



COLLEGE OF TROPICAL AGRICULTURE  
AND HUMAN RESOURCES  
UNIVERSITY OF HAWAII AT MĀNOA

# The Livestock Industry and the Impacts of COVID-19

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Livestock Extension Group Virtual Field Day

September 2020



COLLEGE OF TROPICAL AGRICULTURE  
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UNIVERSITY OF HAWAII AT MĀNOA





# Outline

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- Snapshot of livestock in Hawaii pre-COVID-19
- How has the national livestock industry changed with COVID-19?
- How have things changed in Hawaii with COVID-19?
- What's next?





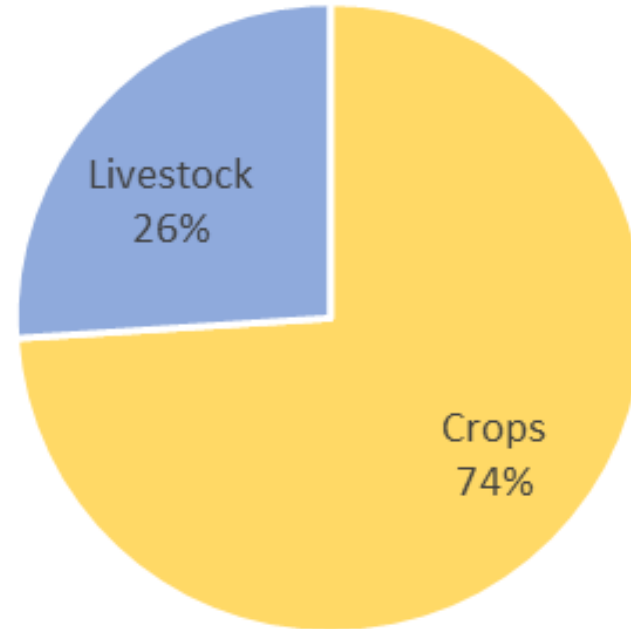
# Snapshot of livestock in Hawaii pre-COVID-19

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Livestock in Hawaii makes up 26% of the market value of agricultural products sold, 2017

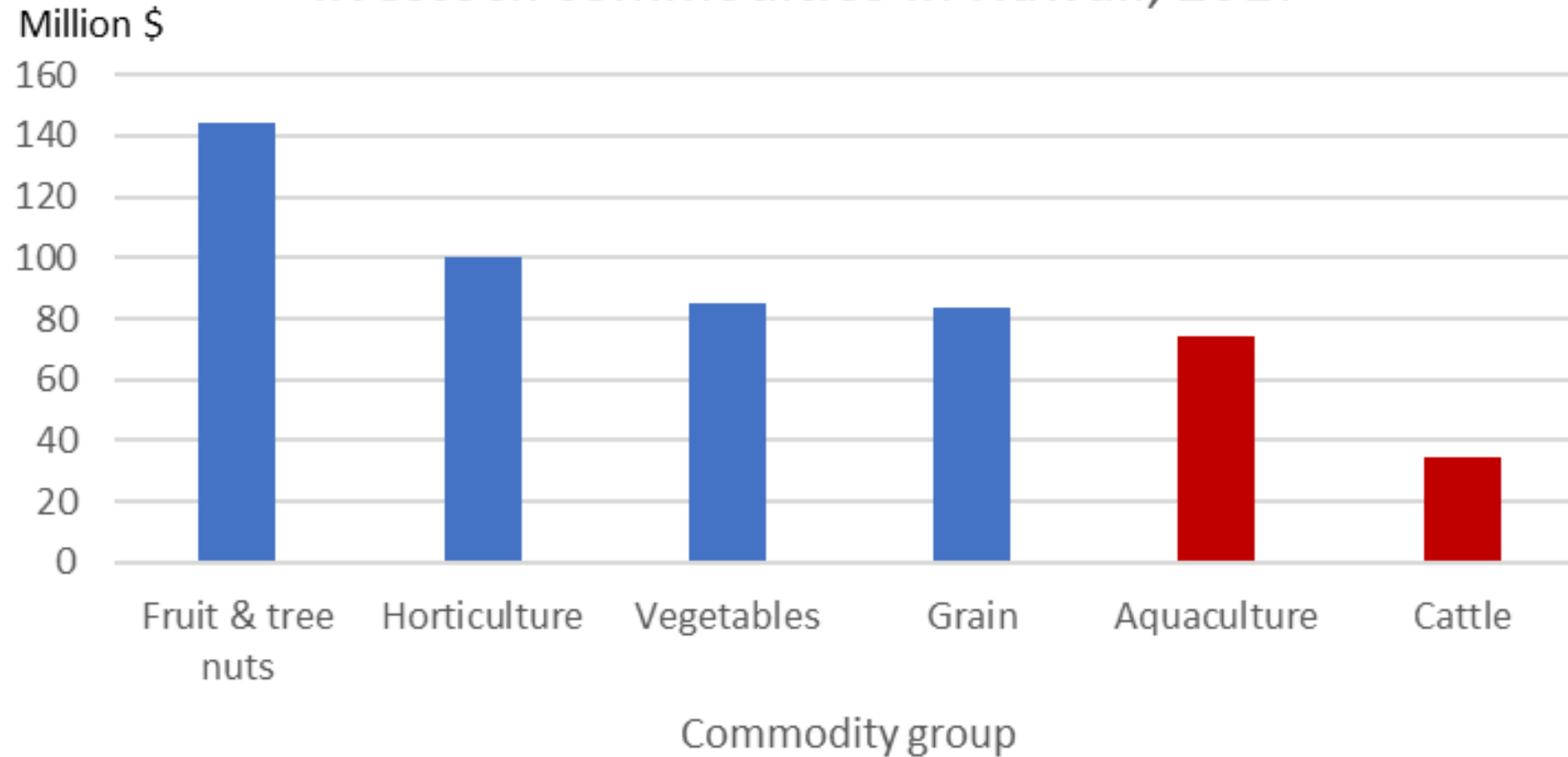


Data source: USDA-NASS, 2020.





