

## Pratt County

### Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/28/2017

Using the most recent IMPLAN data available (2015) adjusted for 2017, 17 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Pratt County economy.<sup>1</sup>

These 17 sectors have a total direct output of approximately **\$262.3 million** and support **809.9 jobs** in Pratt County. Running the model for all 17 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Pratt County Economy						
Impact Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	Output % of Gross Regional Product
<b>Direct Effect</b>	809.9	11.53%	\$57,123,277	12.52%	\$262,324,646	57.48%
<b>Indirect Effect</b>	342.4	4.87%	\$29,495,732	6.46%	\$51,752,350	11.34%
<b>Induced Effect</b>	223.2	3.18%	\$14,277,247	3.13%	\$25,639,729	5.62%
<b>Total Effect</b>	1,375.6	19.58%	\$100,896,255	22.11%	\$339,716,726	74.44%

As shown in the above table, agriculture, food, and food processing sectors support **1,375.6 jobs**, or **19.58%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$339.7 million**, roughly **74.44% of the economy**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 17 agriculture, food, and food processing sectors is approximately **\$100.9 million**, or **22.11% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **22.11% of the total economy**.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

<sup>1</sup> Article on building a contribution analysis in IMPLAN that avoids double counting:

[http://www.implan.com/index.php?option=com\\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70](http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70)

<sup>2</sup> Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

<sup>3</sup> Value added = labor income + indirect business taxes + other property type income.

<sup>4</sup> GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

<sup>5</sup> Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **402.2 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Pratt County.

<b>Top Ten Agriculture, Food, and Food Processing Sectors by Employment</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	402.2	\$86,929,646
Grain farming	141.4	\$86,815,042
Landscape and horticultural services	84.1	\$2,886,046
Wholesale trade	70.0	\$15,264,592
Support activities for agriculture and forestry	67.7	\$7,242,580
Real estate	47.3	\$5,727,949
Farm machinery and equipment manufacturing	45.2	\$25,343,234
Truck transportation	41.3	\$6,162,540
All other crop farming	34.1	\$4,355,906
Animal production, except cattle and poultry and eggs	27.0	\$5,229,050

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$86.9 million** to the Pratt County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

<b>Top Ten Agriculture, Food, and Food Processing Sectors by Output</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	402.2	\$86,929,646
Grain farming	141.4	\$86,815,042
Other animal food manufacturing	19.8	\$26,730,807
Farm machinery and equipment manufacturing	45.2	\$25,343,234
Oilseed farming	7.8	\$15,363,411
Wholesale trade	70.0	\$15,264,592
Support activities for agriculture and forestry	67.7	\$7,242,580
Truck transportation	41.3	\$6,162,540
Real estate	47.3	\$5,727,949
Animal production, except cattle and poultry and eggs	27.0	\$5,229,050

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Pratt County economy.

<b>All Agriculture, Food, and Food Processing Sectors</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Oilseed farming	7.8	\$15,363,410.95
Grain farming	141.4	\$86,815,040.59
Vegetable and melon farming	0.7	\$141,087.90
Fruit farming	0.9	\$74,731.46
Tree nut farming	0.0	\$23.56
Cotton farming	7.8	\$2,204,366.92
All other crop farming	34.1	\$4,355,906.01
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	402.2	\$86,929,641.72
Poultry and egg production	3.2	\$2,786,079.65
Animal production, except cattle and poultry and eggs	27.0	\$5,229,049.68
Commercial logging	1.6	\$70,084.16
Other animal food manufacturing	19.8	\$26,730,806.35
Bread and bakery product, except frozen, manufacturing	8.5	\$1,020,062.45
Frozen cakes and other pastries manufacturing	0.5	\$81,593.10
Farm machinery and equipment manufacturing	45.2	\$25,343,235.02
Veterinary services	25.0	\$2,293,474.44
Landscape and horticultural services	84.1	\$2,886,046.17

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Pratt County, the retail sector was omitted.