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Williamstown Economic Farm Survey



Introduction

We know that local farms are important, but how do we assess their value to the community? This report summarizes work completed in the summer of 2016 that attempts to better understand the role of farms in the local economy of the Williamstown area. Our goals include understanding the economic contribution of farms to the economy through jobs and the purchasing of local resources, as well as the availability of said resources to the farms. We intend to use this information to inform the public of the importance of farms and to discover ways in which farmers and the greater Williamstown community can better support each other.

Methods

Representatives from a total of thirteen Williamstown farms were interviewed, and eleven provided enough data to include in our results. The majority of interviews were completed in person with a farm owner. Those interviewed were informed that their answers could be confidential if desired.

Results

All results included here are averaged and anonymous. There are a few important notes to keep in mind when reading our results. First, it is important to note that because the surveys were carried out in person, sometimes without immediate access to financial records, many of the numbers are estimates. Second, each farm we visited has its own business model, its own products and expenses, so it is difficult to categorize the farms in a seamless manner. The differences between a large dairy farm and a vegetable farm are large, but we attempt to measure their value in aggregate. We decided to divide the farms into five groups: Dairy farms, hay farms, stables, vegetable farms, and value-added farms. We based the categorization on the

products that made up the main source of revenue for each farm. Finally, we asked specifically for costs in the fiscal year 2015, and farms often have large expenses that occur on a less than yearly basis. For categories such as the cost of equipment purchased, we asked for an estimate of yearly expense based on both cost and frequency of purchase. Again, our goal is not to compile a financial record for each farm but to provide a rough overview of the way that farms fit into economic sphere of the Williamstown area.

