An Analysis of the Food and Beverage Industry's Impacts on the Florida Economy and the Employment of WAGES Participants

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January, 1999

EXECUTIVE SUMMARY

I. ECONOMIC IMPACT OF FLORIDA'S FOOD AND BEVERAGE INDUSTRY FY 1998-99

Florida's Food and Beverage Industry generates a considerable amount of direct and secondary economic activity within the Florida Economy. In 1998-1999 fiscal year this Industry is forecast to be responsible for:

1. EMPLOYMENT[1]

Direct Jobs Created	434,096
Indirect Jobs Created	57,225
Induced Jobs Creates	108,901
Total Jobs Created	**600,222**

2. WAGES

	(1998 Dollars)
Direct Wages Generated	$5,688,446,464
Indirect Wages Generated	$1,431,587,200
Induced Wages Generated	$2,520,615,168
Total Wages Generated	**$9,640,648,832**

3. OUTPUT

	(1998 Dollars)
Direct Output Generated	$15,570,212,864
Indirect Output Generated	$ 5,053,352,960
Induced Output Generated	$ 7,440,250,880
Total Output Generated	**$28,063,816,704**

4. STATE SALES, USE AND FUEL TAX

	(1998 Dollars)
Direct Taxes Generated	$1,067,073,082
Indirect Taxes Generated	$ 140,667,634
Induced Taxes Created	$ 267,694,993
Total Taxes Generated	**$1,475,435,709**

[1] **Direct Economic Effects.** These effects are the changes in local business activity occurring as a direct consequence of public or private business decisions, or public policies and programs. These occur as a result of investment and spending decisions - because these decisions directly affect the flow of spending, income and jobs associated with economic activities.
Indirect and Induced Effects. There are also broader indirect and induced economic effects (they may be positive or negative) that follow as secondary impacts flowing after and as a result from the direct effects.

II. ECONOMIC IMPACTS OF WAGES WORKERS IN THE FOOD AND BEVERAGE INDUSTRY

Employment of WAGES participants within the Florida Food and Beverage Industry generates a considerable amount of *additional* direct and indirect economic stimulus in the Florida Economy. The source of this economic stimulus takes two forms. The first is from reinvesting public welfare dollars currently supporting WAGES public assistance recipients back into other government tasks and into the general economy in the form of tax savings to consumers. The second is through the primary and secondary economic effects that these newly employed individuals will generate from their earnings and economic activities. Those potential impacts are estimated below based on the projected 32,934 WAGES participants that will be hired by the Food and Beverage Industry over the period October 1, 1996 through June 30, 1999 (Table 8). The direct indirect and induced economic impacts of employing these WAGES individuals are provided in the following summary.

1. EMPLOYMENT

Direct Jobs Created	31,392
Indirect Jobs Created	6,091
Induced Jobs Creates	7,185
Total Jobs Created	**44,668**

2. WAGES/INCOME **(1998 Dollars)**

Direct Wages/Income Generated	$341,286,848
Indirect Wages/Income Generated	$172,024,004
Induced Wages/Income Generated	$183,335,403
Total Wages Generated	**$696,646,255**

3. OUTPUT (Gross Sales) **(1998 Dollars)**

Direct Output Generated	$1,326,395,008
Secondary Output Generated	$ 542,274,467
Induced Wages Generated	$ 498,745,402
Total Output Generated	**$2,367,414,877**

4. STATE SALES, USE AND FUEL TAX **(1998 Dollars)**

Direct Taxes Generated	$ 77,166,245
Secondary Taxes Generated	$ 14,973,329
Induced Taxes Created	$ 17,660,579
Total Taxes Generated	**$109,800,153**

III ESTIMATED WELFARE SAVINGS AND NET INCREASE IN INCOME AND WELFARE BENEFTIS DUE TO EMPLOYMENT OF WAGES PARTICIPANTS

Employing WAGES workers results in welfare savings to the public. These savings can be expended by the government *elsewhere* for expanding existing programs or for addressing new public needs and thereby generate *new* stimulus to the Florida economy. Although the employment of WAGES workers will not totally eliminate all forms of welfare assistance, the total welfare cost is reduced. In addition employment of WAGES workers increases their combined net annual income. The combined effect is to provide additional economic stimulus as presented below:

1. Estimated Welfare Savings from Employment of WAGES Participants:

State of Florida	**$50,135,216**
US Government	**$215,510,216**
Total Savings	**$265,645,644**

2. Estimated Total Net Increase in Income And Benefits by WAGES Participants: **$133,712,040**

3. Estimated Total Economic Stimulus from Net Increase in Income and Benefits due to Employment of WAGES Participants:

Savings by the State of Florida	**$50,135,216**
Net Increase in Income and Benefits	**$133,712,040**
Total Economic Stimulus	**$183,847,468**

I. Introduction

The purpose of this report is to examine the statewide direct and secondary economic activity (employment, output, wages and taxes) generated by Florida's Food and Beverage Industry. The first part of this evaluation will examine the employment (direct, indirect and induced), output (gross sales), wages, and taxes that the Industry generates. A second component of the analysis will examine the economic value the Industry generates when it returns a Floridian on welfare to full-time employment in a Food and Beverage Establishment.

As full time employees in the economy, these former welfare recipients will earn wages, pay taxes, and in turn, generate direct and secondary demands for goods and services from the wages that they earn.

Finally, these individuals will also stimulate the economy by saving public tax dollars (since they will no longer be on public support), and the savings generated will return to the economy to further stimulate additional direct and secondary economic output, earnings and wages.

II. Data and Methodology

All estimates of employment and average wages were obtained from reports of the Food and Beverage Industry prepared by the Florida Bureau of Labor Market and Performance Information. The gross sales and taxes are the sum of the restaurants and lunchrooms, delicatessens, and taverns and nightclub categories from the Florida Department of Revenue gross sales and taxes database. Data on Medicaid costs, cash assistance, food stamps, and childcare costs were obtained from the Department of Children and Families, and the Agency for Health Care Administration. Assumptions regarding wages and salary increases were based on 1998 estimates by the Florida Economic Consensus Estimating Conference. All estimates of economic impacts are derived from IMPLAN; an input-output based computer model designed for social accounting and impact analysis. An input-output model is a set of equations describing the relationships that link the output of one industry with all other industries in an economy. The IMPLAN model characterizes an economy into 528 separate industries and includes data at the county level for all counties in Florida.[2]

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[2] Input-output models are able to estimate impacts within each industry in the model and thereby provide much more information than simple total economic impacts on income, output, and employment. Input-output modeling is based on several assumptions:

Constant returns to scale. Production functions (an industry's list of expenditures) are considered linear--if additional output is required, all inputs increase proportionately.

No supply constraints. This means that supplies are unlimited - an industry has unlimited access to raw materials and its output is limited only by the demand for its products.

Fixed commodity input structure. This assumption implies that price changes do not cause a firm to buy substitute goods for use in production. Changes in the economy will affect the industry's output but not the mix of commodities and services it requires to make products.

Homogenous sector output. The product mix of all commodities produced by that industry remains the same, regardless of total output. In other words, an industry won't increase the output of one product without proportionally increasing the output of all its other products.

Industry technology assumption. The model assumes that an industry uses the same technology to produce all of its products. An industry has a main product and all other products are byproducts of the primary product.

III. Employment, Wages, Gross Sales, Sales Taxes, And WAGES Workers Projections

Employment Projections. Figure 1 (all Figures and Tables are grouped together at the end of the report) provides historic and forecast levels of employment in the Florida Food and Beverage Industry from 1989 to 2006. Employment in this Industry rose 19.1% from 1989 to 1998. From 1998 to 2006, total employment in this Industry is expected to reach 561,223 based on data forecast by the Florida Bureau of Labor Market and Performance Information. This represents a rise of 105,799 workers, or an increase of 23.2%. (See also Appendix 1 Table 1)

Total Wage Projections. Figure 2 provides historic and forecast levels of wages paid by the Florida Food and Beverage Industry between 1989 and 2006. Total wages in the Industry increased almost 52% from $3.3 billion in 1989 to an estimated $5.3 billion in 1998. The projected growth rate of salaries and wages by the Florida Economic Consensus Estimating Conference was applied to estimate the future wages paid by the Florida Food and Beverage Industry estimated to be $7.6 billion in 2006. This projection represents a 43.7% increase in wages paid over the next eight years.

Gross Sales Projections. Figure 3 provides historic and forecast levels of gross sales in the Food and Beverage Industry across Florida from 1989 to 2006. Gross sales in this Industry rose almost 48.4% from $13.4 billion in 1989 to an estimated $19.9 billion in 1998. Using employment-forecast trends as a basis, the Industry is estimated to generate sales of $23.9 billion by 2006. This forecast represents a $4 billion increase in gross sales over the next eight years.

Food and Beverage Industry Sales Tax Projections. Figure 4 provides historic and forecast levels of sales taxes paid by the Florida Food and Beverage Industry from 1989 to 2006. Sales tax collections in this Industry increased over 50% from $535 million in 1989 to an estimated $1.1 billion in 1998. Using the employment growth rate as a basis, the Industry's sales and use tax revenues are estimated to grow to $1.35 billion by 2006. This forecast represents a $220 million increase in sales tax revenues from the Florida Food and Beverage Industry alone over the next eight years.

Alcoholic Beverage Excise, Surcharge and Sales Taxes

Researchers received the from the Division of Alcoholic Beverages and Tobacco annual surcharge and excise tax collections, and the number of cases of beer, gallons of draft beer, wine, wine coolers, cider and liquor consumed across Florida for the years 1993 through 1997. The Division also supplied the tax revenue collections gathered with each beverage. These totals are broken down into the approximate number of respective drinks consumed by Floridians by beverage for each year and are presented in Table 15. The researchers were able to calculate the average Florida *per capita* and *per drink* tax charge for each year by combining these data with a conservative average beverage retail cost of $2.50 (provided by the Industry).

Table 14 and Figure 16 present a profile of the total annual wholesale alcoholic beverage excise tax, per drink surcharge and estimated annual sales tax collections paid in Florida from FY 1990-91 through FY 1997-98. Total alcohol-related tax collections have risen from $648.6 million in FY 1990-91 to $700 million in FY 1997-98. The wholesale excise tax brought in $457.9 million in FY1997-98, constituting the single largest state alcohol beverage tax representing 57% of the total. The estimated sales tax collections exceeded $242 million and comprised 30% of the total. The beverage surcharge tax collected less than half (or 13%) of that amount with annual collections toping $107.7 million in FY 1997-98. Figure 17 shows an additive total of surcharge, excise, and sales tax revenue collections, which in FY 1997-98 was over $807 million.

Table 14 and Figure 18 present a profile of the estimated average per capita and per drink tax paid by Floridians for alcoholic beverages in 1998. This analysis concludes that the average Floridian paid ***$54.85*** during FY1997-98 to the State of Florida in the form of alcohol beverage surcharge, excise and sales taxes. Actual per capita surcharge taxes were $7.31 while per capita excise taxes were $31.10 while sales taxes were estimated to add an additional $16.44. This translates into 13% of state alcohol tax collections received from the surcharge, while 57% flows from the excise tax and 35% from sales taxes. All these tax revenues however, ultimately flow from the same source -- Florida restaurant owners and their customers.

The findings of this analysis suggest that the total price of every single alcoholic beverage consumed in Florida over the FY1997-98 time period, on average included:

- ***$ .08 for the state surcharge;***
- ***$ .33 for the state wholesale excise tax and;***
- ***$ .18 for the state's average 7% sales tax.***

On average, the same alcoholic beverage was taxed three times in Florida by state government alone and generated an *average total state tax of **$0.58 per drink*** (Figure 19***)***. In summary, **over twenty percent** of the retail cost for an alcoholic beverage is for state tax collections. Simply put, for every five cents spent on an alcoholic beverage at a Florida restaurant, one cent is taken by state government. Take note that these estimates *do not* include additional local government or federal government alcoholic beverage or sales tax collections yet again applied to the same drink.

WAGES Participants Employment. Figure 5 provides historic and forecast levels of WAGES participants hired by the Florida Food and Beverage Industry since the inception of the welfare reform program in October 1996 until June 1999. From October 1, 1997, to September 30, 1998, the total increase was 13,306, representing a 38% growth rate. From October 1997 through September 1998, the average monthly hiring was 1,109. To estimate the projected hiring for the October 1998-June 1999 period, the average monthly hiring of 1,109 was multiplied by 9 months to arrive at the total projected hiring of 9,981 workers. Since the inception of the WAGES program, the total workers hired by the Florida Food and Beverage Industry is forecast to reach 32,934 June 30, 1999.

Hourly Wage. Figure 6 provides the historical hourly compensation for WAGES participants. From an average of $5.59 per hour in October 1996-September 1997, the hourly average wage increased to $5.83 thereafter, reflecting a 4.29% increase.

IV. Economic Impact Analysis of the Food and Beverage Industry

Direct economic activities generated by Florida's Food and Beverage Industry stimulate additional secondary (indirect and induced) economic effects on many other industrial sectors of the Florida economy. For example, restaurants and taverns purchase many products such as land and buildings, food, furniture, and so forth in their day-to-day operations. Also, as noted earlier, the Industry directly employs almost half a million Floridians. These employees in turn generate tremendous demand for goods and services from virtually all other sectors of the Florida economy in secondary cycles of spending. These additional indirect or secondary cycles of economic activity are referred to respectively as indirect and induced economic stimulation.

Direct Economic Effects. These effects are the changes in local business activity occurring as a direct consequence of public or private business decisions, or public policies and programs. These occur as a result of investment and spending decisions - because these decisions directly affect the flow of spending, income and jobs associated with economic activities.

Indirect and Induced Effects. There are also broader indirect and induced economic effects (they may be positive or negative) that follow from the direct effects. These additional effects include: ***(1) indirect impacts*** -- business growth/decline for suppliers to the directly-affected businesses (including trade and services at the retail, wholesale and producer levels); and ***(2) induced impacts*** -- further shifts in spending on food, clothing, shelter and other consumer goods and services, as a consequence of the change in workers and payroll of directly and indirectly affected businesses. This leads to further business growth/decline throughout the local economy.

Current Economic Impacts

Figure 8 shows the direct, indirect and induced employment estimated to be generated by Florida's Food and Beverage Industry in 1998. It shows that the Industry will be responsible for 434,096 in direct (Industry) employment and an additional 57,225 in indirect (other Industry) employment. Finally, the Industry will induce an additional 108,901 jobs across the state's economy. Overall, it is estimated that in 1998, Florida's Food and Beverage Industry will be responsible for generating 600,222 direct, indirect and induced jobs in the Florida economy.

Figure 9 shows the direct, indirect and induced economic output estimated to be generated by Florida's Food and Beverage Industry in 1998. This shows that the Industry will be responsible for $15.6 billion in direct output and an additional $5.05 billion in indirect output. Additionally, the Industry's induced economic activity accounted for almost $7.44 billion in additional economic stimulation. Thus, it is estimated that in 1998, the Food and Beverage Industry will be responsible for $28.1 billion of economic output in Florida.

Figure 10 shows direct, indirect and induced wages estimated to be generated by Florida's Food and Beverage Industry in 1998. This shows that the Industry will be responsible for $5.7 billion in direct wages and an additional $1.4 billion in indirect wages. Additionally, the Industry's induced economic activity accounts for almost $2.5 billion in additional wages stimulation. Thus, it is estimated that in 1998, the Food and Beverage Industry will be responsible for generating $9.6 billion of wages in Florida.

Figure 11 shows direct, indirect and induced taxes (sales, use and fuel) projected to be generated by Florida's Food and Beverage Industry in 1998. It shows that the Industry will be responsible for $1.07 billion in direct sales, use and fuel tax revenues, and an additional $141 million in indirect sales, use and fuel tax revenues. Additionally, the Industry's induced economic activity will account for almost $268 million in additional sales, use and fuel tax revenues. Thus, it is estimated that in 1998, the state's Food and Beverage Industry will be responsible for generating sales, use and fuel tax revenues amounting to $1.48 billion.

Table 1 provides a profile of twelve primary Florida tax revenue collection categories for FY 1995-96. These tax data are the most recent data available on the Department of Revenue Web site. Table 2 provides the most recently available profiles of Florida Gross State Product (GSP) from the U.S. Department of Commerce, Bureau of Economic Analysis.

The GSP is the best overall measure of total economic activity (goods and services) produced within Florida. The authors of this report used the 1996 GSP and employment data and FY 1995-96 tax revenues to generate the ratio of revenue dollars per dollar of output and per employee as shown in Table 1. While total taxes generated per employee was $3,030.41 per employee in 1996, sales and use and fuel taxes generated only $2,284 per employee. The Consumer Price Index (CPI) was used to adjust the estimated tax revenue generated per worker to 1998 dollars resulting in $2,458 dollars in tax revenue generated per Food and Beverage Industry employee in 1998 for sales and use and fuel taxes.

These ratios were combined with the IMPLAN-generated Food and Beverage Industry secondary output and employment estimates (from Industry primary impacts and WAGES program employment and welfare savings) to generate profiles of the additional tax revenues generated by the Industry's direct and secondary employment impacts. Based on service sector employees consumer patterns the authors believe it is prudent and realistic to use only sales, use and fuel tax revenue ratios to estimate net secondary economic impacts from Food and Beverage Industry employment and output, instead of including all other types of taxes.

Economic Impacts of the Food and Beverage Industry's Employment of WAGES Participants

It is projected that approximately 32,934 WAGES participants would be employed in the Food and Beverage Industry by June 30, 1999 (Table 8). This provides tremendous economic impacts, which will have ripple effects on Florida's economy in terms of direct, indirect and induced employment, income, output, and tax revenues to the State of Florida. This section provides estimates of the economic impacts specifically resulting from employment of WAGES participants in the Food and Beverage Industry.

