

A Report on the Impact of Hurricanes Katrina and Rita on Louisiana Businesses: 2005Q2-2006Q4

Prepared for the Louisiana Recovery Authority, Louisiana Economic Development, and the Louisiana Department of Labor



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EXECUTIVE SUMMARY

This report examines the impact of Hurricanes Katrina and Rita on the number of firms, employment, and wages in Louisiana. The results consist of comparisons of Quarterly Census of Employment and Wages (QCEW) data from quarters 2005Q3-2006Q4 to benchmark pre-Hurricane levels from 2005Q2. While this report contains results for all of Louisiana, more detailed analysis focuses on a five parish Southeast Louisiana region (Jefferson, Orleans, Plaquemines, St. Bernard, and St. Tammany parishes) and a three parish Southwest Louisiana Region (Calcasieu, Cameron, and Vermilion parishes).

Key findings were:

- The entire state of Louisiana had 892 fewer employers (0.9%) by 2006Q4 than before the Hurricanes. This represents a significant recovery from an initial loss of 5,192 employers immediately following the Hurricanes and also shows progress over 2006Q3.
- The state as a whole had an overall business failure rate of 20.9% from 2005Q2 to 2006Q4, while the Southeast and Southwest regions had failure rates of 28.3% and 18.6% respectively.

Southeast Region

- The five parishes that compose the Southeast region had 2,591 fewer open employers (9.3%) in 2006Q4 than before the storms. However, the net gain of 1,364 (5.7%) in quarter 4 was the largest since the Hurricanes and represents concrete evidence of the recovery.
- Orleans Parish lost 1,983 of its employers (20.7%). This was the largest post-Hurricane loss in the state, but with a net gain of 618 employers Orleans also showed the fastest fourth quarter gain of any Parish.
- St. Bernard Parish had the largest decline in percentage terms – a 50% loss. The fourth quarter net gain of 14 employers was also smaller, both in numerical and percentage terms, than Orleans parish and the region.
- Unlike the other parishes in the region, St. Tammany Parish showed an increase in the number of firms with a net gain of 371 employers (7.3%).

Southwest Region

- The Southwest region was within 0.4% (22 employers) of its pre-storm employer level by 2006Q4.
- Cameron Parish was the most affected in the region, losing 22.5% of employers as of 2006Q4.

Business Size and Sectors

- Small businesses experienced the highest failure rates. Through 2006Q4, 25.3% of employers in the state that had 1-5 employees in 2005Q2 failed while only 16.3% of those with more than 50 employees failed.
- The Construction and Transportation and Warehousing industries have shown strength throughout the recovery period. The large gains in 2006Q4 appear to be driven by a recovery in some service sectors that have been hardest hit in the post-Hurricane period. This likely reflects a mix of normal seasonality (the fourth quarter includes the Christmas buying season) and post-Hurricane recovery.

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The goal of this project is to continually assess the status of Louisiana employers and to track their post-hurricane recovery. This is the third report in a series of four reports. The initial report focused on estimating the change in number of firms in Louisiana and key parishes from 2004Q3 through 2006Q2. The second report added a new quarter of data to analyze the change through 2006Q3 and was based on preliminary 2006Q3 QCEW data. This report adds preliminary data for 2006Q4 along with the final data for 2006Q3. All 2006Q3 figures have been updated to reflect changes between preliminary and final QCEW data. Much of the methodology is identical to that used in the 2006Q2 report. The description of that methodology is replicated in this document primarily for the benefit of readers who have not seen that report.

The initial data source for this project comes from the Quarterly Census of Employment and Wages (QCEW). Louisiana firms are required by law to report employment and wage data quarterly to the Louisiana Department of Labor for the purpose of determining their unemployment insurance taxes.

This project consists of first estimating the post-hurricane number of firms, employers, and wages for all quarters by area and industry. An important step in this process is filtering out estimated data of firms reporting zero employment. A telephone survey of employers in the affected parishes will then be used to assess the current condition of employers and to verify their status as open or closed. The final step requires personal surveys to be conducted for a stratified random sample of employers to verify accuracy of results in the telephone survey.

This is the third in a series of four reports that summarizes basic results from the first step of the project. In particular, we focus on measuring the change in the number of firms by parish and industry in Louisiana following the Hurricanes. We then present more detailed industry level results for a five parish Southeast Louisiana region (Jefferson, Orleans, Plaquemines, St. Bernard, and St. Tammany parishes), a three parish Southwest Louisiana Region (Calcasieu, Cameron, and Vermilion parishes), and for these eight individual parishes. Further analysis focuses on failure rates, changes in employer counts by quarter, and GIS maps providing more details by region.

I. Converting Quarterly Census Data to Employers Verified as Open

Our methodology here is identical to that used in the first study. Our first task consists of using the Quarterly Census Data to determine the effect of the Hurricanes on Louisiana firms. This data summarizes the unemployment insurance reports of Louisiana employers to the Louisiana Department of Labor. Pages 43-46 of the Employer Handbook Business Owners' Manual provide details on the unemployment insurance program noting that "Every employing unit operating in Louisiana is required to complete and submit as Status Report, LDOL – ES 1."¹ Given this reporting requirement, this data set provides detailed data on Louisiana employers.

The data set used for this study spans the period of 2004Q3 to 2006Q4. Because Hurricane Katrina hit on August 29, 2005, the logical strategy is to compare data from 2005Q3, 2005Q4, 2006Q1, 2006Q2, 2006Q3, and 2006Q4 to the baseline of 2005Q2. The use of data for one full year prior to the Hurricanes allows us to check for any unusual

¹ Details on defining an employing unit and exceptions are available from Employer Handbook Business Owners' Manual (<http://www.laworks.net/forms/er/employerhandbook.pdf>). Sole proprietors are the most important group not covered by this reporting requirement.

features in the 2005Q2 data prior to choosing this quarter as our baseline and to investigate typical trends in the data.

Table 1 contains the total number of firms in the Quarterly Census Database each quarter by ownership type. Obviously, many firms were open in all nine quarters. Our data contains observations on 135,365 different firms that were open in at least one quarter between 2004Q3 and 2006Q4. At first glance, Table 1 suggests that the Hurricanes had minimal impact on Louisiana. Overall, the number of firms, both total and private, appears to be growing. However, three key features cause the number of records in the QCEW to generate misleading results regarding the number of Louisiana businesses. First and foremost, firms are only removed from the data after failing to report for seven quarters. This practice is quite logical for tax collection purposes, but leaves the raw counts in Table 1 unable to reflect major shifts, such as the effects of the Hurricanes, in a timely manner. Second, some firms may report zero employment and wages simply to leave their account open even if the firm itself is not currently operating. Finally, the wages and employment for some firms who fail to report are estimated by the Louisiana Department of Labor.²

Table 1
Total Number of Employers by Ownership Type

| <i>Quarter</i> | <i>Total Employers</i> | <i>Private Employers</i> |
|----------------|----------------------------|------------------------------|
| 2004Q3 | 116,211 | 110,662 |
| 2004Q4 | 116,787 | 111,223 |
| 2005Q1 | 118,269 | 112,688 |
| 2005Q2 | 119,374 | 113,768 |
| 2005Q3 | 119,996 | 114,393 |
| 2005Q4 | 120,533 | 114,919 |
| 2006Q1 | 121,029 | 115,416 |
| 2006Q2 | 121,184 | 115,569 |
| 2006Q3 | 121,995 | 116,390 |
| 2006Q4 | 123,685 | 118,070 |

Source: QCEW Data and Author's computations.

II. Preliminary Estimates of the Number of Open Firms in Louisiana

All three issues discussed above can be addressed in a straightforward manner. First, the QCEW data provided by the Louisiana Department of Labor provides an indicator variable describing exactly how the wage and employment data for each firm was collected. We used this field to determine whether the data was estimated or actually reported by the employer. We then checked the records of all employers that reported to determine whether positive values for wages in the quarter or employment in any month were reported. Table 2 contains the statewide results of this exercise.

