

Arizona County Agricultural Economy Profiles University of Arizona Cooperative Extension

Overview

La Paz County, located in western Arizona on the Colorado River, is bordered to the north by Mohave County and to the south by Yuma County. Population centers include Quartzite and Parker. La Paz County was established in 1983 when it separated from Yuma County. As of 2022 the population was just over 16,500, with more than 41% of the county's population residing in rural areas.

Top industries in La Paz County include government, tourism, and agriculture. Agricultural production is concentrated along the Colorado River within the Colorado River Indian Reservation, as well as in the east-central portion of the county near the towns of Vicksburg, Salome, and Wenden. Approximately 8% of county land is in farms. Agriculture plays an important role in La Paz County. On-farm agriculture accounts for roughly 3% of La Paz County's GDP and 11.7% of all private industry jobs, significantly higher than the national and state averages. La Paz County accounts for 5% of Arizona's total agricultural cash receipts.



Map of La Paz County, Arizona

Indicator	La Paz County	Arizona
Land Area (square miles)	4,500	113,591
Land in Farms (Crops, Grazing) (square miles) (2022)	368	39,883
Population (2022)	16,506	7,359,197
Annual Average Population Growth Rate (2010-22)	-1.6%	1.2%
Percent of Population Over 65 (2022)	41.7%	18.8%
Percent Population Rural (2020)	43.4%	10.7%
Total Employment (2022)	5,987	3,075,427
Share Federal, State, & Local Government Employment (2022)	32.6%	13.5%
GDP (2022)	\$824.7 million	\$475.7 billion
Ag, Forestry, & Hunting GDP (on-farm only) (2022)	\$25.2 million	\$2.6 billion

Industry	Location Quotient
RV (recreational vehicle) parks and campgrounds	79.78
Crop harvesting, primarily by machine	43.22
Lessors of other real estate property	20.08
Gasoline stations with convenience stores	6.27
Farm labor contractors and crew leaders	5.42
Water supply and irrigation systems	5.18
Farm supplies merchant wholesalers	3.61
Offices of real estate agents and brokers	2.07
Full-service restaurants	0.86
Office of lawyers	0.12

Top 10 Private Industries in La Paz County by Employment LQ, 2022

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. Of the 10 most concentrated industries in La Paz County, agriculture accounts for 4, including crop harvesting (with employment 43.22 times more concentrated than the national average), farm labor contractors and crew leaders (5.42), water supply and irrigation systems (5.18), and farm supplies merchant wholesalers (3.61). Hay farming is highly concentrated, but 2022 data are not disclosed for the county.





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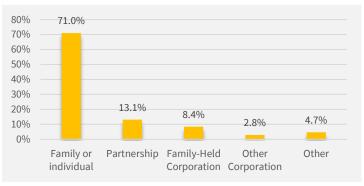
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Every 5 years, U.S. Department of Agriculture releases the Census of Agriculture, the most comprehensive source of information on agricultural production by county. The Census provides information on the number of farms, types of crops and livestock 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

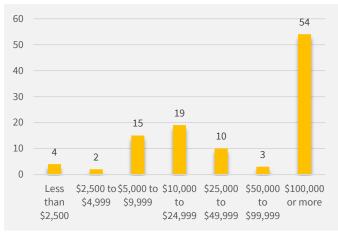
There were 107 farms in La Paz County in 2022, covering 99,798 acres of cropland (100% of harvested acreage irrigated) and 135,868 acres of pastureland (<1% irrigated). The average farm size was 2,202 acres, significantly larger than the state average of 1,528 acres, with the top 16% of farms accounting for 86% of county acreage. Of 107 farms, 54 had more than \$100,000 in sales, and only 4 farms had less than \$2,500 in sales. This distribution is very different from most other Arizona counties, where there are a large number of small farms and a small number of large farms. Most county farms are family- or individually-held farms (71%), 13% are partnerships, 8% are family-held corporations, and 3% are non-family-held corporations. 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 La Paz County is sugarcane farming, hay farming, and all other crop farming (82 farms). While the number of farms is helpful in understanding how many farms "specialize" in different types of agricultural production, it does not necessarily reflect the magnitude or scale of production by commodity, which is better captured by sales or cash receipts (next page).