Figure 12 shows the direct, indirect and induced employment estimated to be generated from October 1, 1996, through June 30, 1999, resulting from the hiring of WAGES workers by Florida's

Food and Beverage Industry. This figure shows that the Industry will be responsible for 31,392[3] in direct (Industry) employment and an additional 6,091 in indirect (other Industry) employment. Finally, the Industry will also induce an additional 7,185 jobs across the state's economy. Overall, it is estimated that in 1998, Florida's Food and Beverage Industry will be responsible for generating 44,668 direct, indirect, and induced jobs in the Florida economy.

Figure 13 shows the direct, indirect and induced economic output estimated to be generated from the hiring WAGES workers in the Florida's Food and Beverage Industry from October 1, 1996, through June 30, 1999. This shows that the Industry will be responsible for $1.33 billion of direct output and an additional $542 million in indirect output. Additionally, the Industry's induced economic activity would account for almost $499 million in additional economic stimulation. Thus, it is estimated that by June 30, 1999, the Food and Beverage Industry will be responsible for $2.4 billion of economic output in Florida.

Figure 14 shows direct, indirect and induced wages estimated to be generated from the hiring of WAGES workers in Florida's Food and Beverage Industry from October 1, 1996, through June 30, 1999. This shows that the Industry will be responsible for $341 million in direct wages and an additional $172 million in indirect wages. Additionally, the Industry's induced economic activity will account for almost $183 million in additional wages. Thus, it is estimated that by June 30, 1999, the Industry will be responsible for $696 million of wages in Florida.

Figure 15 shows direct, indirect and induced sales, use and fuel taxes revenues projected to be generated from employment of WAGES participants in Florida's Food and Beverage Industry by June 30, 1999. This shows that the Industry will be responsible for $77 million in direct sales, use and fuel tax revenues, and an additional $15 million in indirect sales, use and fuel tax revenues. Additionally, the Industry's induced economic activity will account for almost $18 million in additional sales, use and fuel tax revenues. Thus, it is estimated by June 30, 1999, the Industry will be responsible for generating sales, use and fuel tax revenues of $109.8 million.

Figure 7 shows that Florida’s Food and Beverage Industry could generate about $110 million of sales, use and fuel taxes as a result of hiring WAGES worker from October 1, 1996, through the end of June 1999. Table 13 provides more detailed estimates of the amount of taxes to be generated as more WAGES workers join the labor force. Tax revenues would come from direct, indirect, and induced employment stemming from newly hired WAGES workers.

[3] The Implan input-output model removes a number of the initial direct employees as internal industry consumption employment. Thus the direct employment figure (or wages or output figures) are not identical to the original input values.

V. Economic Stimulus from Welfare Savings and New Employment of WAGES Workers

Table 3 provides the latest (October 1998) welfare recipients (those receiving temporary cash assistance) and the average family monthly value of these grants. The Florida case load has declined by more than half over the past six years from the FY 1992-93 case load of 245,180 to an estimated 120,833 in FY 1997-98. The monthly value of the average FY 1997-98 cash assistance grant was $232 per family. For FY 1998-99, which covers only July 1998 through October 1998, the total caseload was 93,484 while the average grant per person for this period has increased slightly by $2.04. The average grant per family declined by $3.00.

Table 4 provides information about total aid to families with dependent children. From $782 million in 1993, total aid declined to $649 million in 1996, a decrease of 17.1%. This could be attributed to the implementation of the WAGES program. However, the average annual assistance per person has remained relatively stable during this period.

Table 5 provides the latest FY 1998-99 caseload estimates for the Florida Food Stamp Program as generated by the Office of Economic Services in the Florida Department of Children and Families. Please take note that these FY 1998-99 figures cover only a three-month period (July-September, 1998). The number of families receiving food stamps across Florida totaled 420,977 during the July -September 1998 period, a decline of 20,055 from FY 1997 to FY 1998. The FY-1998-99 grants totaled a monthly average of $67.7 million, down by $6.1 million over the prior fiscal year. The monthly average per family has also declined from $167.44 in FY 1997-98 to $160.76 in FY 1998-99.

Table 6 shows twelve-month statistics of Florida's Food Stamp Program, which covers October 1997 through September 1998. The average monthly food stamp assistance was $69.4 million; supporting an average of 983,755 persons per month. The average monthly food stamps grant per family was $161.66, which was reasonably close to the earlier estimates.

Table 7 provides the total persons assisted by the Florida's Medicaid program and also the total amount of Medicaid payments. In FY 1997-1998, 2,719,949 persons obtaining Medicaid, with total payments amounting to $5.9 billion, or an average of $179 of Medicaid expenditures per person. The FY 1998-1999 figures only cover a three-month period, i.e. from July 1998 through September 1998. Hence, the average Medicaid cost per person per month may not be highly reliable until the whole fiscal year is completed.

Table 8 provides information about total historic, and projected WAGES workers hired by the Food and Beverage Industry. From a total of 9,648 WAGES participants hired in the October 1996 - September 1998 period, the number increased to 13,306 for the October 1997-September 1998 period with an average hourly wage of $5.83. The average hiring per month was 1,109 workers. Using this monthly average, it is projected that another 9,980 WAGES participants will be hired from November 1998 through June 1999. Thus, the total number of WAGES workers hired by the

Industry since the inception of the WAGES program is expected to reach 32,934 by the end of June 1999.

Table 9 shows the estimated welfare benefits broken down into cash assistance, food stamps, Medicaid cost, and childcare cost. Other welfare benefits such as transportation, education, clothing and other public support are not included in the estimates due to wide variability. For a household of three, the estimated total benefits amount to $14,028 per annum for a non-working household. For a non-working household, childcare cost is not provided since the parents are assumed to take care of their child when they are at home most of the time. Table 9 also shows the breakdown of the distribution of sources of funding for these welfare benefits.

Funding for cash assistance and food stamps comes from the federal government. For Medicaid cost, 45% is provided by the state and 55% comes from the federal government. The federal government shoulders 75% of the childcare cost, with 25% borne by the state. For a family of three, it is estimated that $2,900 comes from the state, while $11,128 comes from the federal government, for a total of $14,028.

Table 10 compares welfare benefits before and after the WAGES participant gets a job. Working 40 hours at $5.83 per hour, the household will not be eligible for cash assistance but will partly receive food stamps, Medicaid coverage (transitional Medicaid recipients), and childcare benefits. Using assumptions obtained from the Department of Children and Families***, the estimated total welfare benefit is $14,028 for a non-working family of three and $5,962 after a family member becomes employed. Hence, the net welfare savings per household are $8,066.*** With 32,934 WAGES participants hired by the Florida Food and Beverage Industry, the total estimated savings to government is projected to be $266 million by June 30, 1999 (Table 12).

WAGES Welfare Savings and Employment Benefits

As discussed earlier, the first major category of State savings flowing from the employment of WAGES participants by the Food and Beverage Industry will be from welfare savings. Although the WAGES participants will still be eligible for some welfare assistance, it will be at a significantly reduced amount. Moreover, these individuals will begin to be productive workers in the Florida economy and the amount of public sector savings could be considerable. However, neither the Florida Department of Children and Families, nor the Florida Department of Labor and Employment Security had any exact estimates of potential state savings the employment of WAGES participants.

The second new financial stimulus injected into the Florida economy from such employment is from former WAGES individuals becoming participating members of the economy and lending their labor and productivity to the production of goods and services. These individuals (and their families) will receive wages and benefits from this employment and in turn purchase additional goods and services throughout the rest of the economy.

This new primary productivity and income reinvestment in turn generates indirect and induced economic activity and related additional employment. In order to arrive at the estimated savings

and economic stimulus in this analysis, certain assumptions were be made as no exact numbers have been produced by the state. Such assumptions are specified in the various tables attached to this document.

For example, a non-working household with three members can have a maximum of $303 in cash assistance per month. However, if the head of the household becomes employed at an hourly wage of $5.83 for 40 hours per week, the household loses its eligibility for any cash assistance. Also, the household will qualify only for transitional Medicaid benefits for twelve months, which pays $1,138 for children ages 6-19 years and $1,513 for children 1-5 years old. But unlike when they were still unemployed, households will now qualify for childcare benefits during the transitional period in order for the WAGES participant to go to work. Since they are assumed to be taking care of their dependent (child) at home, they will not qualify for any child care benefits while unemployed. To illustrate these differences in welfare benefits, Tables 10 and 11 compare these welfare benefits both before and after the WAGES participant gets a job.

In sum, using assumptions obtained from the Department of Family and Children, the estimated total welfare benefit for a family of three is $14,028 before the head of the household gets a job, and $5,962 after he or she gets a job. Working 40 hours per week at $5.83 per hour, the household will not be eligible for cash assistance but will partly receive food stamps, transitional Medicaid coverage, and childcare benefits. Hence, the net welfare savings to the public would be $8,066 per case. A further detailed analysis of this is presented in Table 12.

It is noteworthy that this analysis does not include other types of welfare assistance such as transportation subsidies, education, housing, and other types of assistance that are fragmented across numerous federal, state and local public welfare support agencies. No single reliable source of data exists to provide estimates for each of these programs and no entity keeps sufficient records on the "average" level of public support for a welfare recipient or low-income worker.

The turnover rate in some of these other programs is as much as 50% in a single year. The numerous programs providing different levels of government and private support and the high volume of participants entering or leaving these programs makes tracking and evaluation of existing benefits for average recipients impossible. For purposes of this analysis, the authors have therefore estimated that the net effect when a person moves from welfare to work is the elimination the cash assistance the reduction of food stamp program contributions and Medicaid benefits.

A cumulative presentation of these welfare benefit savings is shown in Table 12. Table 12 further summarizes total welfare benefits, total annual welfare savings, total WAGES income, total WAGES employee income and benefit increases, and the estimated total WAGES employee net income and welfare benefits economic stimulus.

In Table 12, the two primary sources of welfare funding have also been depicted: the State of Florida and the Federal government. The total welfare benefits from both sources are estimated to be $14,028 before employment of WAGES participants. After employment, welfare benefits to the WAGES participant would decline to an average of $5,962 per annum. The decline is attributed to elimination of cash assistance due to increased income, reduction in food stamps, and Medicaid benefits.

The calculation shows that the state would save about $1,522 per WAGES employee while the federal government would save an estimated $6,544 per employee for a total of $8,066 in welfare savings. With 32,934 WAGES participants projected to be working in the Food and Beverage Industry by June 30, 1999, the total savings expected is estimated to be ***$50,135,428*** for the State of Florida and ***$215,510,216*** for the Federal government for a combined total of ***$265,645,644***.

Using an hourly wage of $5.83 and 2080 work hours per year, the WAGES participant is expected to earn an annual income of $12,126 (Table 11). Since the WAGES worker is estimated to receive total welfare assistance of $5,962 after he or she becomes employed, ***total income and benefits would increase to $18,088 per annum***; ***a $4,060 per annum increase.***

With 32,934 projected WAGES participants to be employed by the end of June 30, 1999, the estimated total income and benefits increase is estimated to be ***$133,712,040***. Since the State of Florida is expected to accrue a total welfare savings of ***$50,135,428*** as a result of WAGES participants getting employment with the Food and Beverage Industry, the total net income and welfare benefits economic stimulus is estimated to reach ***$183,847,468***.

This amount (presented in Table 12) represents a new economic stimulus to the Florida economy that would have direct, indirect, and induced economic impacts on employment, output, income, and tax revenues. Each of these will help expand the Florida economy. The savings to the Federal government is not included in the total economic stimulus amount since the state has no absolute control over these funds. This federal assistance could be reduced or eliminated as more WAGES workers become employed.

However, one can also argue that part of this amount saved by the Federal government may be channeled through the State of Florida in some other form resulting in additional economic impacts. But since the researchers' concerns are savings to the state's coffers, they have limited their analysis accordingly.

The Division of Alcoholic Beverages and Tobacco Administrative Savings

The Division of Alcoholic Beverages and Tobacco is the public entity responsible for collecting both the excise and wholesale level tax on alcohol (as well as cigarette and tobacco product excise taxes). In 1990, the Florida Legislature authorized creation of 53 new positions within the Bureau of Auditing and Tax Collections within the Division of Alcoholic Beverages and Tobacco to implement the newly authorized alcoholic beverage surcharge. The June 30, 1998 Bureau personnel roster designates 53 positions as "surcharge positions" and 77 positions as "wholesale positions."

The Bureau conducted a comprehensive analysis of salary, benefit and expense categories for both surcharge and excise tax collection responsibilities.[4] The calculations of salary and benefit expenses were taken from the June 1998 SAMAS Rate Report and Schedule of Allotment Balances, Level 4, for each bureau office. The totals are reported below for an annual equivalent time period.[5]

Tax Collection Expenses Yield and Expense/$100 Revenue

Category	*Collections*	*Expenses*	*Costs Per $100*
Surcharge	$107,696,203	$2,056,214	$1.91
Excise Tax	$925,757,596	$3,824,011	$0.41
Total	$1,033,453,799	$5,880,225	$0.57

Position Title	*Schedule of Surcharge FTEs by Type and # of Positions*
Accountant III	6
Accountant Supervisor II	1
Computer Audit Analysts	1
Management Analyst II	1
Senior Clerk	10
Staff Assistant	3
Tax Auditor I	6
Tax Auditor II	20
Tax Auditor III	1
Tax Audit Supervisor	4
Total Positions	53

	Total Salary / Expense	**Average Salary / Expense per Position**
Salaries & Benefits	$1,585,149	$29,908
Other Expenses*	$471,065	$8,888
	$2,056,214	$38,796

*Rent, utilities, travel, supplies etc

[4] Division of Alcoholic Beverages and the Tobacco Bureau of Auditing and Tax Collections, Return on Investment Analysis of Surcharge and Excise Tax Collection Costs, (Undated but Completed during Summer, 1998).
[5] Meeting communications with Ms. Malinda Maguel, November, 1998

On average, collection of $100 of the alcoholic beverage surcharge is 4.6 times more costly and labor intensive than collections of the equivalent amount of excise tax. This is because of the far fewer number of wholesalers compared to the vast number of individual retail establishments across the state that serve alcoholic beverages. The Bureau is responsible for tax collections on all wholesale and retail sources. The average wage rate is $29,908 and average employee expenses are $8,888 per year. These $2 million dollars are additional revenues the State of Florida could save if the beverage surtax were repealed.

VI. CONCLUSIONS

Based on the findings and results of the analysis, it can be concluded that Florida's Food and Beverage Industry provides vital contributions to Florida's economy in the form of employment, output, income and tax revenues.

- Taxes collected on alcoholic beverages in the form of excise tax, sales tax, and surcharge amount to $0.58 per drink which is over 20% of the alcoholic beverage retail cost.

- An additional $2 million in state revenues used currently to collect the beverage surcharge can be saved if this tax is repealed.

- Finally, Florida's Food and Beverage Industry's efforts to train and hire WAGES participants to become productive members of society holds considerable promise in stimulating continued economic growth and annually generating almost $110 million in state sales, use and fuel taxes.

VII. REFERENCES

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Version 1.1 of IMPLAN Professional was used for this analysis. IMPLAN (Impact Analysis for PLANning) was originally developed by the U.S. Department of Agriculture's Forest Service in cooperation with the Federal Emergency Management Agency and the U.S. Department of Interior's Bureau of Land Management to assist the Forest Service in land and resource management planning. The software has been upgraded and is presently sold and maintained by the Minnesota IMPLAN Group, Inc.

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Industry internal utilization of direct employees will result in initial primary Industry employment estimates to be modeled as less than the total value of new direct employment

This represents the mid-point between the $1.47 and $1.68 billion tax revenue yields estimated separately by "employment" and "Gross State Product" methods as shown in Table 7.

Table 1
Florida Tax Revenue Collections by Type of Tax: FY 1995-1996

	Revenue Collections (billions)	Dollars of Tax Revenue		Dollars of Tax Revenue per dollar of Gross State Product
	1995-96	Per Dollar of wages paid	Dollars of Tax Revenue per employee	
Sales & Use Tax	$ 11,930.3	$0.07521	$ 1,930	$0.03309
Corporate Income	$ 1,143.1	$0.00721	$ 185	$0.00317
Doc Stamp Tax	$ 772.2	$0.00487	$ 125	$0.00214
Estate Tax	$ 421.1	$0.00265	$ 68	$0.00117
Fuel Tax	$ 2,191.6	$0.01382	$ 355	$0.00608
Insurance Premium	$ 355.9	$0.00224	$ 58	$0.00099
Intangible Tax Stocks	$ 746.8	$0.00471	$ 121	$0.00207
Intangible Tax Mortgages	$ 131.5	$0.00083	$ 21	$0.00036
Severance Tax	$ 65.4	$0.00041	$ 11	$0.00018
Utility Gross Receipts	$ 551.3	$0.00348	$ 89	$0.00153
Audit & Warrant Collections	$ 238.5	$0.00150	$ 39	$0.00066
Other	$ 186.9	$0.00118	$ 30	$0.00052
Total Receipts	**$ 18,734.6**	**$0.11810**	**$ 3,030**	**$0.05197**

Sales & Use and Fuel Tax Only - 1996 Dollars	**$**	**2,284**
Sales & Use and Fuel Tax Only - 1998 Dollars	**$**	**2,458**

Source: Florida Department of Revenue; 1998. US Department of Commerce, Bureau of Economic Analysis, 1998.

Table 2

Florida Gross State Product: 1990-1996

Period	Billions of Dollars
1990	$ 254,993
1991	$ 265,948
1992	$ 279,781
1993	$ 298,452
1994	$ 317,829
1995	$ 333,493
1996	$ 360,496

Source: US Department of Commerce, Bureau of Economic Analysis, 1998.