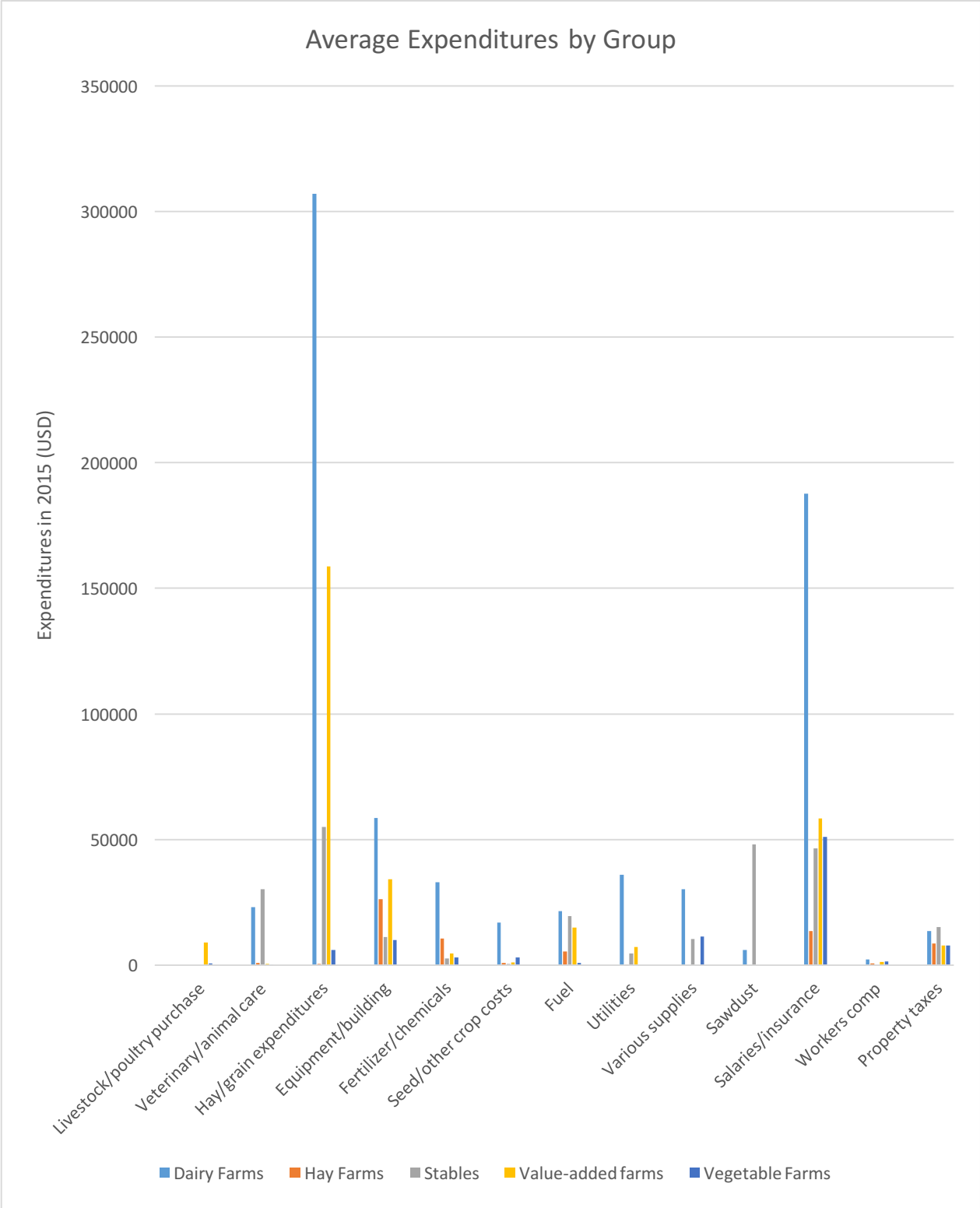


Figure 1. Farming expenses by group and category.

