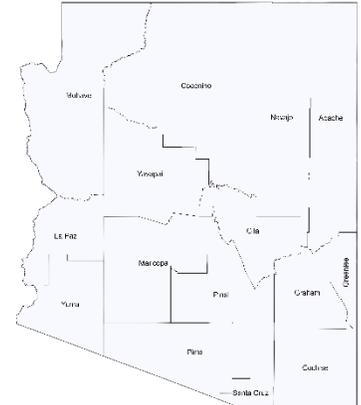


Statewide Summary

Overview

Arizona is a largely urban state, with roughly 90% of the state’s population in urban areas. It includes the country’s 10th largest metro area, the Phoenix-Mesa-Chandler metropolitan statistical area (MSA), with 4.9 million residents.

Major industries include mining, high-tech manufacturing, business services, and tourism. Agriculture accounts for less than 1% of private employment in the state and less than 1% of state GDP. Nonetheless, approximately 36% of Arizona’s land area is used for agricultural purposes, either crop or livestock production. Agriculture in Arizona is diverse, characterized by highly productive irrigated crop production in the central, western, and southern parts of the state, and by livestock grazing over expansive rangelands in the northern and eastern parts of the state. Arizona is known as a leading state in the production of winter vegetables, particularly in the Yuma area. Much of the state’s livestock and animal product production by value occurs in large dairies in central Arizona that serve the state’s main population centers.



Map of Arizona Counties

The types of crops and livestock produced, the amount of water used for agricultural purposes, and the role of agriculture in county economies varies significantly across the state. *This collection of county profiles presents agricultural production, water use, and regional economic data in a standardized, integrated, and easy-to-read format to provide context on the role of agriculture within state and county economies, as well as its role as a manager of land and natural resources.*

Industry	Location Quotient
Copper, nickel, lead, and zinc mining	30.22
Other urban transit systems	10.14
Satellite telecommunications	9.24
Nonferrous metal (except aluminum) smelting and refining	6.49
Other activities related to credit intermediation	5.62
Semiconductor and related device manufacturing	5.32
Professional employer organizations	5.21
Bus and other motor vehicle transit systems	4.21
Support activities for nonmetallic minerals (except fuels) mining	3.70
Small arms, ordnance, and ordnance accessories manufacturing	3.61

Top 20 Private Industries in AZ by Employment LQ, 2022

Indicator	Arizona
Land Area (square miles)	113,591
Land in Farms (Crops, Grazing) (square miles)	39,883
Population (2022)	7,359,197
Annual Average Population Growth Rate (2010-22)	1.2%
Percent of Population Over 65 (2022)	18.8%
Percent Population Rural (2022)	10.7%
Total Employment (2022)	3,075,427
Share Federal, State, & Local Government Employment (2022)	13.5%
GDP (2022)	\$475.7 billion
Ag, Forestry, & Hunting GDP (2022) (on-farm only)	\$2.6 billion

An economy can be characterized by the industries that make up its “base”. A common way to measure this is with location quotients (LQs), the ratio of a particular industry’s share of employment within a region to the same industry’s share of national employment. An industry with a LQ greater than 1.25 is considered part of the economic base, exporting goods and services and bringing money into the region. LQs also help identify a region’s areas of specialization. Higher LQs indicate greater specialization. At the state level, agriculture does not rank within the top 10 most concentrated industries, however, at a regional level, Arizona has a high concentration of many agricultural industries, detailed in individual county profiles.

Statewide Summary

Every 5 years, U.S. Department of Agriculture releases the Census of Agriculture, the most comprehensive source of information on agricultural production by county. The Census provides information on the number of farms, types of crops and livestock produced, and farm characteristics, among other information. A farm is defined as any establishment that produced and sold, or could have sold, \$1,000 or more of agricultural products in the Census year. The following information comes from the most recent 2022 Census of Agriculture.