Table 3
Economic Self-Sufficiency Services
Cash Assistance Provided For Needy Families

Year	Case Load	Average Family Size	Average Grant Per Person	Average Grant Per Family
FY 1992-93	245,180	2.71	$ 95.14	$ 258
FY 1993-94	244,988	2.66	$ 95.06	$ 253
FY 1994-95	230,660	2.68	$ 95.14	$ 255
FY 1995-96	211,625	2.65	$ 96.34	$ 256
FY 1996-97	182,469	2.62	$ 91.79	$ 241
FY 1997-98	120,833	2.61	$ 88.99	$ 232
FY 1998-99*	93,484	2.52	$ 91.03	$ 229

*Note: Covers from July 1998 through October 1998 only.

Source: Florida Department of Children and Family, Economic Self-sufficiency Services, 1998.

Table 4
Aid to Families with Dependent Children

Period	Annual Average Persons	Annual Assistance	Average Annual Assistance per person
1993	3,018,456	$ 782,452,851	$ 259.22
1995	2,813,844	$ 723,843,737	$ 257.24
1996	2,539,512	$ 649,335,540	$ 255.69

Source: University of Florida, Bureau of Economic and Business Research,
1997 Florida Statistical Abstract.

Table 5
Florida's Food Stamp Assistance

Period (FY)	Cases	Persons	Average monthly food stamps expenditures	Average monthly expenditure per person	Annual expenditure per person	Average family size	Average monthly expenditure per family	Annual expenditure per family
1995-96	434,169	1,295,006	98,586,000	$ 76.13	$ 913.53	2.98	$ 227.07	$ 2,724.82
1996-97	543,072	1,258,516	94,877,905	$ 75.39	$ 904.66	2.32	$ 174.71	$ 2,096.47
1997-98	441,032	1,019,197	73,848,060	$ 72.46	$ 869.49	2.31	$ 167.44	$ 2,009.33
1998-99*	420,977	950,508	67,677,104	$ 71.20	$ 854.41	2.26	$ 160.76	$ 1,929.14

* This covers July 1998 thru September 1998.
Source: Florida Department of Children and Families, Economic Self-sufficiency Services, 1998.

Table 6
Florida's Food Stamp Assistance
October 1997-September 1998

Period	Working	Not-working	Total cases	Working	Not-working	Total persons	Total Food stamps assistance	Average monthly food stamps grant per person	Average monthly food stamps grant per case
Oct-97	99,136	353,171	452,307	281,401	771,329	1,052,730	$ 78,269,748	$ 74.35	$ 173.05
Nov-97	110,807	333,080	443,887	300,945	732,253	1,033,198	$ 76,007,839	$ 73.57	$ 171.23
Dec-97	118,419	327,547	445,966	312,168	722,684	1,034,852	$ 75,997,358	$ 73.44	$ 170.41
Jan-98	88,841	345,613	434,454	253,410	750,815	1,004,225	$ 72,133,644	$ 71.83	$ 166.03
Feb-98	102,806	325,184	427,992	273,958	713,851	987,809	$ 71,373,973	$ 72.25	$ 166.76
Mar-98	112,773	314,059	426,832	285,419	696,569	980,988	$ 70,446,205	$ 71.81	$ 165.04
Apr-98	151,965	266,939	418,904	317,647	642,125	954,472	$ 68,607,456	$ 71.88	$ 163.78
May-98	154,927	264,750	419,677	320,795	633,666	954,461	$ 67,588,368	$ 70.81	$ 161.05
Jun-98	155,218	262,894	418,112	318,945	631,857	950,802	$ 67,491,810	$ 70.98	$ 161.42
Jul-98	154,976	263,392	418,368	314,729	631,931	946,660	$ 67,492,045	$ 71.29	$ 161.32
Aug-98	157,494	264,506	422,000	318,763	633,320	952,083	$ 55,564,451	$ 58.36	$ 131.67
Sep-28	157,986	264,741	422,562	317,777	635,005	952,782	$ 61,748,600	$ 64.81	$ 146.13
Total	**1,565,348**	**3,585,876**	**5,151,061**	**3,615,957**	**8,195,405**	**11,805,062**	**$ 832,721,497**	**$ 70.54**	**$ 161.66**
Average	**130,446**	**298,823**	**429,255**	**301,330**	**682,950**	**983,755**	**$ 69,393,458**	**$ 70.54**	**$ 161.66**

Source: Florida Department of Children and Families, Economic Self-Sufficiency Services, 1998.

Table 7

Florida Medicaid Cost

Period (FY)	Persons Assisted	Total Payments	Annual Average Medicaid Cost per Person	Average Medicaid Cost Per Person Per Month
1997-98	2,719,949	$ 5,857,229,408	$ 2,153	$ 179
1998-99*	1,674,957	$ 1,642,190,584	$ 980	$ 326.81*

* This covers only July 1998 through September 1998. Thus, the 1997-1998 monthly average medicaid cost person was used in the calculation of welfare savings.

Source: AHCA, Recap Welfare Medical Assistance, 1998.

Table 8
WAGES Participants Hired and Average Hourly Wage
Florida's Eating and Drinking Industry

Period	Total WAGES participants hired	Monthly average hiring	Average wage
October 1996 - September 1997	9,648	804	$ 5.59
October 1997- September 1998	13,306	1,109	$ 5.83
October 1998-June 1999*	9,980	1,109	$ 5.83
Total Hired	32,934		

*Projected WAGES participants hired based on the October 1997 - September 1998 monthly average hiring.

Table 9

Estimated FY 1997-98 Welfare Benefits to Non-working Needy Family Broken Down According to Source of Funding

WELFARE BENEFITS	TOTAL	STATE	FEDERAL
Cash Assistance	$ 3,636	-	$ 3,636
Food Stamps	3,948	-	3,948
Medicaid Costs Per Client	6,444	2900	3,544
Child Care Costs	-	-	-
Total Welfare Benefits	$ 14,028	$ 2,900	$ 11,128

Notes:

1) None of the household members are assumed to be working.
1) Household is assumed to have three members.
2) Child care cost is assumed to be zero if none of the members are working.
3) The ratio of Medicaid cost is 55 percent Federal and 45 percent state.
4) The ratio of childcare cost is 75 percent Federal and 25 percent state.
5) Other welfare benefits such as transportation, education, housing, clothing and other public support supplements are not included herein.
6) Other welfare benefits such as transportation, education, housing, clothing and other public support supplements are not included herein.
7) Child care cost will only apply if the head of the household is working and will only apply to one member per household.

Table 10
Estimated Welfare Per Household Before and After Employmen of WAGES Participant

WELFARE BENEFITS	Before	After	Savings
Cash Assistance	$ 3,636	-	3636
Food Stamps	3,948	1,512	2,436
Medicaid Costs Per Client	6,444	1,325	5,119
Child Care Costs	-	3,125	-3125
Total Welfare Benefits	$ 14,028	$ 5,962	$ 8,066

ESTIMATED TOTAL SAVINGS: 32,934 WAGES Participants by June 1999 * $8,066 = $265,645,644

Notes:
1) The head of the household is working 40 hours a week at $5.83 per hour, hence will not be eligible for cash assistance.
2) Household is assumed to have three members.
3) Child care cost applies only to one child per household at $3125 per year (Department of Children and Family, 1998).
4) Other welfare benefits such as transportation, education, housing, clothing and other public support supplements are not included herein.
5) The household is eligible for transitional medicaid benefits for one year. Medicaid cost provided is $1138 for ages 6-19 years and $1,513 for ages 1-15 years. Hence, the average of $1,138 and $1,513 is $1,325.
6) Household becomes ineligible for cash assistance due to increased income.

Table 11
Estimated Income of WAGES Participants

	Average Income Per Week	Average Income Per Month	Average Income Per Year
Number of work hours	40	160	2080
Average wage per hour	$5.83	$5.83	$5.83
Average income	$233.20	$932.80	$12,126.40

Note: The average hourly wage was taken from the Department of Labor and Employment Security, Division of Jobs and Benefits, Bureau of Labor Market and Performance Information, 1998.

Table 12
Estimated Welfare Benefits, Welfare Savings, WAGES Income, and Net Increas in Income and Benefits

	Before			After		
Welfare Benefits	**State**	**Federal**	**Total**	**State**	**Federal**	**Total**
Cash Assistance	-	$ 3,636	$ 3,636		-	-
Food Stamps	-	$ 3,948	$ 3,948	-	$ 1,512	$ 1,512
Medicaid Costs	$ 2,900	$ 3,544	$ 6,444	$ 596	$ 729	$ 1,325
Child Care Costs	-	-	-	$ 781	$ 2,344	$ 3,125
Total Welfare	$ 2,900	$ 11,128	$ 14,028	$ 1,378	$ 4,585	$ 5,962
Annual Welfare Savings						
Federal Welfare Savings					$ 6,544	$ 6,544
State of Florida Welfare Savings				$ 1,522		$ 1,522
Average WAGES Federal and State Welfare Savings						$ 8,066
Estimated Total Federal and State Welfare Savings						
Total Federal Welfare Savings					$ 215,510,216	$ 215,510,216
Total State of Florida Welfare Savings				$ 50,135,428		$ 50,135,428
Total Federal and State Welfare Savings						**$ 265,645,644**
Total WAGES Income			$ -			$ 12,126
Total Welfare Benefits and WAGES Income			$ 14,028			$ 18,088
Net Increase In Income and Benefits per WAGES Employee						**$ 4,060**
Estimated Total WAGES Employees Income and Benefits Increases						**$ 133,712,040**
Estimated Total WAGES Employees Income and Florida Welfare Benefits Economic Stimulus						**$ 183,847,468**

Projected Number of WAGES Workers Hired in Eating and Drinking Industry by June 30, 1999 (see Table 8): **32,934**

Table 13

Economic Impact of WAGES Program

Number of WAGES Workers	Sales, Use and Fuel Tax Revenues
1	$ 2,458
50	$ 122,900
100	$ 245,800
500	$ 1,229,000
1000	$ 2,458,000
5000	$ 12,290,000
10,000	$ 24,580,000
20,000	$ 49,160,000
30,000	$ 73,740,000
44,668	$ 109,793,944
50,000	$ 122,900,000

Note: The tax generated per WAGES worker was based on tax revenues generated per employee which is found in Table 1. The tax revenue generated per person only includes sales, use, and fuels taxes which amount to $2,284.28 per person. Since this was in 1995 dollars, this amount was then adjusted to 1998 dollars using the Consumer Price Index, thus making it $2,458.

TABLE 14

FISCAL YEAR TAX COLLECTIONS*

	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98
Wholesale Beer	216,680,368	210,960,029	217,463,695	219,161,623	219,389,516	218,449,656	220,677,179	234,102,790
Wholesale Wine	70,946,398	68,830,520	66,469,245	67,212,580	69,586,142	76,386,184	78,818,200	73,380,042
Wholesale Liquor	157,095,290	154,936,495	158,242,732	153,758,391	142,973,867	146,854,886	147,859,925	150,403,747
Total Wholesale Beverage Tax	**$ 444,722,056**	**$ 434,727,044**	**$ 442,175,672**	**$ 440,132,594**	**$ 431,949,525**	**$ 441,690,726**	**$ 447,355,304**	**$ 457,886,579**
Beverage Surcharge	84,112,816	92,627,392	97,027,588	94,867,696	97,765,456	100,366,378	106,534,901	107,659,998
* Division of Alcoholic Beverages and Tobacco								
Population*	12,937,926	13,192,934	13,447,942	13,702,950	13,957,958	14,212,966	14,467,974	14,722,982

*Bureau of the Census Trended Population

Wholesale Beverage Tax Per Capita

	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98
Per Capita 'Wholesale Wine	$ 5.48	$ 5.22	$ 4.94	$ 4.90	$ 4.99	$ 5.37	$ 5.45	$ 4.98
Per Capita 'Wholesale Liquor	$ 12.14	$ 11.74	$ 11.77	$ 11.22	$ 10.24	$ 10.33	$ 10.22	$ 10.22
Per Capita 'Wholesale Beer	$ 16.75	$ 15.99	$ 16.17	$ 15.99	$ 15.72	$ 15.37	$ 15.25	$ 15.90
Per Capita 'Beverage Surcharge	**$ 6.50**	**$ 7.02**	**$ 7.22**	**$ 6.92**	**$ 7.00**	**$ 7.06**	**$ 7.36**	**$ 7.31**
Total Wholesale Beverage Per Capita Tax	**$ 34.37**	**$ 32.95**	**$ 32.88**	**$ 32.12**	**$ 30.95**	**$ 31.08**	**$ 30.92**	**$ 31.10**

	State of Florida Tax Yield Per Drink
Surcharge (Per Drink) Tax	$ 0.08
Wholesale Alcoholic Beverage Excise Tax	$ 0.33
Estimated Sales Tax*	$ 0.18
Total Tax Paid Per Drink	$ 0.58

Average Beer Surtax / Drink	$ 0.04
Average Wine Surtax / Drink	$ 0.10
Average Liquor Surtax / Drink	$ 0.10
Assume Average Restaurant Beer Price	$ 2.50
Assume Average Restaurant Wine Price	$ 2.50
Assume Average Restaurant Liquor Price	$ 2.50
Assumed Average Sales Tax	$ 0.07

Total Liquor Taxes

	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98
Surcharge (Per Drink) Tax	84,112,816	92,627,392	97,027,588	94,867,696	97,765,456	100,366,378	106,534,901	107,659,998
Wholesale Alcoholic Beverage Excise Tax	444,722,056	434,727,044	442,175,672	440,132,594	431,949,525	441,690,726	447,355,304	457,886,579
Estimated Sales Tax*	$ 203,837,819	$ 208,995,761	$ 214,284,221	$ 219,706,501	$ 227,929,828	$ 228,277,407	$ 237,385,055	$ 242,101,347
Total of All State Alcohol Taxes	**$ 732,672,691**	**$ 736,350,197**	**$ 753,487,481**	**$ 754,706,791**	**$ 757,644,809**	**$ 770,334,511**	**$ 791,275,260**	**$ 807,647,924**
				3.7%	0.2%	4.0%	2.0%	
Average Total State Alcoholic Beverage Surchare, Excise and Sales Tax Per Drink				**$ 0.60**	**$ 0.58**	**$ 0.59**	**$ 0.58**	**$ 0.58**

Average Rate of Growth of State TAX 2.5%

* Estimated Sales Tax based on Calender Year - Trended in FY 1991-92 through FY 1992-93

	Percent of State Tax Per Drink
Surcharge (Per Drink) Tax	13%
Wholesale Alcoholic Beverage Excise Tax	57%
Estimated Sales Tax*	30%
	100%

Surcharge (Per Drink) Tax	$ 0.08
Wholesale Alcoholic Beverage Excise Tax	$ 0.33
Estimated Sales Tax*	$ 0.18
Total Tax per Drink	**$ 0.58**

Estimated Per Capita Alcohol State Tax Paid

	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98
Per Capita Surcharge (Per Drink) Tax	$ 6.50	$ 7.02	$ 7.22	$ 6.92	$ 7.00	$ 7.06	$ 7.36	$ 7.31
Per Capita Wholesale Alcoholic Beverage Excise Tax	$ 34.37	$ 32.95	$ 32.88	$ 32.12	$ 30.95	$ 31.08	$ 30.92	$ 31.10
Per Capita Estimated Sales Tax	$ 15.76	$ 15.84	$ 15.93	$ 16.03	$ 16.33	$ 16.06	$ 16.41	$ 16.44
Total Per Capita Estimated Alcohol State Tax Paid	**$ 56.63**	**$ 55.81**	**$ 56.03**	**$ 55.08**	**$ 54.28**	**$ 54.20**	**$ 54.69**	**$ 54.86**

Per Capita Surcharge (Per Drink) Tax	$ 7.31
Per Capita Wholesale Alcoholic Beverage Excise Tax	$ 31.10
Per Capita Estimated Sales Tax	$ 16.44
Total Taxes Per Capita	**$ 54.86**

Table 15

RETAIL BEVERAGE SURCHARGE

	1993	1994	1995	1996	1997
DRAFT BEER -Gallons	26,269,514	29,145,730	27,557,631	28,613,051	29,133,869
DRAFT BEER -Surcharge	$ 11,408,373	$ 12,532,674	$ 11,849,790	$ 12,303,621	$ 12,527,572
CASES BEER-Gallons	34,613,661	36,010,854	36,368,375	37,413,033	37,217,914
CASES BEER-Surcharge	$ 14,883,890	$ 15,484,676	$ 15,638,408	$ 16,087,611	$ 16,003,711
COOLERS - Gallons	346,304	314,359	273,158	229,176	232,706
COOLERS - Surcharge	$ 148,908	$ 135,172	$ 117,456	$ 98,544	$ 100,062
CIDER - Gallons	-			361	26,973
CIDER - Surcharge	$ -			$ 231	$ 17,262
WINE - Gallons	4,891,058	5,107,625	5,398,418	5,981,204	6,269,566
WINE - Surcharge	$ 15,651,367	$ 16,344,483	$ 17,278,893	$ 19,139,784	$ 20,062,542
LIQUOR - Gallons	3,890,693	3,868,256	3,941,289	4,079,378	4,212,213
LIQUOR - Surcharge	$ 49,800,875	$ 49,513,675	$ 50,448,463	$ 52,215,982	$ 53,916,270

ESTIMATED NUMBER OF DRINKS PER YEAR FOR EACH ALCOHOLIC BEVERAGE

	1993	1994	1995	1996	1997
DRAFT BEER - Drinks	280,208,149	310,887,787	293,948,064	305,205,877	310,761,269
CASES BEER- Drinks	369,212,384	384,115,776	387,929,333	399,072,352	396,991,083
COOLERS - Drinks	3,693,909	3,353,163	2,913,685	2,444,544	2,482,197
CIDER - Drinks	-	-	-	3,851	287,712
WINE - Drinks	104,342,571	108,962,667	115,166,251	127,599,019	133,750,741
LIQUOR - Drinks	498,008,704	495,136,768	504,484,992	522,160,384	539,163,264
Total Number of Drinks	1,255,465,717	1,302,456,160	1,304,442,325	1,356,486,027	1,383,436,267

