

Texas 2008



TEXAS A&M
FOREST SERVICE

The forest sector had direct impact of \$20.3 billion in industry output and employed over 80,000 people with a payroll of \$4.6 billion. The state received around \$6.5 billion directly from the forest sector through payroll, other employee compensation and property taxes. Including direct, indirect, and induced impacts, the forest sector had a total economic impact of \$34.3 billion in industry output and supported more than 166,000 jobs with a payroll of \$8.9 billion. Every job created in the sector resulted in another 1.06 jobs in the state. Every dollar generated in the sector contributed an additional 69 cents to the rest of the Texas economy.



Economic Impacts of the Forest Sector in Texas, 2008

- The value of timber ranked eighth among Texas top agricultural commodities after cattle, cotton, milk, broilers, greenhouse and nursery, corn and wheat.
- The forest-based industry was one of the top 10 manufacturing sectors in the state.

For more information on economic impacts of the forest industry in Texas, please visit <http://texasforestservice.tamu.edu>.

Economic Impacts of the Texas Forest Sector, 2008

	Industry Output(million \$)	Value Added(million \$)	Employment (jobs)	Labor Income(million \$)
Direct Impact				
Forestry	823.58	303.78	2,205	113.80
Logging	1,013.27	340.29	4,537	208.44
Primary solid wood products	2,147.10	705.04	8,463	481.84
secondary solid wood products	6,879.30	2,486.70	46,151	1,874.60
primary paper and paperboard products	2,751.77	804.17	3,362	512.87
secondary paper and paperboard products	6,644.33	1,840.91	16,007	1,440.29
Total	20,259.35	6,480.89	80,724	4,631.83
Total Impact				
Forestry	1,195.60	502.68	4,553	227.48
Logging	1,407.76	565.64	7,206	333.95
Primary solid wood products	3,285.69	1,326.92	15,388	819.27
secondary solid wood products	12,355.10	5,496.23	81,300	3,561.53
primary paper and paperboard products	4,856.61	1,947.50	14,580	1,122.01
secondary paper and paperboard products	11,215.29	4,318.94	43,077	2,809.31
Total	34,316.05	14,157.91	166,103	8,873.56
SAM Multiplier				
Forestry	1.45	1.65	2.07	2.00
Logging	1.39	1.66	1.59	1.60
Primary solid wood products	1.53	1.88	1.82	1.70
secondary solid wood products	1.80	2.21	1.76	1.90
primary paper and paperboard products	1.76	2.42	4.34	2.19
secondary paper and paperboard products	1.69	2.35	2.69	1.95
Total	1.69	2.18	2.06	1.92

Glossary

Industry output is the total value of production or service by industry for a given time period.

Employment includes full-time and part-time employees, and self-employed.

Labor income includes wages, salary and benefits of employees as well as income for self-employed individuals.

Direct effects refer to the sector's own production, value-added, employment and labor incomes.

Indirect effects refer to the economic activities in other sectors impacted by the forest sector's purchase of goods and services.

Induced effects are economic activities from consumption of goods and services using incomes generated from the direct and indirect effects.

SAM is the acronym for Social Accounting Matrices, a macro accounting system widely used by many counties for analyzing relationships of economic activities such as production, consumption and trade between various economic entities.

Direct economic impact of a sector includes only direct effects.

Total economic impact of a sector includes all three effects generated by the sector.