Farms

There were 16,710 farms in Arizona as of 2022, covering 1,221,799 acres of cropland (99% of harvested cropland irrigated) and 21,945,765 acres of pastureland (<1% irrigated). The average farm size was 1,528 acres, and the top 5% of farms account for 94% of state acreage. Farms are distributed across the state unevenly with a large number of farms in the northeastern portion of the state. Areas of central and southwestern Arizona have a smaller number of farms, but account for a larger share of agricultural sales. More than half of total farms in Arizona (10,742 farms) had sales of less than \$2,500 and 83% are family- or individually-held farms. Farms are classified by the type of agricultural products they produce. When a farm or ranch produces more than one agricultural product, they are classified by the product that constitutes more than 50% of their sales. The most common type of operation in Arizona is sheep and goat farming (4,918 farms), followed by beef cattle ranching and farming (4,561 farms) and aquaculture and other animal production (3,080 farms). While the number of farms is helpful in understanding how many farms “specialize” in different types of agricultural production, it does not reflect the magnitude or scale of production by commodity, which is better captured by sales or cash receipts.

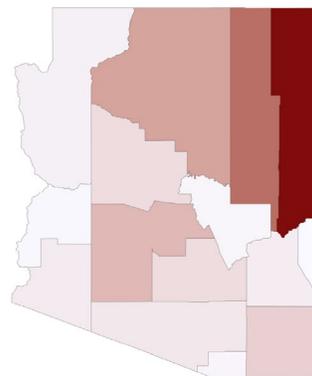
Arizona Farms by Industry

Category	Farms
Total farms	16,710
Oilseed and grain farming	278
Vegetable and melon farming	886
Fruit and tree nut farming	826
Greenhouse, nursery, and floriculture production	230
Other crop farming	1,455
Cotton farming	106
Hay and all other crop farming	1,349
Beef cattle ranching and farming	4,561
Cattle feedlots	20
Dairy cattle and milk production	68
Hog and pig farming	83
Poultry and egg production	305
Sheep and goat farming	4,918
Aquaculture and other animal production	3,080

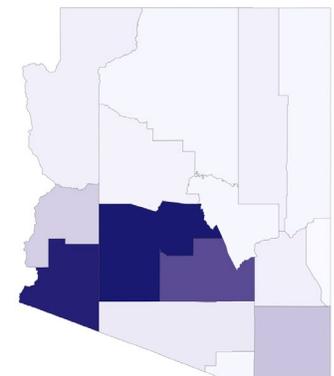
Arizona Farms by Annual Sales, 2022



Farms by County, 2022

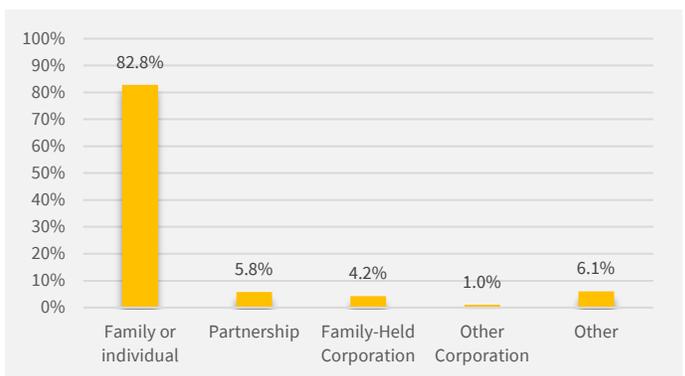


Ag Sales by County, 2022



Source: USDA

Arizona Farms by Legal Organization, 2022



Source: USDA

Statewide Summary

Production & Marketing

Arizona's agricultural production is neither crop- or livestock-dominant, but rather value of production of crops and livestock track together, with year-to-year fluctuations in value of sales. Important agricultural products for the state in terms of value of sales include *vegetables, melons, potatoes, and sweet potatoes* (\$1.4 billion), *milk from cows* (\$856 million), *cattle and calves* (\$1.17 billion), cattle and calves (\$727 million) and *other crops and hay* (\$707 million).