TOTAL RETAIL DOLLAR SALES REVENUE FOR ALL ALCOHOLIC BEVERAGES

	1993	1994	1995	1996	1997
DRAFT BEER - Drinks	$ 700,520,373	$ 777,219,467	$ 734,870,160	$ 763,014,693	$ 776,903,173
CASES BEER- Drinks	$ 923,030,960	$ 960,289,440	$ 969,823,333	$ 997,680,880	$ 992,477,707
COOLERS - Drinks	$ 9,234,773	$ 8,382,907	$ 7,284,213	$ 6,111,360	$ 6,205,493
CIDER - Drinks	$ -	$ -	$ -	$ 9,627	$ 719,280
WINE - Drinks	$ 260,856,427	$ 272,406,667	$ 287,915,627	$ 318,997,547	$ 334,376,853
LIQUOR - Drinks	$ 1,245,021,760	$ 1,237,841,920	$ 1,261,212,480	$ 1,305,400,960	$ 1,347,908,160

TOTAL SALES TAXES GENERATED FROM ALCOHOLIC DRINK SALES

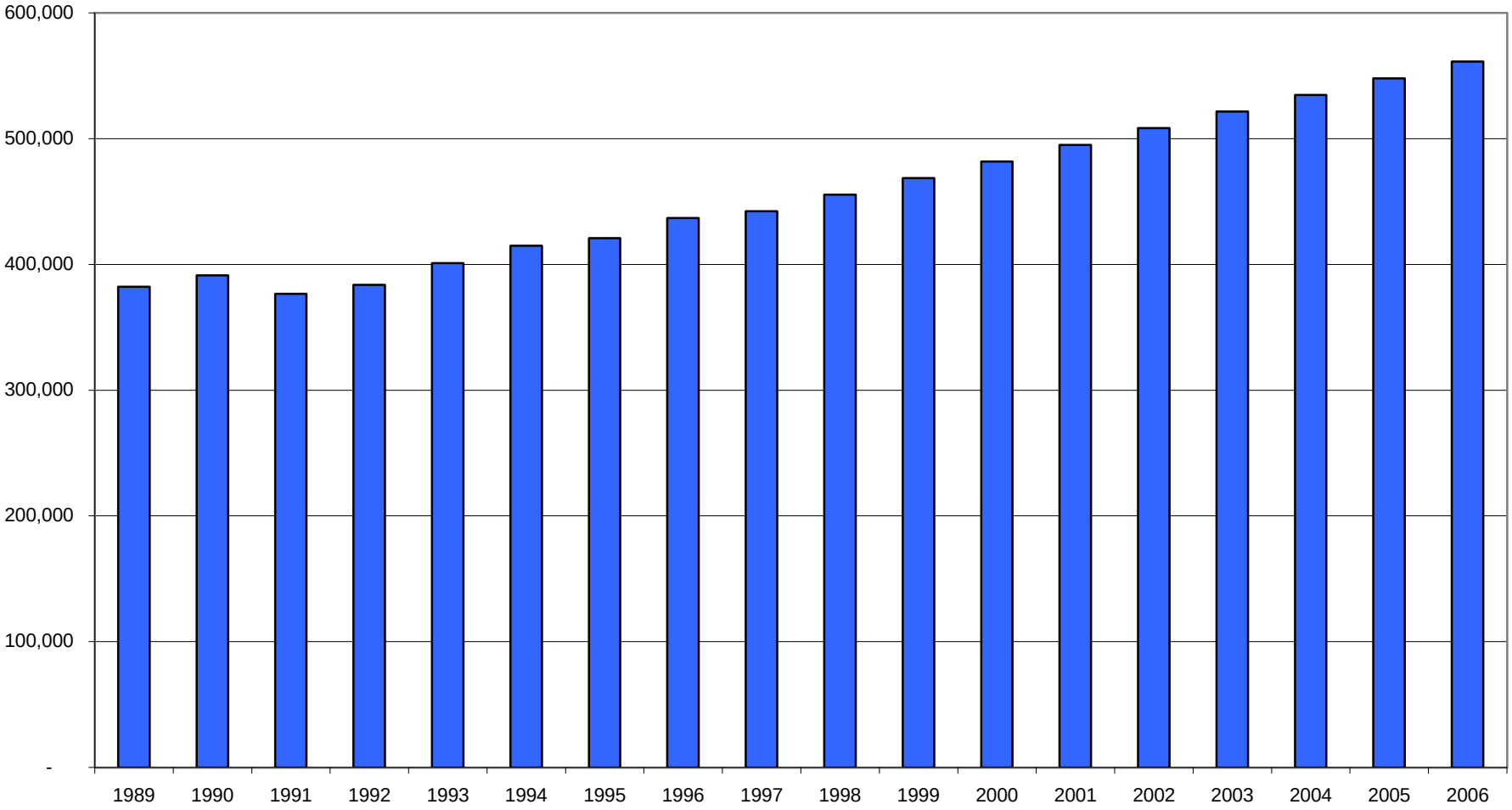
	1993	1994	1995	1996	1997
DRAFT BEER - Drinks	$ 49,036,426	$ 54,405,363	$ 51,440,911	$ 53,411,029	$ 54,383,222
CASES BEER- Drinks	$ 64,612,167	$ 67,220,261	$ 67,887,633	$ 69,837,662	$ 69,473,439
COOLERS - Drinks	$ 646,434	$ 586,803	$ 509,895	$ 427,795	$ 434,385
CIDER - Drinks	$ -	$ -	$ -	$ 674	$ 50,350
WINE - Drinks	$ 18,259,950	$ 19,068,467	$ 20,154,094	$ 22,329,828	$ 23,406,380
LIQUOR - Drinks	$ 87,151,523	$ 86,648,934	$ 88,284,874	$ 91,378,067	$ 94,353,571
TOTALS	$ 219,706,501	$ 227,929,828	$ 228,277,407	$ 237,385,055	$ 242,101,347

NOTE: Average Florida Sales Tax Rate = $ 0.07

Assumed Quanties of Drinks Oz per Drink			Number of Drinks Per Gallon	Retail Sales Price	
Draft Beer	12		10.67	Draft Beer	$ 2.50
Beer Cases	12	Beer Cans/ Case	10.67	Beer (Can from a Case)	$ 2.50
Wine Cooler	12		10.67	Wine Cooler	$ 2.50
Cider Drinks	12		10.67	Cider Drinks	$ 2.50
Wine	6		21.33	Wine	$ 2.50
Liquor Drinks	1		128	Liquor Drinks	$ 2.50

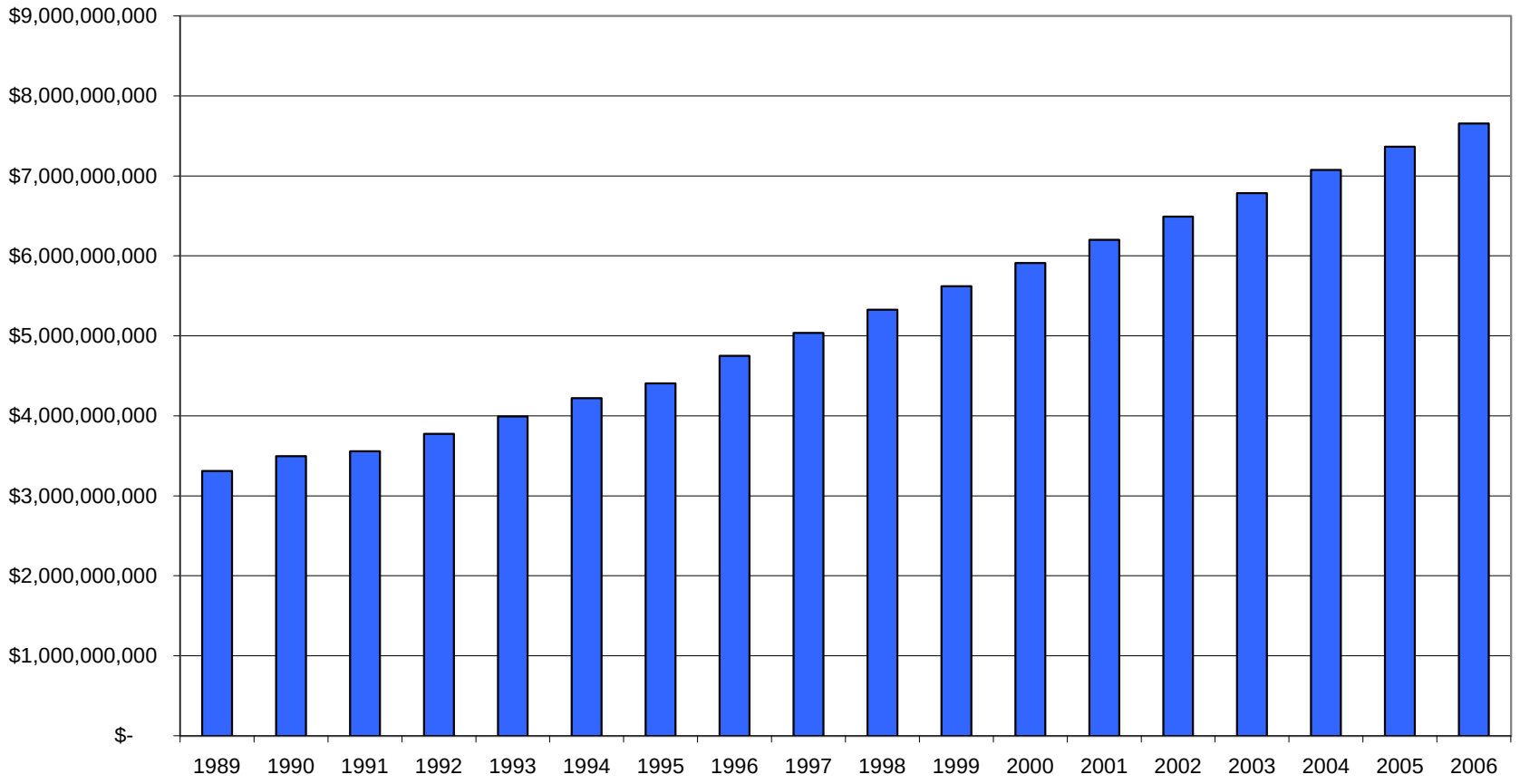
Oz-Beer Case	288		
Gallons/Case	2.25	Oz per Gallon =	128

Figure I
Historic and Projected Employment
Eating and Drinking Establishments 1989-2006



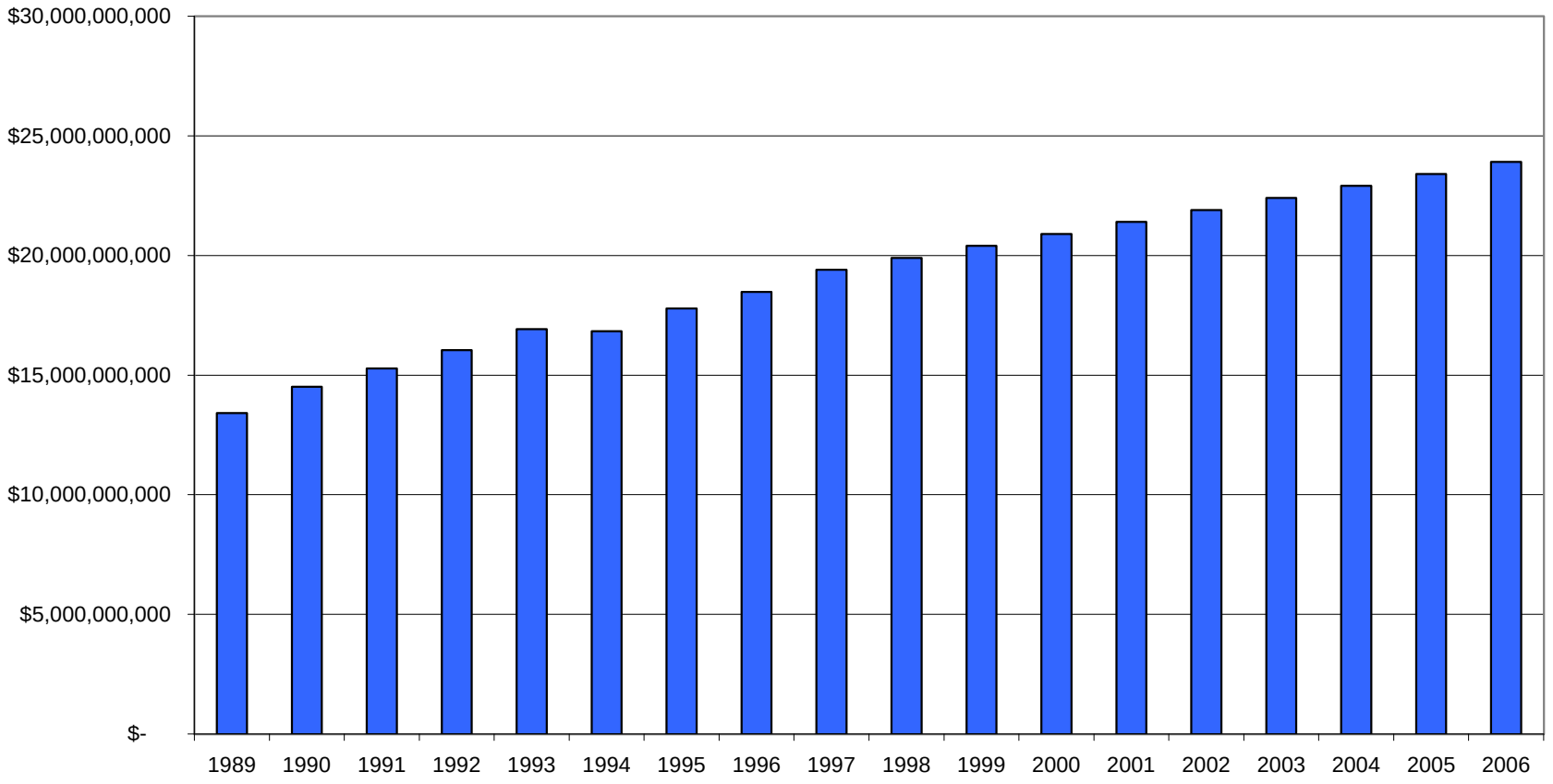
Source: Florida Department of Labor and Employment Security, Bureau of Labor Market and Performance Information, Industry and Occupational Projections, 1996-2006.

Figure 2
Historic and Projected Total Wages
Eating and Drinking Establishments 1989-2006



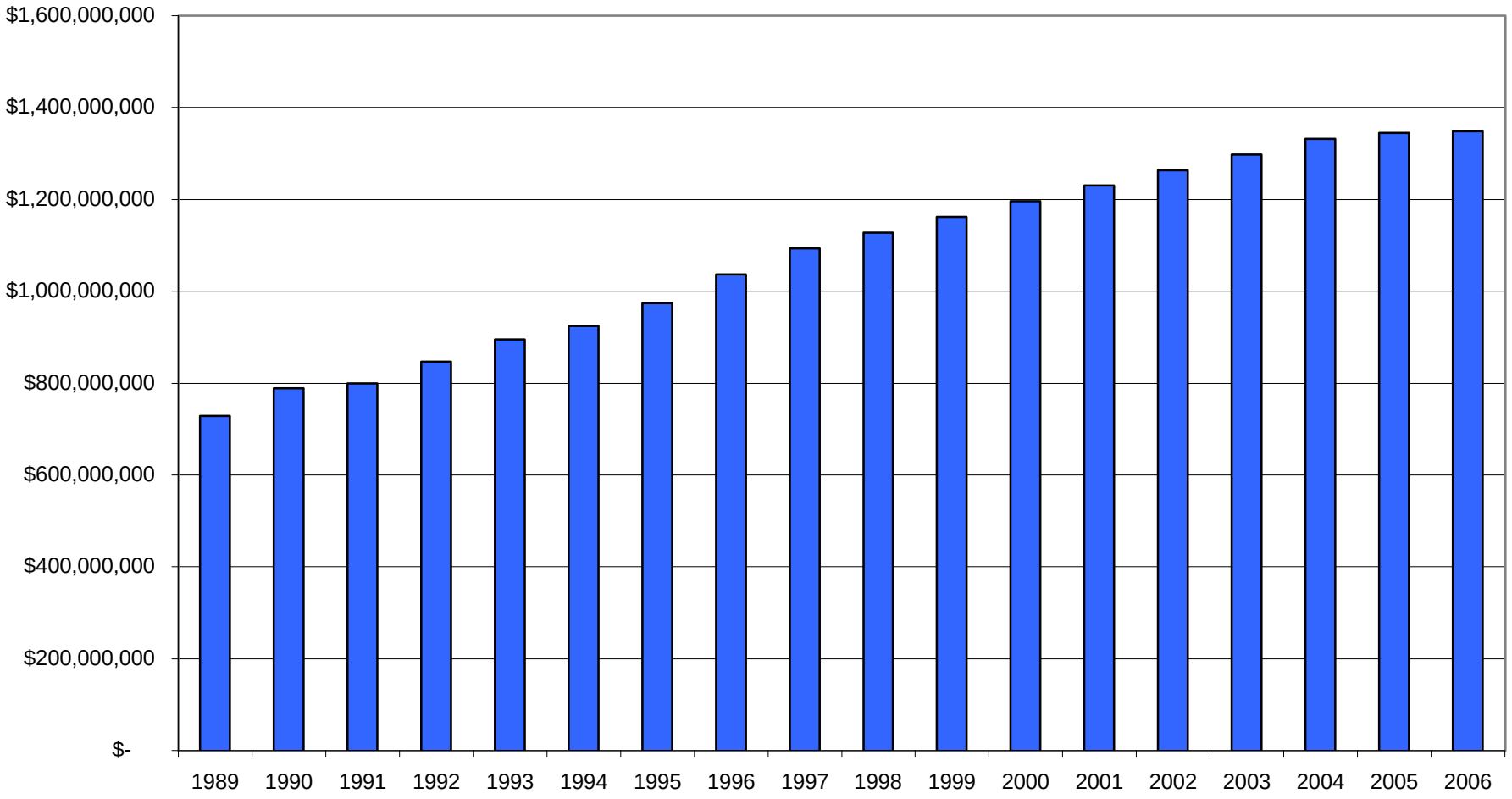
Source: Florida Department of Labor and Employment Security, Bureau of Labor Market and Performance Information, Industry and Occupational Projections, 1996-2006.
Florida Economic Consesus Forecasting Conference, Fall 1998.