## Aquaculture has highest value of sales of livestock commodities in Hawaii, 2017

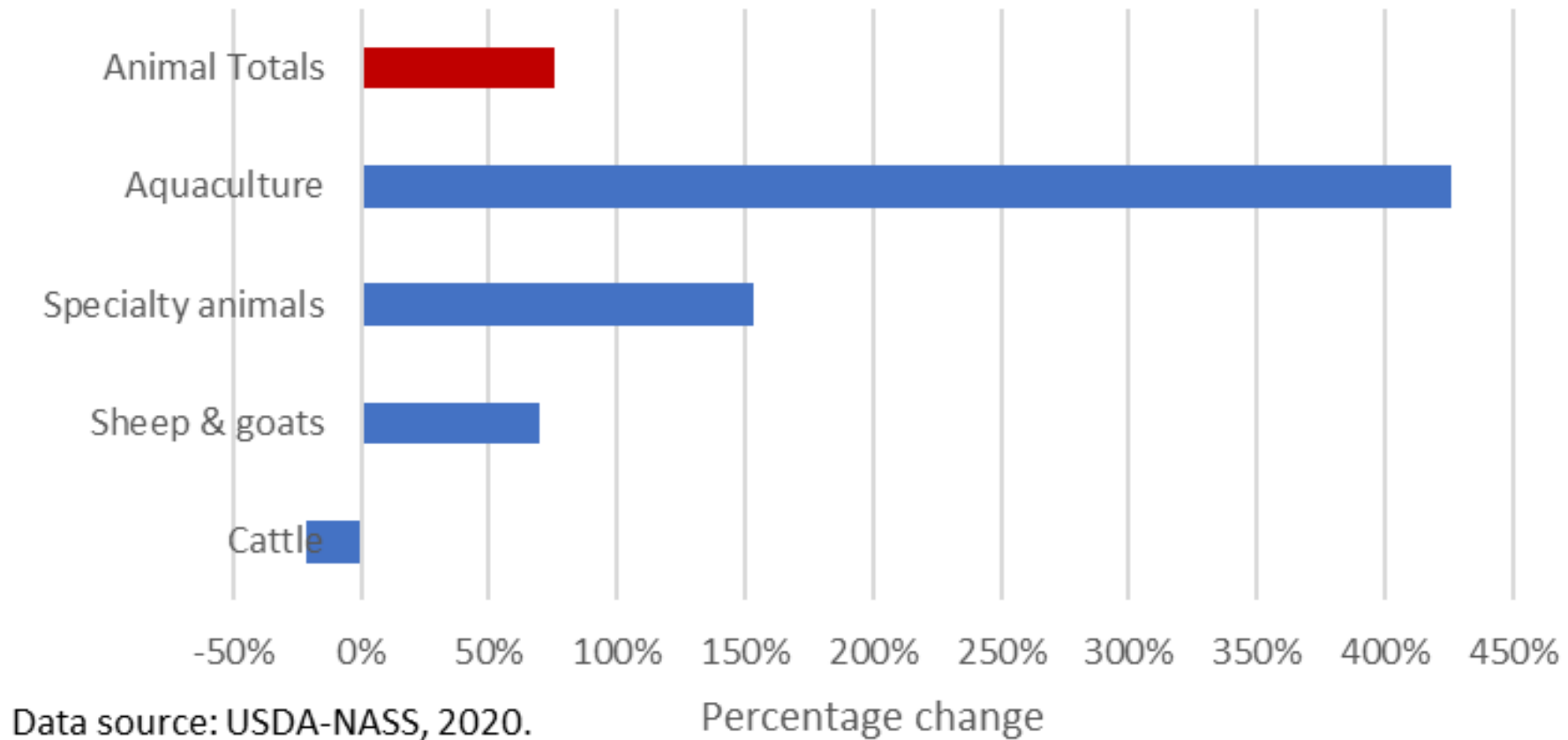


Data source: USDA-NASS, 2020.





## Aquaculture in Hawaii had a fourfold increase in sales between 2007-2017





# How has the national livestock industry changed with COVID-19?

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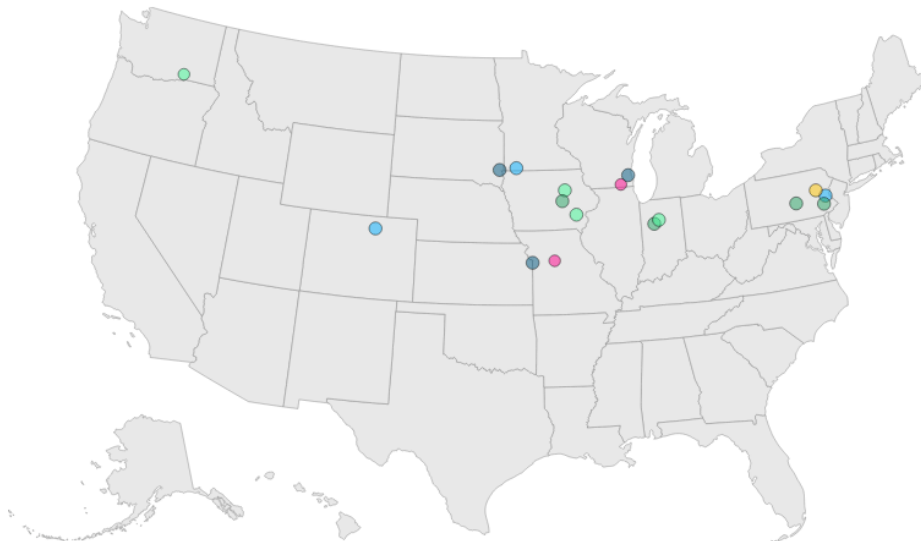