La Paz County Farms by Legal Organization, 2022



Source: USDA

La Paz County Farms by Annual Sales, 2022



Source: USDA

La Paz County Farms by Industry, 2022

Category	Farms
Total farms	107
Oilseed and grain farming	0
Vegetable and melon farming	0
Fruit and tree nut farming	0
Greenhouse, nursery, and floriculture production	0
Other crop farming	84
Cotton farming	2
Sugarcane farming, hay farming, and all other crop farming	82
Beef cattle ranching and farming	4
Cattle feedlots	0
Dairy cattle and milk production	1
Hog and pig farming	0
Poultry and egg production	1
Sheep and goat farming	3
Aquaculture and other animal production	14

Source: USDA





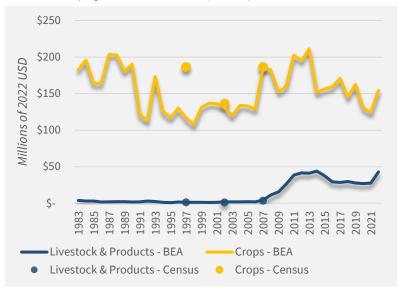


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Production & Marketing

La Paz County is a crop-dominant county, with an estimated 78% of county cash receipts originating from sales of crops. La Paz County is Arizona's youngest county, having separated from Yuma County in 1983. Its agricultural statistics therefore are available back to that year. La Paz County is a significant producer of alfalfa hay. In 2022, it had \$127 million in sales of other crops and hay, including alfalfa, nearly half of the county's agricultural sales, with roughly 68,000 acres of production. Though sales values are not disclosed, the county had over 5,300 acres of cotton in 2022, and nearly 6,000 acres of wheat, most of which was durum wheat.

La Paz County Agricultural Cash Receipts, Crops & Livestock, 1983-2022



Source: USDA & BEA

Recent Developments in Alfalfa Farming

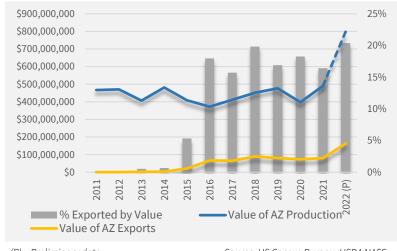
La Paz County ranked 4th nationally among U.S. counties in tons of alfalfa hay produced in 2022 and 6th nationally in terms of total tons of hay produced. Alfalfa production in La Paz County is highly productive, with an average yield of 7.5 tons per acre in 2022. The county has emerged at the center of a debate around the use of groundwater supplies to irrigate water-intensive crops that go on to be exported to foreign markets.

While most agricultural water use in the county is surface water, some areas of the county with agricultural production are groundwater-dependent.

Statewide, the share of hay production that is exported to foreign markets has increased significantly since 2014. As of 2022, roughly 20% of the value of Arizona's alfalfa production was generated through alfalfa exports. Primary destinations include Saudia Arabia, China, and the United Arab Emirates.

Part of the increase in exports has occurred through foreign investment by firms producing alfalfa for export. La Paz County had a notable example of this which was at the center of debates on "virtual water exports" occurring through the export of water intensive crops by foreign firms.

Arizona Alfalfa Production Value, Forage Product Exports (HS Code 1214) & Exports as Share of Alfalfa Production, 2011-22(P)



(P) - Preliminary data

Source: US Census Bureau, USDA NASS







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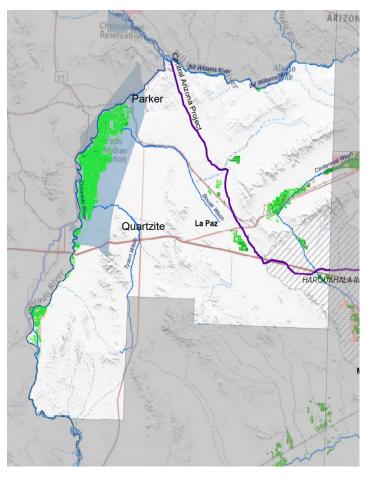
Irrigation Water Use

In Arizona, agriculture accounts for about 75% of the state's water use. 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. Eastern La Paz County contains a portion of the Harquahala INA. The county is bordered to the west by the Colorado River and water use in the county is heavily dominated by surface water, estimated at roughly 87% of county was use in 2015.

For more information on water in La Paz County, please visit the University of Arizona Water Resource Research Center county water factsheets by clicking *here* or scanning the QR code →



La Paz County Water Map



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 \rightarrow