The first column contains the number of firms in the QCES database, replicating the first column of Table 2. These figures in column 1 correspond closely to the firm counts

² We will return to the issue of estimating employment and wages later in this report.

reported by the US Bureau of Labor Statistics.³ The second column contains the total number of firms and government entities that actually filed a report with the Louisiana Department of Labor. The results in Column 2 show a fall in number of firms reporting for 2005Q3, the quarter immediately following the Hurricanes. These results then show a full recovery in the number of firms filing reports by 2006Q2, followed by a slight decline again in 2006Q3 and a slight increase in 2006Q4. The 2006Q3 decline and 2006Q4 increase in this series, in part, reflects expected seasonal patterns – the second and fourth quarters tend to be associated with stronger economic figures due to summer employment and the Christmas buying season.

Column 3 of Table 2 contains the total number of firms with either wages or employment listed as nonzero in the QCEW database. Note that these figures include some firms that failed to report. For example, 7,005 of the 103,970 listed as having non-zero wages or employment did not file a report for 2004Q3 in time to be included in the data. While the method of estimation is sophisticated and picks up on the fact that some employers simply failed to file timely reports, this number may also include some employers that are not actually operating.⁴

The final column contains the number of firms that filed reports with either nonzero wages or nonzero employment for at least one month of the quarter. For the remainder of this report, we refer to these firms as *verified open* based on the assumption that any firm self-reporting non-zero wages or employment (and paying taxes on those wages) must be open. This is a conservative measure of the number of open firms, but offers the advantage that it should pick up on changes much faster than the measures in columns 1-3.

Table 2
Reporting Status of Louisiana Employers

| <i>Quarter</i> | <i>Total Employers in QCEW</i> | <i>Reported to LDOL</i> | <i>Estimated Wages or Employment >0</i> | <i>Reported Wages or Employment >0</i> |
|----------------|--------------------------------|-------------------------|--|---|
| 2004Q3 | 116,211 | 103,302 | 103,970 | 96,939 |
| 2004Q4 | 116,787 | 104,435 | 106,994 | 100,118 |
| 2005Q1 | 118,269 | 104,713 | 105,284 | 97,892 |
| 2005Q2 | 119,374 | 104,053 | 105,923 | 97,639 |
| 2005Q3 | 119,996 | 99,192 | 105,276 | 92,461 |
| 2005Q4 | 120,533 | 102,767 | 102,150 | 94,517 |
| 2006Q1 | 121,029 | 102,711 | 101,415 | 93,231 |
| 2006Q2 | 121,184 | 104,169 | 103,181 | 95,420 |
| 2006Q3 | 121,995 | 101,953 | 102,721 | 93,494 |
| 2006Q4 | 123,685 | 102,746 | 105,866 | 96,747 |

Source: QCEW Data and Author's computations.

³ The web address <http://www.bls.gov/cew/home.htm> provides links to the latest BLS QCEW statistics.

⁴ While this issue cannot be addressed properly without a larger survey, we did attempt to contact a small sample of the firms failing to file reports in 2006Q1 and 2006Q2. The results revealed that roughly half could be verified as operating during the quarter when the report is missing. The other half consisted of firms who either had disconnected phone service or reported not being in operation for the quarter in question.

The results in Column (3) show a decline in the number of employers in 2005Q4 to reach a bottom in 2006Q1 at 101,415 Louisiana employers. The 2006Q4 figures show clear signs of a rebound with a net gain of 3,145 firms statewide. This brings the state back to within 100 of its pre-storm employer count in 2005Q2.

The results in column (4) show a more rapid decline immediately due to Hurricanes Katrina and Rita. The general pattern then follows that of column (3) showing a rise in 2006Q2 followed by a decline in employers for 2006Q3. This trend continued for 2006Q4 as the number of employers rose sharply.

The majority of this report focuses on employers that fit into the final column – those that filed reports stating that they employed workers and paid wages. The use of preliminary data implies that our employer count should rise when the final QCEW data is released. We found that 60 additional employers filed reports between the time the preliminary 2006Q3 QCEW database was created and the time the revised data was created. For the purposes of our report, this implies that result changed by only .1% in Table 1 suggesting that future revisions to this report will be quite small. However, the fact that the number of non-reporting predicted to be operating for QCEW has risen substantially does suggest the possibility of a larger upward revision in our next report.

Appendix A contains the total number of employers verified as open by parish. The results for private employers appear as Appendix A-1, while Appendix A-2 includes government employers along with private employers. Table 3 shows these results for eight parishes of interest, those most affected by the storms.

The figures in Tables 3A and 3B clearly show the devastating effects of Hurricanes Katrina and Rita, particularly in the most affected parishes. For example, Orleans parish had lost 2,954 employers (30.7%) by 2006Q1. A net gain of 398 employers in Orleans parish alone and over 1,100 across the five Southeastern Louisiana parishes suggests that 2006Q1 was the low point for the region. The data in Tables 3A and 3B show another slight reduction in number of employers in 2006Q3, reflecting seasonal patterns. The 2006Q4 results show evidence of significant recovery in most parishes, reflecting both seasonal patterns and post-Hurricane recovery. The charts show that although gains have been made in the last quarter, Orleans parish is still at below 80% of its pre-storm number of employers and St Bernard is still at only 50% of the pre-Hurricane number.

Table 3A
Number of Total Employers Verified Open
for Southeast Parishes

| Parish: | Jefferson | Orleans | Plaquemines | St. Bernard | St. Tammany | Southeast LA Parishes |
|----------------|------------------|----------------|--------------------|--------------------|--------------------|------------------------------|
| 2005Q2 | 11,416 | 9,592 | 718 | 1,051 | 5,068 | 27,845 |
| 2005Q3 | 10,149 | 7,545 | 608 | 618 | 4,756 | 23,676 |
| 2005Q4 | 10,213 | 7,011 | 619 | 451 | 4,985 | 23,279 |
| 2006Q1 | 10,342 | 6,641 | 614 | 429 | 4,978 | 23,004 |
| 2006Q2 | 10,803 | 7,039 | 627 | 488 | 5,210 | 24,167 |
| 2006Q3 | 10,622 | 6,991 | 632 | 511 | 5,134 | 23,890 |
| 2006Q4 | 11,045 | 7,609 | 636 | 525 | 5,439 | 25,254 |

Firm Counts as a Percentage of Pre-Hurricane Firms (2005Q2)
for Southeast Louisiana Parishes