Figure 3
Historic and Projected Gross Sales
Eating and Drinking Establishments 1989-2006



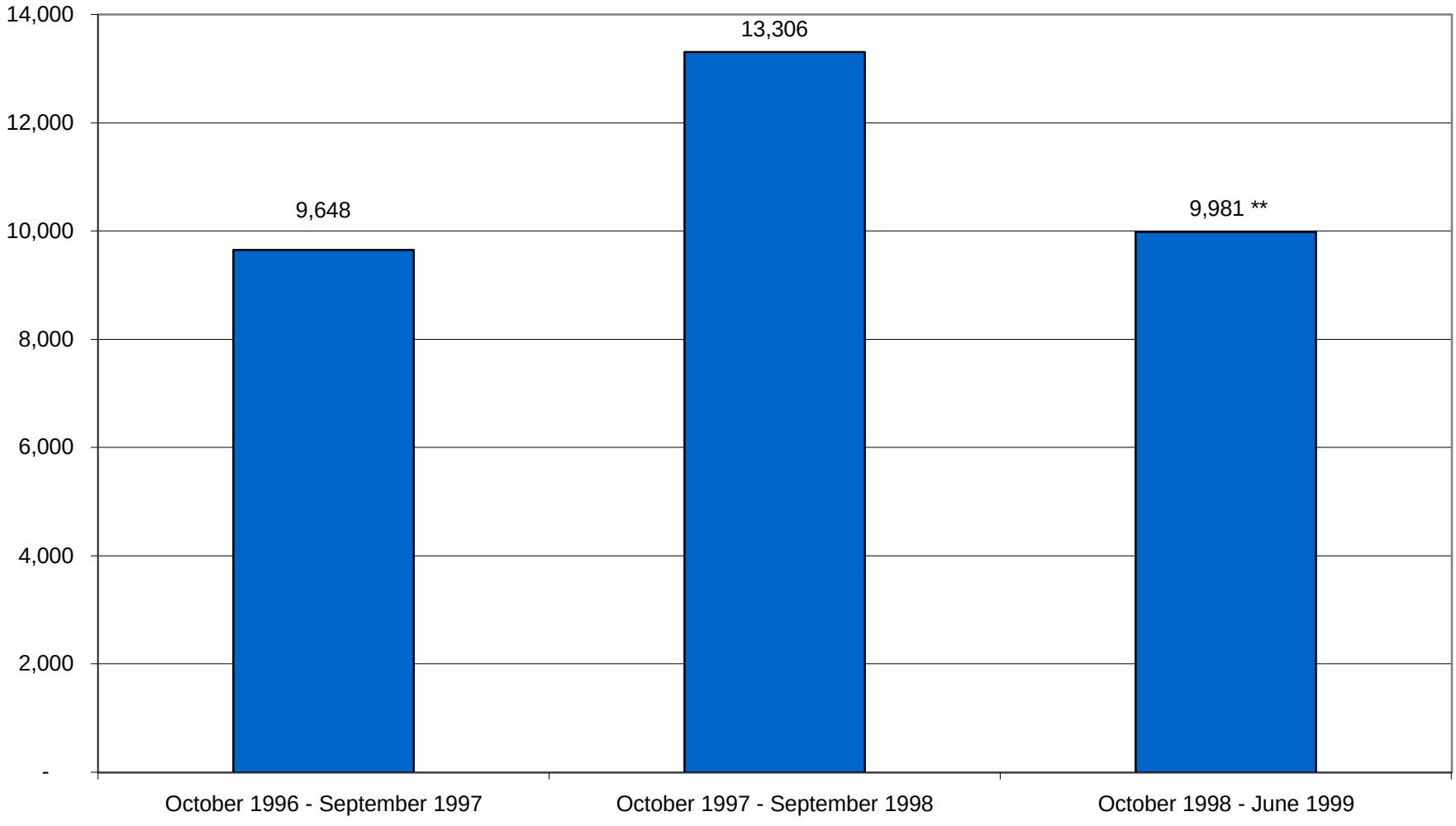
Source: Florida Department of Revenue, 1998. Florida Economic Consensus Estimating Conference, 1998.

Figure 4
Historic and Projected Taxes Collected
Eating and Drinking Establishments 1989-2006



Source: Florida Department of Revenue, 1998. Florida Economic Consensus Estimating Conference,

Figure 5
Historic and Projected WAGES Participants Hired by the Food and Beverage Industry



** Projected

Figure 6
Average hourly wage
WAGES Participants

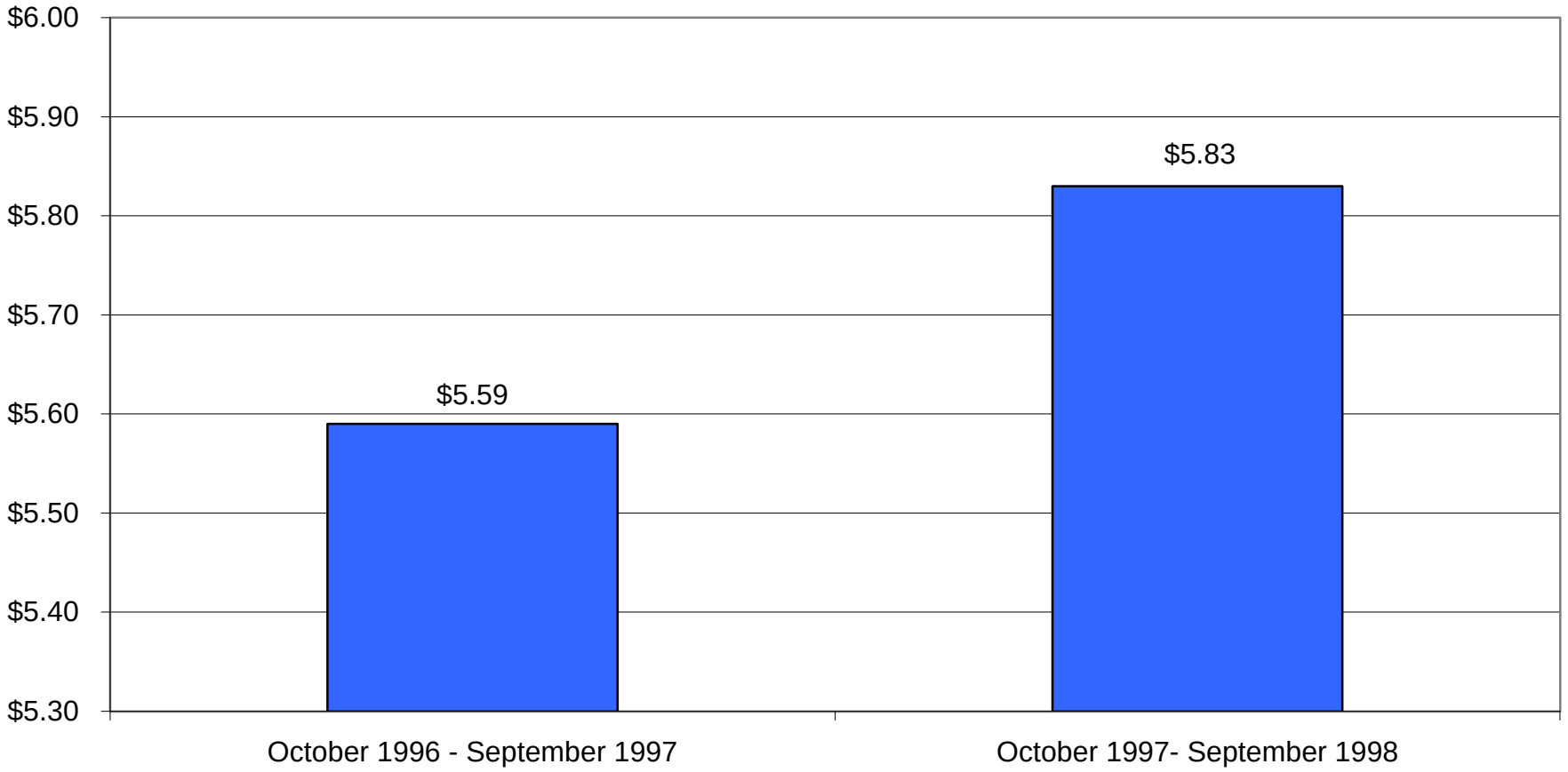


FIGURE 7
Florida Eating and Drinking Industry
Sales, Use and Fuel Tax Impacts of Wages Program

