

## Economic Impacts of the Closure of the International Paper Mill in Courtland, Alabama

The closure of the International Paper mill in Courtland, AL is projected to result in a loss of 1,127 direct jobs at the mill, and an accompanying loss of \$133 million in labor income. Measuring the ripple effects on Alabama, Tennessee, and Mississippi, the total projected job loss is 5,402; income loss is \$337 million; and combined losses to the states value added are \$645 million. Employment is measured as jobs, not full time equivalents. Labor income includes salary, wages and proprietors income. Contribution to gross state product, or value added, is the total impact of the mill closure on the state or regional economy. The breakdown by state is shown in table 1 below.

Table 1. Direct and total impacts of the closure of the International Paper mill in Courtland, Alabama on the state economies of Alabama, Mississippi and Tennessee.

State	Impact type	Employment	Labor income	Value added*
			<i>millions of 2013 dollars</i>	
Alabama	Direct	1,127	133	310
	Total	4,954	313	606
Mississippi	Direct	0	0	0
	Total	166	8	13
Tennessee	Direct	0	0	0
	Total	282	16	26
Total	Direct	1,127	133	310
	Total	5,402	337	645

\* Value Added= Contribution to gross state product.

The forest products related sectors in the three states are affected as shown in table 2. The losses in the forestry sector include losses to forest management and losses to landowners, associated with the expected drop in roundwood demand. Wood products manufacturing (NAICS 321) includes sawmills, engineered wood, wood preservation and other solid wood products and reflects, in part, the role that sawmill residues play as feedstock to this mill, providing a quarter of feedstock inputs. Paper manufacturing (NAICS 322) includes pulp mills, paper mills, and all types of paper manufacturing.

Table 2. Impact of the International Paper mill closure on forestry related sectors in Alabama, Mississippi and Tennessee.

State	Forestry related sector	Employment	Labor income	Value added*
			<i>millions of 2013 dollars</i>	
Alabama	Forestry	8	0.69	2.15
	Logging	276	16.33	15.99
	Wood products mfg.	101	4.70	5.57
	Paper mfg.	1,164	136.87	316.06
	Alabama total	1,549	158.59	339.76
Tennessee	Forestry	0	0.01	0.02
	Logging	5	0.30	0.30
	Wood products mfg.	9	0.35	0.44
	Paper mfg.	16	1.48	2.60
	Tennessee total	29	2.14	3.36
Mississippi	Forestry	2	0.15	0.46
	Logging	31	1.41	1.38
	Wood products mfg.	9	0.38	0.47
	Paper mfg.	5	0.52	0.98
	Mississippi total	47	2.46	3.28
Total	Forestry	10	0.84	2.62
	Logging	311	18.04	17.67
	Wood products mfg.	119	5.43	6.48
	Paper mfg.	1,185	138.87	319.64
	Total	1,625	163.19	346.41

\*Value added = Contribution to gross state product.

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