

Economic Contribution of Forestry and Forest Products

on Louisiana's 5th Congressional District

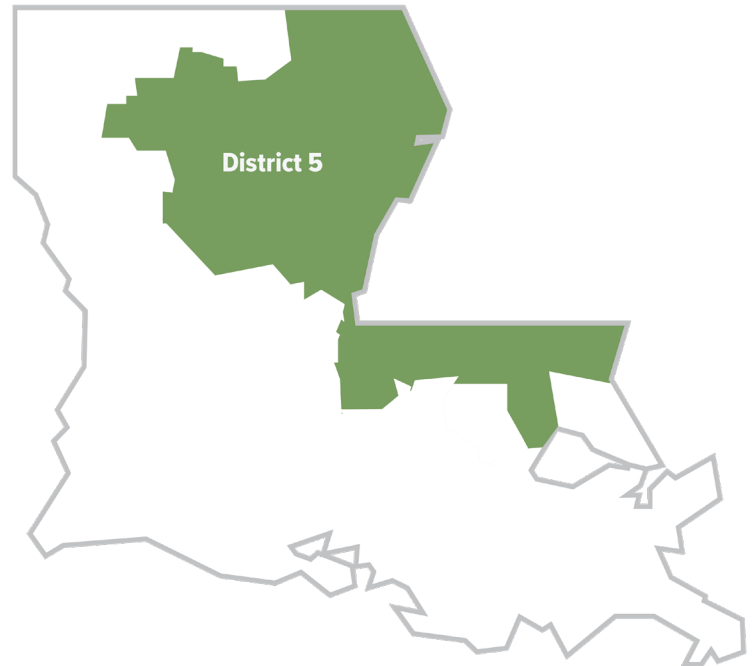


The forestry and forest products industry in Louisiana's 5th Congressional District had a total economic impact amounting to **14,287 jobs** and **\$0.92 billion in income** during **2021**. Forestry and the forest products industry generated an **output of \$4.56 billion** in the district. Total industry output is defined as the value of all goods and services produced in the districts. **Value added amounted to approximately \$2.05 billion**. 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 \$245,770,071** with \$190,653,104 in federal and \$55,116,967 in state and local taxes. The forestry and forest products contribution to the Louisiana economy are 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 5



Jobs

14,287

Output

\$4.56 billion

Income

\$0.92 billion

Value added

\$2.05 billion

Federal tax total

\$190,653,104

State tax total

\$55,116,967

Table 1. Contributions from Forest-related Sectors on Employment, Labor Income, Output and Total Value Added in Louisiana's 5th 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	2,229	6.0	90	4.0	81	0.7	75	1.5
Logging	1,266	3.4	62	2.7	106	1.0	59	1.2
Primary Solid Wood Products	2,494	6.7	183	8.1	1,219	11.1	585	12.0
Secondary Solid Wood Products	975	2.6	69	3.0	308	2.8	152	3.1
Wood Furniture	242	0.7	8	0.4	36	0.3	9	0.2
Primary Paper Products	1,551	4.2	202	8.9	1,462	13.3	619	12.7
Secondary Paper Products	1,011	2.7	74	3.3	512	4.6	137	2.8
Subtotal	9,768	26.4	688	30.3	3,724	33.8	1,636	33.5
Indirect and Induced Impact on Sectors								
Forestry Sector	637	1.7	21	0.9	72	0.7	39	0.8
Non-Forestry Sector	3,884	10.5	207	9.1	760	6.9	378	7.8
Subtotal	4,521	12.2	228	10.1	832	7.5	417	8.5
Total Impact 5th District	14,287	38.6	916	40.3	4,556	41.3	2,053	42.1
Rest of Louisiana	22,724	61.4	1,354	59.7	6,472	58.7	2,825	57.9
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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P3367-E (online) 8/23 REV.

The LSU AgCenter and LSU provide equal opportunities in programs and employment.

Acknowledgements: This work has been supported, in part, by the USDA National Institute of Food and Agriculture, Renewable Resources Extension Act Award Numbers: 2017-46000-01800 (Louisiana State University).