

AT A GLANCE

- *Hutchinson County's agricultural value exceeded \$40.3 million in 2014 (Figure 1).*
- *The 1,346 agricultural-related employees account for 20.7% of all private-sector employment (Table 2).*
- *Hutchinson County ranks 28th in corn, 34th in ensilage and 37th in fed-cattle sales (Table 1).*
- *Hutchinson County from 2011-2014 averaged in total agricultural receipts \$43.1 million, generating county- and state-level impacts of \$55.1 million and \$89.5 million annually, respectively (Table 1).*
- *This analysis does not include the impact of agriculturally related public sector employees or the 247 farm and ranch operators.*

The Impact of Agribusiness HUTCHINSON COUNTY 2015

Most of Hutchinson County's 887 square miles is used for agricultural purposes with 423,142 acres in permanent pasture and another 97,808 acres in cropland. Crop production is an important part of the local economy, generating an average of \$19.8 million annually in the 2011-2014 time period (Table 1). Approximately 35,000 irrigated acres provide flexibility with respect to the type of crops that can be grown in the county.

The traditional crops of corn, cotton and wheat are the primary crops grown with average annual sales of \$11.7 million, \$4.2 million and \$2.3 million, respectively.

Overall, Hutchinson County ranks 28th in corn production among the state's 254 counties.

Livestock production is a critical part of the local economy, contributing \$23.3 million in sales annually. Fed beef is an important component of livestock production in the county, providing value-added sales of \$6.8 million annually in the 2011-2014 time period (Table 1). Hutchinson

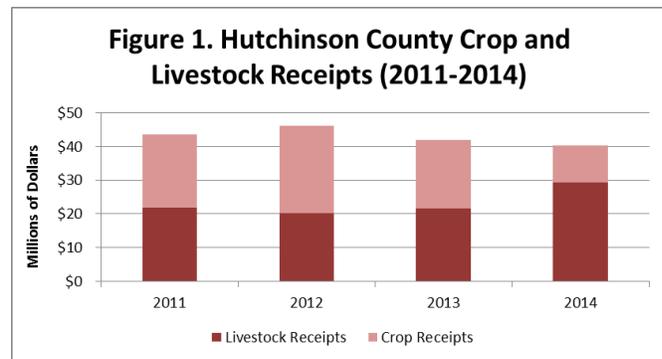


Table 1. Average Annual Agricultural Cash Receipts, Hutchinson County, 2011-2014.

	Value (\$1,000,000)	State Rank	County Economic Impact* (\$1,000,000)	State Economic Impact* (\$1,000,000)
Crops:				
Corn	\$11.7	28	\$15.6	\$26.9
Wheat	\$2.3	69	\$3.1	\$5.4
Cotton	\$4.2	82	\$5.5	\$7.6
Sorghum	\$0.6	94	\$0.9	\$1.5
Ensilage	\$0.5	34	\$0.7	\$1.0
Hay	\$0.4	190	\$0.5	\$0.8
Other Crops	\$0.0		\$0.0	\$0.0
Total Crop Receipts	\$19.8	109	\$26.3	\$43.2
Livestock and Livestock Products:				
Fed Beef - Value Added	\$6.8	37	\$8.4	\$13.5
Cow-calf and Stockers	\$16.5	115	\$20.3	\$32.6
Hogs	\$0.0		\$0.0	\$0.0
Dairy	\$0.0		\$0.0	\$0.0
Other	\$0.0		\$0.0	\$0.0
Total L & LP	\$23.3	119	\$28.7	\$46.1
Other Ag-Related	\$0.1	239	\$0.1	\$0.1
Total Agricultural Receipts**	\$43.1	160	\$55.1	\$89.5

*Does not include impacts of forward-linkages through the processing sectors.

** Rounding of numbers may affect totals and prevent some commodities with low receipts from appearing in the table.

County is ranked 37th among Texas counties in fed-beef production. Cow-calf and stocker operations also contribute significantly to the economy, adding \$16.5 million in value-added production.



Of course, the direct value of agricultural production is not the only benefit to the local economy. Many production expenses are paid to local suppliers. Farmers and ranchers also spend part of their wages and profits in the county eating at local restaurants and buying groceries, clothing, etc. In turn, the employees of these businesses purchase supplies and spend wages at local businesses.

As money circulates through the economy, it multiplies the original \$43.1 million in cash receipts from farm and ranch production to a total county-level economic output contribution of \$55.1 million. A good deal of the money that is spent

outside Hutchinson County is still spent in Texas, so the farm-level production leads to a larger state-level output of \$89.5 million.

Table 2. Hutchinson County Ag-Related Employment		
	Number of Employees	Annual Payroll \$1,000,000
Private Sector	1,200	\$25.60
Farm and Ranch	146	\$2.37
Total	1,346	\$27.97

Agribusinesses take many forms including: manufacturing, retail trade and food service, wholesale trade, agricultural services and transportation. A total of 1,200 people were employed in Hutchinson County agribusinesses during 2013, with an

*Employment estimates do not include ag-related public sector/government employees

associated payroll of \$25.6 million, according to the 2013 Texas County Business Patterns publication. In addition, 146 people were either employed full- or part-time on local farms, ranches and confined livestock operations, earning \$2.4 million annually. It should be noted that the impact of agriculture on the Hutchinson County economy is underestimated, since the economic contributions of public sector employees working in agriculture and the 247 farm and ranch operators are not considered in this analysis.



(AgEco-FS-15: Dr. Steve Amosson, Kay Ledbetter and Michelle Jones, Amarillo; Dr. Rebekka Dudensing, Ruoxi Lu and Jonathan Ellison, College Station; Dr. Bridget Guerrero, Canyon; and Kristy Slough, Hutchinson County. Revised August 2015)