is not unusual for such employment arrangements to be within the "cash economy" of border regions leaving no administrative record of the activity.

Data on San Diego County farm labor contractors who comply with state laws regarding employers' taxes show a pronounced increase in both the number of contractors and the number of persons employed by them. These data, which must be regarded as only fragmentary, are shown in Table 7.

Table 7

Farm Labor Contractor Employment
San Diego County

Year	Number of Employees (Annual Average)
1980	119
1981	241
1982	323
1983	444

Source: California Department of Employment Development, Report on Employment and Wages for SIC Codes 0761 and 0762, Prepared for Suzanne Vaupel, Department of Agricultural Economics, University of California, Davis, 82 pp.

It is important to note that the above data refer to annual averages, i.e., a worker employed full time for one month by a farm labor contractor is counted as just "one-twelfth" of a full time employed person in the data. Peak employment data for June of the calendar year show an increase from 75 in 1980 to 762 in

1983, nearly a ten-fold growth.

While the data on farm labor contractors in San Diego County is far from complete it does suggest a recent rapid increase in their role in the agricultural economy. That is, the data should be regarded as strongly supporting the conclusion that use of such employers has sharply increased but that the absolute number of farm labor contractor employees remains unknown.

Abuses of workers by farm labor contractors and the high level of non-compliance with Federal laws regulating such employers have been documented elsewhere.¹¹ There has been no specific study of farm labor contractors in San Diego County. Based on published data regarding annual wages paid to employees of farm labor contractors it is known that the Southern California region ranks lowest among all California regions.¹² This does not prove that conditions in San Diego County are worse than elsewhere but does suggest that possibility. Since work duration is longer in the county, as reflected in the small variation in year-round labor demand, it is surprising that annual wages would be lower than in areas with a short season. Clearly, further investigation is needed.

REFERENCES

1. California Department of Food and Agriculture, California Agriculture. Statistical Review. 1985, Sacramento, CA, September 1986, p. 18.
2. U.S. Department of Commerce, Bureau of the Census, Census of Agriculture. California. State and County Data, Washington, D.C., 1982 Census data.
3. *ibid.*
4. *ibid.* Total San Diego County farm sales are reported to be about \$392.7 million whereas those farms with annual sales in excess of \$40,000 report aggregate sales of \$360.3 million (91.75%).
5. *ibid.* Based on 917 farms with aggregate sales of \$360.3 million.
6. California Agriculture, *op. cit.* p. 9. The total value reported for nursery products and flowers and foliage is about \$1,294 million, exceeding the value reported for cotton (\$984.9 million) and for grapes (\$880.9 million).
7. 1982 Census of Agriculture, *op. cit.* The total value reported for these commodities is \$957.2 million whereas the total for San Diego County alone is \$116.4 million, a value that exceeds the total reported for any other county.
8. 1969 Census of Agriculture, *op. cit.*
9. 1982 Census of Agriculture, *op. cit.*
10. 1969 Census of Agriculture, *op. cit.* and San Diego County Agricultural Commissioner, 1984 Agricultural Crop Report.
11. S. Vaupel and P.L. Martin, Activity and Regulation of Farm Labor Contractors, Giannini Foundation of Agricultural Economics, Giannini Information Series No. 86-3, June 1986.
12. *ibid.* Table 11, p. 25.

APPENDIX

Some Comments on P. Olguin, "North County San Diego"

In general, Paulino Olguin's report is useful and accurate. However, it tends to include more rhetoric than is appropriate for a factual summary of information concerning San Diego County agriculture and farm labor conditions. For example, reference to a ten-year-old KKK incident in the introductory section is far less effective than presenting direct evidence of the impact of discrimination. Social science methodology now includes economic and social indicators as valid measures of discrimination. Such information as family income, life expectancy, job mobility and educational attainment are now widely accepted measures of the impact of discrimination.

Similarly, it would be helpful to have documentation supporting the claims on p. 4 regarding cases of no wages paid for work performed or wages of less than one dollar per hour. I assume that documentation could be produced and, in that case, it is far more effective to cite it.

The section on San Pasqual Valley is useful and does contain some documented information on social conditions. This could be helpful in establishing a measure of needs for social services.

The section on crops in San Diego County is accurate and will give the novice some important background information on the development of agriculture in the county in recent years. The major shortcoming of this section is that it lacks a broader view of the overall crop industries that are important to San Diego County. For example, the nursery product industry has been the most rapidly developing crop industry in the state over the past twenty years and San Diego County has established itself as the state's leading county, developing even more rapidly than the state as a whole.

Similarly, the comments on the avocado industry give no sense of how rapidly that industry has expanded in recent years. Thus, the factual basis for the growth of labor demand is not well established.

The section on notables in the San Diego County farm sector is the most thoroughly researched part of the report and contains no errors of fact. Clearly, this is the part of the work that the author enjoys the most.

The portion of the report dealing with the number of farms in the county is factually accurate but does not give a very complete picture of the agricultural economy. For example, the large increase in the number of farms noted on p. 21 should be tempered by the fact that only one out of seven farms in the county is a commercial farm. Roughly six out of seven are part-time or "hobby" farms. By neglecting to examine farm size as measured by annual sales the author has missed the fact that the number of significant farms (from the point of view of farm labor) is less than 1,000 of the 6,183 in the county.

The data on farm labor presented on p. 22 is accurate but not sufficient. Additional data, especially that showing a sharp increase in overall labor demand in recent years, is available and should be included.

The data on land use on p. 23 is accurate but overlooks the most important factor, namely, the amount of irrigated land. San Diego County has a great deal of land used for pasture or dry land cropping. But the land used for labor intensive crop farms is all irrigated. And the amount of such irrigated land in the county has actually been increasing in recent years.

The information on employment by industry is helpful. It is also in some conflict with data presented elsewhere in the report and this conflict should be discussed.

Data on population by race and region is accurate and is useful in showing the areas of the county where the Hispanic population is located. It would be helpful to have some comment about the relative accuracy of the data.

Both sections identifying packinghouses and farm management firms are helpful. The roster can be of later use in handling cases involving these firms.

Section 8, on farmworkers found to be living in caves, is very well done. As noted before the author really enjoys serious investigative work and the high quality reflects that interest.

The last section of the report, on exploitation of immigrant workers, is excellent. However, it suffers from the fact that the date of original publication is ten years ago. There is no indication of when the interviews actually took place. More recent data is needed to persuade the reader that conditions of the sort described persist to this day.

One possible source of additional information that appears to have been overlooked are the records of the Wage and Hour Division of the U.S. Department of Labor. This agency has conducted numerous investigations of farm labor contractor abuse. Records for the Sacramento Valley and San Joaquin Valley provide good sources of information on abuses. Presumably, records for the San Diego area also exist.