

# LOGGING IS IMPORTANT TO THE MISSISSIPPI ECONOMY



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The Forest Products industry in Mississippi has a huge impact on the state's economy. The total economic impact of forestry and forest products in Mississippi for 2006 was \$17.4 billion in output, \$7.1 billion in value-added, \$4.4 billion in wages and salaries, and 123,659 jobs (Table 1). Expressed as a percentage of Mississippi's total economy, the forest products industry generates 10.5% of output, 9.4% of value-added, 9.2% of wages and salaries, and 8.5% of all jobs in Mississippi.

**Table 1.** Total Economic Impact of the Forest Products Industry on Mississippi Employment, Wages, Output, and Value-Added (2006)<sup>1</sup>.

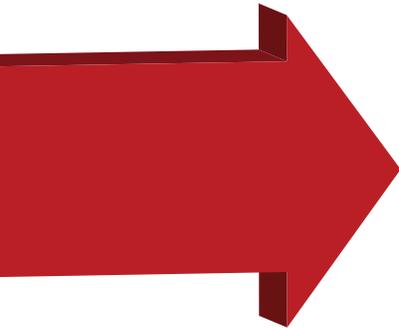
	Jobs	Wages and Salaries (\$MM)	Total Industry Output (\$MM)	Value-Added (\$MM)
Direct Effect of Forest Products Industry <sup>2</sup>	51,281	2,087.82	10,575.00	3,510.58
Indirect and Induced Effects on all other sectors of MS economy <sup>3</sup>	72,378	2,279.66	6,803.27	3,615.96
Total Economic Impact <sup>4</sup>	123,659	4,367.48	17,378.27	7,126.54
Percent of Total Economy	8.5%	9.2%	10.5%	9.4%

<sup>1</sup> Source: Henderson, J.E., I.A. Munn, G. Perez-Verdin, D.L. Grebner. 2008. Forestry in Mississippi: the impact of the forest products industry on the post-Katrina Mississippi economy - an input-output analysis. Forest and Wildlife Research Center, Research Bulletin FO374, Mississippi State University. 31pp. Available: [www.fwrc.msstate.edu/pubs/forestryinmississippi06.pdf](http://www.fwrc.msstate.edu/pubs/forestryinmississippi06.pdf)

<sup>2</sup> Forestry and Forest Products sectors impact the state economy directly through their own employment, wages, production, and value-added.

<sup>3</sup> Forestry and Forest Products industry's purchase of goods and services indirectly results in increased economic activity in other sectors, and purchases of consumer goods and services by employee households associated with both the forest products industry and its supporting industries result in an induced effect on the economy

<sup>4</sup> Sum of Direct, Indirect, and Induced effects.



However, it's important to remember that forest products related economic activity begins with logging. There were an estimated **1,073,113 logging truck loads** in Mississippi during 2006. In terms of dollar value, each log truck load generates an average **\$16,194 in output**, \$6,641 in value-added, and \$4,070 in wages and salaries for Mississippi's economy (Table 2). Each 100 logging truck loads generate **11.5 jobs for Mississippi**. Clearly, logging is important to the Mississippi economy.

Table 2. Total Economic Impact of an Average Log Truck Load on Mississippi Employment, Wages, Output, and Value-Added (2006).

	Jobs	Wages and Salaries (\$)	Total Industry Output (\$)	Value-Added (\$)
Average Truck Load Economic Impact	0.115	4,069.92	16,194.26	6,641.00
Each 100 log truck loads generate	11.5	406,991.70	1,619,426.23	664,099.81



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