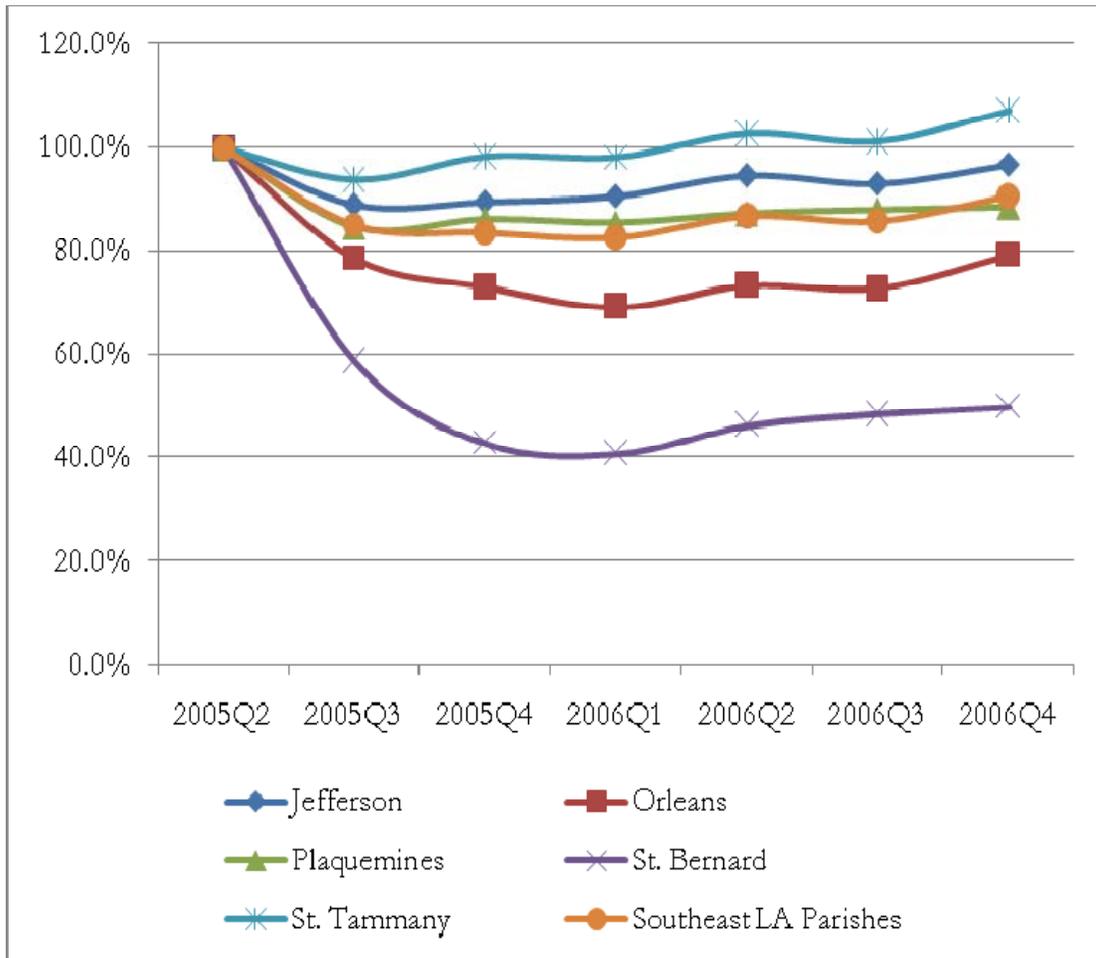
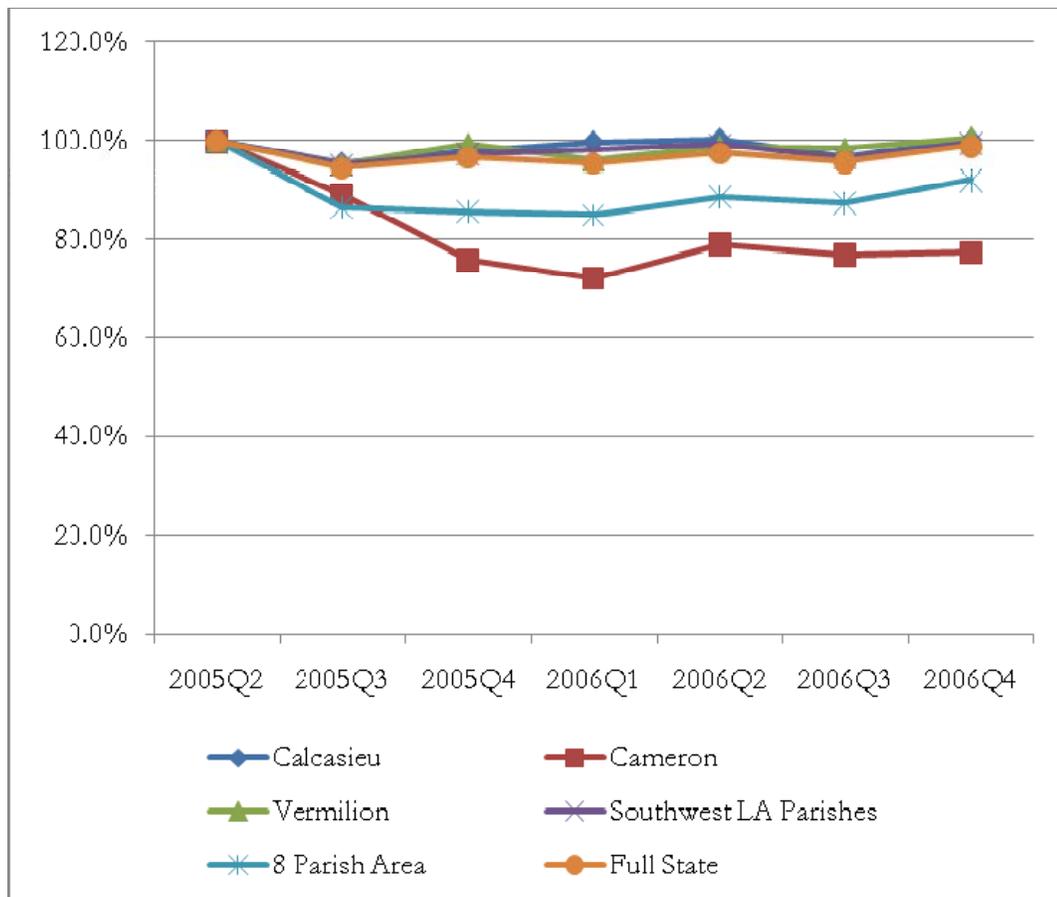


Table 3B
Number of Total Employers Verified Open
for Southwest Parishes and the State

| Parish: | Calcasieu | Cameron | Vermilion | Southwest | 8 Parish Area | Full State |
|----------------|------------------|----------------|------------------|------------------|----------------------|-------------------|
| 2005Q2 | 3,910 | 187 | 1,014 | 5,111 | 32,956 | 97,639 |
| 2005Q3 | 3,736 | 167 | 966 | 4,869 | 28,545 | 92,461 |
| 2005Q4 | 3,830 | 142 | 1,009 | 4,981 | 28,260 | 94,517 |
| 2006Q1 | 3,904 | 135 | 975 | 5,014 | 28,018 | 93,231 |
| 2006Q2 | 3,925 | 148 | 1,004 | 5,077 | 29,244 | 95,420 |
| 2006Q3 | 3,786 | 144 | 999 | 4,929 | 28,819 | 93,494 |
| 2006Q4 | 3,922 | 145 | 1,022 | 5,089 | 30,343 | 96,747 |

Source: QCEW Data and Author's computations.

Firm Counts as a Percentage of Pre-Hurricane Firms (2005Q2)
for Southwest Louisiana Parishes



The chart above shows that on the whole, the Southwest parishes are close to their pre-storm levels, but Cameron parish is still down below 80%. In all cases, just looking at total firms does not provide a complete picture. In most parishes the demand for construction is up while other sectors continue to struggle. For this reason, a thorough analysis of firm counts must also include some industry level analysis.

III. Results by Industry

1. Results for the State

Table 4 shows the results of the employer counts for the entire state by industry. Hurricanes Katrina and Rita made landfall during 2005Q3; therefore 2005Q2 was the last full quarter prior to the storms and is included as a baseline measure. There was a slight decrease in the number of open employers in most industries between 2005Q2 and 2006Q4. The Construction and Transportation and Warehousing industries were exceptions, with gains of 545 (6.7%) and 53(1.5%) open employers, respectively. Not surprisingly, the services industries which most heavily rely on population for customer base saw the most significant declines. Among these were the Retail Trade; Real Estate; Accommodation and Food Services; and Arts, Entertainment, and Recreation.

