Forest industries directly contributed $10.8 million of industry output to the Madison County economy in 2007, employing around 71 people with a payroll of $1.6 million. State and local taxing jurisdictions in Madison County received $50 thousand directly from forest industries in indirect business taxes (such as sales and use taxes, property taxes, and government revenues from permit fees and licenses.) The forest industry had a total economic impact (direct, indirect, and induced) of $15 million in industry output in the local economy and supported 388 jobs with a payroll of $3.7 million. Every job created in the sector resulted in another 4.5 jobs in the county. Every dollar generated in the sector contributed an additional 35 cents to the rest of the economy in Madison County.

**Economic Impacts of the Forest Sector in Madison County**

- The value of timber ranked second among the top agricultural commodities in Madison County after cattle and calves.

- Madison County ranked thirty-sixth among all East Texas counties in terms of output value of forest industries in 2007.

For more information on economic impacts of forest industries in Texas, please visit [http://texasforestservice.tamu.edu](http://texasforestservice.tamu.edu).
Economic Impacts of the Texas Forest Sector in Madison County, 2007

**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 countries 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.