

**LRC-IV-20**  
**NORTH DAKOTA LIGNITE INDUSTRY**  
**ECONOMIC ANALYSIS**

**CONTRACTOR:** North Dakota State University Agricultural Experiment Station

**PRINCIPAL INVESTIGATOR:** F. Larry Leistritz  
(71) 237-7441

**PARTICIPANTS**

<u>Sponsor</u>	<u>Cost Share</u>
North Dakota State University	\$4,572
ND Industrial Commission	<u>4,000</u>
<b>Total</b>	<b>\$8,572</b>

**Project Schedule – 4 Months**

Contract Date – 2/1/90  
Completion Date – 4/1/90

**Project Deliverables**

Final Report – 4/1/90 ✓

**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 1989 total state taxes from the lignite industry were estimated at \$62.9 million. There were 3,551 workers directly employed in 1989 and 3,649 projected for 1990. 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 \$1,101.1 million in 1989.