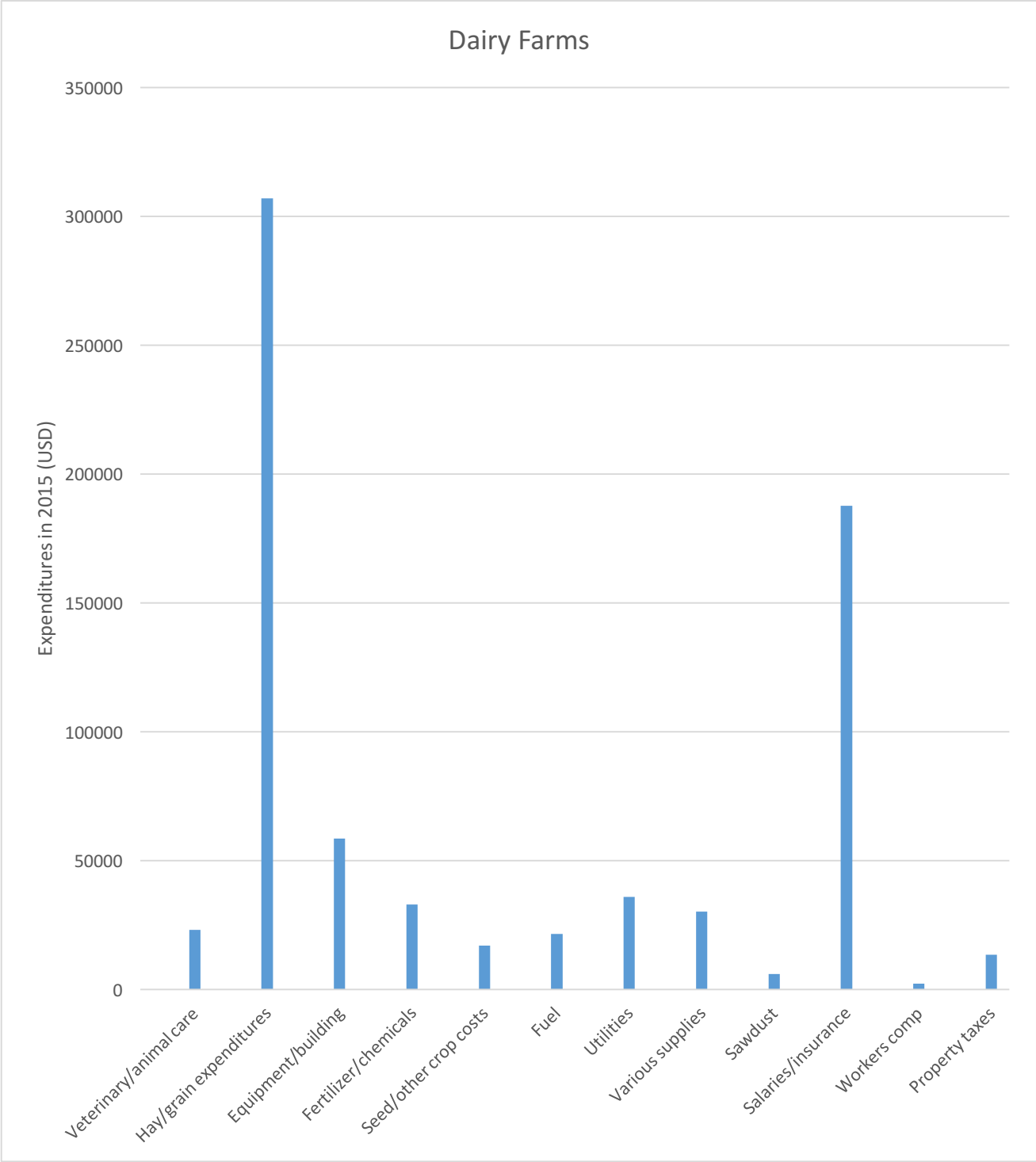


Figure 2. Average expenditures for dairy farms.

