

**LRC-VI-26**  
**NORTH DAKOTA LIGNITE INDUSTRY**  
**ECONOMIC ANALYSIS**

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

**PRINCIPAL INVESTIGATOR:** F.Larry Leistritz  
(701) 237-7441

**PARTICIPANTS**

<u>Sponsor</u>	<u>Cost Share</u>
North Dakota State University	\$4,922
ND Industrial Commission	<u>4,500</u>
Total	\$9,422

**Project Schedule – 4 Months**

Contract Date – 1/11/91  
Start Date – 1/1/91  
Completion Date – 4/1/91

**Project Deliverables**

Status Report ✓  
Final Report ✓

**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 1990 total state taxes from the lignite industry were estimated at \$65.5 million. There were 3,455 workers directly employed in 1990 and 3,415 projected for 1991. In addition, the industry provided secondary employment for 14,632 workers in 1990. Total business activity generated by the lignite industry was 1,219.4 million in 1990.