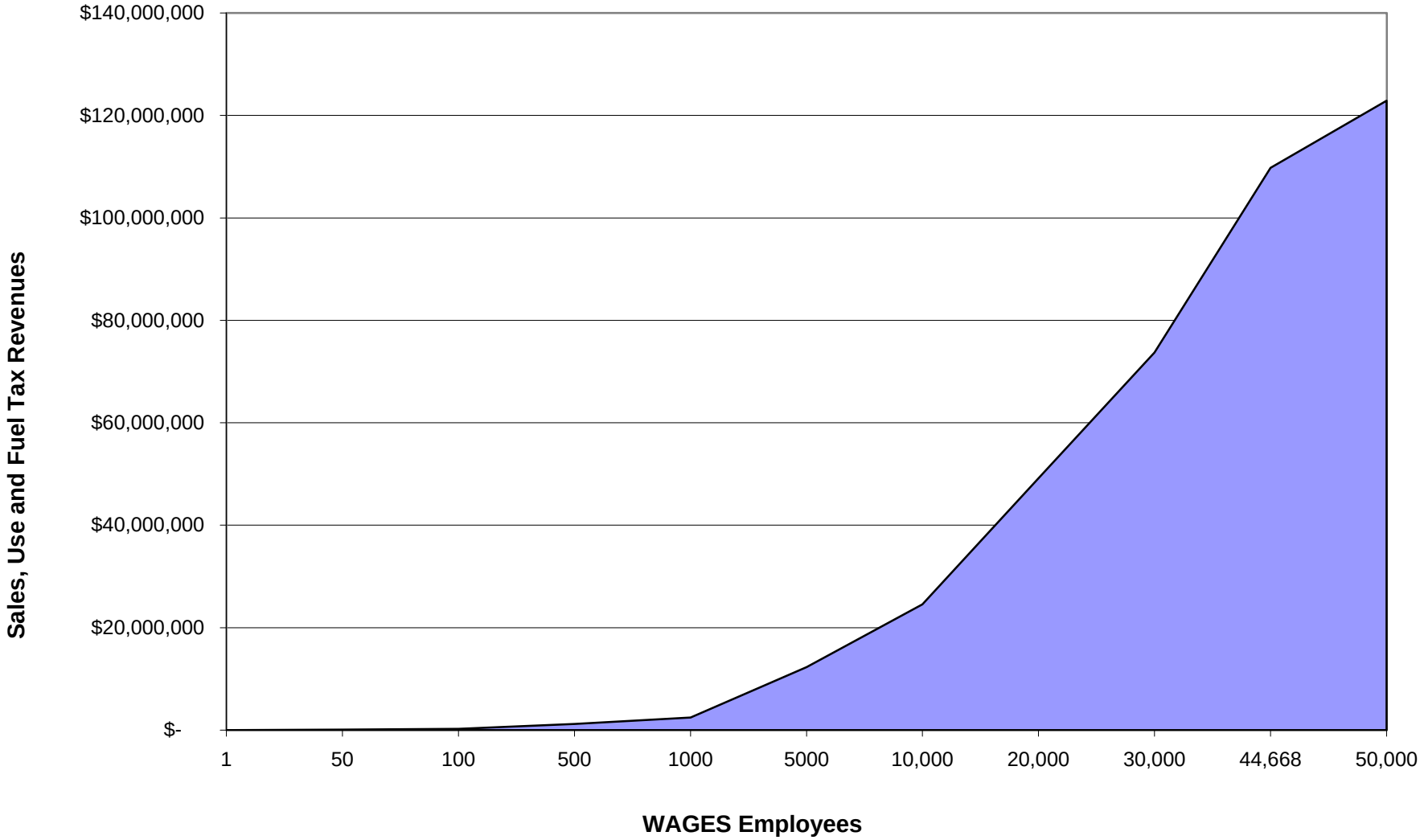


Figure 8
Florida Eating and Drinking Industry
Employment Impacts

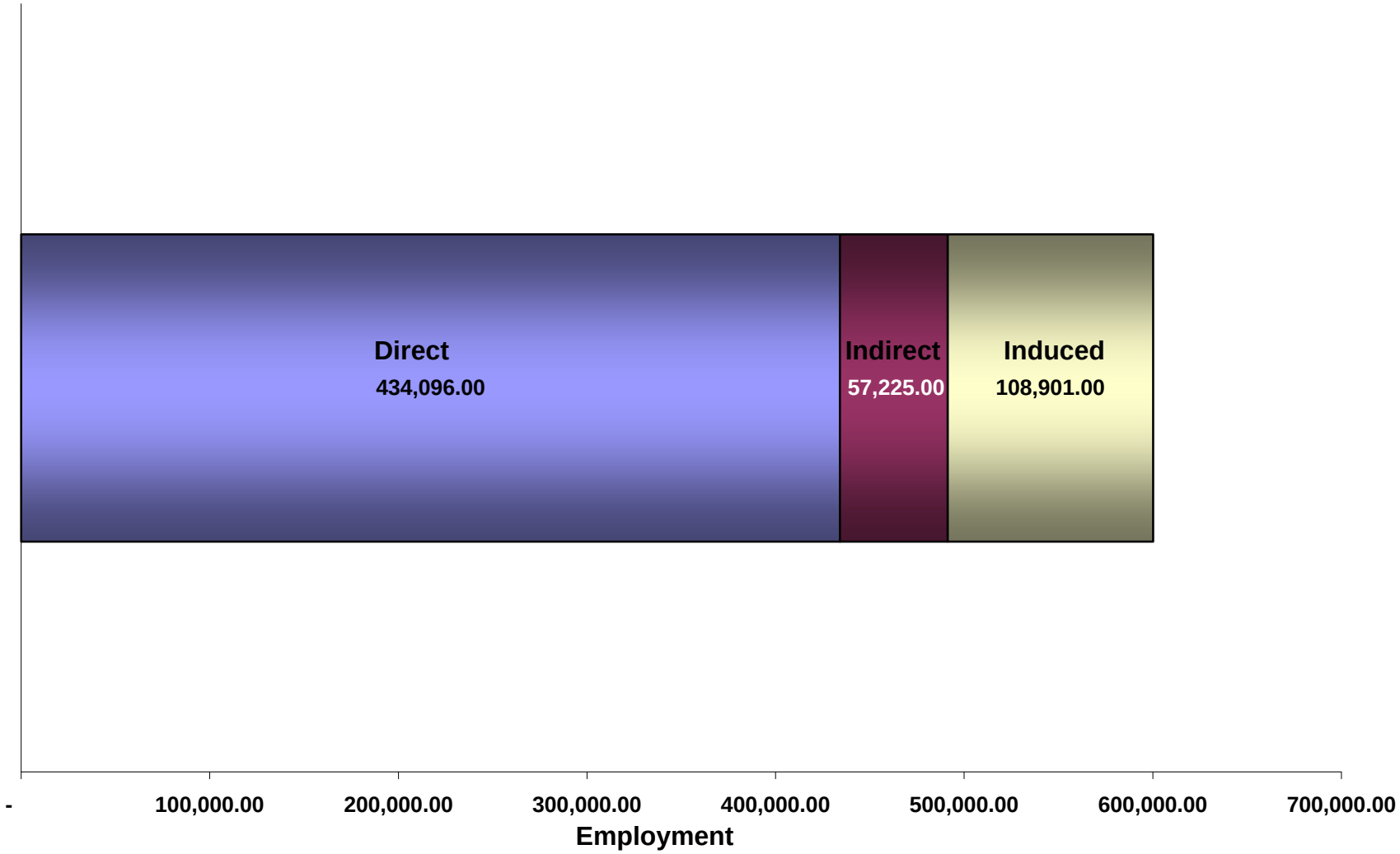


Figure 9
Florida Eating and Drinking Industry
Output Impacts

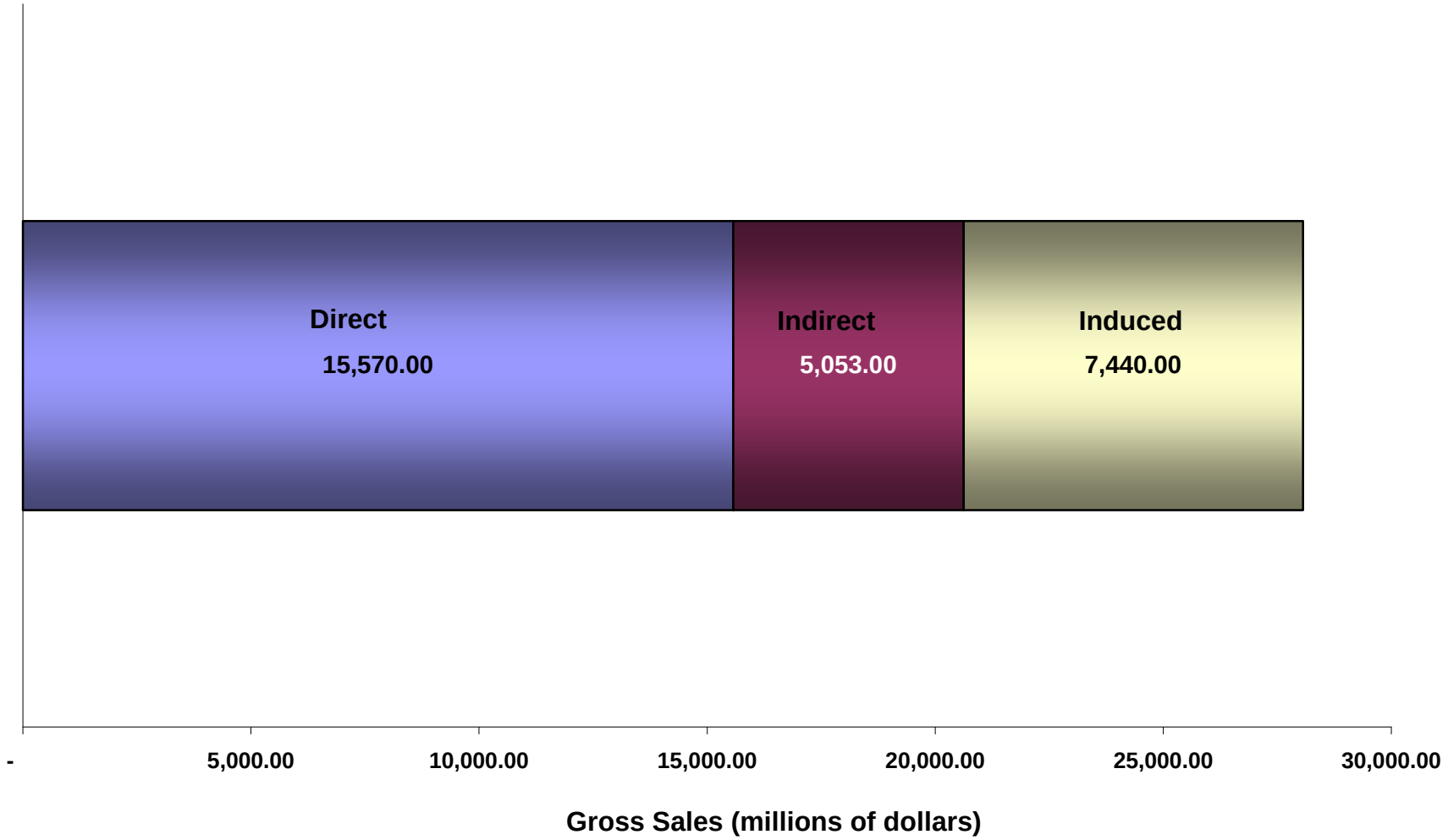


Figure 10
Florida Eating and Drinking Industry
Wages/Salary Impacts

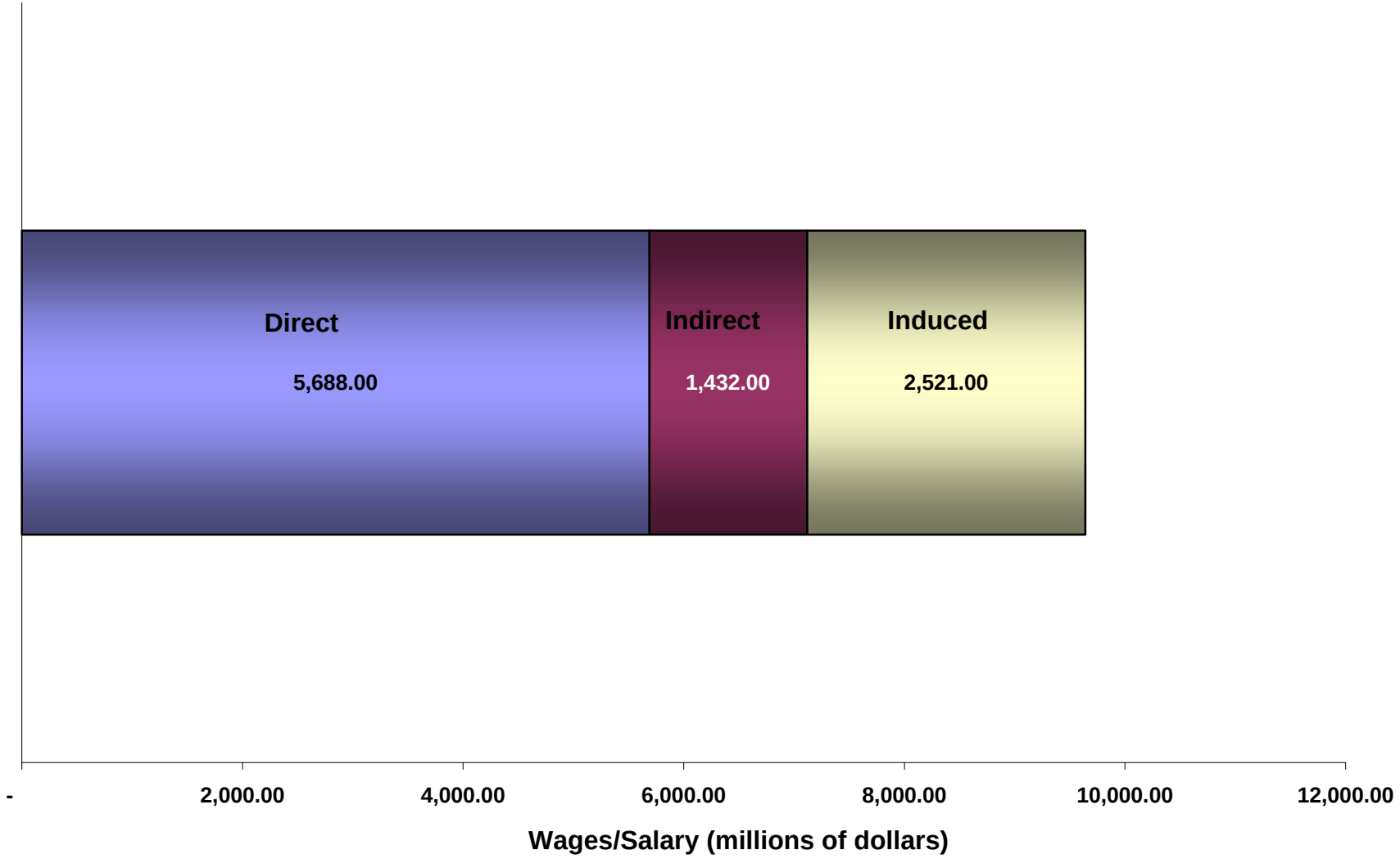


Figure 11
Florida Eating and Drinking Industry
State Sales, Use and Fuel Tax Impacts

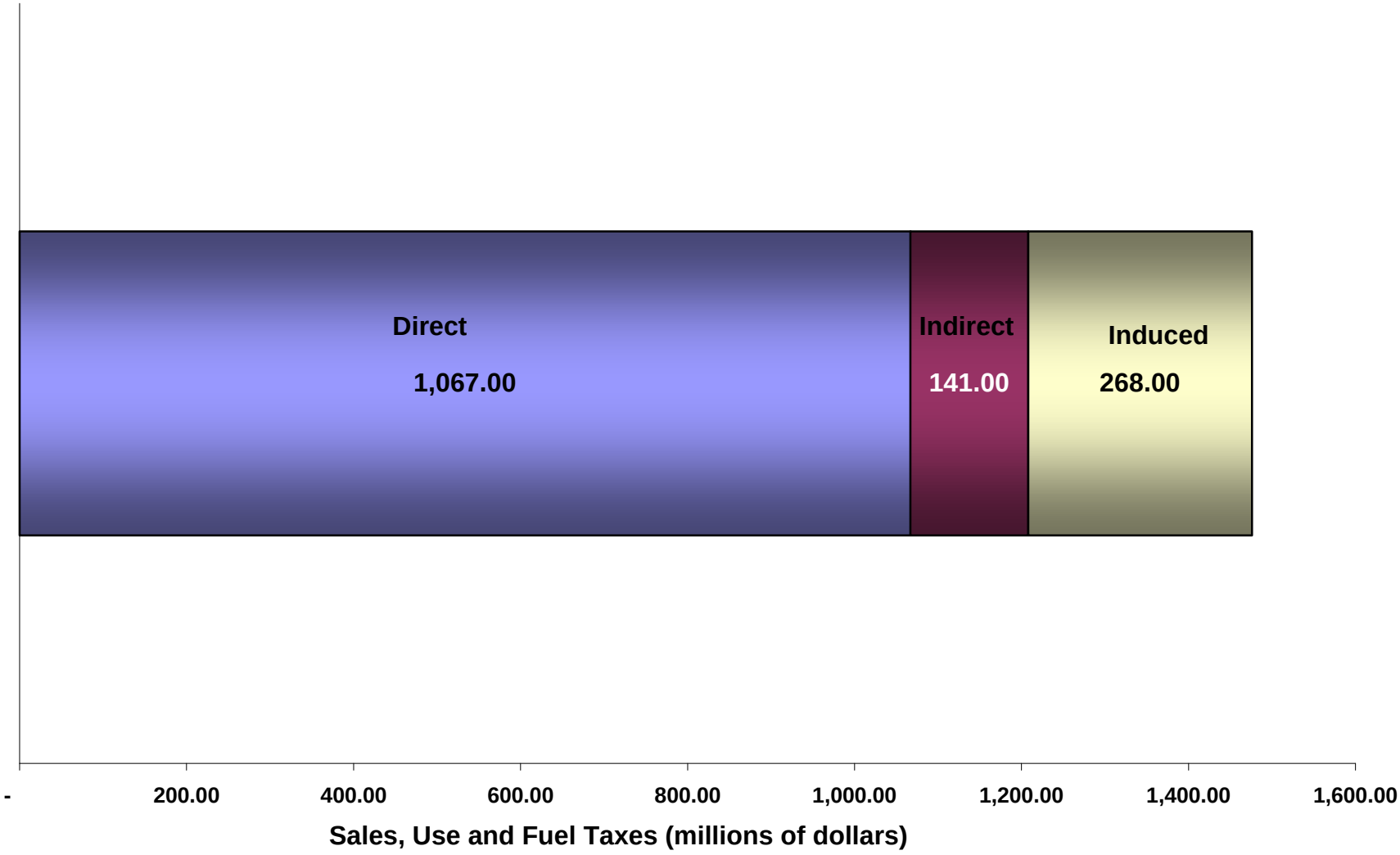


Figure 12
Florida Eating and Drinking Industry
WAGES Workers Employment Impacts

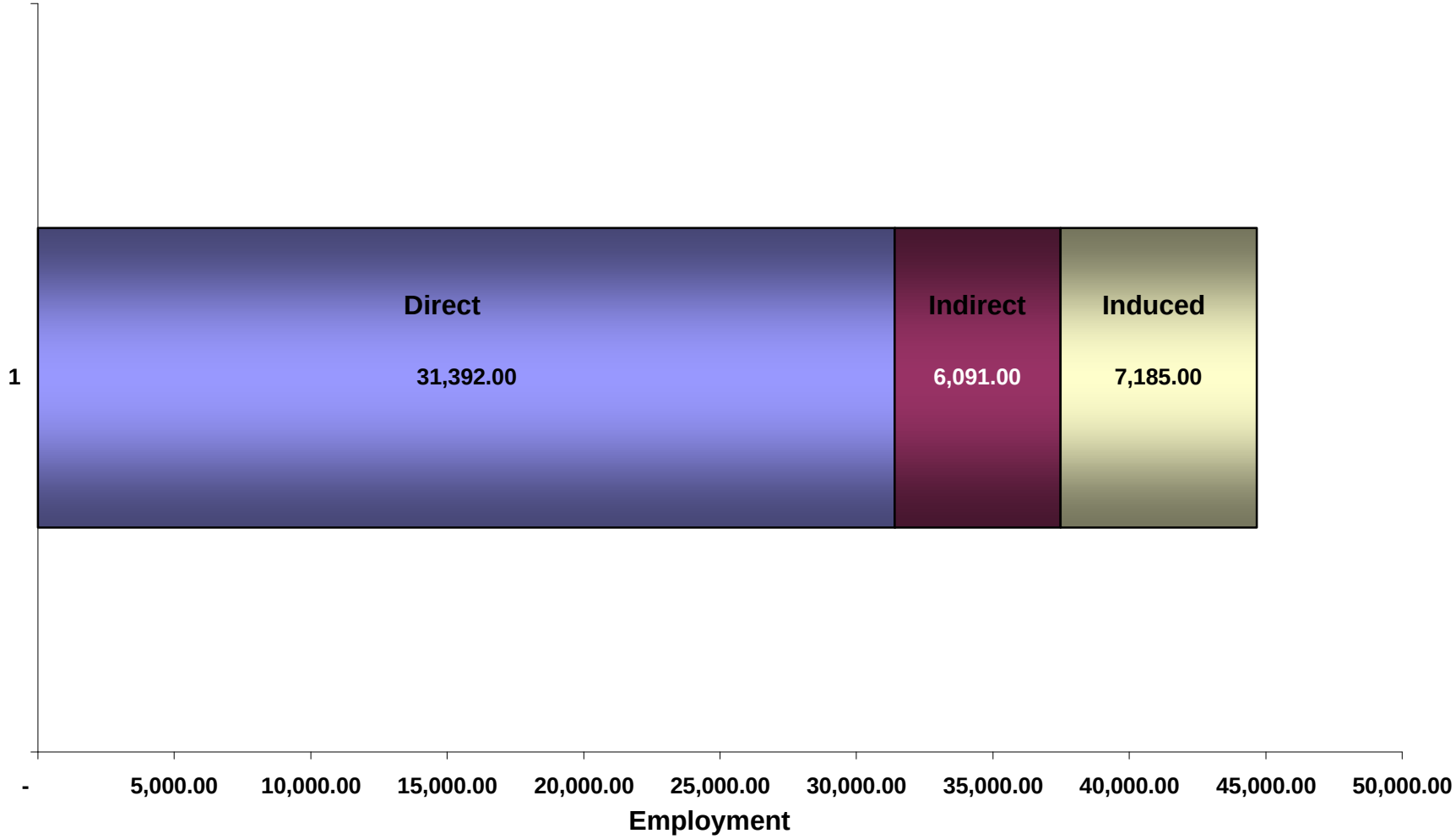
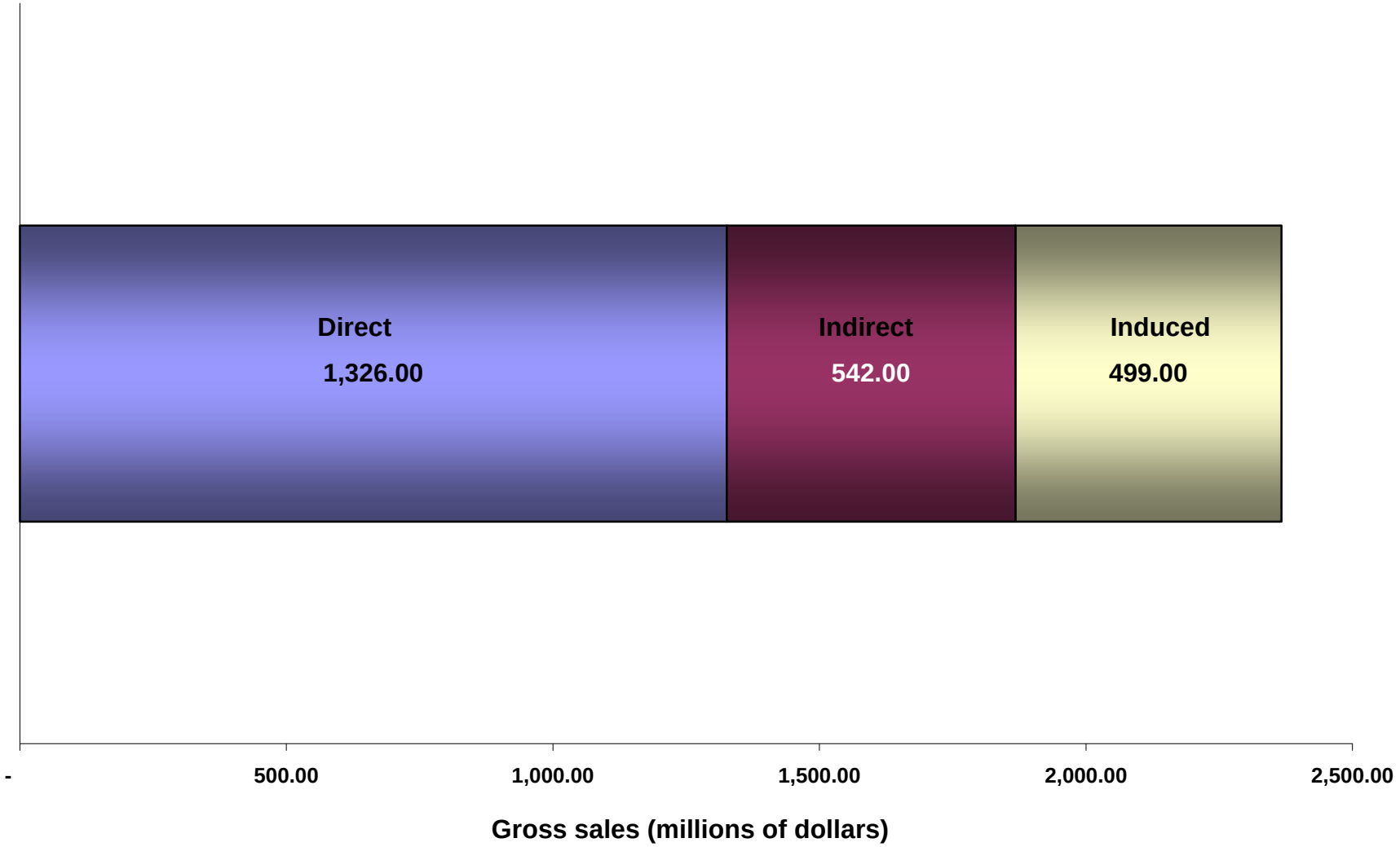


