

the State's total value added by manufacture and attracted 7.6 percent of the new capital invested in manufacturing for the State in 1978.

The San Joaquin area is strong in food processed products. One notable industry is the wine industry; the bulk of the Nation's grapes are grown in the area and many of the Nation's top wine-makers operate there. The Northern San Joaquin area and Sacramento is the Nation's second largest rice producing area and is served by a deep water grain handling port located at Sacramento. The San Joaquin area is starting to assume a greater industrial importance as industries are starting to decentralize to the area. At present, light manufacturing and electronics form the core of this new industrial activity in the area. We restricted our interviews in the San Joaquin area to food processors and wine producers.

### 3.5 AGRICULTURE IN CALIFORNIA

California's agricultural industry is a potential source of sales for Canadian packaging machinery manufacturers. In 1981 California was the Nation's leading agricultural state for the thirty-fourth consecutive year. Preliminary 1981 estimates show California's gross farm receipts were \$13.2 billion, 30 percent ahead of Iowa, the next state, which grossed \$10.1 billion. Texas was in third position with receipts of \$9.2 billion. The secret behind California's agricultural strength is that it closely parallels the State's industrial success.