Table 4
Total Louisiana Employers
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------------------|
| Accommodation and Food Services (72) | 6,596 | 6,163 | 6,003 | 6,000 | 6,309 | 6,389 | 6,414 | -2.8% |
| Administrative and Waste Services (56) | 4,628 | 4,446 | 4,466 | 4,434 | 4,605 | 4,544 | 4,616 | -0.3% |
| Agriculture, Forestry, Fishing & Hunting (11) | 1,364 | 1,341 | 1,342 | 1,307 | 1,326 | 1,296 | 1,310 | -4.0% |
| Arts, Entertainment and Recreation (71) | 1,277 | 1,188 | 1,126 | 1,128 | 1,204 | 1,186 | 1,213 | -5.0% |
| Construction (23) | 8,266 | 7,953 | 8,361 | 8,561 | 8,810 | 8,714 | 8,820 | 6.7% |
| Educational Services (61) | 835 | 802 | 789 | 789 | 804 | 798 | 821 | -1.7% |
| Finance and Insurance (52) | 6,650 | 6,222 | 6,404 | 6,242 | 6,525 | 5,891 | 6,641 | -0.1% |
| Health Care and Social Assistance (62) | 10,043 | 9,552 | 9,597 | 9,499 | 9,734 | 9,738 | 9,840 | -2.0% |
| Information (51) | 1,347 | 1,352 | 1,314 | 1,290 | 1,299 | 1,342 | 1,379 | 2.4% |
| Management of Companies & Enterprises (55) | 463 | 448 | 452 | 451 | 451 | 441 | 457 | -1.3% |
| Manufacturing (31,32,33) | 3,653 | 3,536 | 3,490 | 3,580 | 3,611 | 3,494 | 3,538 | -3.1% |
| Mining (21) | 1,218 | 1,170 | 1,230 | 1,285 | 1,248 | 1,286 | 1,282 | 5.3% |
| Other Services (81) | 7,382 | 6,787 | 8,050 | 6,582 | 6,736 | 6,536 | 7,805 | 5.7% |
| Professional & Technical Services (54) | 10,292 | 9,606 | 10,069 | 9,956 | 10,266 | 9,988 | 10,483 | 1.9% |
| Public Administration (92) | 2,878 | 2,826 | 2,762 | 2,774 | 2,798 | 2,761 | 2,720 | -5.5% |
| Real Estate and Rental and Leasing (53) | 4,194 | 3,907 | 3,841 | 4,002 | 3,998 | 3,984 | 3,942 | -6.0% |
| Retail Trade (44,45) | 14,684 | 13,732 | 13,482 | 13,700 | 13,868 | 13,401 | 13,558 | -7.7% |
| Transportation & Warehousing (48,49) | 3,617 | 3,515 | 3,631 | 3,603 | 3,685 | 3,682 | 3,670 | 1.5% |
| Unclassified () | 821 | 852 | 1,011 | 912 | 975 | 1,022 | 1,101 | 34.1% |
| Utilities (22) | 752 | 642 | 629 | 650 | 617 | 692 | 707 | -6.0% |
| Wholesale Trade (42) | 6,679 | 6,421 | 6,468 | 6,486 | 6,551 | 6,309 | 6,430 | -3.7% |
| Total | 97,639 | 92,461 | 94,517 | 93,231 | 95,420 | 93,494 | 96,747 | -0.9% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 5
Louisiana Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|---------------|-----------------|---------------------------------|---------------------------------|
| 1 - 5 Employees | 13,126 | 25.28% | 2.3 | 2.9 |
| 6 - 10 Employees | 3,027 | 16.47% | 7.4 | 7.7 |
| 11-50 Employees | 2,867 | 14.68% | 22.6 | 22.8 |
| > 50 Employees | 900 | 16.28% | 177.2 | 168.7 |
| All Businesses | 20,380 | 20.87% | 17.6 | 18.2 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 460 business failures that reported wages for 2005Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q4 or reported both zero employees and zero wages.

The rate of failure for employers that were open in 2005Q2, our benchmark quarter, is shown in Table 5. The failure rate⁵ for smaller employers was higher than that of larger firms, as would be expected since smaller firms generally have a higher failure rate in the absence of extraordinary events such as Hurricanes Katrina and Rita.

The last two columns of Table 5 show the average employment of open employers for 2005Q2 and 2006Q4. The average employment for all firms rose slightly, with the exception of larger businesses. This is consistent with the notion that firms that remain in operation will grow with time. The decline in employment for larger firms may indicate the struggle that larger employers are having in finding a qualified labor force.

Table 6
Net Change in Louisiana Employers
by Quarter since 2005Q2

| Quarter | Closed After Storm | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|-----------------------|-----------|--|---------------|
| As of 2005 Q3 | 10,279 | 2,774 | 2,323 | -5,178 |
| As of 2005 Q4 | 13,658 | 6,085 | 4,435 | -3,122 |
| As of 2006 Q1 | 16,159 | 9,154 | 2,549 | -4,410 |
| As of 2006 Q2 | 16,562 | 11,505 | 2,782 | -2,222 |
| As of 2006 Q3 | 20,035 | 13,229 | 2,661 | -4,145 |
| As of 2006 Q4 | 20,380 | 15,322 | 4,166 | -892 |

Table 6 shows the sources of changes in the number of open employers in the state. In 2005Q3, immediately following the storms, 10,279 employers closed. During the same quarter, 2,774 employers opened in the state along with 2,323 that had not reported wages or employment during 2005Q2 but reported either in 2005Q3. This led to a net loss of 5,178 during the quarter, as can be seen in the last column of the table. The other rows in the table show similar results for the other quarters of interest. As of 2006Q4, the state was 892 employers shy of its firm count prior to the hurricanes. This represents a significant improvement when compared to the net position of the state in the quarters prior to it and should be a source of optimism for the state as a whole.

2. Results for Southeast LA Parishes

Similar results are reported in Tables 7-9 for a 5 parish Southeast region, composed of Jefferson, Orleans, Plaquemines, St. Bernard, and St. Tammany Parishes. This region was most affected by the storms. This can be seen in the 9.3% loss of employers between 2005Q2 and 2006Q4, much higher than the net loss for the state as a whole. The Construction sector was one of the only ones to experience a net gain in employers, with an

⁵ We will refer to this as the failure rate for the remainder of this document while acknowledging that some of these employers may reopen and others may close in future quarters.

increase of 294 employers (up 14.5%) by 2006Q4. Most of the other industries showed net losses in the number of open employers since the storm. The largest losses were in Retail Trade with a net loss of 786 employers (down 20%), Health Care with a net loss of 440 employers (down 15.7%), Accommodation and Food Services with a net loss of 316 employers (down 13.2%), Real Estate with a net loss of 248 employers (down 19.8%), and Other Services with a net loss of 204 employers (down 9.4%). Most of these industries rely on the general population for a customer base.

Table 8 contains failure rates for the Southeast region. The overall failure rate for the region was 28.31%, almost 50% higher than that of the state. Smaller employers had a higher failure rate than larger employers, as was true for the state as a whole. Just over one in three employers with 1-5 employees that were open in 2005Q2 had failed by 2006Q4. Unlike the state, the Southeast region saw its average employer size fall over the same time period.

