

State of Kansas

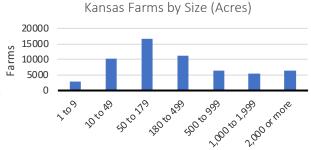
2022 ECONOMIC CONTRIBUTION REPORT AUGUST 15, 2022

Farm Statistics, Kansas

Number of Farms: 58,569 Average Farm Size: 781 acres Land in Farms: 45,759,319 acres

Average Value of Products Sold Per Farm: \$320,964 Average Net Cash Farm Income Per Farm: \$49,291

Source: <u>USDA 2017 Census of Agriculture</u>



Overview

The Kansas Department of Agriculture's Economist creates annual economic contribution reports to estimate the impact of agriculture on the Kansas economy. The purpose of these reports is to provide information to stakeholders, policymakers, and the general public. In this report, the model analyzes the effects of agriculture on the State of Kansas. For the estimated current year (2022), 73 agriculture and agriculture-related sectors directly contribute \$53.4 billion in output and 136,227 jobs to the Kansas economy. Including indirect and induced effects, agriculture and agriculture-related sectors have a total impact of \$76 billion in output, 256,080 jobs and 14% of the total Gross Regional Product (GRP).

Estimated Economic Contribution of Agriculture

Methodology and Glossary on final page

Results

In this model, the 73 agriculture and agriculture-related sectors have a total direct output of \$53.4 billion and account for 136,227 jobs in Kansas, as shown in the following table:

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

Contribution Type	Employment	% Employment	Total Value Added	% of Gross Regional Product	Output
Direct Effect	136,227	7%	\$13,151,184,000	7%	\$53,403,011,000
Indirect Effect	67,042	4%	\$7,316,507,000	4%	\$14,381,300,000
Induced Effect	52,811	3%	\$4,754,655,000	3%	\$8,353,985,000
Total Effect	256,080	14%	\$25,222,346,000	14%	\$76,138,296,000

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

The agriculture and agriculture-related sectors provide a total estimated impact of \$76 billion in output. These sectors also support a total of 256,080 jobs, or 14% of the state's entire workforce. Another metric used to calculate the importance of sectors in the economy is their value added as a percentage of GRP. Total value added by the 73 agriculture and agriculture-related sectors is \$25.2 billion, or 14% of the GRP.

Top Ten Sectors by Output

The table below shows Kansas' 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 Kansas economy, with \$8.9 billion in total output.

Table 2: Top Ten Sectors by Output, Kansas

Sector	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$8,942,248,000
Animal, except poultry, slaughtering	\$8,826,822,000
Grain farming	\$6,151,579,000
Meat processed from carcasses	\$3,911,181,000
Dog and cat food manufacturing	\$3,672,293,000
Farm machinery and equipment manufacturing	\$2,862,900,000
Other real estate	\$2,376,100,000
Oilseed farming	\$2,254,180,000
Wholesale - Other nondurable goods merchant wholesalers	\$2,029,582,000
Flour milling	\$1,807,090,000

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 35,191 jobs. Table 3 illustrates the top ten sectors by total employment, including direct, indirect and induced effects in Kansas.

Table 3: Top Ten Sectors by Employment, Kansas

Sector	Total Employment
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	35,191.92
Grain farming	14,695.15
Other real estate	12,834.17
Animal, except poultry, slaughtering	11,714.92
Support activities for agriculture and forestry	11,075.06
Landscape and horticultural services	9,525.42
Truck transportation	9,438.09
Meat processed from carcasses	7,569.14
Wholesale - Other nondurable goods merchant wholesalers	6,980.52
All other crop farming	6,493.15

All Direct Agriculture Sectors

Table 4 is a summary of agriculture sectors represented with output and employment levels. These values estimate the value of output and the jobs these agriculture sectors support in the Kansas economy. Generally, this analysis includes three categories: production, manufacturing or processing, and services. Note, the model does not include ethanol production nor wholesale and retail sales of final products.

