

July 2015

Finney County

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

A total of 19 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Finney County economy.¹ These 19 sectors have a total direct output of approximately \$2875 million and support 4,632.2 jobs in Finney County. Running the model for all 19 sectors simultaneously produces the following results:

Agriculture Contribution in Finney County

Impact Type ²	Employment	% of Total Employment	Total Value Added ³	% of Gross Regional Product ⁴	Output ⁵	% of Gross Regional Product
Direct Effect	4,632.2	19%	\$529,152,121	27%	\$2,875,033,505	148%
Indirect Effect	1,659.1	7%	\$131,335,783	7%	\$238,774,872	12%
Induced Effect	1,545.6	6%	\$104,259,520	5%	\$180,980,866	9%
Total Effect	7,836.9	33%	\$764,747,424	39%	\$3,294,789,242	170%

As shown in the above table, agriculture, food, and food processing supports 7,836.9 jobs, or 33% of the entire workforce in the county. These industries provide a total economic contribution of approximately \$3295 million, roughly 170% of Gross Region Product (GRP). As noted below in the calculation of Gross Regional Product, imports and institutional sales are subtracted. Therefore, counties that import a relatively large amount of goods and services will have a reduced GRP which may lead to agricultural output being greater than GRP.

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 19 agriculture, food, and food processing sectors is approximately \$765 million, or 39% of the GRP. This indicates that personal income, business income, and taxes generated by these sectors account for 39% 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.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:
https://implan.com/index.php?option=com_content&view=category&id=19

² 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.

³ Value Added = Labor Income + Indirect Business Taxes + Other Property Type Income

⁴ GRP = Final Demand of Households + Governments Expenditures + Capital + Exports - Imports - Institutional Sales

⁵ Output = Intermediate Inputs + Value Added

In the top ten by employment, Animal, except poultry, slaughtering is the top employer in the agriculture industry with 3,656.1 employees. This table also shows the amount of jobs that are created by the agriculture industry in Finney County.

Top 10 Industries Affected by Employment

Sector Description:	Total Employment	Total Output
Animal, except poultry, slaughtering.....	3,656.1	\$2,230,774,787
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	489.8	\$354,874,158
Truck transportation.....	373.6	\$60,748,273
Wholesale trade.....	333.1	\$73,291,931
Support activities for agriculture and forestry	247.0	\$15,205,171
Limited-service restaurants	161.9	\$8,130,226
Real estate.....	156.1	\$24,516,311
Grain farming	152.7	\$149,503,042
All other crop farming.....	120.3	\$42,680,613
Hospitals.....	108.2	\$15,451,987

The Animal, except poultry, slaughtering industry directly contributes approximately \$2231 million to Finney County’s economy. This table also shows how much revenue is generated in other industries by having a strong agriculture industry.

Top 10 Industries Affected by Output

Sector Description:	Total Employment	Total Output
Animal, except poultry, slaughtering.....	3,656.1	\$2,230,774,787
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	489.8	\$354,874,158
Grain farming	152.7	\$149,503,042
Wholesale trade.....	333.1	\$73,291,931
Truck transportation.....	373.6	\$60,748,273
Meat processed from carcasses	99.1	\$45,991,175
All other crop farming.....	120.3	\$42,680,613
Owner-occupied dwellings	0.0	\$31,370,214
Real estate.....	156.1	\$24,516,311
Monetary authorities and depository credit intermediation	99.4	\$15,579,270

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 sector and the output they contributed to Finney County’s economy.

Sector Description:	Employment	Output
Oilseed farming	1.2	\$7,448,147
Grain farming.....	152.7	\$149,503,042
Vegetable and melon farming.....	1.2	\$654,740
Greenhouse, nursery, and floriculture production.....	0.1	\$63,168
All other crop farming.....	120.3	\$42,680,613
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming.....	489.8	\$354,874,158
Dairy cattle and milk production	5.8	\$3,030,254
Poultry and egg production	0.5	\$668,056
Animal production, except cattle and poultry and eggs	1.1	\$311,197
Other animal food manufacturing	10.3	\$15,324,272
Animal, except poultry, slaughtering.....	3,656.1	\$2,230,774,787
Meat processed from carcasses	99.1	\$45,991,175
Bread and bakery product, except frozen, manufacturing.....	27.8	\$3,133,813
Frozen cakes and other pastries manufacturing	1.6	\$234,960
Tortilla manufacturing	6.4	\$1,411,630
Fertilizer mixing.....	12.0	\$10,343,928
Farm machinery and equipment manufacturing	10.3	\$6,380,335
Veterinary services.....	21.1	\$1,434,986
Landscape and horticultural services.....	14.8	\$770,244
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All 105 counties in Kansas have IMPLAN models with an agriculture 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 Kansas, the retail sector was omitted.