



NREM-5057

## Economic Contribution of the Forest Sector in Oklahoma in 2022

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### Highlights

- In 2022, Oklahoma's forest sector directly contributed \$4.6 billion in industry output and employed more than 9,200 people with a payroll contribution of \$626 million.
- The forest sector in the state generated about \$1.5 billion directly through payroll, other employee compensation and property taxes.
- Including direct, indirect and induced impacts, the forest sector had a total economic contribution of \$6.9 billion in industry output and supported more than 19,280 jobs with a payroll of \$1.2 billion.
- Every job created in the sector resulted in another 1.08 jobs in the state.
- Every dollar generated in the sector contributed an additional 49 cents to the rest of the state economy.

### Industry Analysis

- Secondary solid wood and primary paper and paperboard products continued to be the top two employers in the Oklahoma forest sector.
- Almost half (48%) of the forest sector workforce — 4,447 workers — were directly employed in secondary industries.
- The primary paper and paperboard industry has continued to produce the largest value added, economic output and the labor income.
- Primary and secondary paper and paperboard were the top two highest-paying forestry industries, based on their labor income to employment ratio.
- The forestry and logging industries together accounted for about 14% of the total employment.



**Figure 1.** A wood load truck from SE Oklahoma.



**Figure 2.** A forest located in SE Oklahoma.

**Table 1.** Economic contributions (direct contribution) of the forest sector in Oklahoma in 2022.

<b>Direct Contribution*</b>	<b>Employment (Jobs)</b>	<b>Labor Income (Million \$)</b>	<b>Value Added (Million \$)</b>	<b>Industry Output (Million \$)</b>
Forestry	400	16.60	20.85	28.57
Logging	938	21.08	45.06	83.21
Primary Solid Wood Products	1,029	76.00	235.82	783.31
Secondary Solid Wood Products	3,205	169.10	226.22	726.03
Primary Paper and Paperboard Products	2,446	245.47	751.49	2,237.42
Secondary Paper and Paperboard Products	1,242	98.11	217.77	772.91
<b>Total</b>	<b>9,261</b>	<b>626.36</b>	<b>1,497.20</b>	<b>4,631.45</b>

Economic contributions, based on multi-industry contribution analysis, are reported in 2022 dollars.

**Table 2.** Economic contributions (total contribution) of the forest sector in Oklahoma in 2022.

<b>Total Contribution**</b>	<b>Employment (Jobs)</b>	<b>Labor Income (Million \$)</b>	<b>Value Added (Million \$)</b>	<b>Industry Output (Million \$)</b>
Forestry	484	20.74	26.63	43.68
Logging	1,176	31.28	63.42	120.80
Primary Solid Wood Products	2,449	164.12	396.64	1,126.60
Secondary Solid Wood Products	5,167	278.72	421.61	1,120.46
Primary Paper and Paperboard Products	7,144	541.62	1,301.50	3,380.68
Secondary Paper and Paperboard Products	2,865	191.96	388.34	1,120.06
<b>Total</b>	<b>19,285</b>	<b>1,228.43</b>	<b>2,600.14</b>	<b>6,912.27</b>

Economic contributions, based on multi-industry contribution analysis, are reported in 2022 dollars.

**Table 3.** Ripple effects of forest sector contribution to Oklahoma economy.

<b>SAM Multiplier</b>	<b>Employment (Jobs)</b>	<b>Labor Income (Million \$)</b>	<b>Value Added (Million \$)</b>	<b>Industry Output (Million \$)</b>
Forestry	1.21	1.25	1.37	1.53
Logging	1.25	1.48	1.41	1.45
Primary Solid Wood Products	2.38	2.16	1.68	1.44
Secondary Solid Wood Products	1.61	1.65	1.86	1.54
Primary Paper and Paperboard Products	2.92	2.21	1.73	1.51
Secondary Paper and Paperboard Products	2.31	1.96	1.78	1.45
<b>Total</b>	<b>2.08</b>	<b>1.96</b>	<b>1.74</b>	<b>1.49</b>

Economic contributions, based on multi-industry contribution analysis, are reported in 2022 dollars.

Ripple effects=SAM Multiple-1

## Key Definitions

- Industry output is the total value of production or service by industry in a snapshot of time.
- Employment includes all full-time, part-time employees and self-employed people.
- Labor income includes wages, salaries, benefits of the employees including their tax contributions to the government and income for the self-employed individuals.
- Value added is the difference between total output and the costs of its intermediate inputs.
- Direct contributions include forestry sectors own production, value-added, employment and labor incomes.
- Indirect contributions include economic activities in other sectors impacted by forestry sector's purchase of goods and services.
- Induced contributions are economic activities from consumption of goods and services using incomes generated from direct and indirect contributions.
- Total economic contributions are the sum of direct, indirect and induced contributions.



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