Table 7
Total Employers Verified Open in Southeast LA Parishes
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------------------|
| Accommodation and Food Services (72) | 2,399 | 2,006 | 1,728 | 1,795 | 1,956 | 2,001 | 2,083 | -13.2% |
| Administrative and Waste Services (56) | 1,524 | 1,346 | 1,329 | 1,318 | 1,387 | 1,394 | 1,439 | -5.6% |
| Agriculture, Forestry, Fishing & Hunting (11) | 60 | 49 | 44 | 48 | 55 | 53 | 61 | 1.7% |
| Arts, Entertainment and Recreation (71) | 402 | 323 | 283 | 282 | 309 | 306 | 325 | -19.2% |
| Construction (23) | 2,031 | 1,756 | 1,952 | 2,120 | 2,249 | 2,262 | 2,325 | 14.5% |
| Educational Services (61) | 262 | 231 | 214 | 219 | 222 | 231 | 241 | -8.0% |
| Finance and Insurance (52) | 1,845 | 1,590 | 1,528 | 1,524 | 1,609 | 1,462 | 1,660 | -10.0% |
| Health Care and Social Assistance (62) | 2,795 | 2,312 | 2,245 | 2,199 | 2,286 | 2,300 | 2,355 | -15.7% |
| Information (51) | 431 | 410 | 387 | 362 | 375 | 375 | 387 | -10.2% |
| Management of Companies & Enterprises (55) | 141 | 129 | 127 | 126 | 127 | 121 | 128 | -9.2% |
| Manufacturing (31,32,33) | 911 | 804 | 761 | 798 | 812 | 795 | 808 | -11.3% |
| Mining (21) | 198 | 167 | 186 | 196 | 187 | 189 | 183 | -7.6% |
| Other Services (81) | 2,181 | 1,732 | 1,985 | 1,570 | 1,648 | 1,610 | 1,977 | -9.4% |
| Professional & Technical Services (54) | 3,555 | 2,998 | 3,109 | 3,085 | 3,248 | 3,182 | 3,405 | -4.2% |
| Public Administration (92) | 346 | 315 | 304 | 300 | 319 | 309 | 308 | -11.0% |
| Real Estate and Rental and Leasing (53) | 1,252 | 984 | 969 | 965 | 976 | 966 | 1,004 | -19.8% |
| Retail Trade (44,45) | 3,926 | 3,272 | 2,811 | 2,857 | 3,064 | 3,037 | 3,140 | -20.0% |
| Transportation & Warehousing (48,49) | 901 | 806 | 834 | 825 | 836 | 845 | 839 | -6.9% |
| Unclassified () | 276 | 246 | 292 | 226 | 275 | 285 | 363 | 31.5% |
| Utilities (22) | 79 | 52 | 50 | 52 | 54 | 78 | 72 | -8.9% |
| Wholesale Trade (42) | 2,330 | 2,148 | 2,141 | 2,137 | 2,173 | 2,089 | 2,151 | -7.7% |
| Total | 27,845 | 23,676 | 23,279 | 23,004 | 24,167 | 23,890 | 25,254 | -9.3% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 8
Southeast LA Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|---------------------------------|-------------------|---------------------|----------------------------------|----------------------------------|
| 1 - 5 Employees | 5,053 | 33.28% | 2.3 | 2.7 |
| 6 – 10 Employees | 1,184 | 23.90% | 7.4 | 7.1 |
| 11-50 Employees | 1,136 | 20.96% | 22.7 | 21.0 |
| > 50 Employees | 330 | 20.05% | 177.3 | 143.5 |
| All Businesses | 7,882 | 28.31% | 17.9 | 16.9 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 179 business failures that reported wages for 2005Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 9
Net Change in Employers for Southeast LA Parishes
by Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|----------------|---------------------------|------------------|-----------------|------------------|--|-------------------|
| As of 2005 Q3 | 5,443 | 0 | 19 | 617 | 638 | -4,169 |
| As of 2005 Q4 | 7,392 | 162 | 151 | 1,471 | 1,366 | -4,566 |
| As of 2006 Q1 | 7,652 | 624 | 546 | 2,208 | 681 | -4,841 |
| As of 2006 Q2 | 7,342 | 647 | 566 | 2,940 | 805 | -3,678 |
| As of 2006 Q3 | 7,995 | 631 | 553 | 3,403 | 715 | -3,955 |
| AS of 2006Q4 | 7,882 | 636 | 572 | 4,088 | 1,267 | -2,591 |

Similar results as shown in Table 6 for the state are shown in Table 9 for the Southeast region. Two new columns appear; the “Moved In” and “Moved Out” columns. The “Moved In” column reports the total number of employers that moved into the region from other areas of the state, while the “Moved Out” column reports the number of employers that moved from the region to other areas of the state and remained open. Over 5,000 employers in the region closed in the immediate aftermath of the storm and that total, as of 2006Q4, had risen to a net total of 7,882 employers closing after 2005Q2. New firms opening in the parish has partially offset this – a total of 4,088 firms have moved into or opened in the region since before the storms. As of 2006Q4, the Southeast region was 2,591 employers below its level of employer count prior to the storms.

The initial closures and new firm growth were not spread evenly across the region. The next three pages contain figures that address this issue. Figure 1 plots the net change in number of employers from 2005Q2 to 2006Q4 by Census tract. The figure clearly shows that employer growth and decline follows flood patterns. In areas that experienced flooding, firm count declined. In areas that did not experience flooding, firm count was steady or rose.

Areas that experienced firm count decline, for the most part, experienced major flooding (Orleans and Saint Bernard parishes and the city of Slidell in Saint Tammany parish). Some areas that experienced high firm count growth were residential and were not due to the entry of major employers (>100 employees) but rather they were the result of small firms relocating.

Figures 2 and 3 contain similar plots of the net change in employment and wages by Census tract during the year following the storms. Because these were very sensitive to any large employers that failed to report, estimated values for employment and wages were included in computations used to generate these tables. Figure 2 shows employment patterns and Figure 3 shows total wages. The difference in the two figures shows the increase in average wages that has occurred in the region.

