

Economic Contribution of Forestry and Forest Products

on Louisiana's 1st Congressional District

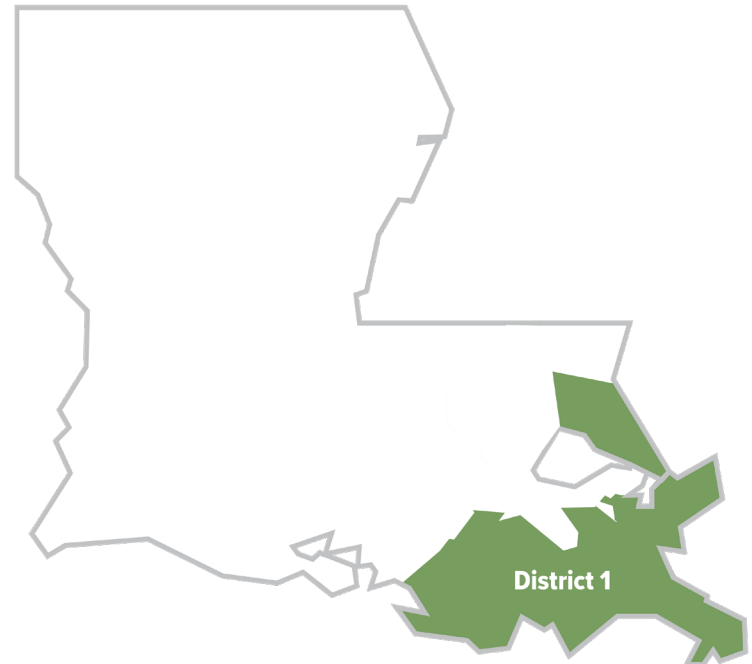


The forestry and forest products industry in Louisiana's 1st Congressional District had a total economic impact amounting to **1,959 jobs** and **\$97 million in income** during **2021**. Forestry and the forest products industry generated an **output of \$424 million** in the district. Total industry output is defined as the value of all goods and services produced in the districts. **Value added amounted to approximately \$159 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 \$21,127,507** with \$17,384,796 in federal and \$3,742,711 in state and local taxes. The forestry and forest products contribution to the Louisiana economy is summarized in the column to the right and detailed in **Table 1**.

These results were obtained using Impact Analysis for Planning (IMPLAN), an input-output model. Input-output analysis can track how the inputs of one sector of the economy are the outputs of other sectors. This can illustrate a sector or group of sectors' importance to the overall economy.

Louisiana District 1



Jobs

1,959

Output

\$424 million

Income

\$97 million

Value added

\$159 million

Federal tax total

\$17,384,796

State tax total

\$3,742,711

Table 1. Contributions from Forest-related Sectors on Employment, Labor Income, Output and Total Value Added in Louisiana's 1st Congressional District (2021).*

	Number of Jobs	% Share	Income (US\$ million)	% Share	Output (US\$ million)	% Share	Value Added (US\$ million)	% Share
Direct Impact From Forest-related Sectors								
Forestry	422	1.0	15	0.6	15	0.1	13	0.3
Logging	371	0.1	7	0.3	21	0.2	7	0.1
Primary Solid Wood Products	28	0.6	2	0.1	11	0.1	4	0.1
Secondary Solid Wood Products	205	0.6	10	0.5	48	0.4	20	0.4
Wood Furniture	227	0.3	8	0.4	32	0.3	9	0.2
Primary Paper Products	110	0.7	12	0.5	100	0.9	41	0.8
Secondary Paper Products	251	4.4	21	0.9	128	1.2	39	0.8
Subtotal	1,614	4.4	76	3.3	355	3.2	133	2.7
Indirect and Induced Impact on Sectors								
Forestry Sector	62	0.2	3	0.1	10	0.1	5	0.1
Non-Forestry Sector	283	0.8	18	0.8	59	0.5	31	0.6
Subtotal	345	0.9	21	0.9	69	0.6	36	0.7
Total Impact 1st District	1,959	5.3	97	4.3	424	3.8	169	3.5
Rest of Louisiana	35,054	94.7	2,173	95.7	10,604	96.2	4,708	96.5
Total in Louisiana	37,011	100	2,270	100	11,028	100	4,877	100

*Though all totals are correct, some may appear incorrect due to rounding within the table.

Glossary:

Employment: Number of full- and part-time employees in the chosen industries and the jobs created in the rest of the economy by the chosen industries.

Labor 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: Refers to the sector's own production, value added, employment and labor incomes.

Indirect effects: Refers to the economic activities in other sectors by the forest sector's purchase of goods and services from those other sectors.

Induced effects: Refers to spending by employees from the forest sector on goods and services, such as groceries and gasoline.

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