Figure 13
Florida Eating and Drinking Industry
WAGES Employees Ouput Impacts



Figue 14
Florida Eating and Drinking Industry
WAGES Employees Salary/Income Impacts

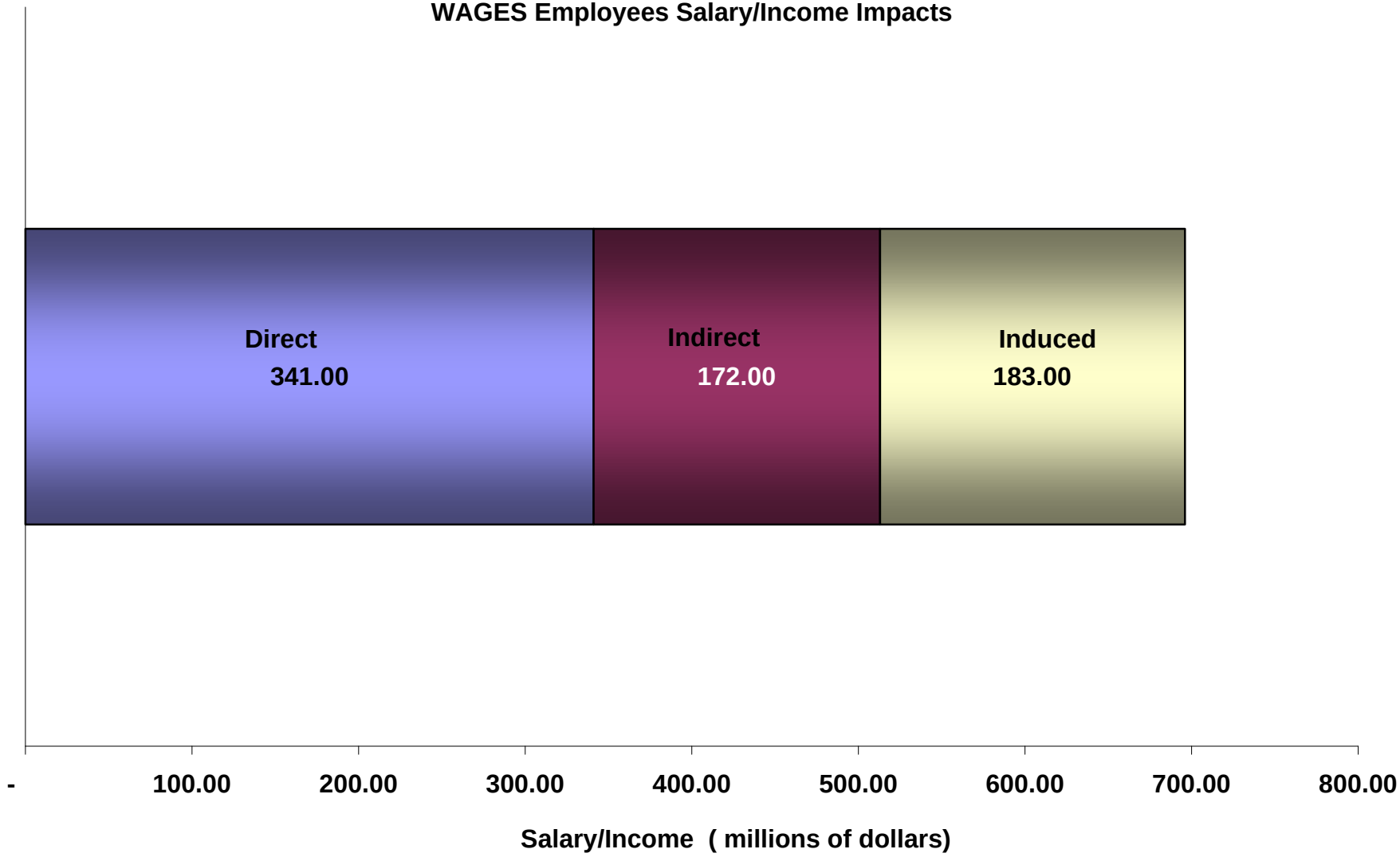


Figure 15
Florida Eating and Drinking Industry
WAGES Employees State Sales, Use, and Fuel Tax Revenues Impacts

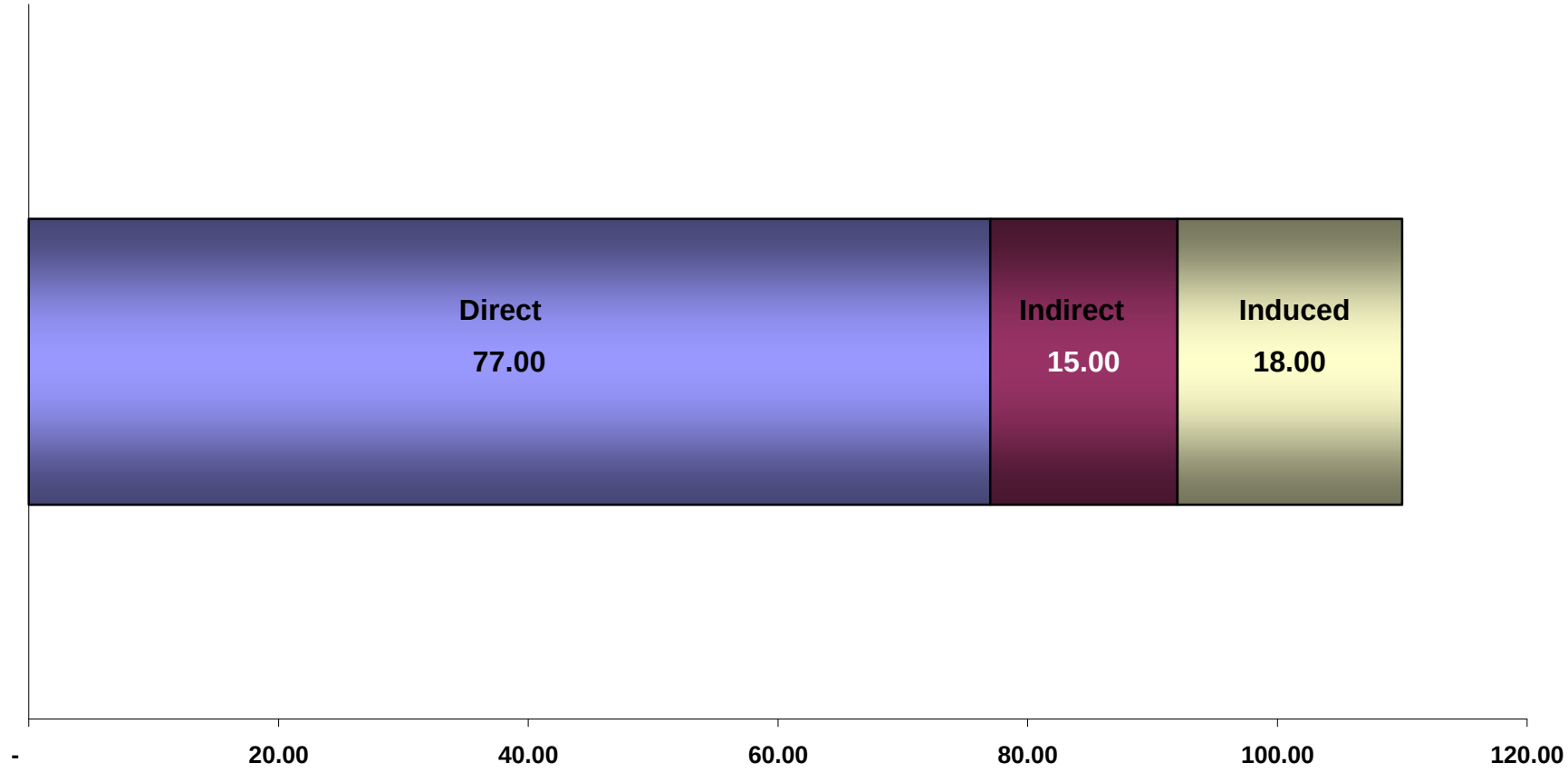


Figure 16
Total Excise, Surcharge, and Sales Taxes Fiscal Years 1990-1998

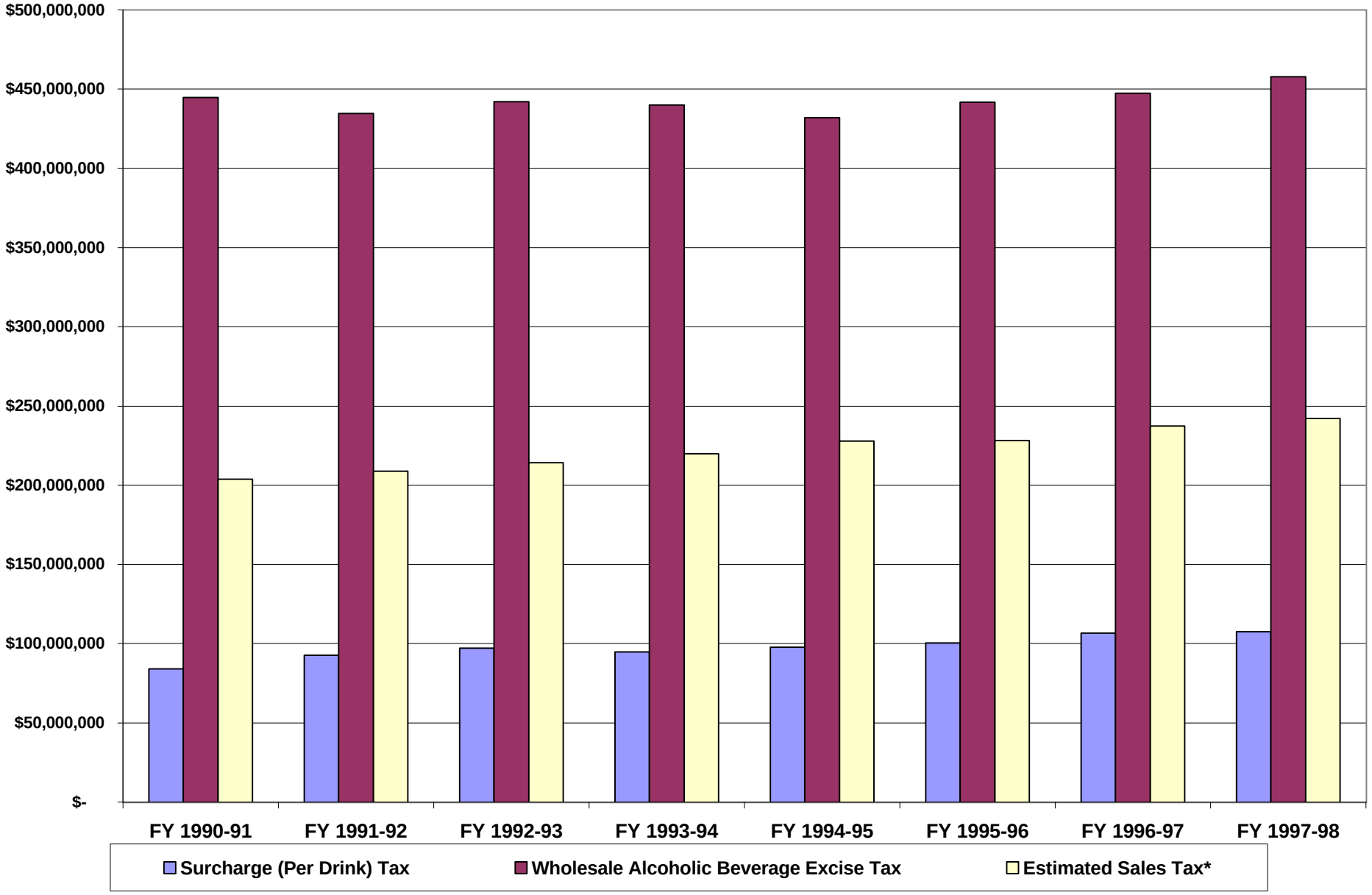


Figure 17
Total Alcohol Related Surcharge Excise and Sales Tax Revenues FY 1990-1998