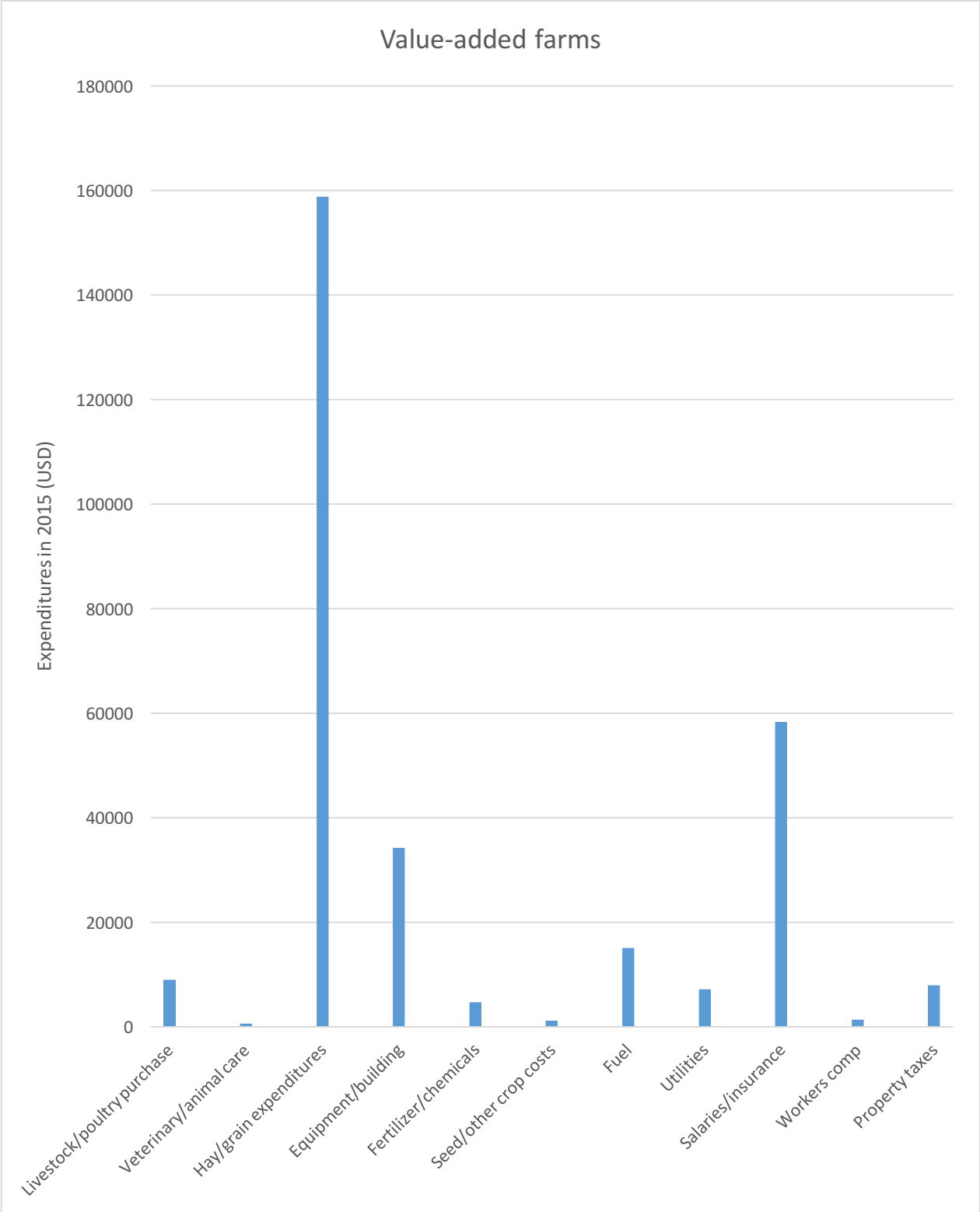


Figure 3. Average expenditures for dairy farms.

