

The Impact of Resource-Based Industries on the Maryland Economy

BEACON, the Business Economic and Community Outreach Network at Salisbury University, with the support of the Maryland Agricultural and Resource-Based Industries Development Corporation (MARBIDCO), has completed an economic impact study to measure the importance of resource-based industries (RBI) to the State of Maryland. ¹ The resource-based industries represent a significant and crucial segment of the Maryland economy.

The target Resource-based industries, which include agriculture, forestry, seafood, aquaculture, and horticulture, accounted for over \$20.1 billion in economic activity, 88,610 supported jobs, and over \$755 million in State and local tax revenue. This includes only a portion of the estimated \$2.06 billion economic impact of the equine industry.

A further break-down of the resource-based industries (RBI) showed agriculture (including agricultural-reliant “support industries”) contributed \$16.5 billion to the State’s economy (82.00% of RBI total), supported 73,009 jobs (82.39% of RBI total), and provided over \$610 million in State and local tax revenue (80.83% of RBI total). Please note that the total impact of the equine industry was not included in the agriculture sector. The equine industry represents a portion of the agriculture sector but impacts several other sectors that are not included, such as racing track operations and tourism. As noted before, the Equine industries contributed over \$2 billion to the State economy and supported 21,532 jobs.²

Forestry contributed over \$3.3 billion to the State’s economy (16.57% of RBI), supported 12,890 jobs (14.55% of RBI total), and over \$131 million in State and local tax revenue (17.41% of RBI total).

Seafood contributed nearly \$289 million to the State’s economy (1.43% of RBI total), supported 2,711 jobs (3.06% of RBI total), and over \$13 million in State and local tax revenue (1.77% of RBI total). Please note that the aquaculture industry has a growing number of animal producers; much of the aquaculture activity, such as finfish farming and shellfish farming, were captured under the agriculture sector “animal production” when analyzed for economic impact.

Resource-based Industries	Economy Contribution (\$)	% of total	Jobs Supported	% of total	State & Local Tax Revenue (\$)	% of total
Agriculture (including Agricultural Support industries and Aquaculture)	\$16,526,654,885	82.00%	73,009	82.39%	\$ 610,415,535	80.83%
Forestry	\$3,339,461,946	16.57%	12,890	14.55%	\$ 131,444,964	17.41%
Seafood	\$288,800,382	1.43%	2,711	3.06%	\$ 13,330,173	1.77%
RBI Total	\$20,154,917,213	100.00%	88,610	100.00%	\$755,190,673	100.00%
<i>Equine (partially represented in Agriculture and Support industries, but also included in sectors outside of the scope of this study)</i>	<i>\$2,061,000,000</i>		<i>21,532</i>			

NOTE: The total Equine impact was not included in the Agriculture Industry sector analysis. The value of equine impact includes industry sectors that include many other industries.

¹ The 2019 IMPLAN dataset was utilized in this study, rather than the 2020 dataset, in order to examine the most recent pre-COVID industry impacts.

² *Economic Impact of the Horse Industry in Maryland*. American Horse Council Foundation, 2018.

In addition, the impact of RBI industries on the Maryland Economy was analyzed at a State level and the regional level (i.e., Western Maryland, Central Maryland, Southern Maryland, and the Eastern Shore of Maryland).

In summary,

- Western Maryland contributed \$3.8 billion to the State economy (19.4% RBI total);
- Central Maryland contributed \$8.5 billion to the State economy (43.4% of RBI total);
- Southern Maryland contributed over \$1.7 billion to the State economy (8.8% of RBI total); and
- The Eastern Shore of Maryland contributed nearly \$5.6 billion to the State economy (28.5% of RBI total).

Industry Sectors	Economy Contribution		Jobs Supported		State & Local Tax Revenue	
	Economic Impact: Output		Economic Impact: Employment		Economic Impact: State & Local Tax	
RBI (excludes Equine)						
including Agriculture, Forestry, Horticulture, Seafood, and Aquaculture						
State of Maryland	\$20,154,917,213	100.00%	88,610	100.00%	\$755,190,673	100.00%
Western Maryland	\$3,627,845,926	18.00%	19,186	21.65%	\$154,287,750	20.43%
Central Maryland	\$9,138,544,217	45.34%	33,126	37.38%	\$323,408,934	42.82%
Southern Maryland	\$1,803,602,328	8.95%	11,078	12.50%	\$96,906,204	12.83%
Eastern Shore of Maryland	\$5,584,924,742	27.71%	25,220	28.46%	\$180,587,786	23.91%
Agriculture - Total Ag Impact*						
State of Maryland	\$16,526,654,885	100.00%	73,009	100.00%	\$610,415,535	100.00%
Western Maryland	\$2,361,790,929	14.29%	14,064	19.26%	\$102,059,455	16.72%
Central Maryland	\$8,130,486,106	49.20%	29,283	40.11%	\$286,107,915	46.87%
Southern Maryland	\$1,363,893,641	8.25%	8,731	11.96%	\$74,941,651	12.28%
Eastern Shore of Maryland	\$4,670,484,210	28.26%	20,931	28.67%	\$147,306,514	24.13%
Equine (estimated)***	\$2,061,000,000		21,532			
Forestry						
State of Maryland	\$3,339,461,946	100.00%	12,890	100.00%	\$131,444,964	100.00%
Western Maryland	\$1,266,054,997	37.91%	5,122	39.73%	\$52,228,294	39.73%
Central Maryland	\$987,770,533	29.58%	3,486	27.04%	\$35,544,501	27.04%
Southern Maryland	\$419,238,126	12.55%	1,974	15.31%	\$20,127,600	15.31%
Eastern Shore of Maryland	\$666,398,290	19.96%	2,309	17.91%	\$23,544,569	17.91%
Seafood **						
State of Maryland	\$288,800,382	100.00%	3,341	100.00%	\$13,330,173	100.00%
Western Maryland	0	0.00%	0	0.00%	0	0.00%
Central Maryland	\$20,287,578	7.02%	357	10.69%	\$1,756,518	13.18%
Southern Maryland	\$20,470,562	7.09%	374	11.18%	\$1,836,953	13.78%
Eastern Shore of Maryland	\$248,042,243	85.89%	1,980	59.27%	\$9,736,702	73.04%

*Total Ag Impact includes the following industry sectors: Agriculture and Agricultural-Reliant/Supporting Industries of Agriculture.

**Seafood does not include Finfish Farming and Fish Hatcheries, Shellfish Farming; and Other Seafood and Aquaculture. These industries are included in the Agricultural impacts.

*** Equine is only partially reflected in the Agriculture Industry sector analysis.