Hamilton County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors
6/11/2018

Using the most recent IMPLAN data available (2016) adjusted for 2018, 9 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Hamilton County economy.[1]

These 9 sectors have a total direct output of approximately **$268.6 million** and support **624 jobs** in Hamilton County. Running the model for all 9 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Hamilton County Economy						
Impact Type[2]	**Employment**	**% Employment**	**Total Value Added[3]**	**Total Value Added % of Gross Regional Product[4]**	**Output[5]**	**Output % of Gross Regional Product**
Direct Effect	623.5	35.41%	$63,685,670	48.55%	$268,615,095	204.77%
Indirect Effect	239.6	13.60%	$16,501,255	12.58%	$31,328,184	23.88%
Induced Effect	131.2	7.45%	$9,109,484	6.94%	$16,981,287	12.94%
Total Effect	994.2	56.46%	$89,296,409	68.07%	$316,924,565	241.59%

As shown in the above table, agriculture, food, and food processing sectors support **994 jobs**, or **56.46%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **$316.9 million, roughly 241.59% 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 9 agriculture, food, and food processing sectors is approximately **$89.3 million**, or **68.07% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **68.07% of the total economy**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

1 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

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 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 **296 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Hamilton County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	296.2	$91,787,671
Dairy cattle and milk production	238.5	$129,869,055
Wholesale trade	80.6	$14,382,162
Support activities for agriculture and forestry	68.5	$3,652,142
Grain farming	42.5	$38,535,096
All other crop farming	41.0	$7,475,596
Monetary authorities and depository credit intermediation	27.8	$4,640,019
Truck transportation	15.8	$3,094,488
Legal services	13.1	$873,262
Real estate	12.9	$931,091

The dairy cattle and milk production sector directly contributes approximately **$129.9 million** to the Hamilton County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Dairy cattle and milk production	238.5	$129,869,055
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	296.2	$91,787,671
Grain farming	42.5	$38,535,096
Wholesale trade	80.6	$14,382,162
All other crop farming	41.0	$7,475,596
Owner-occupied dwellings	0.0	$5,225,764
Monetary authorities and depository credit intermediation	27.8	$4,640,019
Support activities for agriculture and forestry	68.5	$3,652,142
Truck transportation	15.8	$3,094,488
Electric power transmission and distribution	2.2	$2,620,017

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 Hamilton County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	**Total Employment**	**Total Output**
Oilseed farming	0.0	$113,863.68
Grain farming	42.5	$38,535,095.86
All other crop farming	41.0	$7,475,596.08
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	296.2	$91,787,670.57
Dairy cattle and milk production	238.5	$129,869,055.09
Poultry and egg production	0.2	$277,749.55
Animal production, except cattle and poultry and eggs	1.0	$256,296.65
Bread and bakery product, except frozen, manufacturing	2.3	$214,857.82
Landscape and horticultural services	1.7	$84,909.48

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 Hamilton County, the retail sector was omitted.