Figure 1: Southeast Louisiana Firm Growth

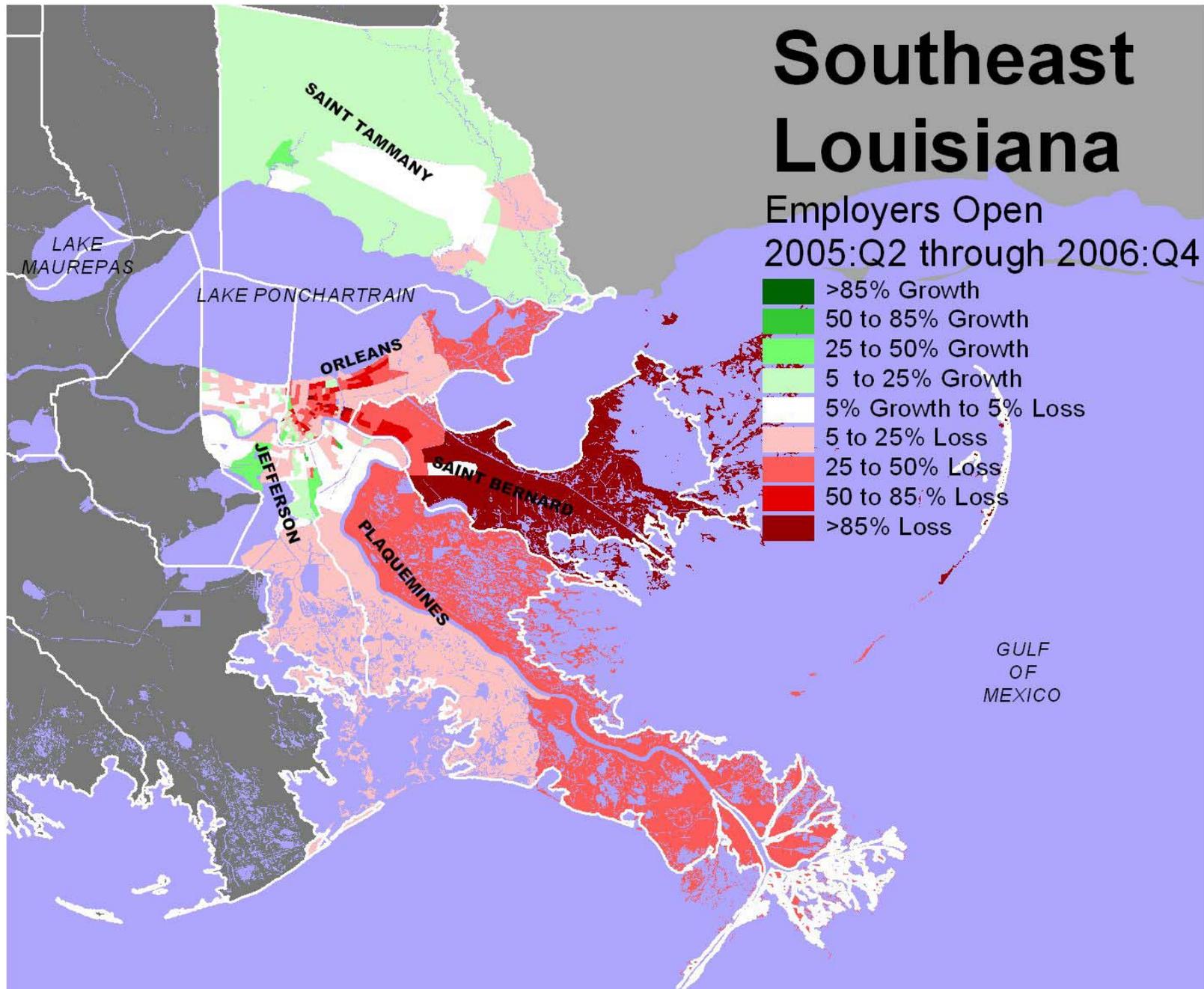


Figure 2: Southeast Louisiana Employment Growth

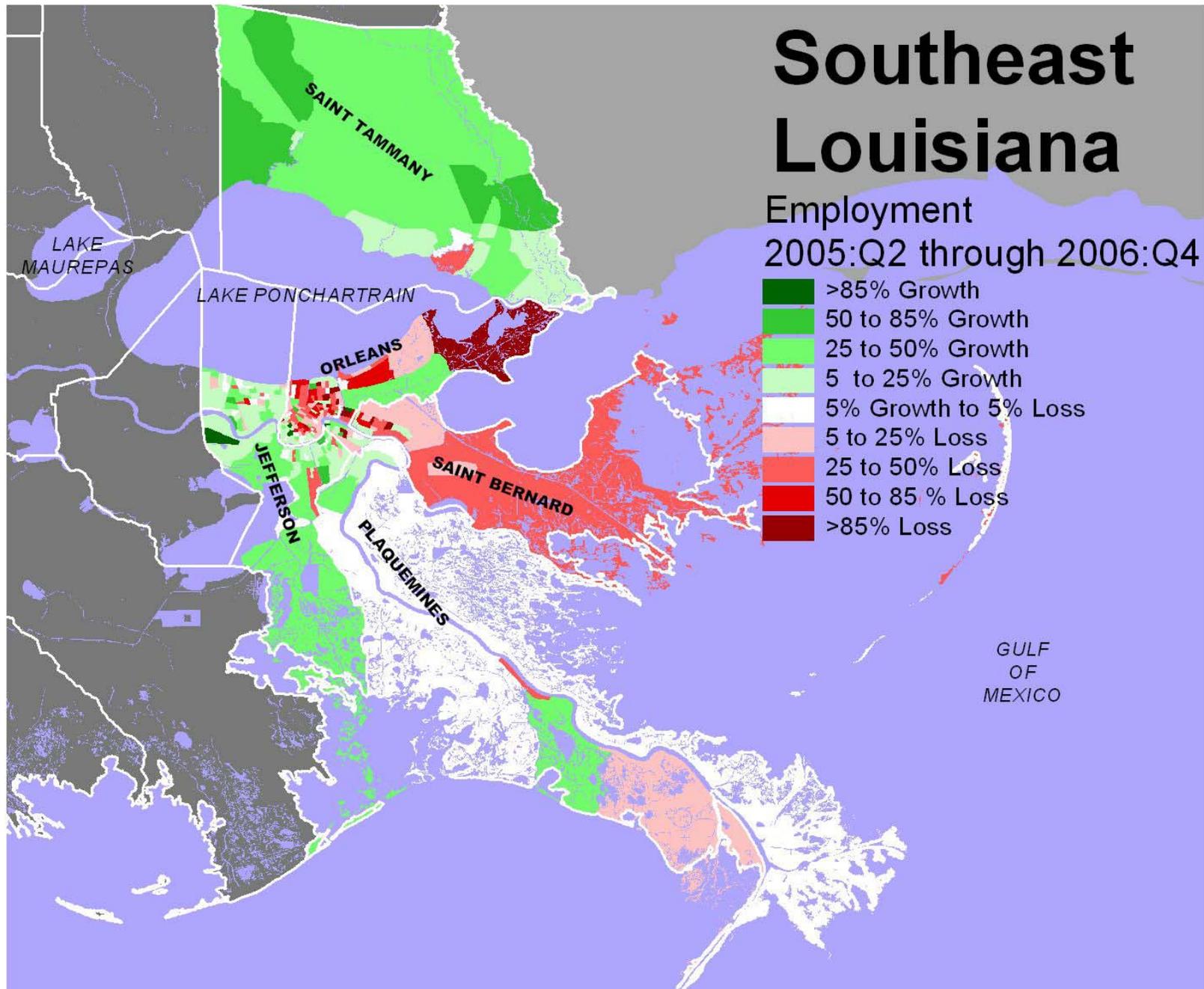
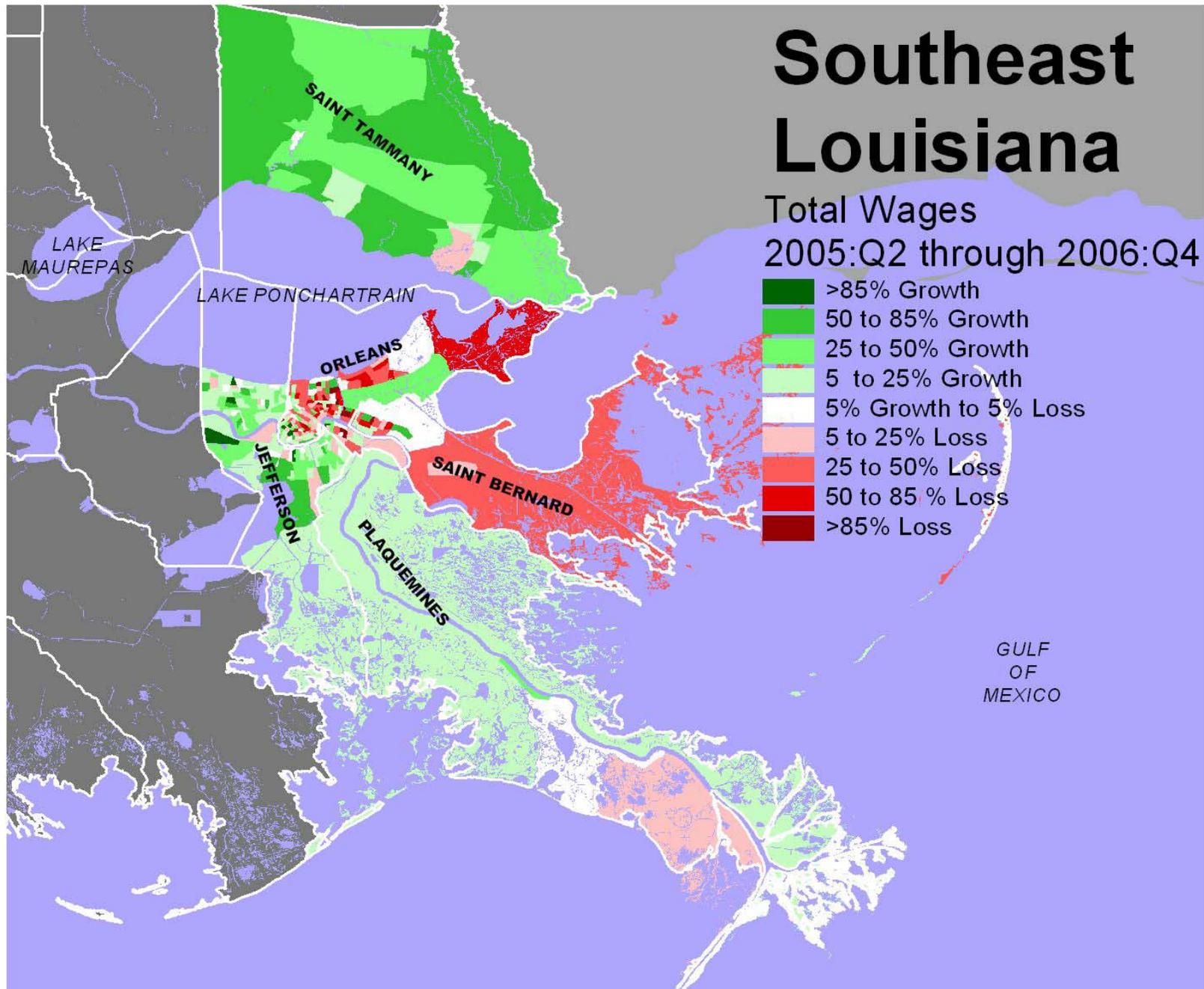