# Meat supply chain estimated to lose \$20B in 2020

## Meat Plant Closures

U.S. processing plants shuttered due to the pandemic

- Cargill
- Conagra
- JBS
- Smithfield Foods
- Tyson Foods
- Other

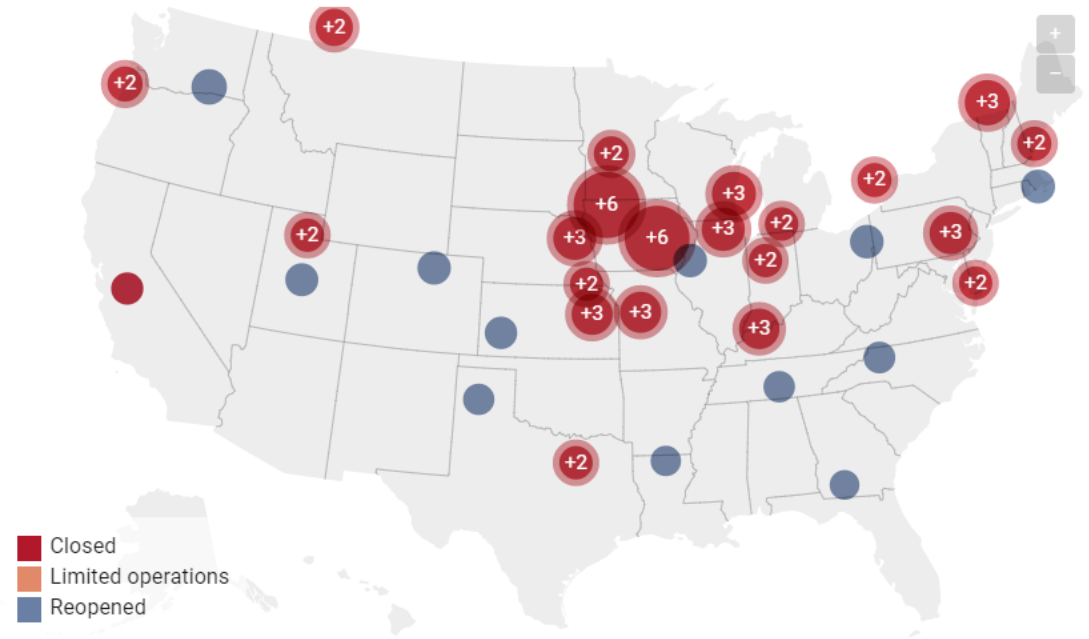


Source: Bloomberg News



## Temporary meat plant closures

Updated August 31



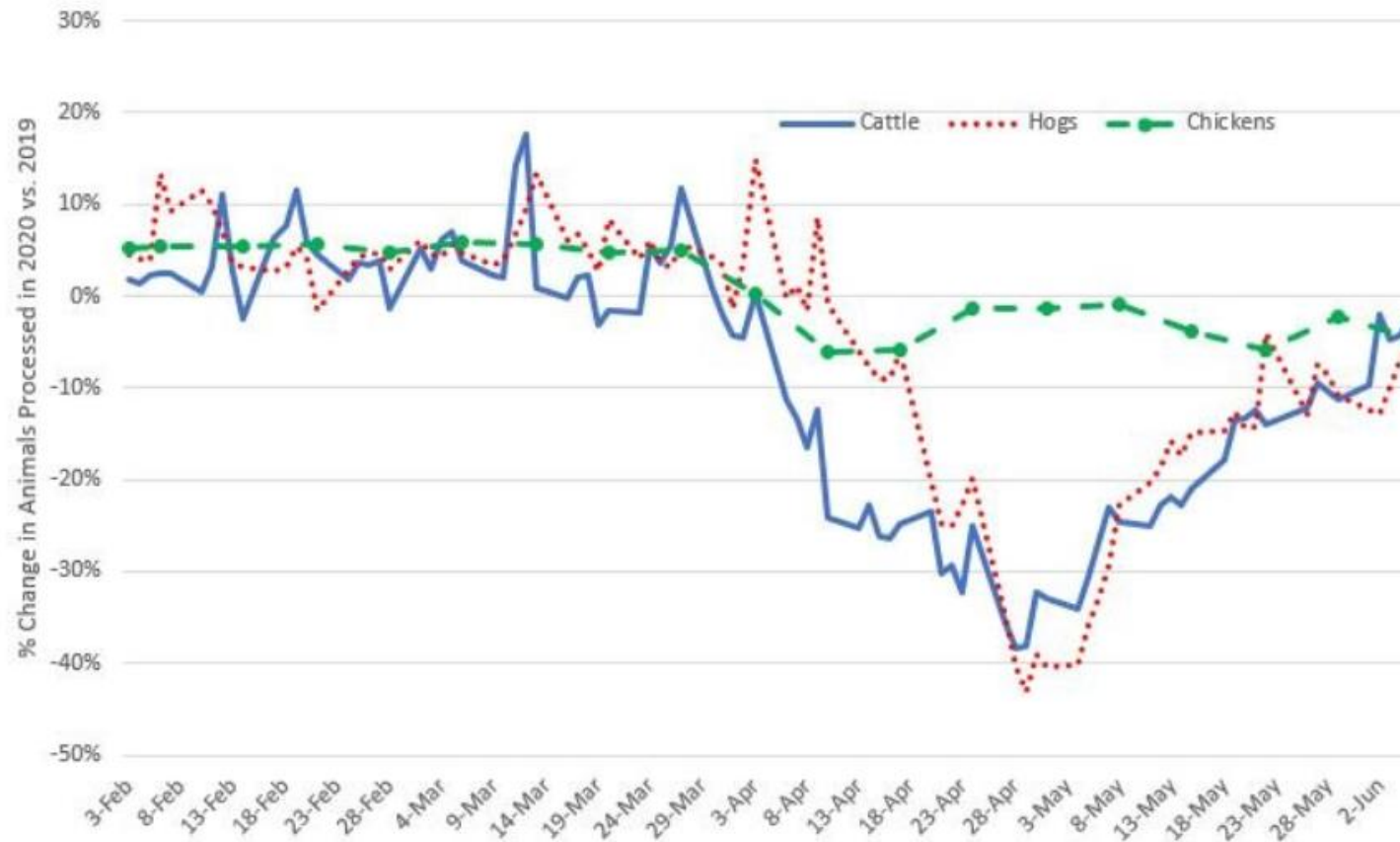
Map: Sam Danley • Created with [Datawrapper](#)