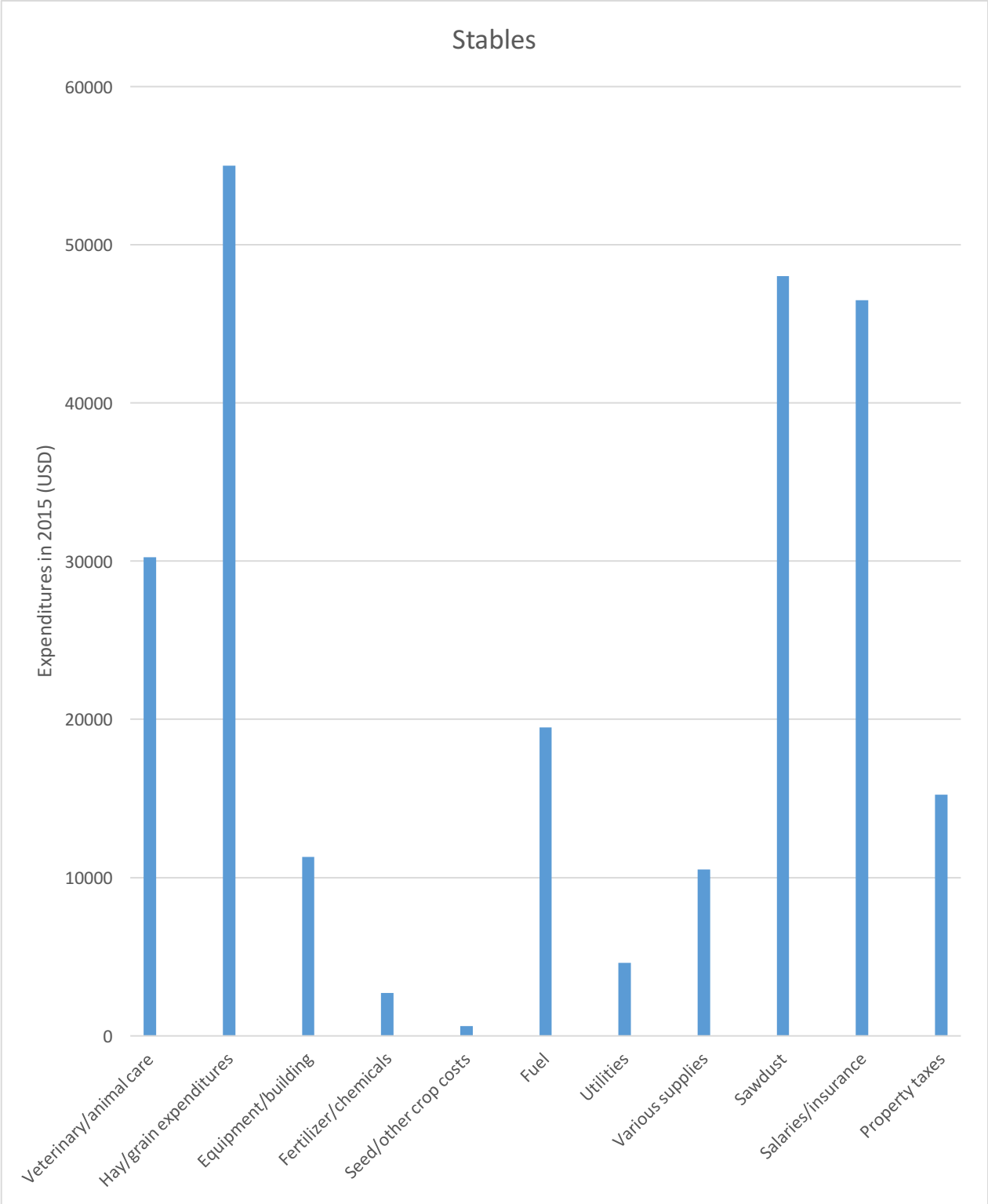


Figure 4. Average yearly expenditures for stables.