Figure 3: Southeast Louisiana Wage Growth



3. Results for Southwest LA Parishes

The results of the number of open employers by industry for a Southwest region of the state consisting of Calcasieu, Cameron, and Vermillion Parishes are contained in Table 10. The region experienced a decline in the 2005Q3 and then experienced a quick recovery in the following quarters. The Southwest region essentially returned to pre-Hurricane levels by early 2006, and the employer count for the region was within 40, or .8%, of its pre-hurricane level by 2006Q4. This is in contrast to what was experienced in the Southeast region, which saw declines for three quarters before starting to recover. The difference between the regions may be attributed in part to the fact that most residents in the southwest regions returned to their homes fairly quickly whereas residents in the southeast region were unable to return to their homes for a significant amount of time delaying the construction and recovery efforts. Cameron Parish is an exception to the general trend experienced in the region; it suffered the most significant damage in the area and more closely followed the movement of the Southeast region.

Table 10
Total Employers Verified Open in Southwest LA Parishes
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------------|
| Accommodation and Food Services (72) | 352 | 331 | 322 | 327 | 324 | 327 | 321 | -8.8% |
| Administrative and Waste Services (56) | 225 | 221 | 232 | 236 | 240 | 228 | 234 | 4.0% |
| Agriculture, Forestry, Fishing & Hunting (11) | 58 | 54 | 54 | 52 | 51 | 52 | 49 | -15.5% |
| Arts, Entertainment and Recreation (71) | 76 | 72 | 66 | 71 | 75 | 73 | 70 | -7.9% |
| Construction (23) | 473 | 456 | 469 | 499 | 500 | 491 | 499 | 5.5% |
| Educational Services (61) | 35 | 33 | 35 | 33 | 32 | 28 | 34 | -2.9% |
| Finance and Insurance (52) | 333 | 290 | 331 | 331 | 337 | 301 | 349 | 4.8% |
| Health Care and Social Assistance (62) | 515 | 501 | 487 | 507 | 511 | 517 | 538 | 4.5% |
| Information (51) | 52 | 58 | 70 | 59 | 59 | 62 | 64 | 23.1% |
| Management of Companies & Enterprises (55) | 18 | 15 | 15 | 18 | 19 | 15 | 15 | -16.7% |
| Manufacturing (31,32,33) | 191 | 193 | 187 | 192 | 191 | 184 | 180 | -5.8% |
| Mining (21) | 67 | 59 | 61 | 72 | 72 | 78 | 72 | 7.5% |
| Other Services (81) | 421 | 405 | 440 | 391 | 398 | 386 | 422 | 0.2% |
| Professional & Technical Services (54) | 506 | 473 | 508 | 500 | 502 | 479 | 509 | 0.6% |
| Public Administration (92) | 158 | 161 | 159 | 155 | 156 | 155 | 155 | -1.9% |
| Real Estate and Rental and Leasing (53) | 200 | 197 | 193 | 193 | 211 | 200 | 192 | -4.0% |
| Retail Trade (44,45) | 888 | 817 | 820 | 842 | 858 | 822 | 845 | -4.8% |
| Transportation & Warehousing (48,49) | 216 | 223 | 218 | 215 | 222 | 218 | 221 | 2.3% |
| Unclassified () | 9 | 16 | 22 | 19 | 18 | 23 | 16 | 77.8% |
| Utilities (22) | 50 | 42 | 39 | 40 | 37 | 40 | 46 | -8.0% |
| Wholesale Trade (42) | 268 | 252 | 253 | 262 | 264 | 250 | 258 | -3.7% |
| Total | 5,111 | 4,869 | 4,981 | 5,014 | 5,077 | 4,929 | 5,089 | -0.4% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

The Construction sector was one of the industries to experience a growth in employers, just as in the Southeast region. This industry had gained 26 employers by

2006Q4, up 5.5%. Accommodation and Food Services had a net loss of 31 (down 8.8%) employers from 2005Q2 to 2006Q4 and Retail Trade lost 43 (down 4.8%) employers over the same time period. Of particular concern is that the manufacturing industry is still down in both Cameron Parish (5.8%) and Calcasieu Parish (4.6%). These employers typically pay higher wages and are key drivers of other sectors of the economy.

Some industries that had shown a net loss as of 2006Q3 showed small net gains as of 2006Q4. These include the Finance and Insurance and Professional and Technical Services industries, gaining 16 (up 4.8%) and 3 (up 0.6%) employers, respectively. The Information sector is also up 12 (23%) above pre-storm levels. Although a small overall gain in firms, these are positive indicators that businesses and individuals are investing in these services.

Table 11 contains failure rates for employers that were open in the Southwest region in 2005Q2. The region's overall failure rate of 18.6% is lower than both that of the Southeast region, 28.31%, and the state as a whole, 20.9%. This shows that even given a strong recovery, a given region or parish will experience firms closing or moving and thus a significant failure rate.

Table 11
Southwest LA Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|---------------------------------|-------------------|---------------------|----------------------------------|----------------------------------|
| 1 - 5 Employees | 600 | 23.02% | 2.4 | 3.1 |
| 6 – 10 Employees | 164 | 15.26% | 7.4 | 7.8 |
| 11-50 Employees | 133 | 13.08% | 22.3 | 23.1 |
| > 50 Employees | 35 | 11.63% | 178.5 | 184.8 |
| All Businesses | 952 | 18.63% | 18.1 | 20.1 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 20 business failures that reported wages in 2005Q2, but either failed to report the number of employees for 2005Q2 or reported zero employees in that quarter. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 12
Net Change in Employers for Southwest LA Parishes
by Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|-----------|----------|-----------|---|---------------|
| As of 2005 Q3 | 470 | 0 | 3 | 117 | 108 | -242 |
| As of 2005 Q4 | 604 | 3 | 7 | 283 | 187 | -130 |
| As of 2006 Q1 | 694 | 38 | 47 | 437 | 151 | -97 |
| As of 2006 Q2 | 739 | 39 | 48 | 548 | 148 | -34 |
| As of 2006 Q3 | 943 | 37 | 47 | 615 | 136 | -182 |
| As of 2006Q4 | 952 | 32 | 46 | 722 | 194 | -22 |

Figures 4, 5 and 6 contain GIS maps showing the net change in number of employers, employment and total wages for the Southwest region. Figures 4 and 5 show the weakness in Cameron parish relative to both Calcasieu and Vermilion. However, the growth in total wages likely reflects both a change in the mix of workers (more construction workers and fewer service sector workers) and the tight labor market.

More detailed conclusions might be drawn from the maps and we leave it to the reader to draw those conclusions. We will now turn to discussion of the individual parishes, using the same three tables containing changes in the number of firms by industry, failure rates, and net changes in total firms by quarter. GIS maps similar to Figures 1-6 were created for each parish. These maps are available as Appendix B, but are not discussed in this report.