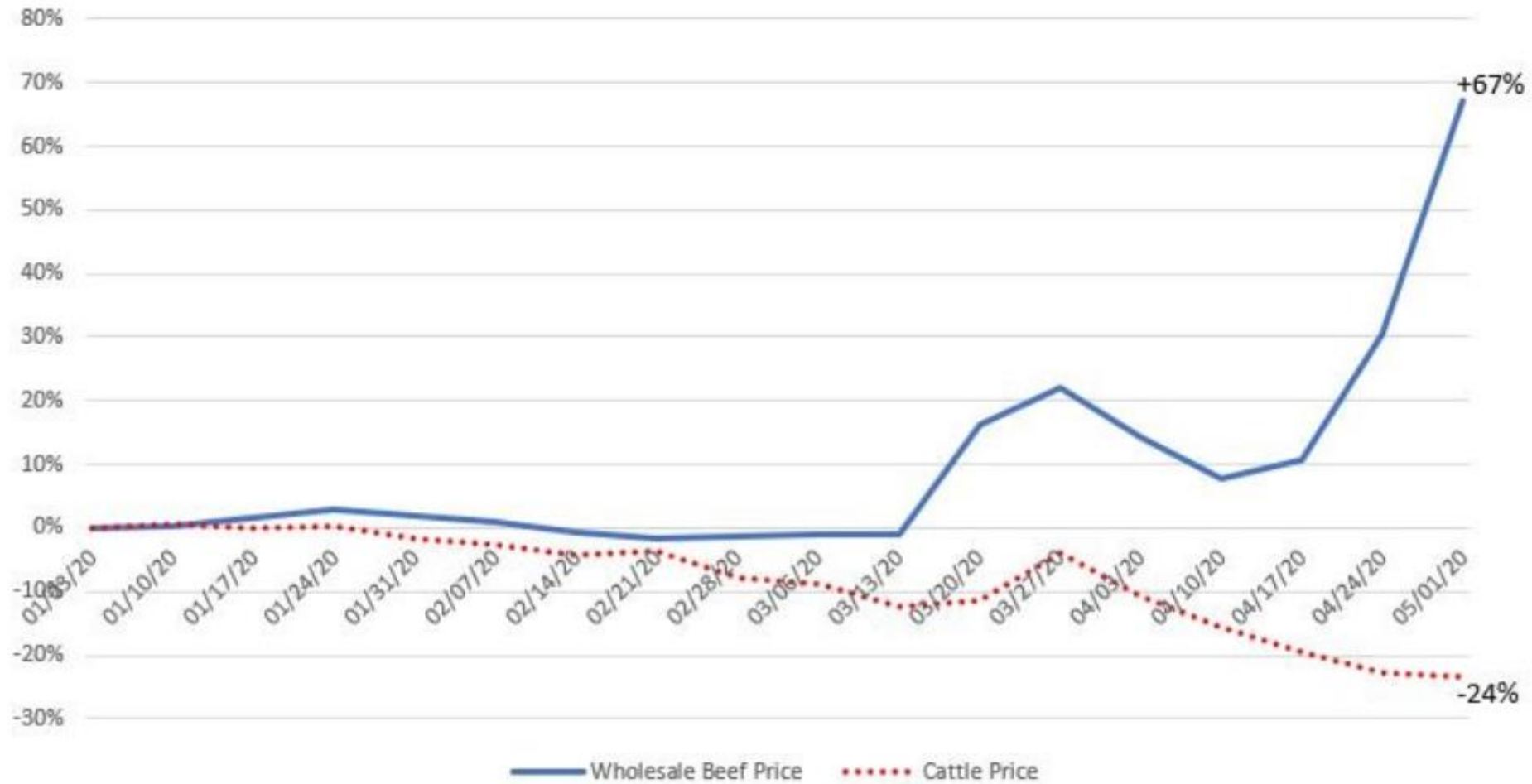


# Percentage change in animals processed



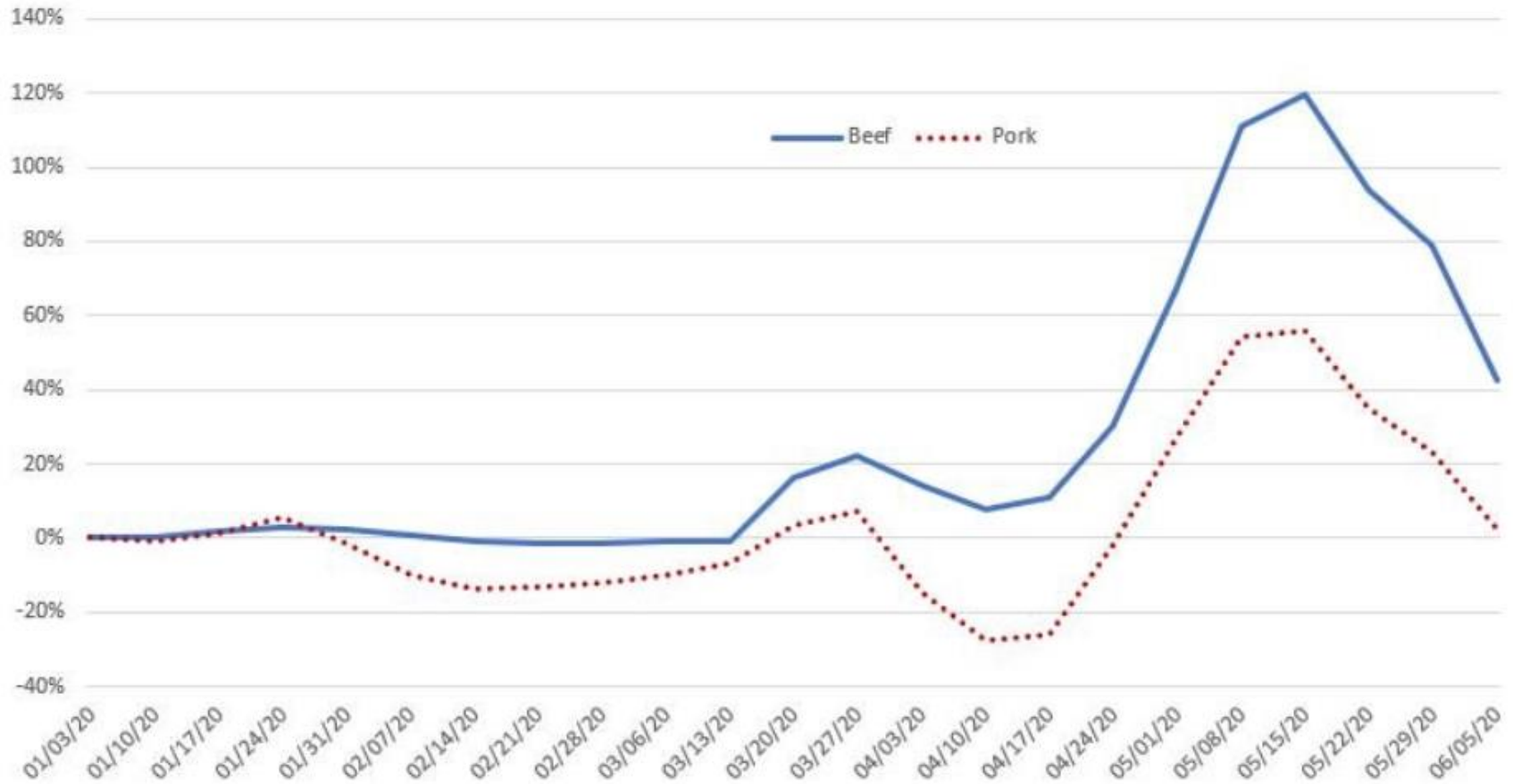


Change in Farm and Wholesale Beef Prices Since 1st of January





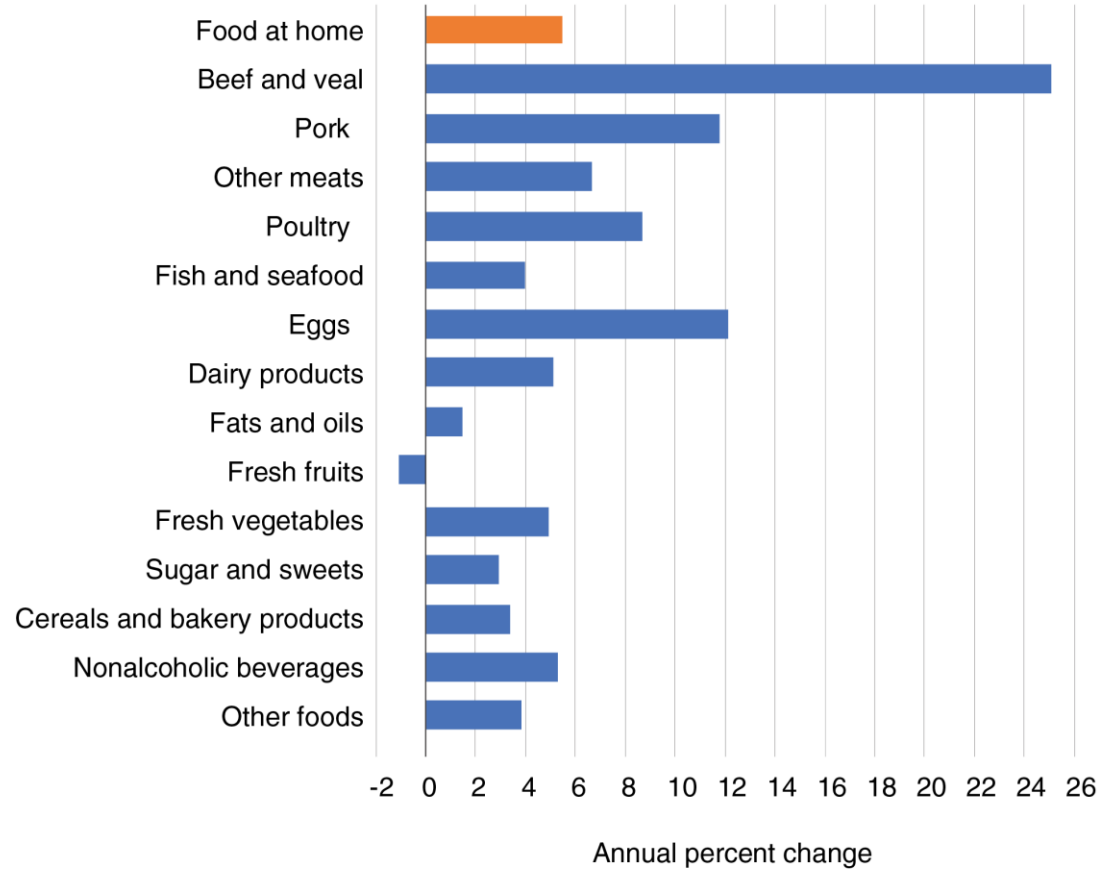
Change in Weekly Wholesale Prices Since January 2020