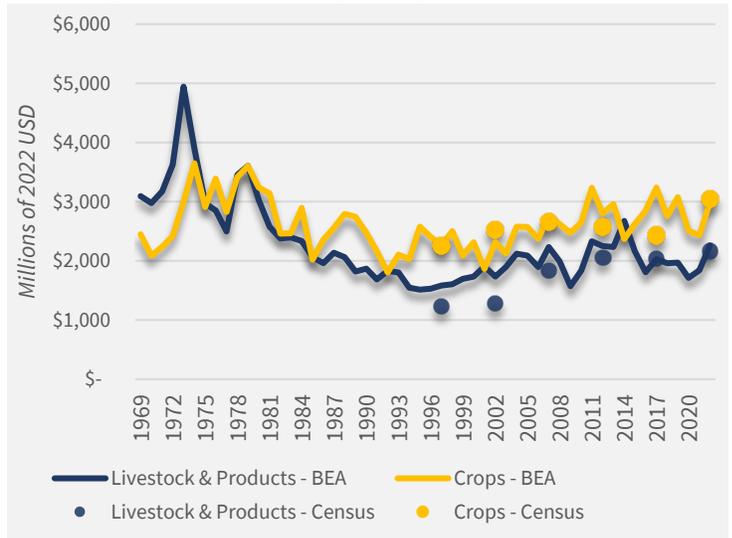
The total market value of agricultural products sold in 2022 accounts for \$5.2 billion, and the total number of farms is 16,710; a 12% reduction in the number of farm operations when compared to 2017.

Agriculture in State Economies

Nationally, on-farm agriculture accounts for less than 1% of Gross Domestic Product (GDP). This is also the case in Arizona (0.4%). In California, the country's largest agricultural producer, agriculture represents 0.8% of state GDP (gross state product or GSP). Meanwhile, in some Midwestern states agriculture accounts for upwards of 7% of state GDP. In terms of water use nationally, irrigation accounts for 37% of total water use, though in western states the share is much higher as most agriculture is irrigated. For example, in Arizona 77% of water use is for irrigation (crops and golf), livestock, and aquaculture. A common trend among states, particularly in the West, is agriculture representing a relatively small share of state GDP while constituting a large share of water use. Food, feed, and fiber production are, by nature, water-intensive.

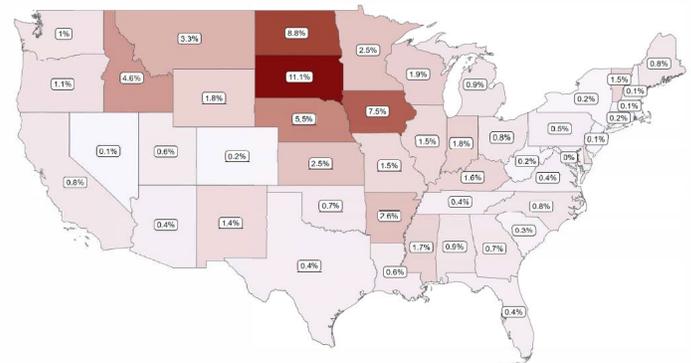
Nationally, Arizona ranks highly in the production of a number of agricultural commodities. For 2022, this includes value of production of broccoli (2nd), cabbage (4th), cantaloupes (2nd), cauliflower (2nd), hay (6th), long-staple cotton (3rd), lemons (2nd), lettuce (2nd), pecans (3th), spinach (2nd), and watermelon (7th) (USDA ERS). For total value of vegetables and melons sold, Arizona ranked fifth, after California, Florida, Washington, and Idaho. So while agriculture overall may not comprise a large share of the state's economy as measured by state GDP, Arizona plays an important role nationally and internationally in the production of specific commodities.

