

# Economic Impact of Forestry and Forest Products

## on Louisiana's First Congressional District

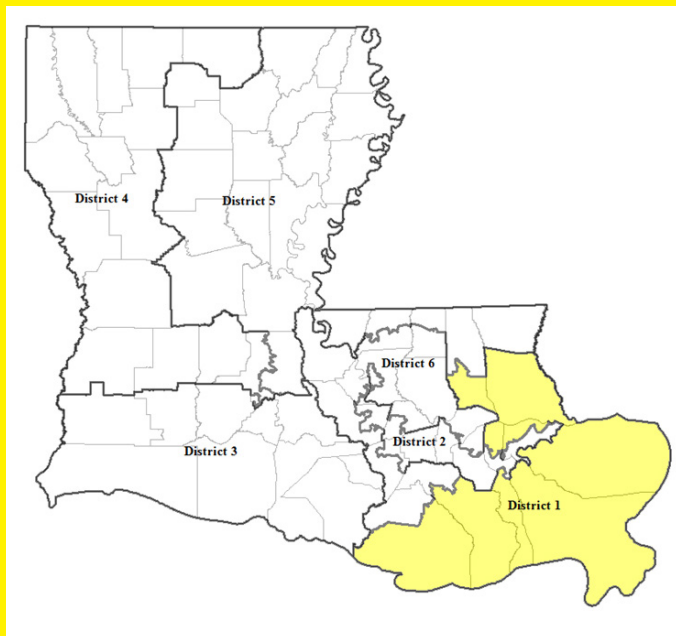


The forestry and forest products industry in Louisiana's 1st Congressional District has a total economic impact amounting to **2,255 jobs and \$108 million in income** during 2012. Forestry and the forest products industry generated an **output of \$430 million**. Total industry output is defined as the value of all goods and services produced in the district. **Value-added amounted to approximately \$170 million**. Value-added represents the creation of new wealth, and is inserted into the economy through payments made to workers, interest, profits and indirect business taxes.

In addition, **the tax impact was estimated to be approximately \$30 million** with \$19 million in federal and \$11 million in state and local taxes. The forestry and forest products impacts on the economy of Louisiana's First Congressional District are summarized in right column and detailed in **Table 1**. These results were obtained using Impact Analysis for PLANning (IMPLAN), an input-output model. Using input-output analysis to track how the inputs of one sector of the economy are the outputs of other sectors can allow for a greater appreciation of the economic importance of a sector or group of sectors to the overall economy.<sup>1</sup>

<sup>1</sup> For more detail on combining the 440 sectors to 17 sectors, please see [The Economic Impact of Forestry and the Forest Products Industry on Louisiana's Congressional Districts, Research Information Sheet #112](#)

### Louisiana District 1



*Jobs*  
**2,255**

*Output*  
**\$430 million**

*Income*  
**\$108 million**

*Value-Added*  
**\$170 million**

*Tax Revenue*  
**\$30 million**

See Reverse Side  
for More Details.

**Table 1. Impacts from Forest Related Sectors on Employment, Income, Output, and Value-Added in Louisiana's 1st Congressional District (2012).**

	Number of jobs	% of District	Income (\$)	% of District	Output (\$)	% of District	Value-Added (\$)	% of District
<b>Direct Impact</b>								
Forestry Services	78	0.02	16,983,118	0.09	36,527,044	0.05	15,153,931	0.04
Logging	99	0.02	5,437,951	0.03	8,639,900	0.01	2,886,577	0.01
Solid Wood Products	268	0.06	13,293,570	0.07	48,727,317	0.07	13,567,403	0.04
Pulp and Paper	348	0.08	31,834,351	0.17	164,848,986	0.22	53,075,924	0.15
Wood Furniture	205	0.05	9,482,608	0.05	26,377,623	0.04	8,457,320	0.02
Subtotal	998	0.22	77,031,598	0.40	285,120,869	0.38	93,141,155	0.26
<b>Indirect Impacts</b>								
Forestry Sector	74	0.02	3,818,720	0.02	17,272,834	0.02	2,920,800	0.01
Non-Forestry	1,183	0.27	27,619,196	0.14	127,566,441	0.17	74,332,902	0.21
Subtotal	1,257	0.28	31,437,917	0.16	144,839,275	0.19	77,253,702	0.22
<b>Total Impact from Forestry</b>	<b>2,255</b>	<b>0.51</b>	<b>108,469,515</b>	<b>0.56</b>	<b>429,960,144</b>	<b>0.58</b>	<b>170,394,857</b>	<b>0.48</b>
Rest of District	443,402	99.49	19,144,269,964	99.44	73,944,823,336	99.42	35,240,629,702	99.52
Total in District	445,657	100	19,252,739,478	100	74,374,783,480	100	35,411,024,559	100

**Glossary:**

**Number of jobs:** Number of full and part-time employment in the chosen industries and those created in the rest of the economy by the chosen industries.

**Income:** Includes wages, salaries, and benefits of employees as well as income for self-employed individuals.

**Output:** Represents the value of industry production.

**Value-added:** The difference between an industry's total output and the cost of its intermediate inputs.

**Direct effects:** Refer to the sectors own production, value-added, employment, and labor incomes.

**Indirect effects:** Refer to the economic activities in other sectors by the forest sectors purchase of goods and services.

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