Retail beef and veal prices in June 2020 were 25.1 percent higher than in June 2019

Price changes for major at-home food categories, June 2019-June 2020



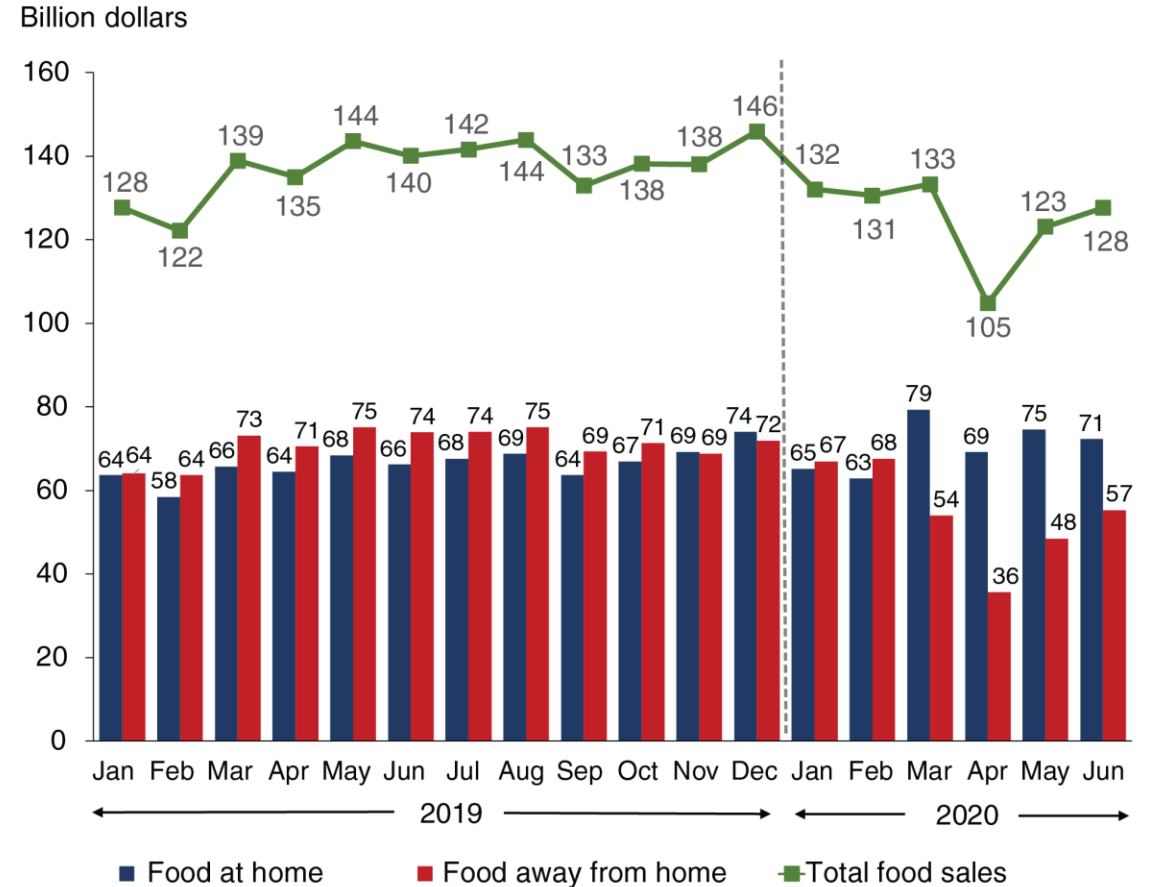
Source: USDA, Economic Research Service using U.S. Bureau of Labor Statistics Consumer Price Index data.





U.S. food spending  
in June 2020 was  
\$12 billion less than  
in June 2019

U.S. total food, food-at-home, and food-away-from-home spending, January 2019-June 2020



Note: These monthly food sales data exclude food which is furnished and donated, home-produced, and served at educational institutions.

Source: USDA, Economic Research Service (ERS) using data from ERS's Food Expenditure Series.

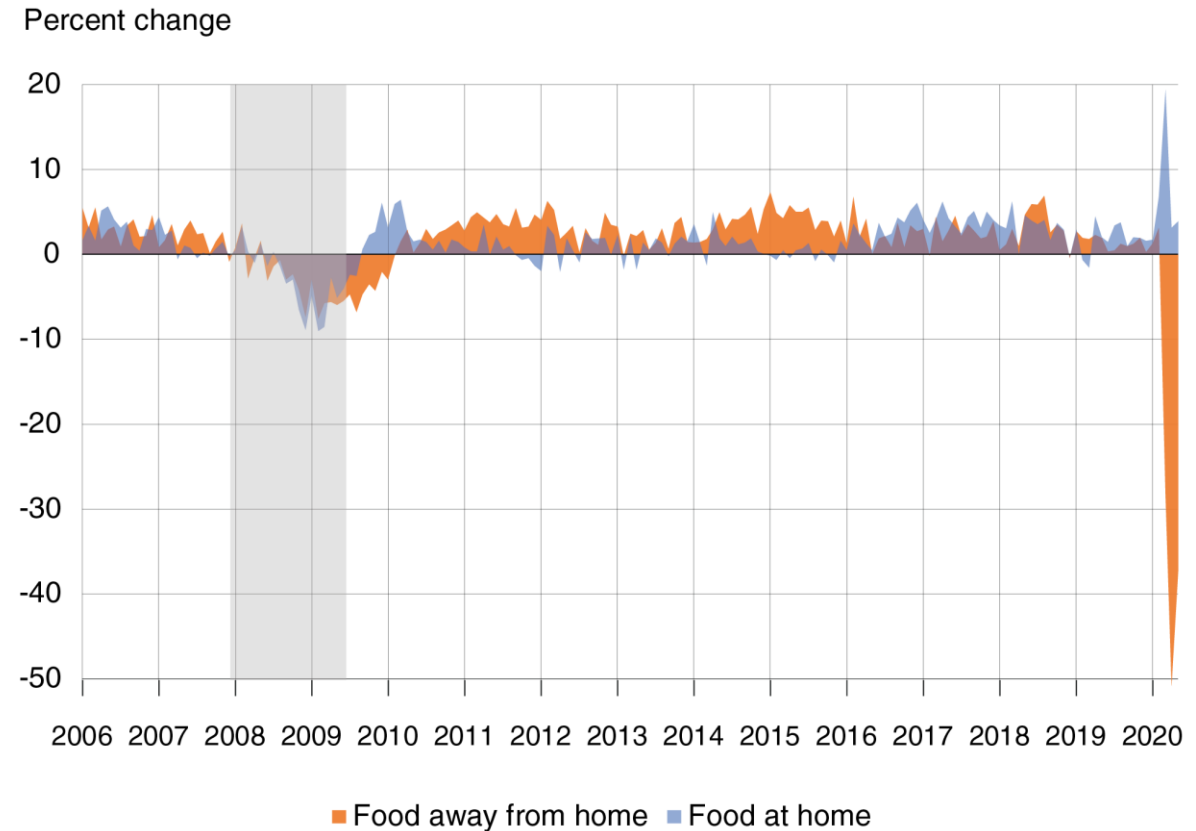




Eating-out  
expenditures in  
May 2020 were 37  
percent lower than  
May 2019  
expenditures

Source: [USDA-ERS, 2020](#).

