



## **The Economic Impact of California's Pistachio Growers and Processors**

The following are highlights of an economic impact study of California pistachio growers and processors in the State commissioned by American Pistachio Growers (APG) in 2021. The study was conducted using a combination of average operating statistics and data from the 2020 season. Impact results are based on calculations from the IMPLAN software. The analysis was performed by Dr. Dennis H. Tootelian, Principle of The Tootelian Company and Emeritus Professor of Marketing, California State University, Sacramento.

### **Contributions to Local Economy – More than \$2.8 Billion Spent Locally**

Because California pistachio growers and processors spend money for employee wages and benefits and purchase a wide array of goods and services needed for operations, they return a substantial portion of the revenues they generate back into the State in terms of economic impact. Based on this study, California pistachio growers and processors:

- Spent more than \$2.8 billion within the State, averaging more than \$7.7 million per day.
- Generated more than \$5.2 billion in business activity within California, averaging nearly \$14.4 million every day. Much of this (46.3%) is additional business across many economic sectors of the State. Industries gaining from this increase in business activity included farming (\$3.1 billion), real estate/construction/finance/insurance (\$645.6 million), professional services (\$285.1 million), wholesaling (\$228.1 million), and retailing (\$220.1 million).

### **Generation of Jobs – More than 47,200 Jobs Provided**

The business activities of California's pistachio growers and processors create jobs in many economic sectors, not just agriculture. This results in increased income for households to spend which benefit nearly all industries within the State. California's pistachio growers and processors:

- Created more than 47,200 jobs on an annual full-time equivalent basis, of which nearly 9,050 were in non-agricultural economic sectors of California's economy.
- Created nearly \$2.5 billion in labor income so households had more money to spend in their local communities for such products/services as housing (\$847.6 million), transportation (\$405.4 million), food (\$321.5 million), health services (\$183.8 million), and entertainment (\$122.7 million). Additional household expenditures average more than \$3.1 million per day.

### **Creation of Indirect Business Taxes – Nearly \$191.9 Million Generated**

The business activities of California's pistachio growers and processors generate new jobs and additional purchases of goods and services across the State's economic sectors. This results in additional indirect business taxes (excluding income taxes). Growers and processors:

- Created nearly \$191.9 million in indirect business taxes, or nearly \$525,750 per day.
- Over most of these taxes (74.4%) were generated by non-agricultural sectors. The industries generating the most indirect business taxes were farming (\$55.5 million), wholesaling (\$51.4 million), real estate/construction/finance/insurance (\$33.9 million), retailing (\$26.4 million), and accommodations/food services (\$7.4 million). Organizations in California benefited from the increased business activities and thereby paid more indirect business taxes.