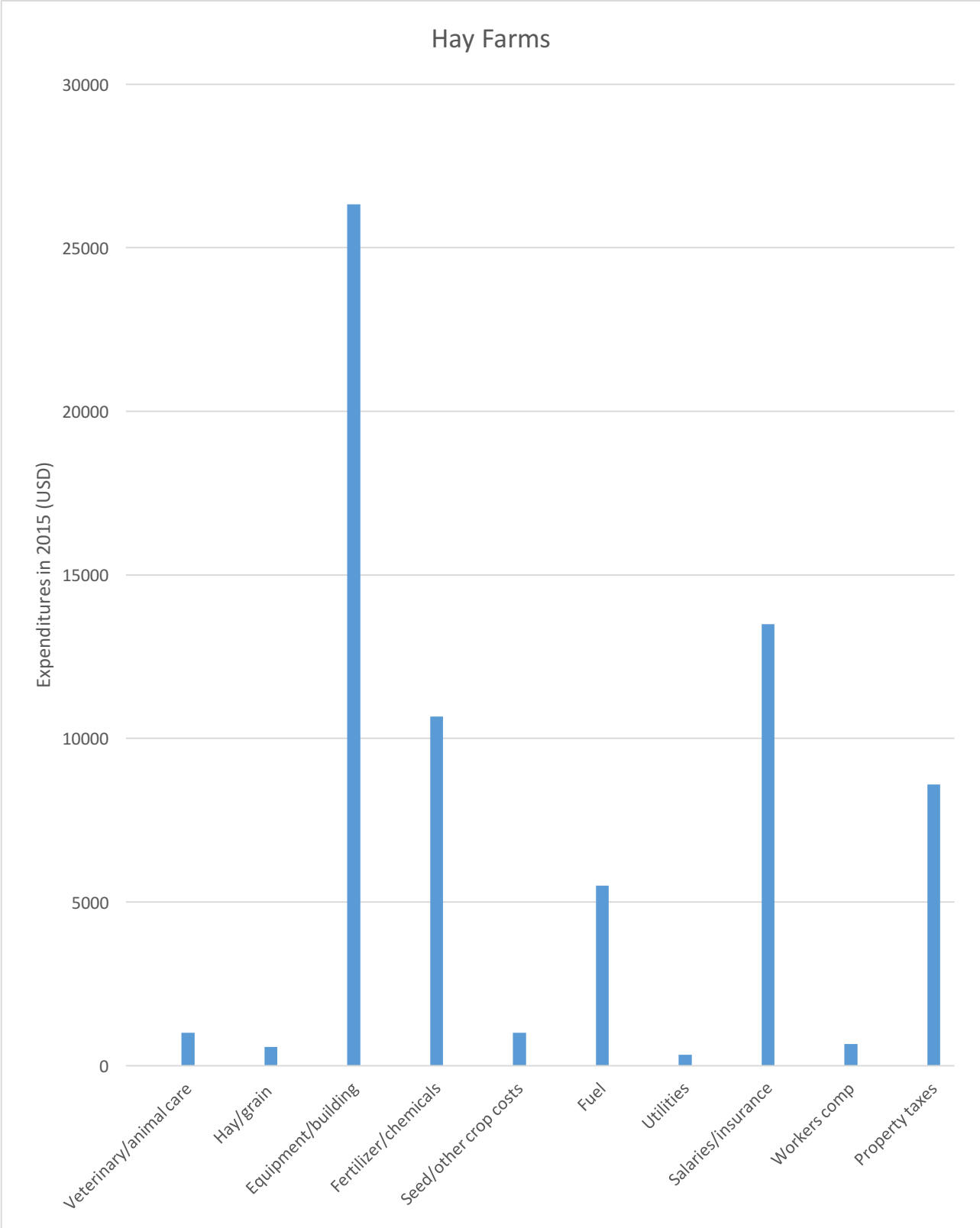


Figure 5. Average yearly expenditures for hay farms.