Arizona Agricultural Cash Receipts, Crops & Livestock, 1969 to 2022



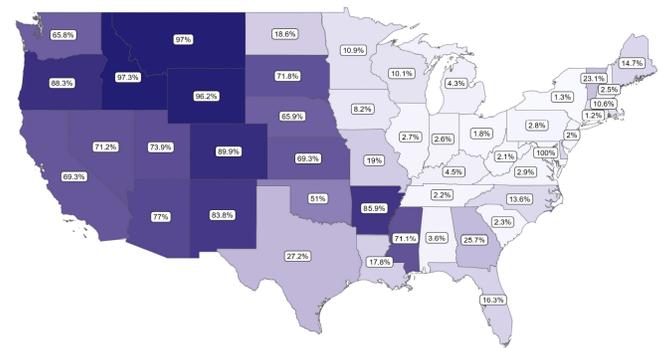
Source: USDA & BEA

Agriculture's Share of Gross State Product (GSP), 2022



Source: BEA

Agriculture's Share of State Water Withdrawals, 2015



Source: USGS

Statewide Summary

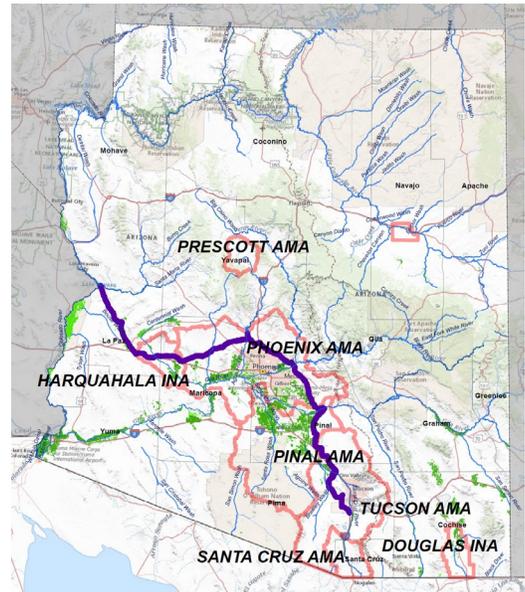
Irrigation Water Use

Major sources of surface water in Arizona include the Colorado River, the Central Arizona Project which delivers Colorado River water to central and southern Arizona, and the Salt and Gila Rivers. In Arizona, irrigated agriculture accounts for about 75% of the state's water use (77% including golf course irrigation). More than half of withdrawals for agricultural uses in the state are from surface water. In some areas of the state with high demand, groundwater withdrawals for irrigated agriculture are limited by the 1980 Groundwater Management Act. This legislation established five Active Management Areas (AMA) as well as other Irrigation Non-Expansion Areas (INA) where groundwater pumping and expansion of irrigated agriculture are limited. These include the Phoenix AMA, Prescott AMA, Pinal AMA, Santa Cruz AMA, and Tucson AMA. Within AMAs, water use for agriculture has decreased from roughly 65% of total demand in 1985 to 45% of demand in 2021. Overall, AMA water demand for agriculture has fallen from over 2.2 million acre-feet in 1985 to 1.8 million acre-feet in 2021.

For more information on water in Arizona, please visit the University of Arizona Water Resource Research Center county water factsheets by clicking [here](#) or scanning the QR code →



Arizona Water Map



The Central Arizona Project (CAP) is depicted in purple on the map to the left. It delivers Colorado River water to the state's largest population centers in central and southern Arizona. Those same population centers account for most of the state's AMAs (outlined in red), and a large share of the state's irrigated agriculture (areas in green). Irrigated agriculture along the Colorado River mainstem represents another large share of the state's agricultural production.

About Us

Extension Regional Economic Analysis Program

The Extension Regional Economic Analysis Program (EREAP) conducts applied research and economic analysis addressing economic development issues around Arizona. We work serving the needs of Cooperative Extension and its stakeholders, such as Arizona agricultural and agribusiness industries, natural resource users and organizations, and regional economic groups, to provide specialized analysis and targeted information. For more information or to contact us, please click [here](#) or scan the QR code to visit our site →

