

Lane County, Kansas

2021 ECONOMIC CONTRIBUTION REPORT AUGUST 20, 2021

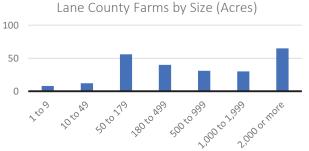
Farm Statistics, Lane County

Number of Farms: 242

Average Farm Size: 1,723 acres Land in Farms: 417,017 acres

Average Value of Products Sold Per Farm: \$1,100,719 Average Net Cash Farm Income Per Farm: \$104,016

Source: USDA 2017 Census of Agriculture



Overview

The Kansas Department of Agriculture's Economist creates annual economic contribution reports to estimate the impact of agriculture on the Kansas economy. These reports serve as important information tools for stakeholders and the general public. In this report, the model analyzes the effects of agriculture on the Lane County, Kansas, economy. For the estimated current year (2021), 13 agriculture and agriculture-related sectors directly contribute \$139 million in output and 476 jobs to the Lane County economy. Including indirect and induced effects, agriculture and agriculture-related sectors have a total impact of \$172 million in output, 639 jobs and 46% of the total Gross Regional Product (GRP).

Estimated Economic Contribution of Agriculture

Methodology and Glossary on final page

Results

In this model, the 13 agriculture and agriculture-related sectors have a total direct output of \$139 million and account for 476 jobs in Lane County, as shown in the following table:

Table 1: Agriculture and Agriculture-Related Sectors' Contribution to Lane County Economy

Contribution Type	Employment	% Employment	Total Value Added	% of Gross Regional Product	Output
Direct Effect	476	39%	\$35,061,566	32%	\$139,379,792
Indirect Effect	99	8%	\$9,013,604	8%	\$21,086,527
Induced Effect	64	5%	\$5,816,028	5%	\$11,895,132
Total Effect	639	52%	\$49,891,198	46%	\$172,361,450

Note: Individual effects may not equal the total effect due to rounding.

As shown in the table above, the agriculture and agriculture-related sectors provide a total impact of approximately **\$172 million** in output. These sectors also support a total of **639 jobs**, or 52% of the county's entire workforce. 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 13 agriculture and agriculture-related sectors is approximately **\$49 million**, or 46% of the GRP.

Top Ten Sectors by Output

The table below shows Lane County's top ten sectors by output, including direct, indirect and induced effects. The *beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming* sector is the top contributor in output to the Lane County economy, with approximately **\$96 million** in total output.

Table 2: Top Ten Sectors by Output, Lane County

Sector	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$96,277,971.68
Grain farming	\$32,583,520.55
Wholesale - Other nondurable goods merchant wholesalers	\$9,655,250.51
Support activities for agriculture and forestry	\$5,994,604.68
Owner-occupied dwellings	\$3,321,167.25
Truck transportation	\$2,078,164.04
Farm machinery and equipment manufacturing	\$2,073,994.92
Other real estate	\$1,834,257.53
Insurance carriers, except direct life	\$1,746,983.83
Other local government enterprises	\$1,434,437.29

Top Ten Sectors by Employment

Of the agriculture and agriculture-related sectors, beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming supports the most jobs in the county with **278 jobs**. The table below also illustrates the top ten sectors by total employment, including direct, indirect and induced effects in Lane County.

Table 3: Top Ten Sectors by Employment, Lane County

Sector	Total Employment
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	278.03
Support activities for agriculture and forestry	100.43
Grain farming	82.89
Wholesale - Other nondurable goods merchant wholesalers	35.09
Truck transportation	17.31
Other real estate	14.50
Other financial investment activities	7.10
Retail - Nonstore retailers	6.22
Retail - Miscellaneous store retailers	5.85
Monetary authorities and depository credit intermediation	5.26

All Direct Agriculture Sectors

The following table is a summary of all agriculture sectors represented with output and employment levels. These values estimate the value of output and the jobs these agriculture sectors support in the Lane County economy. Generally, this analysis includes three categories: production, manufacturing or processing, and services. Note, this model does not include ethanol production or wholesale and retail sales of final products.

Table 4: All Direct Agriculture Sectors, Lane County

Sector	Total Output	Total Employment
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$96,277,971.68	278.03
Grain farming	\$32,583,520.55	82.89
Support activities for agriculture and forestry	\$5,994,604.68	100.43
Farm machinery and equipment manufacturing	\$2,073,994.92	4.87
Other animal food manufacturing	\$689,823.30	0.65
Poultry and egg production	\$549,740.81	0.76
Oilseed farming	\$514,310.65	0.19
Landscape and horticultural services	\$250,230.47	3.38
All other crop farming	\$192,472.02	3.32
Animal production, except cattle and poultry and eggs	\$163,087.29	0.84
Bread and bakery product, except frozen, manufacturing	\$51,002.08	0.40
Frozen cakes and other pastries manufacturing	\$31,723.99	0.40
Commercial logging	\$7,309.20	0.16

Methodology

Using the economic software IMPLAN, the equilibrium displacement model calculates the estimated output and employment of all 546 different economic sectors if the current economy experiences no shocks within the agriculture and agriculture-related industries. IMPLAN sectors are based on North American Industry Classification System (NAICS) codes. The results of this model are broken down into direct, indirect and induced effects, and the IMPLAN framework avoids double counting. All agriculture and agriculture-related sectors represented in this model use the most recent IMPLAN data available (2019), adjusted for 2021 dollars.

Notes and Glossary

These results are based on estimated production and employment numbers, along with estimated potential sector-, industry- and economy-wide effects. Therefore, these results may differ from actual events.

Due to confidentiality policies that exist within several agencies from which IMPLAN collects their data, some sectors in some regions may not have all data available.

The model provides results in relation to the agriculture and agriculture-related sectors. These results are not equal to the total effects of all 546 sectors but rather the total effects relative to agriculture.

The following terms are used throughout this report:

- *Direct effect:* the contribution from agricultural and food products
- *Indirect effect:* the contribution from farms and agricultural businesses purchasing inputs from supporting industries within the county
- *Induced effect:* the contribution from employees of farms, agricultural businesses, and supporting industries spending their wages on goods and services within the county
- Value added = labor income + indirect business taxes + other property type income
- Gross Regional Product = final demand of households + government expenditures + capital + exports - imports - institutional sales
- Output = intermediate inputs + value added
- *Employment:* full-time/part-time annual average, i.e., 1 job lasting 12 months = 2 jobs lasting 6 months each = 3 jobs lasting 4 months each. A job is neither full-time nor part-time.

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