

**LRC-II-13
NORTH DAKOTA LIGNITE INDUSTRY
ECONOMIC ANALYSIS**

CONTRACTOR: North Dakota State University Agricultural Experiment Station

PRINCIPAL INVESTIGATOR: F. Larry Leistritz
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PARTICIPANTS

<u>Sponsor</u>	<u>Cost Share</u>
North Dakota State University	\$2,500
ND Industrial Commission	<u>2,500</u>
Total	\$5,000

Project Schedule – 4 Months

Contract Date – 3/8/89
Completion Date – 4/1/89

Project Deliverables

Final Report – 4/1/89 ✓

OBJECTIVE / STATEMENT OF WORK

The objective of this project is to build a factual economic database on North Dakota's lignite industry and its impact on the state's economy. Economic information on the industry is collected by the Lignite Energy Council from the lignite industry in the state. The Department of Agricultural Economics, NDSU, uses this information and the North Dakota Input-Output model (Coon et al. 1983, and Coon and Leistritz 1986) to project an indication of the industry's role in the state's economy.

STATUS

The lignite industry contributes heavily to state tax revenues. During 1988 total state taxes from the lignite industry were estimated at \$60.1 million. There were 3,668 workers directly employed in 1988 and 3,740 projected for 1989. In addition, the industry provided secondary employment for nearly 14,000 workers in each of these years. Total business activity generated by the lignite industry was \$1,037.8 million in 1988.