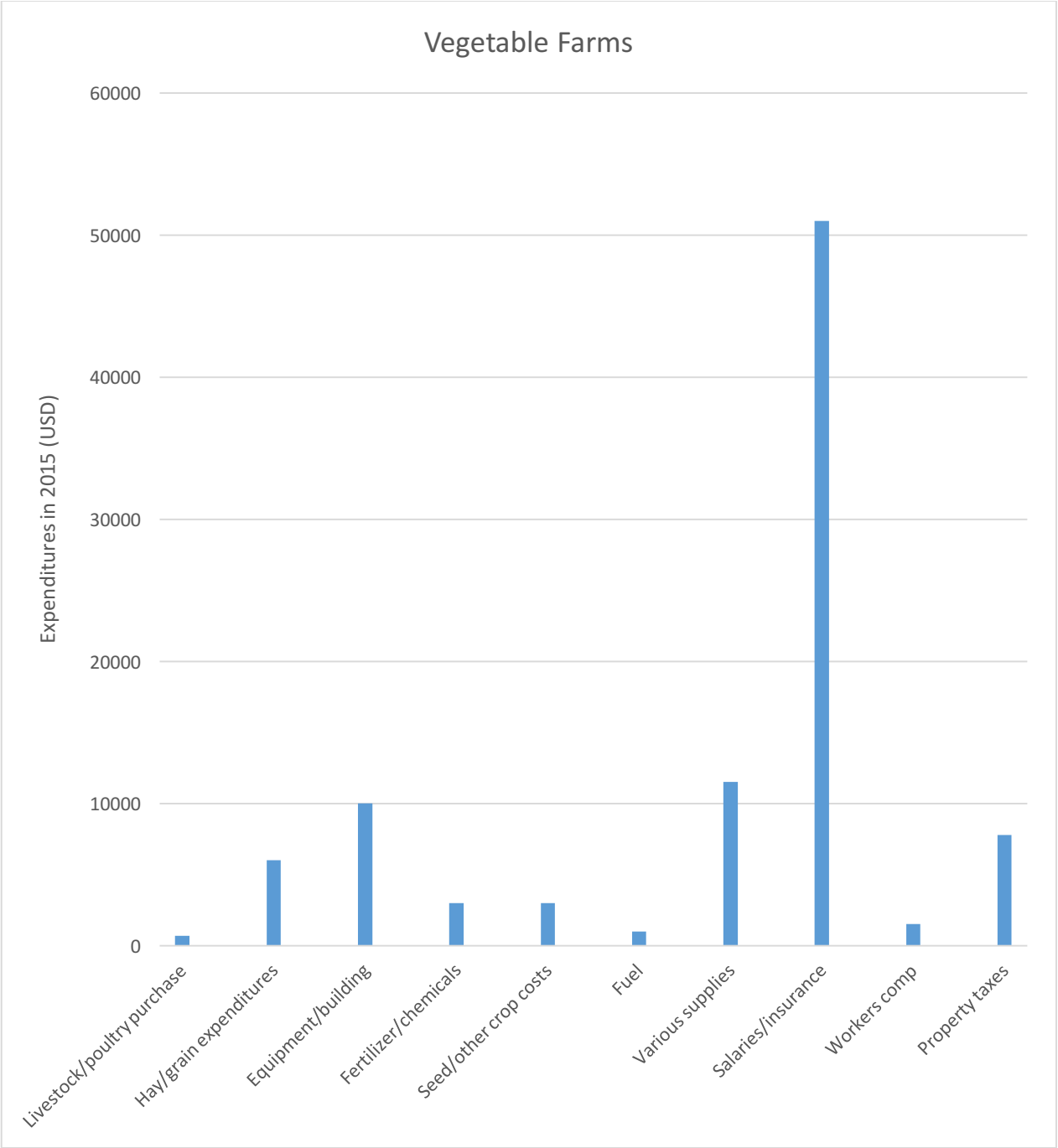


Figure 6. Average yearly expenditures for vegetable farms.