### Year-to-year change in inflation-adjusted monthly U.S. food-at-home and food-away-from-home expenditures



Notes: Expenditures include spending on foods and beverages by consumers, businesses, and government entities. Orange and blue areas show the percent change from the previous year for each month. Year-to-year changes are calculated on sales in 1988 dollars. Grey bar indicates the 2007-09 recession.  
Source: USDA, Economic Research Service (ERS) using data from ERS's Food Expenditure Series.



# How have things changed in Hawaii with COVID-19?

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**Table 1: Employment and Revenue Impacts By Sector**

	Percent of Revenue from Tourism	Employees			Revenue		
		January, 2020	Change Jan to April	% Change	2019 (Mean)	Anticipated Change 2020	% Change
Accommodation	90.88%	8,268	-6,369	-77.03%	\$2,139,409	-\$1,049,091	-49.04%
Administrative and support and waste management		—	—	—	—	—	—
Agriculture, forestry, fishing and hunting*	4.92%	4,745	-9,91	-20.89%	\$2,385,298	-\$401,047	-16.81%

Note: Sectors with fewer than five responses have been removed.

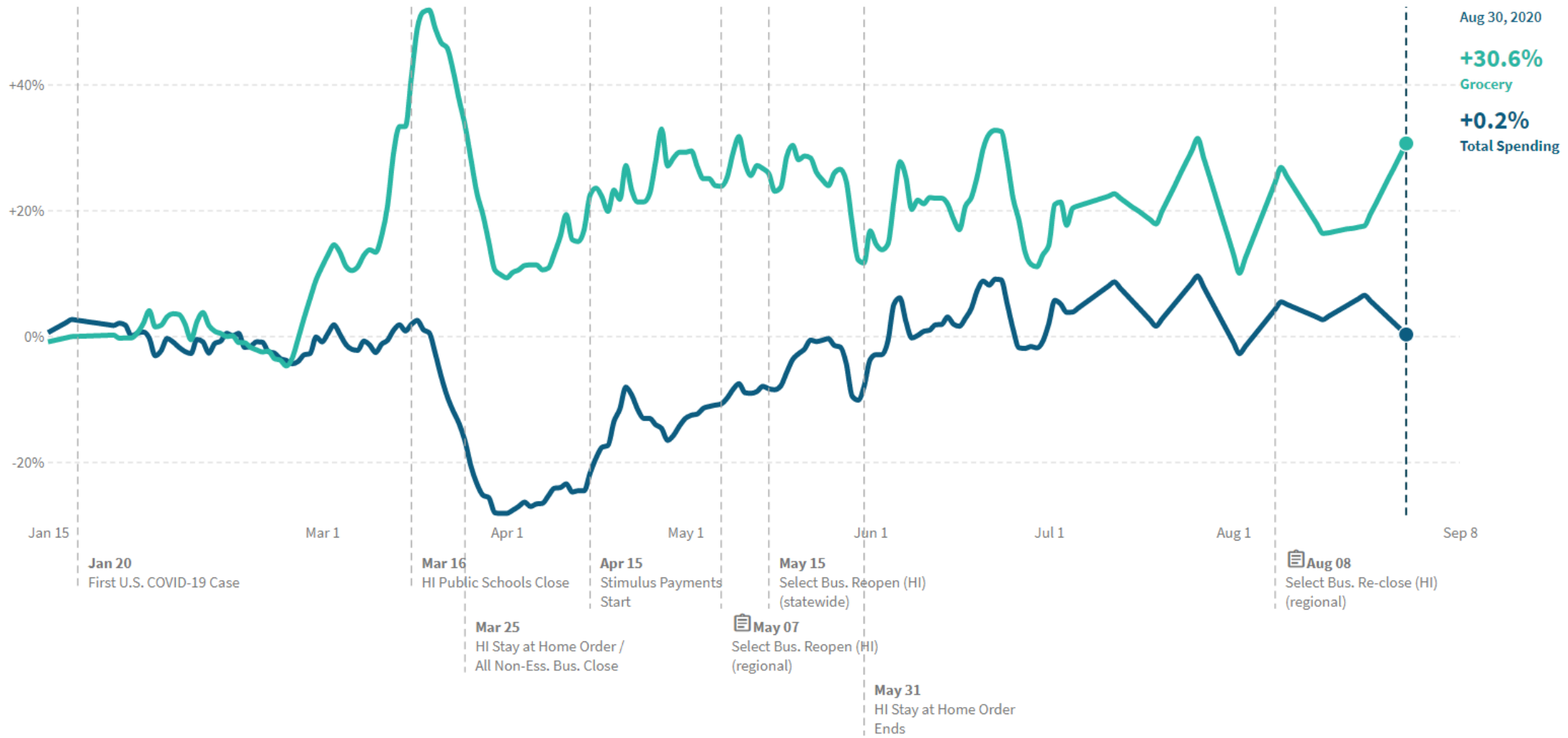
\*The agriculture number originally reported included an outlier observation which, upon examination, we do not consider reasonable. This line reflects the removal of that observation.





In **Hawaii**, as of August 30 2020, total spending by all consumers increased by **0.2%** compared to January 2020.

