

From: Justin Oldfield [<mailto:justin@calcattlemen.org>]

Sent: Wednesday, April 26, 2017 15:16

To: Patteson, Doug@Waterboards

Subject: RE: Economic Numbers

Cattle and calves represent the fourth largest agricultural commodity in California with a gross annual income of \$3.4 billion. Four of the five leading counties in California responsible for the largest production of cattle and calves are located in the Central Valley and include Tulare, Fresno, Merced and Kern Counties. 3.5 million beef and dairy cattle are raised in the Central Valley.

Beef feedlots in California market roughly 500,000 head of cattle annually with at least 1/3 of that total marketed by feedlots in the Central Valley. Feedlots in the Central Valley support the two largest beef packing plants left in California, both of which exist in Fresno County, that together provide thousands of good paying jobs.

California ranchers depend on beef feedlots in the Central Valley to purchase their cattle to finish and harvest. The loss of beef feedlots in the Central Valley would have a rippling affect across the industry and result in lower prices for ranchers all throughout California because cattle would need to be shipped to buyers in the Midwest. Feedlots also directly employ hundreds of employees in the Central Valley working to raise cattle and mill feed along with providing thousands of indirect jobs that include but are not limited to truck drivers, farmers and farm workers that grow feed for livestock and employees at beef packing plants that depend on a local supply of beef cattle ready for harvest.

Calf ranches in California raise male dairy calves specifically to be marketed to feedlots as beef cattle and depend on a sustainable supply of male dairy calves from local dairies in the Central Valley. There are numerous calf ranches in the Central Valley that together raise 300,000 - 400,000 beef calves. Based on standard industry practices of the number of calves assigned to each employee, Central Valley calf ranches employ approximately 1,600 people. These jobs are typically well paid to promote retention and keep employees that have experience working with livestock. An industry survey suggests that calf ranch employees make far more than the current minimum wage of \$10.50 per hour. Average wages already exceed \$14.00 per hour.

Justin Oldfield

Vice President, Government Affairs

California Cattlemen's Association