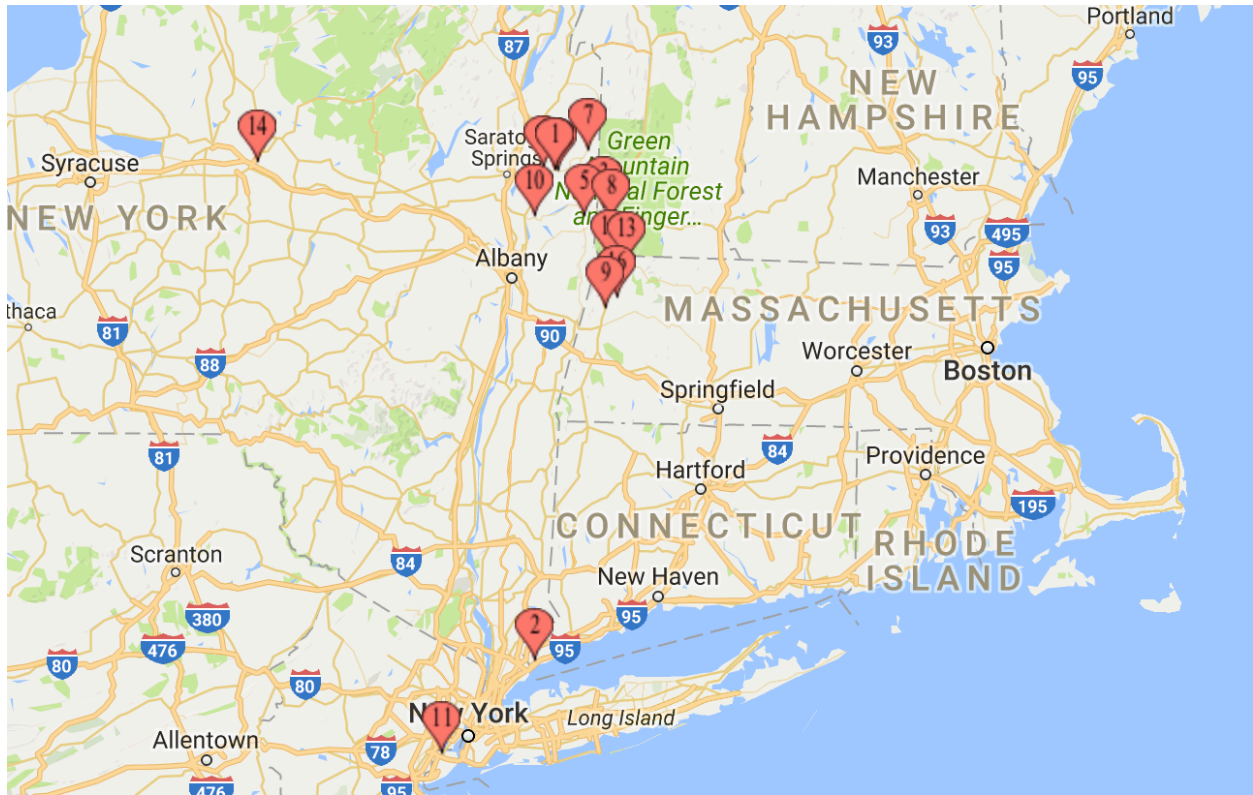


Figure 7. Distribution of product sources.

Figures 1-6 show the average yearly costs that various types of farms must cover. The biggest expenses vary between groups. Salaries consistently take up a large part of the budget for a farm, as well as feed for any farm that raises livestock. In general, the costs associated with operating a large dairy farm are much higher than those associated with the operation of a vegetable farm, and the associated income is also higher.

Figure 7 shows the distribution of various resources. We found that farmers put money into the economy in the places marked with the regular purchase of a product needed for the farm. We found that the majority of farms spend money in a concentrated area around and North of Williamstown.

Conclusion

It is clear from our data that farms have a positive impact on the local economy. Our farms spend over \$527,000 yearly on hay and grain purchases alone, mostly from businesses in Lanesborough, Bennington VT, and Western New York. They employ dozens of workers, and sell many pounds of products to local restaurants, grocery stores, farmers' markets, and suppliers.

We also found that the farmers of Williamstown operate on dangerously narrow fiscal margins. When asked their opinion on the overall financial situation of their farms, most owners responded with "barely stable" or "struggling." The farms often operate at a loss, and any extra money acts as a buffer against emergency repairs or other disasters. And the prices that farmers can get for their products is volatile and unpredictable. One farmer explained that the prices "go up and down in cycles," but that there hasn't been a big increase in prices for 8-10 years. Most owners said that although the farm broke even for the most part, any combination of low yields, low prices, or a loss of equipment can put a farm in serious debt. Other farmers explained that a lack of understanding of needs by insurance companies leads to high-cost policies, and government policies on payments and grants to farms are lacking. Resources like renewable energy, although beneficial in the long run, are often too big of an investment for farms operating on such small margins.

What can the Williamstown community do to help farms? Many of the farmers we interviewed agreed that there needs to be a renewed interest in sustainable food, backed by a willingness to spend more money for local food. Prices are driven down by the supply of food coming into stores from massive farms in other parts of the country, and at this point

convenience and price are more important to consumers than sustainability. One important step towards a shift in attitudes toward what we eat and where it comes from would be an initiative by local institutions such as Williams College to source more food locally.

The majority of farmers we interviewed have come to view their business as “unsustainable” in the past 5-10 years. However, there is some basis for optimism for the future of farming in Williamstown. Some young people show interest in becoming farmers, and through Land Link programs they can carry on the work of retiring farmers on preserved plots of land. There’s no doubt that it takes a lot of hard work and smart business relationships to be a successful farmer in our area, and even that is not enough most of the time. Our survey shows that farms have a positive impact on our economy, and if we want our farms to stick around we have to shift our attitude towards food to favor local, sustainable food over cheap supermarket food.