DOWNLOAD CHART



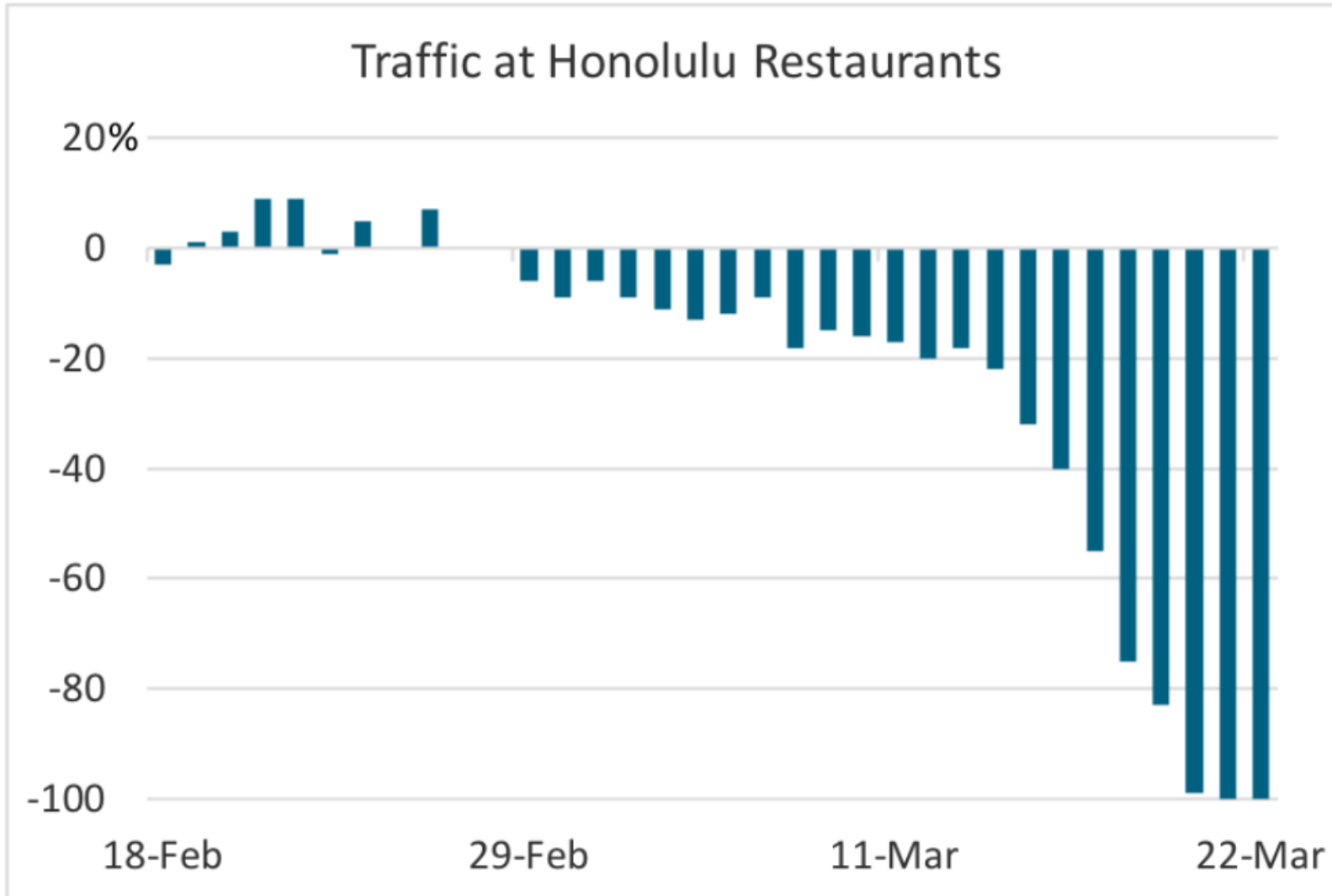


Figure 1: Year-over-year percentage change of seated diners at restaurants on the OpenTable network in Honolulu across all channels: online reservations, phone reservations, and walk-ins.



# CSAs in Hawaii

Barreca said orders to Farm Link from individual online shoppers skyrocketed from 171 orders in January and February to 2,389 in March and April.





# What's next?

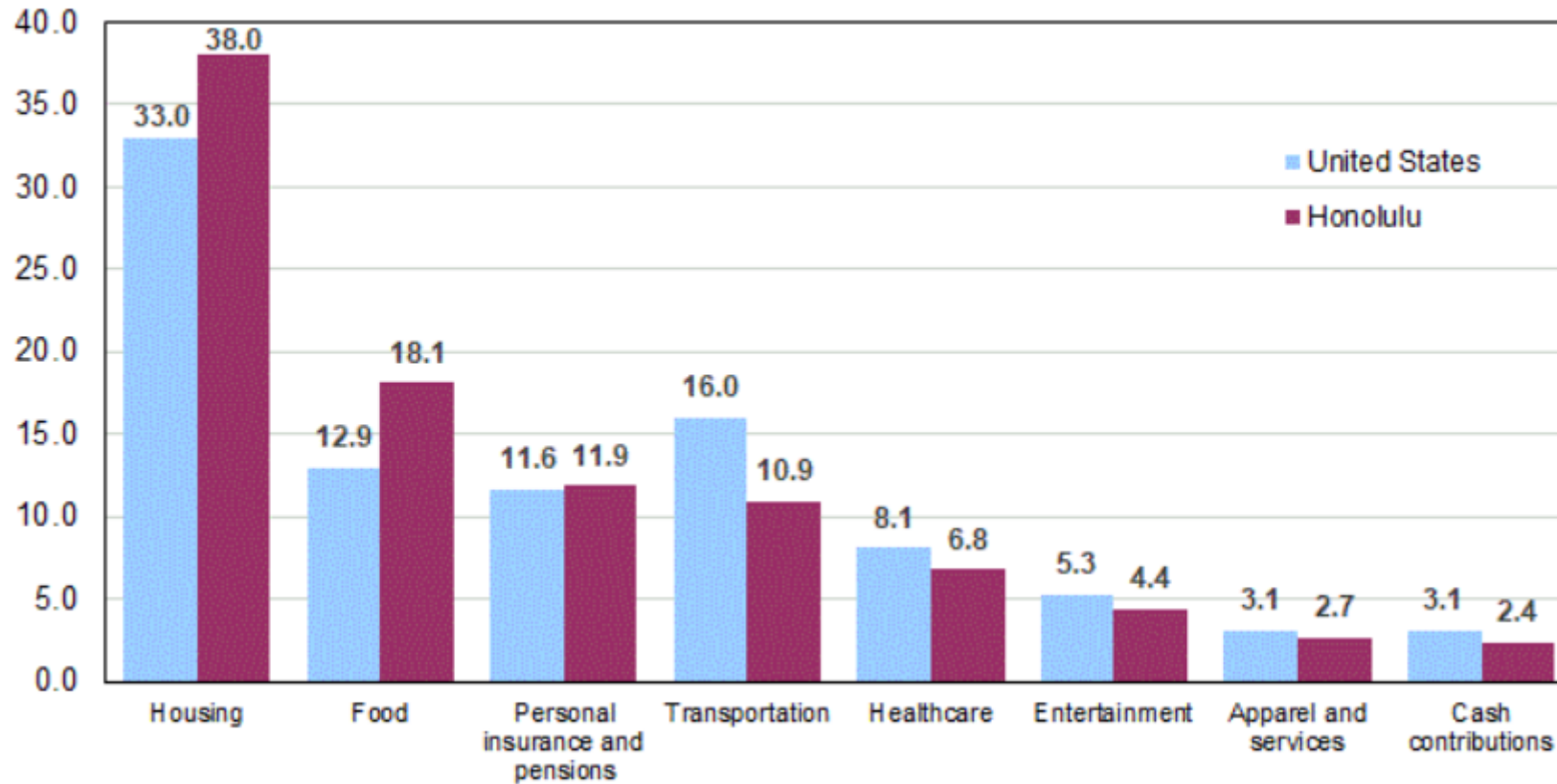
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**Chart 1. Percent distribution of average annual expenditures for eight major categories in the United States and Honolulu metropolitan area, 2017–18**

