

# Economic Impact of Forestry and Forest Products

## on Louisiana's Third Congressional District



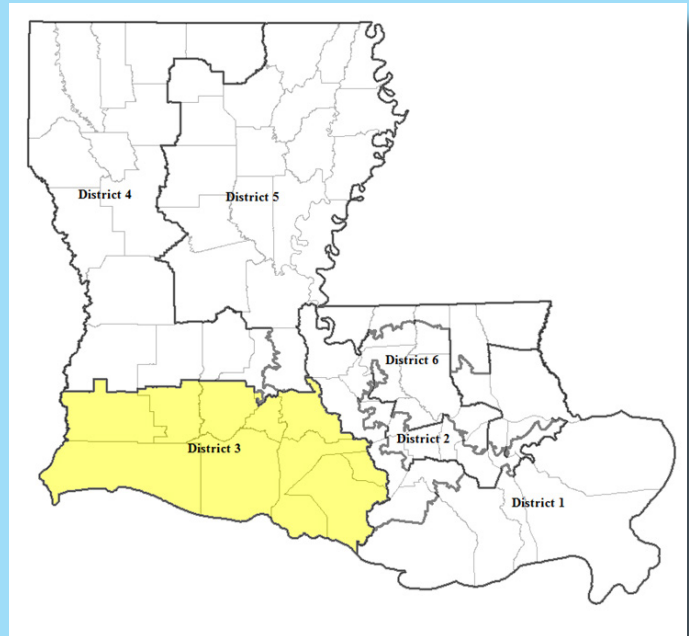
The forestry and forest products industry in Louisiana's 3rd Congressional District has a total economic impact amounting to **2,754 jobs and \$160 million in income** during 2012. Forestry and the forest products industry generated an **output of \$503 million** in the district. Total industry output is defined as the value of all goods and services produced in the district. **Value-added amounted to approximately \$194 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 \$35 million** with \$22.5 million in federal and \$12.5 million in state and local taxes. The forestry and forest products impacts on the economy of Louisiana's Third Congressional District are summarized in the 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 3



*Jobs*  
**2,754**

*Output*  
**\$503 million**

*Income*  
**\$160 million**

*Value-Added*  
**\$194 million**

*Tax Revenue*  
**\$35 million**

See Reverse Side for More Details.

**Table 1. Impacts from Forest Related Sectors on Employment, Income, Output, and Value-Added in Louisiana's 3rd Congressional District (2012).**

	Number of jobs	% of District	Income (\$)	% of District	Output (\$)	% of District	Value-Added (\$)	% of District
<b>Direct Impact from Forest-Related Sectors:</b>								
Forestry Services	94	0.02	19,881,933	0.10	45,547,932	0.05	17,942,608	0.05
Logging	29	0.01	1,733,072	0.01	2,738,809	0.00	925,555	0.00
Solid Wood Products	656	0.15	43,534,677	0.22	146,724,335	0.15	50,052,518	0.13
Pulp and Paper	223	0.05	20,021,634	0.10	95,846,648	0.10	25,966,230	0.07
Wood Furniture	286	0.06	10,862,212	0.05	36,241,801	0.04	10,807,723	0.03
<b>Subtotal</b>	<b>1,288</b>	<b>0.28</b>	<b>96,033,528</b>	<b>0.49</b>	<b>327,099,526</b>	<b>0.33</b>	<b>105,694,634</b>	<b>0.27</b>
<b>Indirect and Induced Impacts on Sectors:</b>								
Forestry Sector	106	0.02	7,103,762	0.04	30,108,739	0.03	6,319,626	0.02
Non-Forestry	1,360	0.30	57,508,153	0.29	145,712,383	0.15	82,328,467	0.21
<b>Subtotal</b>	<b>1,466</b>	<b>0.32</b>	<b>64,611,915</b>	<b>0.33</b>	<b>175,821,122</b>	<b>0.18</b>	<b>88,648,093</b>	<b>0.23</b>
<b>Total Impact</b>	<b>2,754</b>	<b>0.61</b>	<b>160,645,443</b>	<b>0.81</b>	<b>502,920,647</b>	<b>0.51</b>	<b>194,342,727</b>	<b>0.50</b>
Rest of District	449,211	99.39	19,630,929,157	99.19	97,516,567,246	99.49	38,600,487,484	99.50
Total in District	451,965	100	19,791,574,600	100.00	98,019,487,893	100	38,794,830,211	100.00

**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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