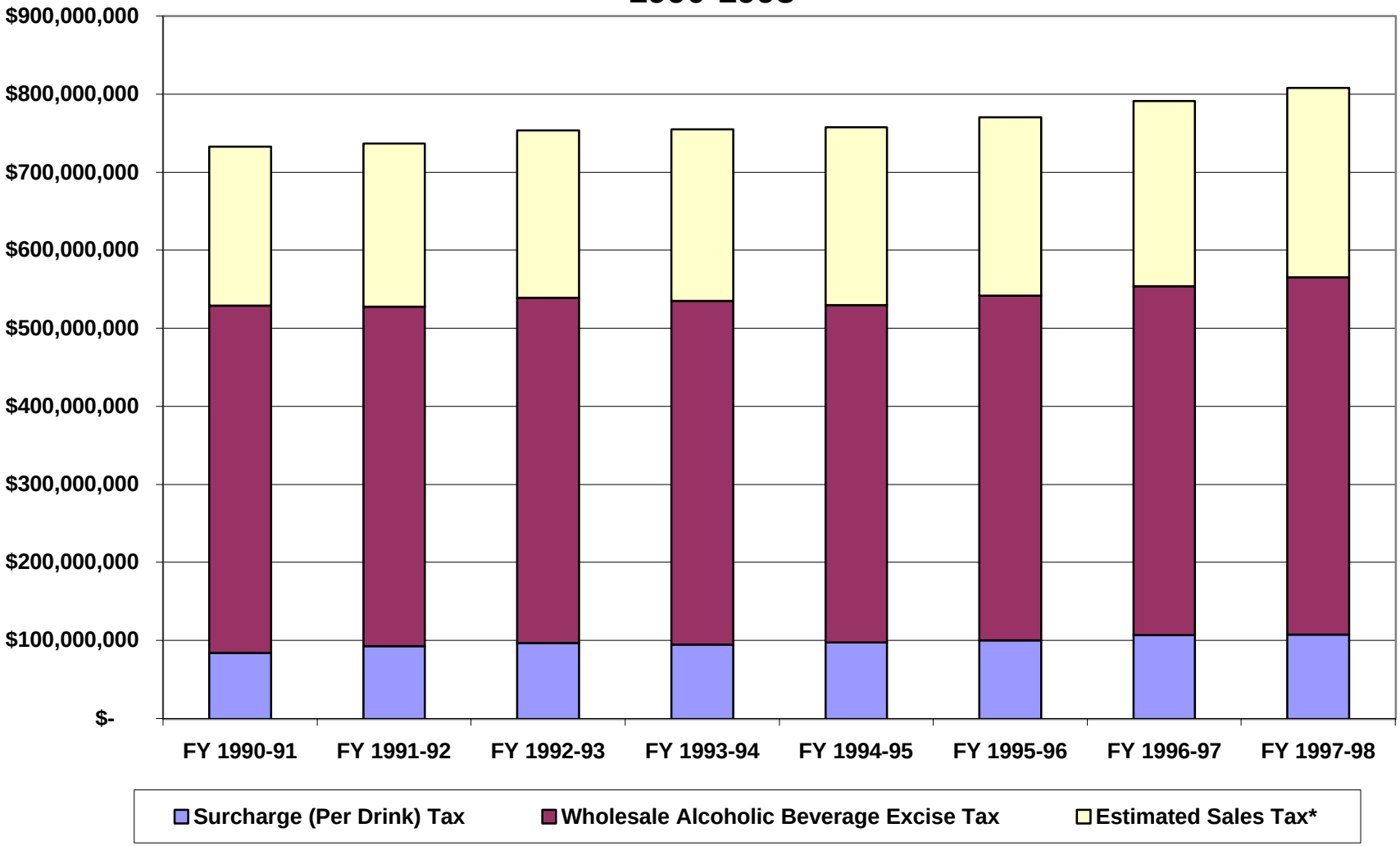


Figure 18

Florida Per Capita Annual Average Alcohol Beverage Charge

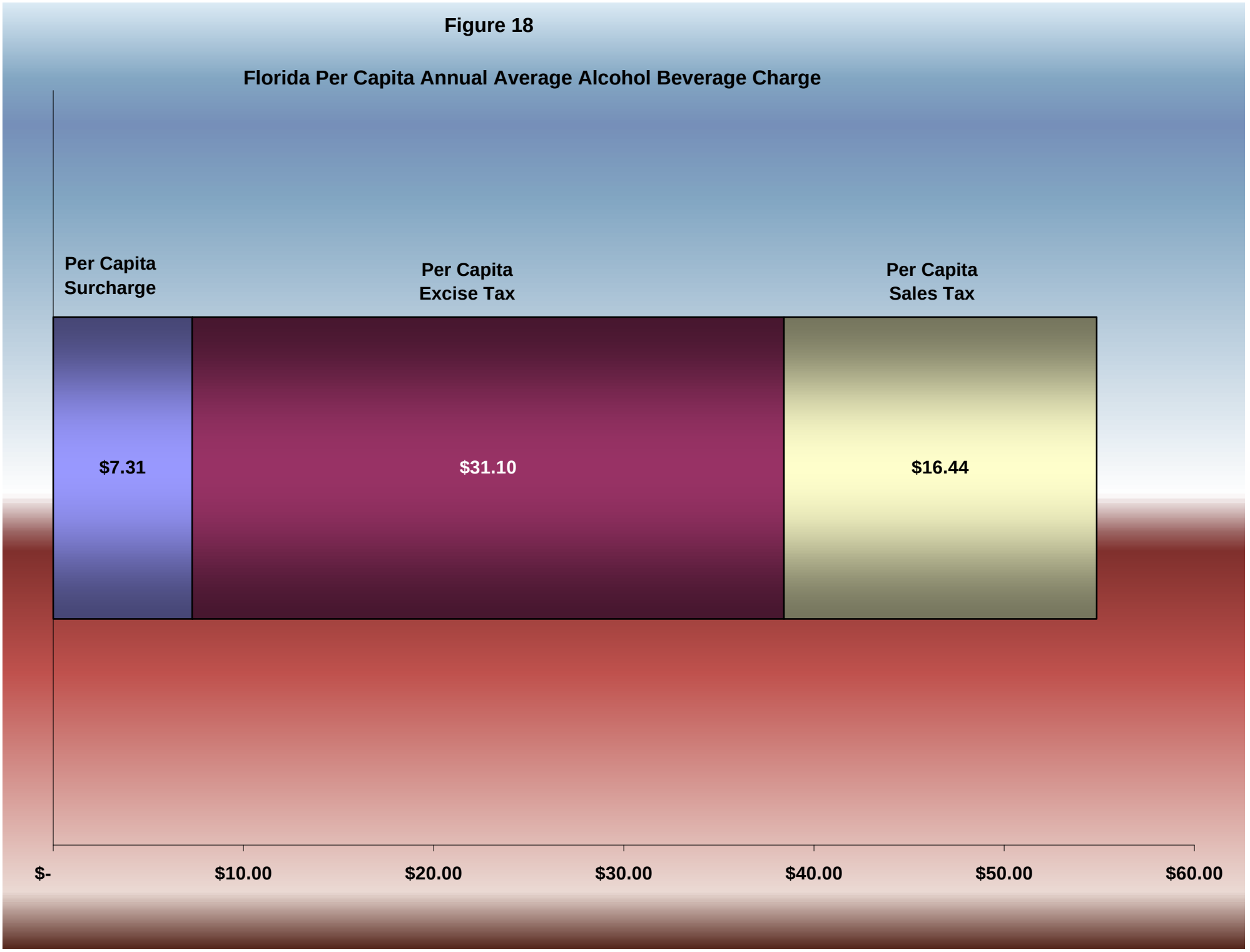


Figure 19
Estimated State of Florida Per Drink Tax Level

APPENDIX 1
TABLE 1
FOOD AND BEVERAGE EMPLOYMENT WAGES, SALES AND SALES PER EMPLOYEE HISTORY AND FORECAST

Year	Food & Beverag Employment	Total Wages	Average Wages	Gross Sales*	Gross Sales Per Employee	Sales Tax Per Employee		delicatessens	restaurants and luncheons	taverns and night clubs	Total Taxes Collected
1987				$ 11,484,163,809			1987	$ 2,144,010	$ 451,600,103	$ 81,983,027	$ 535,727,141
1988				$ 12,542,142,568			1988	$ 4,174,847	$ 558,738,515	$ 91,829,312	$ 654,742,674
1989	382,241	$ 3,311,311,111	$ 8,663	$ 13,412,550,062	$ 35,089	$ 1,907	1989	$ 6,713,167	$ 624,683,218	$ 97,720,650	$ 729,117,036
1990	391,338	$ 3,496,011,963	$ 8,933	$ 14,508,485,936	$ 37,074	$ 2,016	1990	$ 8,101,812	$ 679,597,827	$ 101,069,625	$ 788,769,264
1991	376,508	$ 3,557,868,757	$ 9,450	$ 15,279,374,222	$ 40,582	$ 2,122	1991	$ 9,075,266	$ 687,095,604	$ 102,656,901	$ 798,827,771
1992	383,768	$ 3,775,153,386	$ 9,837	$ 16,040,532,296	$ 41,797	$ 2,206	1992	$ 9,562,364	$ 732,237,582	$ 104,822,386	$ 846,622,332
1993	400,994	$ 3,991,380,068	$ 9,954	$ 16,921,330,721	$ 42,198	$ 2,233	1993	$ 9,605,028	$ 777,188,087	$ 108,530,827	$ 895,323,942
1994	414,823	$ 4,221,243,920	$ 10,176	$ 16,830,880,150	$ 40,574	$ 2,230	1994	$ 8,215,567	$ 809,321,616	$ 107,609,594	$ 925,146,777
1995	420,906	$ 4,404,402,553	$ 10,464	$ 17,784,597,237	$ 42,253	$ 2,314	1995	$ 8,014,525	$ 854,583,779	$ 111,515,102	$ 974,113,406
1996	436,889	$ 4,751,017,089	$ 10,875	$ 18,477,818,164	$ 42,294	$ 2,374	1996	$ 7,829,044	$ 913,563,463	$ 115,918,710	$ 1,037,311,217
1997	442,199	$ 5,036,648,125	$ 11,390	$ 19,399,804,277	$ 43,871	$ 2,474	1997	$ 8,564,084	$ 965,474,869	$ 119,890,906	$ 1,093,929,859
1998	455,424	$ 5,327,654,461	$ 11,698	$ 19,900,534,781	$ 43,697	$ 2,477	1998	$ 8,785,133	$ 996,162,782	$ 122,985,423	$ 1,127,933,338
1999	468,649	$ 5,618,660,797	$ 11,989	$ 20,401,265,284	$ 43,532	$ 2,479	1999	$ 9,006,181	$ 1,026,850,695	$ 126,079,941	$ 1,161,936,817
2000	481,874	$ 5,909,667,133	$ 12,264	$ 20,901,995,788	$ 43,377	$ 2,482	2000	$ 9,227,230	$ 1,057,538,608	$ 129,174,458	$ 1,195,940,296
2001	495,099	$ 6,200,673,469	$ 12,524	$ 21,402,726,292	$ 43,229	$ 2,484	2001	$ 9,448,278	$ 1,088,226,521	$ 132,268,976	$ 1,229,943,775
2002	508,323	$ 6,491,679,806	$ 12,771	$ 21,903,456,796	$ 43,090	$ 2,487	2002	$ 9,669,327	$ 1,118,914,434	$ 135,363,493	$ 1,263,947,254
2003	521,548	$ 6,782,686,142	$ 13,005	$ 22,404,187,299	$ 42,957	$ 2,489	2003	$ 9,890,375	$ 1,149,602,347	$ 138,458,011	$ 1,297,950,734
2004	534,773	$ 7,073,692,478	$ 13,227	$ 22,904,917,803	$ 42,831	$ 2,491	2004	$ 10,111,424	$ 1,180,290,260	$ 141,552,528	$ 1,331,954,213
2005	547,998	$ 7,364,698,814	$ 13,439	$ 23,405,648,307	$ 42,711	$ 2,454	2005	$ 10,332,472	$ 1,189,754,681	$ 144,647,046	$ 1,344,734,199
2006	561,223	$ 7,655,705,150	$ 13,641	$ 23,906,378,811	$ 42,597	$ 2,402	2006	$ 10,553,521	$ 1,189,754,681	$ 147,741,563	$ 1,348,049,765
Change	105,799	$ 2,328,050,689	$ 1,741	$ 4,005,844,030	$ (986)	$ (23)		$ 1,768,388	$ 193,591,899	$ 24,756,140	$ 220,116,427

Notes a) The projected employment for the eating and drinking industry was based on the 1996-2006 Industry and Occupational Projections by the Department of Labor and Employment Security Bureau of Labor Market and Performance Information.
b) The projected wages paid was extrapolated using the latest projected growth rate by the Florida Economic Forecasting Conference, Fall 1998.
c) Gross sales was obtained from the latest September 1998 publication by the Department of Revenue.
d) Sales taxes paid was obtained from the September 1998 publication by the Department of Revenue.
e) Employment growth rate of 23.23% for the period 1998-2006 was used to project gross sales and taxes.

*** Resuturants, Taverns, Delis, Nightclubs**

Change 1989-'	19.1%	60.9%	35.0%	48.4%	24.5%	29.8%	30.9%	59.5%	25.9%	54.7%
Change1998-2	23.2%	43.7%	16.6%	20.1%	-2.5%	-3.0%	20.1%	19.4%	20.1%	19.2%

Direct effects represents the impacts for the expenditures and/or production values specified as direct final demand changes.
Indirect effects represent the impacts for the expenditures and or production values caused by the iteration of industries purchasing from industries resulting from direct final demand changes.
Induced effects represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects resulting from direct final demand changes.
Source: Implan Pro, IMPLAN Professional, 1997, page 69

Direct effects are the set of expenditures applied to the predictive model for impact analysis
Indirect effects are the inter-industry effects of input output analysis - above and beyond direct effects.
Induced effects are the impacts of household expenditures in input output analysis
Source: Implan Pro, IMPLAN Professional, 1997, Glossary: page 263
Direct effects are the changes in the industries to whom a final demand change is made.
Indirect effects are the changes in inter-industry changes as they respond to the new demands of the directly effected industries.
Induced effects reflect changes in spending from households as income\population increases or decreases due to the changes in production.
Source: Implan Pro, IMPLAN Professional, 1997, page 149

APPENDIX 2

	Total Employment (full and part time jobs)			Total Wages Paid	
		Average Earnings			
	Wage & Salary Jobs	Total	Wage & Salary	Total	Wage & Salary
				(dollars)	
1993	6,023,409	24,661	23,411	148,543,289,349	141,014,028,099
1994	6,261,506	25,160	23,800	148,508,918,272	143,022,387,200
1995	6,009,344	24,713	23,800		
1996	6,182,206	25,659	23,800	1.5863E+11	

	Revenue Collections		Dollars of Tax Revenue per dollar of wages paid	Dollars of Tax Rev per employee	Dollars of Tax Revenue per dollar of Gross State Product
	1994-95	1995-96			
Sales & Use Tax	11,073	11,930.3	$0.07521	1,929.78	$0.03309
Corporate Income	1,022	1,143.1	$0.00721	184.90	$0.00317
Doc Stamp Tax	698	772.2	$0.00487	124.91	$0.00214
Estate Tax	422	421.1	$0.00265	68.11	$0.00117
Fuel Tax	2,117	2,191.6	$0.01382	354.50	$0.00608
Insurance Premium	315	355.9	$0.00224	57.57	$0.00099
Intangible Tax Stocks	696	746.8	$0.00471	120.80	$0.00207
Intangible Tax Mortgages	109	131.5	$0.00083	21.27	$0.00036
Severance Tax	73	65.4	$0.00041	10.58	$0.00018
Utility Gross Receipts	501	551.3	$0.00348	89.18	$0.00153
Audit & Warrant Collections	227	238.5	$0.00150	38.58	$0.00066
Other	185	186.9	$0.00118	30.23	$0.00052
Total Receipts	17,440	18,734.6	$0.11810	3,030.41	$0.05197

	Gross State Product	Tax Ratios Less Sales and Use Tax	$ 1,100.63	$ 0.02
1990	254,993			
1991	265,948			
1992	279,781			
1993	298,452			
1994	317,829	4.9%		
1995	333,493	6.2%		
1996	360,496	8.3%		

Tax Impact of Restaurants		1,995	Sales Tax Impact (using employment factor)	Sales Tax Impact (using GSP factor)
	Employment	Output		
Direct	420,906	17,800,000,000	974,113,406	974,113,406
Indirect	80,794	7,200,000,000	155,914,678	238,277,706
Induced	97,801	6,800,000,000	188,734,453	225,040,056
Total	599,501	31,800,000,000	1,318,762,537	1,437,431,168

Resturant 1998 Impact Run Using 1998 Forecast Employment

	Employment	Output	Wages	Indirect Business Tax	Sales, Use & Gas Tax Estimates of Employment	Sales, Use & Gas Tax Estimates of Output	**Sales, Use & Gas Tax Estimates Avg of Emp & Output**
Direct	439,862	$ 18,585,559,040	$ 4,782,139,904	$ 1,103,501,440	$ 1,004,768,715	$ 728,061,910	$ 866,415,312
Indirect	85,352	$ 7,598,395,436	$ 2,410,414,835	$ 535,861,615	$ 194,968,011	$ 297,655,953	$ 246,311,982
Induced	100,676	$ 6,988,463,031	$ 2,568,911,156	$ 510,578,355	$ 229,972,344	$ 273,762,749	$ 251,867,547
Total	625,890	33,172,417,507	9,761,465,895	2,149,941,410	$ 1,429,709,070	$ 1,299,480,612	$ 1,364,594,841

	Resturant + 1,000 employees							
Direct	953	$ 40,274,340	$ 10,362,752	$ 2,391,254	$ 2,176,920	$ 1,577,688	$ 1,877,304	
Indirect	185	$ 16,465,488	$ 5,223,295	$ 1,161,196	$ 422,592	$ 645,011	$ 533,802	
Induced	218	$ 15,143,786	$ 5,566,752	$ 1,106,408	$ 497,973	$ 593,236	$ 545,604	
Total	1,356	71,883,614	21,152,799	4,658,858	$ 3,097,486	$ 2,815,935	$ 2,956,710	
	Resturant Base 1998 + 1,000 employees							
Direct	440,815	$ 18,625,832,960	$ 4,792,502,784	$ 1,105,892,608	$ 1,006,945,635	$ 729,639,581	$ 868,292,608	
Indirect	85,537	$ 7,614,860,966	$ 2,415,638,106	$ 537,022,795	$ 195,390,603	$ 298,300,966	$ 246,845,785	
Induced	100,894	$ 7,003,606,631	$ 2,574,477,853	$ 511,684,750	$ 230,470,317	$ 274,355,978	$ 252,413,147	
Total	627,246	$ 33,244,300,557	$ 9,782,618,743	$ 2,154,600,153	$ 1,432,806,556	$ 1,302,296,525	$ 1,367,551,540	
					$ -			
	SUM OF INCREMENTAL BASE PLUS 1,000 EMPLOYEES - CHECK OF LINEAR PRODUCTION FUNCTIONS							
Direct	440,815	18,625,833,380	4,792,502,656	1,105,892,694	$ 1,006,945,635	$ 729,639,598	$ 868,292,617	
Indirect	85,537	7,614,860,924	2,415,638,130	537,022,811	$ 195,390,603	$ 298,300,964	$ 246,845,784	
Induced	100,894	7,003,606,817	2,574,477,908	511,684,763	$ 230,470,317	$ 274,355,985	$ 252,413,151	
Total	627,246	33,244,301,121	9,782,618,694	2,154,600,268	$ 1,432,806,556	$ 1,302,296,547	$ 1,367,551,551	
	-	(564)	49	(115)				
	1	100.000%	100.000%	100.000%				
1,000 PERSON WELFARE REDUCTION ECONOMIC IMPACTS								
Household Sector Medium Income Value of $3,176,757 increase in disposable income								
Direct	31	$ 2,058,704	$ 766,843	$ 159,415	$ 70,813	$ 80,647	$ 75,730	
Indirect	8	$ 594,053	$ 219,562	$ 33,531	$ 18,274	$ 23,271	$ 20,773	
Induced	14	$ 958,415	$ 352,307	$ 70,022	$ 31,980	$ 37,544	$ 34,762	
Total	53	3,611,172	1,338,712	262,968	$ 121,067	$ 141,462	$ 131,265	
Florida State Government Non Education reinvestment of value of $3,176,757 in tax revenue								
Direct	51	$ 2,692,229	$ 1,734,794	$ 40,097	$ 116,498	$ 105,464	$ 110,981	
Indirect	6	$ 426,786	$ 161,920	$ 23,139	$ 13,706	$ 16,719	$ 15,212	
Induced	27	$ 1,842,895	$ 677,435	$ 134,642	$ 61,676	$ 72,193	$ 66,934	
Total	84	4,961,910	2,574,149	197,878	$ 191,880	$ 194,376	$ 193,128	
Diff	31	1,350,738	1,235,437	(65,090)	$ 70,813	$ 52,913	$ 61,863	
Diff Percent	1	37%	92%	-25%				
1,000 PERSON WELFARE REDUCTION ECONOMIC IMPACTS								
$1,588,378 Household Section Medium Income & Florida State Govt Non-Education Reinvestment of $1,588,378								
Direct	41	$ 2,375,467	$ 1,250,819	$ 99,756	$ 93,656	$ 93,055	$ 93,355	
Indirect	7	$ 510,420	$ 190,741	$ 28,335	$ 15,990	$ 19,995	$ 17,992	
Induced	21	$ 1,400,655	$ 514,871	$ 102,332	$ 46,828	$ 54,869	$ 50,848	
Total	69	$ 4,286,541	$ 1,956,431	$ 230,423	$ 156,473	$ 167,919	$ 162,196	
TOTAL IMPACTS (1,000 NEW REST. EMPLOYEES & WELFARE REDUCTION IMPACTS)								
Direct	994	42,649,807	11,613,571	2,491,010	2,270,576	1,670,743	1,970,660	
Indirect	192	16,975,908	5,414,036	1,189,531	438,582	665,006	551,794	
Induced	239	16,544,441	6,081,623	1,208,740	544,801	648,104	596,453	
Total	1,425	76,170,155	23,109,230	4,889,281	3,253,959	2,983,854	3,118,906	

	Household run Avg Wages	State Gov Avg Wages		
Direct	24,736.87	34,015.57	Welfare Hire Impact	$ 3,119
Indirect	27,445.25	26,986.67	to equal $100,000,000	**32,063**
Induced	25,164.79	25,090.19		
Total	25,258.72	30,644.63		

WAGES Impact	1	50	100	500	1000	5000	10000	20000
Welfare to Jobs	2,930	146,500	293,000	1,465,000	$ 2,930,000	14,650,000	29,300,000	58,600,000
Reduced Welfare Spending	270	13,500	27,000	135,000	$ 270,000	1,350,000	2,700,000	5,400,000
Total	3,201	160,000	302,000	$ 1,600,000	$ 3,020,000	$ 16,000,000	$ 32,000,000	$ 64,000,000