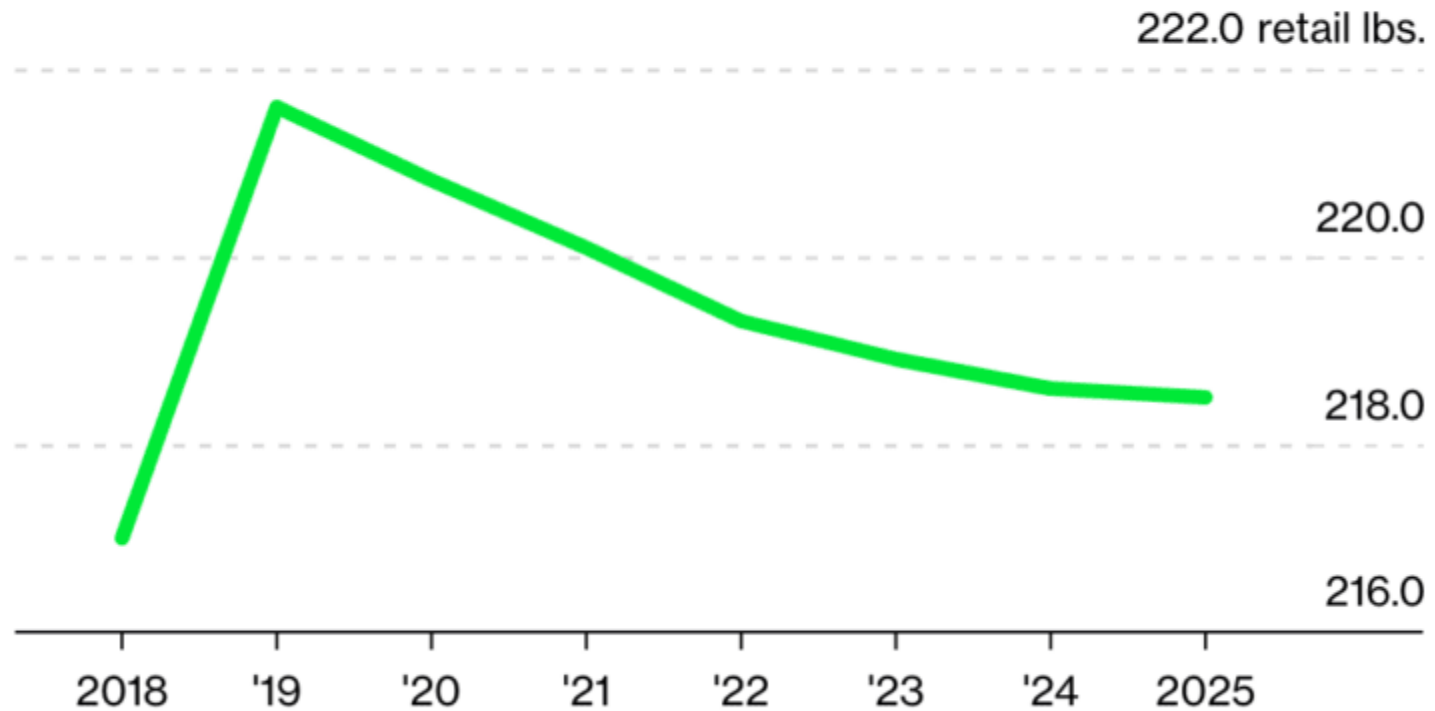
Expenditure shares



Source: U.S. Bureau of Labor Statistics.



## Coronavirus to reduce U.S. per-capita meat consumption after years of gains



University of Missouri's Baseline Update for U.S. Agricultural Markets



# PPI forecasts

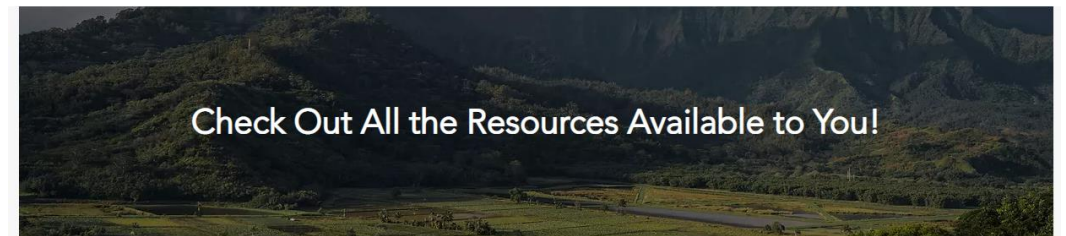
Changes in Producer Price Indexes, 2018 through 2021								
Producer Price Index item	Month-to-month June 2020 to July 2020	Year-over-year July 2019 to July 2020	Year-to-date avg. 2019 to avg. 2020	Annual 2018	Annual 2019	20-year historical average	Forecast range <sup>1</sup> 2020	Forecast range <sup>1</sup> 2021
<i>Percent change</i>								
Unprocessed foodstuffs and feedstuffs	3.1	-11.8	-6.7	-1.9	0.9	3.2	NA	NA
Processed foods and feeds	-0.9	1.0	1.8	0.7	0.5	3.0	NA	NA
Finished consumer foods	-0.9	0.8	1.5	0.1	2.0	2.3	NA	NA
<b>Farm-level cattle</b>	<b>-6.4</b>	<b>-11.0</b>	<b>-3.3</b>	<b>-3.6</b>	<b>-0.8</b>	<b>3.4</b>	<b>-6.0 to -3.0</b>	<b>1.0 to 3.0</b>
Wholesale beef	-12.2	-5.9	8.8	1.7	2.0	3.8	7.5 to 10.5	-7.5 to -4.5
Wholesale pork	-1.3	-0.8	3.1	-6.3	4.6	2.7	4.5 to 7.5	-1.0 to 2.0
Wholesale poultry	0.6	-1.0	0.6	-6.8	1.5	1.7	0.6 to 3.6	-1 to 2.0
Farm-level eggs	2.4	35.6	9.4	33.2	-34.0	5.8	18.0 to 21.0 (-)	-15.0 to -12.0
Farm-level milk	45.0	-11.5	-12.4	-8.3	15.0	3.4	-13.0 to -10.0 (+)	-8.0 to -5.0
Wholesale dairy	4.4	2.5	-0.9	-2.3	4.7	2.2	-3.0 to 0 (+)	-5.0 to -2.0





# Resources from community partners

- CTAHR COVID-19 Response Sheets
  - <https://cms.ctahr.hawaii.edu/ER/covid-19>
- Farm Service Agency (FSA)
  - <https://www.fsa.usda.gov/state-offices/Hawaii/index>
- Hawaii Farm Bureau
  - <https://hfbf.org/>
- Hawaii Island Food Alliance
  - <https://hifoodalliance.org/>
- Hawaii Small Business Development Center (SBDC)
  - <https://www.hisbdc.org/>
- Kohala Center
  - <https://kohalacenter.org/>
- Oahu Agriculture and Conservation Association (OACA)
  - <https://www.oahuaca.org/>
- Senator Hirono's Constituent Guide
  - <https://www.hirono.senate.gov/coronavirus>
- Small Business Association (SBA)
  - <https://www.sba.gov/offices/district/hi/honolulu>



## Grants & Loans For:



## Learn More About:







# Hawaii state marketing efforts

- Branding programs
  - Seal of Quality, Made in Hawaii
- Hawaii Agriculture and Food Products Directory
  - <https://hdoa.hawaii.gov/add/md/>
- Buy Hawaii, Give Aloha: One-Stop Site for Hawaii Products
  - <https://invest.hawaii.gov/bhga-application/>



## Darrell Distribution

ADDED ON AUGUST 24, 2020

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# Current projects for future data

Food at home





# Thank you!

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