

Summary Of:

“Economic Impacts of the Aquaculture Processing and Production Industries in Alabama in 2005 An Addendum to: **Economic Impacts of the Aquaculture**

Industry in Alabama in 2005” by Tom Stevens, Alan Hodges, and David Mulkey September 17, 2007 University of Florida, Institute of Food and Agricultural Sciences, Food and Resource Economics Department P.O. Box 110240 University of Florida, Gainesville, Florida 32611-0240 352-392-1845 awhodges@ufl.edu economicimpact.ifas.ufl.edu (Prepared under contract for Auburn University, Department of Agriculture Economics and Rural Sociology).

The economic impacts of Alabama’s catfish processing and production industries were evaluated using an IMPLAN® input-output model of the State’s economy. This model traces how revenues from the sale of Alabama processed catfish flow through the State’s economy, i.e., as processors and producers purchase inputs, and as households of employees and proprietors spend their earnings, economic impact analysis can provide a comprehensive assessment of the total impact of the aquaculture (catfish) industry for the State. Output, value added, income and jobs are basic units for measuring such economic activity. Estimating the size of these economic indicators makes it possible to evaluate and compare the impacts of catfish production and processing in Alabama to other activities or sectors in the State.

Alabama’s catfish production industry was estimated to have totaled nearly \$223 million during 2005. Aquaculture production contributed almost \$68 million in value-added impacts to the economy of Alabama that year. Nearly \$49 million of that consisted of labor income. The remaining value-added impacts were comprised of \$15 million in other property type income and \$4 million in indirect business taxes. It is estimated that 1,483 jobs were created by the production of aquacultural products (catfish) in Alabama during 2005.

Alabama’s catfish processing industry was estimated to have totaled nearly \$266 million during 2005. Aquaculture processing contributed \$88 million in value-added impacts to the economy of Alabama that year. Approximately \$59 million of that consisted of labor income. The remaining value-added impacts were comprised of \$22 million in other property type income and \$7 million in indirect business taxes. It is estimated that a 2,402 jobs were created by the processing of aquacultural products (catfish) in Alabama during 2005.

The combined impact of Alabama’s aquaculture industry (production and processing) was estimated to have totaled nearly \$489 million during 2005. Aquaculture production and processing contributed almost \$156 million in value-added impacts to the economy of Alabama that year. Nearly \$108 million of that consisted of labor income. The remaining value-added impacts were comprised of \$37.1 million in other property type income and \$10.7 million in indirect business taxes. It is estimated that a combined total of 3,885 jobs were created by the production and processing of aquacultural products (catfish) in Alabama during 2005.

For further details and explanation of terms, the two IMPLAN reports are posted at the ALEARN website: <http://www.aces.edu/dept/fisheries/aquaculture/statistics.php> under the title “Economic Impacts of Alabama's Catfish Industry to the State in 2005.”