Norton 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, 12 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Norton County economy.[1]

These 12 sectors have a total direct output of approximately **$150.8 million** and support **461.3 jobs** in Norton County. Running the model for all 12 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Norton 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	461.3	12.14%	$43,841,944	17.18%	$150,782,458	59.10%
Indirect Effect	126.1	3.32%	$8,392,719	3.29%	$17,102,800	6.70%
Induced Effect	124.9	3.29%	$7,826,774	3.07%	$14,848,800	5.82%
Total Effect	712.3	18.74%	$60,061,438	23.54%	$182,734,058	71.62%

As shown in the above table, agriculture, food, and food processing sectors support **712.3 jobs**, or **18.74%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **$182.7 million, roughly 71.62% 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 12 agriculture, food, and food processing sectors is approximately **$60.1 million**, or **23.54% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **23.54% 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.

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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 **217.6 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Norton 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	217.6	$67,563,167
Animal production, except cattle and poultry and eggs	111.3	$31,922,617
Grain farming	40.8	$36,467,618
Landscape and horticultural services	32.9	$1,033,530
All other crop farming	31.1	$5,776,017
Support activities for agriculture and forestry	20.7	$1,838,834
Wholesale trade	20.1	$3,213,007
Veterinary services	19.5	$1,830,834
Real estate	16.9	$1,338,909
Truck transportation	16.2	$2,880,152

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **$67.6 million** to the Norton 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
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	217.6	$67,563,167
Grain farming	40.8	$36,467,618
Animal production, except cattle and poultry and eggs	111.3	$31,922,617
All other crop farming	31.1	$5,776,017
Oilseed farming	1.8	$5,066,346
Owner-occupied dwellings	0.0	$3,350,372
Wholesale trade	20.1	$3,213,007
Truck transportation	16.2	$2,880,152
Monetary authorities and depository credit intermediation	14.8	$2,871,410
Support activities for agriculture and forestry	20.7	$1,838,834

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 Norton County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	1.8	$5,066,345.69
Grain farming	40.8	$36,467,617.03
Greenhouse, nursery, and floriculture production	2.0	$401,004.31
All other crop farming	31.1	$5,776,016.71
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	217.6	$67,563,163.76
Poultry and egg production	0.1	$79,595.25
Animal production, except cattle and poultry and eggs	111.3	$31,922,615.05
Bread and bakery product, except frozen, manufacturing	2.9	$345,252.45
Frozen cakes and other pastries manufacturing	0.2	$29,470.65
Sawmills	1.2	$267,008.13
Veterinary services	19.5	$1,830,834.03
Landscape and horticultural services	32.9	$1,033,529.64

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 Norton County, the retail sector was omitted.