

THE ECONOMIC IMPACT OF THE VALUE-ADDED PORTION OF THE WOOD PRODUCTS INDUSTRY IN VERMONT IN 2006

The value-added portion of the wood products industry is an important export sector that provides thousands of jobs, a substantial amount of personal income for Vermonters and their families, and substantial revenues to the state.

REVENUE - VALUE-ADDED WOOD PRODUCTS INDUSTRY GENERATED \$486 MILLION IN PERSONAL INCOME; \$49.21 MILLION IN REVENUE TO THE STATE; AND A NET FISCAL BENEFIT OF \$12.92 MILLION.

FISCAL BENEFITS - \$49.21 (in million)

General Fund	\$23.47
Transportation Fund	\$4.19
Education Fund	\$21.55

TOTAL FISCAL BENEFIT	\$49.21
NET FISCAL BENEFIT	\$12.92

Estimates based on VEPC cost benefit model

EMPLOYMENT - 13,807 JOBS, OR 3.7% OF NON-FARM PRIVATE JOBS

Forestry and Logging	1,919
Forestry Support Activities	110
Wood Products Manufacturing	2,859
Paper Products Manufacturing	1,276
Furniture Manufacturing	2,036

TOTAL DIRECT JOBS	8,200
INDIRECT JOBS	5,607

FOREST PRODUCTS ARE THE 4TH LARGEST EXPORT FOR VERMONT

- \$3.4 Billion - Electrical Machinery (TV/Sound Boards, etc)
- \$239 Million - Industrial Machinery (including computers)
- \$73 Million - Optical & Photo Optical Medical and Surgical Instruments
- \$57 Million - Wood, Wood Articles and Charcoal

INDUSTRY OUTPUT AND GROSS STATE PRODUCT (GSP) IN BILLIONS, 2006

Industry output	Value-added GSP	% of Total GSP
1.83	0.85	3.5

(Output estimate includes portions of agriculture and manufacturing shown below)

COMPARISON OF SELECTED INDUSTRIES TO VERMONT GSP

Industry	GSP	% of Total GSP
Agriculture, forestry, fishing, and hunting	0.34	1.4
Construction	1.30	5.3
Manufacturing	2.93	12.1
Retail trade	2.01	8.3
Information	0.91	3.7
Finance and insurance	1.48	6.1
Real estate and rental and leasing	2.92	12.1
Professional and technical services	1.45	6.0
Educational services	0.52	2.1
Accommodation and food services	1.04	4.3

Source: Bureau of Economic Analysis

Sources:

1. Vermont Wood Manufacturers Association. *Economic Impact of the Value-Added Portion of the Forest and Wood Products Industry in Vermont, 2001.* Available at <http://www.vermontwood.com/facts.html>
2. U.S. Bureau of Economic Analysis, *employment and GDP data by NAICS, 2006.* Available at <http://www.bea.gov/regional/spi/>
3. North East State Foresters Association. *The Economic Impact and Wood Flows from Vermont's Forests, 2007.* Available at <http://www.nefainfo.org/publications.htm>

Research conducted by EPR, Economic & Policy Resources, Inc.