Table 4: All Direct Agriculture Sectors, Kansas

Sector	Total Output	Total Employment
Beef cattle ranching and farming, including feedlots and		
dual-purpose ranching and farming	\$8,942,248,000	35,191.92
Animal, except poultry, slaughtering	\$8,826,822,000	11,714.92
Grain farming	\$6,151,579,000	14,695.15
Meat processed from carcasses	\$3,911,181,000	7,569.14
Dog and cat food manufacturing	\$3,672,293,000	2,899.55
Farm machinery and equipment manufacturing	\$2,862,900,000	5,277.94
Oilseed farming	\$2,254,180,000	1,833.16
Flour milling	\$1,807,090,000	1,473.97
Other animal food manufacturing	\$1,699,653,000	1,390.87
All other food manufacturing	\$990,319,000	2,090.98
Fats and oils refining and blending	\$941,648,000	567.22
Landscape and horticultural services	\$936,296,000	9,525.42
Other snack food manufacturing	\$919,920,000	1,080.56
Dairy cattle and milk production	\$738,957,000	1,031.75
Confectionery manufacturing from purchased chocolate	\$579,968,000	1,371.21
Bottled and canned soft drinks & water	\$575,213,000	724.78
Frozen specialties manufacturing	\$569,893,000	1,341.47
Bread and bakery product, except frozen, manufacturing	\$569,040,000	2,968.65
Spice and extract manufacturing	\$559,087,000	647.52
Animal production, except cattle and poultry and eggs	\$529,489,000	2,721.71
Support activities for agriculture and forestry	\$494,780,000	11,075.06
Soybean and other oilseed processing	\$416,857,000	100.38
Lawn and garden equipment manufacturing	\$361,156,000	609.44
Fluid milk manufacturing	\$323,976,000	389.27
Veterinary services	\$313,051,000	3,661.41
All other crop farming	\$296,844,000	6,493.15
Cookie and cracker manufacturing	\$267,183,000	466.86
Nitrogenous fertilizer manufacturing	\$231,664,000	177.74
Food product machinery manufacturing	\$207,834,000	684.71
Dry, condensed, and evaporated dairy product manufacturing	\$177,060,000	130.65
Dry pasta, mixes, and dough manufacturing	\$176,486,000	215.82
Pesticide and other agricultural chemical manufacturing	\$154,089,000	105.02
Frozen cakes and other pastries manufacturing	\$151,065,000	1,488.46
Cheese manufacturing	\$145,819,000	139.90

Sector	Total Output	Total Employment
Paper mills	\$114,470,000	132.31
Sugar cane mills and refining	\$113,829,000	84.84
Cotton farming	\$109,374,000	700.83
Wet corn milling	\$96,476,000	54.37
Poultry and egg production	\$89,156,000	100.63
Canned fruits and vegetables manufacturing	\$87,548,000	146.91
Breweries	\$79,845,000	220.53
Greenhouse, nursery, and floriculture production	\$74,680,000	513.77
Fertilizer mixing	\$71,110,000	128.15
Paperboard mills	\$63,409,000	69.79
Roasted nuts and peanut butter manufacturing	\$62,988,000	125.88
Phosphatic fertilizer manufacturing	\$56,446,000	63.99
Tobacco product manufacturing	\$53,420,000	14.81
Chocolate and confectionery manufacturing from cacao beans	\$49,477,000	71.84
Nonchocolate confectionery manufacturing	\$48,409,000	81.30
Tortilla manufacturing	\$45,723,000	163.09
Wineries	\$44,292,000	136.26
Poultry processing	\$43,515,000	123.72
Distilleries	\$43,408,000	45.41
Other chemical and fertilizer mineral mining	\$39,866,000	125.70
Coffee and tea manufacturing	\$33,162,000	52.01
Flavoring syrup and concentrate manufacturing	\$30,764,000	8.00
Vegetable and melon farming	\$27,244,000	147.37
Ice cream and frozen dessert manufacturing	\$25,133,000	57.98
Rendering and meat byproduct processing	\$24,842,000	57.92
Commercial logging	\$20,827,000	297.06
Dehydrated food products manufacturing	\$18,680,000	32.62
Frozen fruits, juices and vegetables manufacturing	\$17,188,000	24.75
Forestry, forest products, and timber tract production	\$11,659,000	121.85
Fiber, yarn, and thread mills	\$11,388,000	40.76
Commercial hunting and trapping	\$7,328,000	210.59
Other leather and allied product manufacturing	\$6,762,000	81.29
Sawmill, woodworking, and paper machinery	\$5,743,000	21.20
Sawmills	\$5,317,000	21.30
Tree nut farming	\$3,408,000	27.27
Fruit farming	\$3,140,000	25.66
Knit fabric mills	\$2,988,000	15.68
Leather and hide tanning and finishing	\$2,442,000	12.46
Narrow fabric mills and schiffli machine embroidery	\$1,915,000	11.26

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 (2020), adjusted for 2022 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 and services from supporting industries within the state
- *Induced effect:* the contribution from employees of farms, agricultural businesses, and supporting industries spending their wages on goods and services within the state
- 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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