Figure 4: Southwest Louisiana Firm Growth

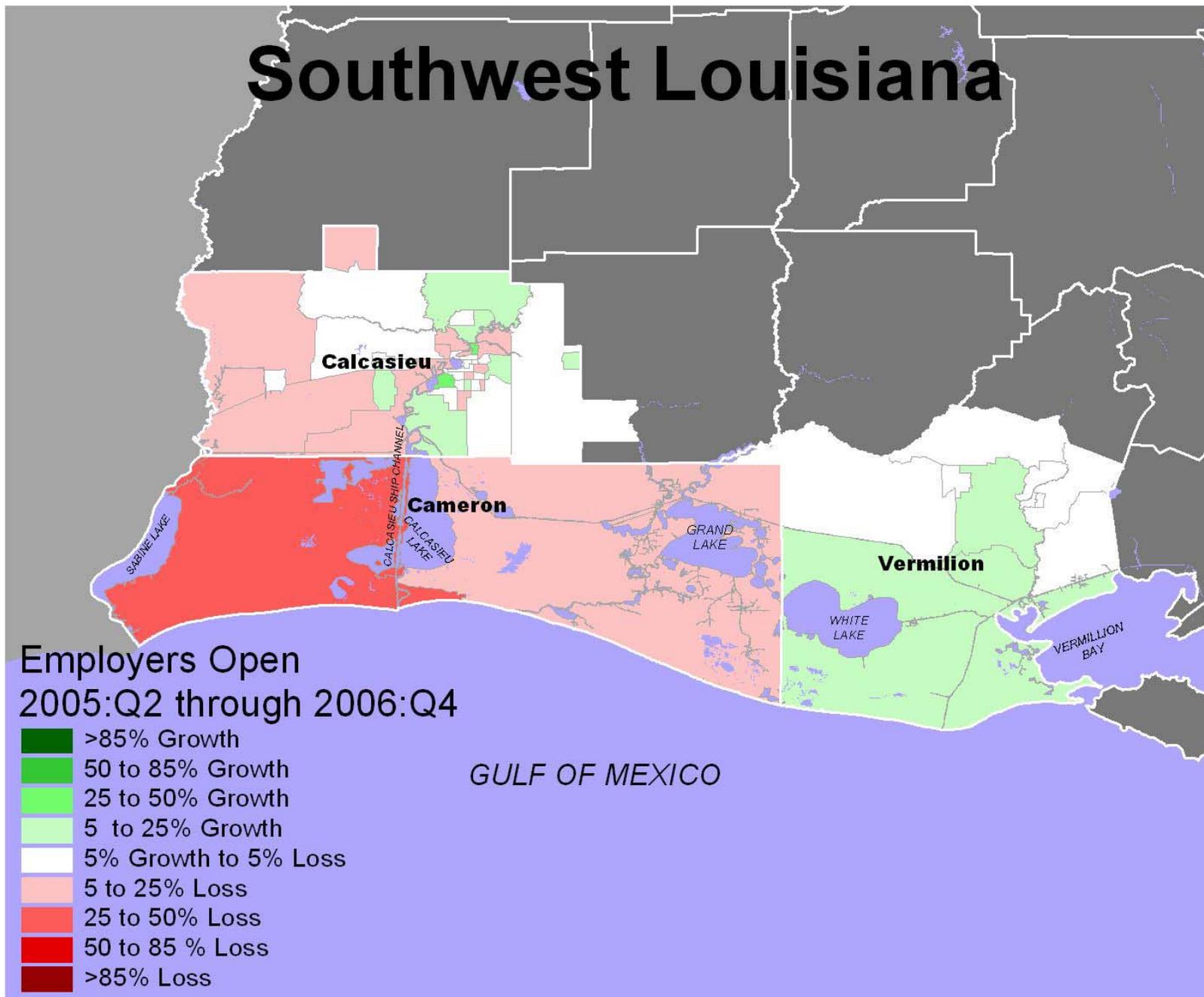


Figure 5: Southwest Louisiana Employment Growth

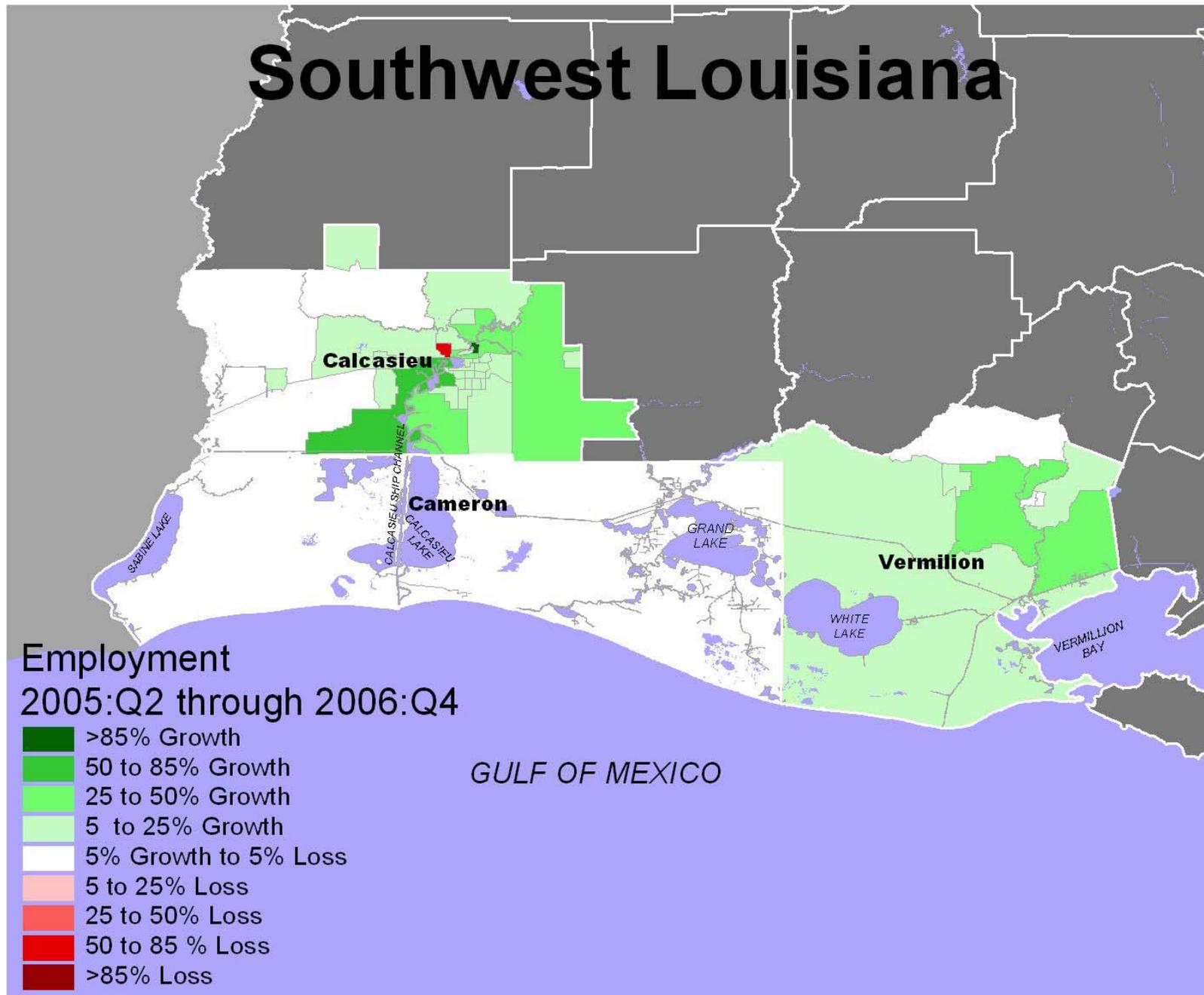
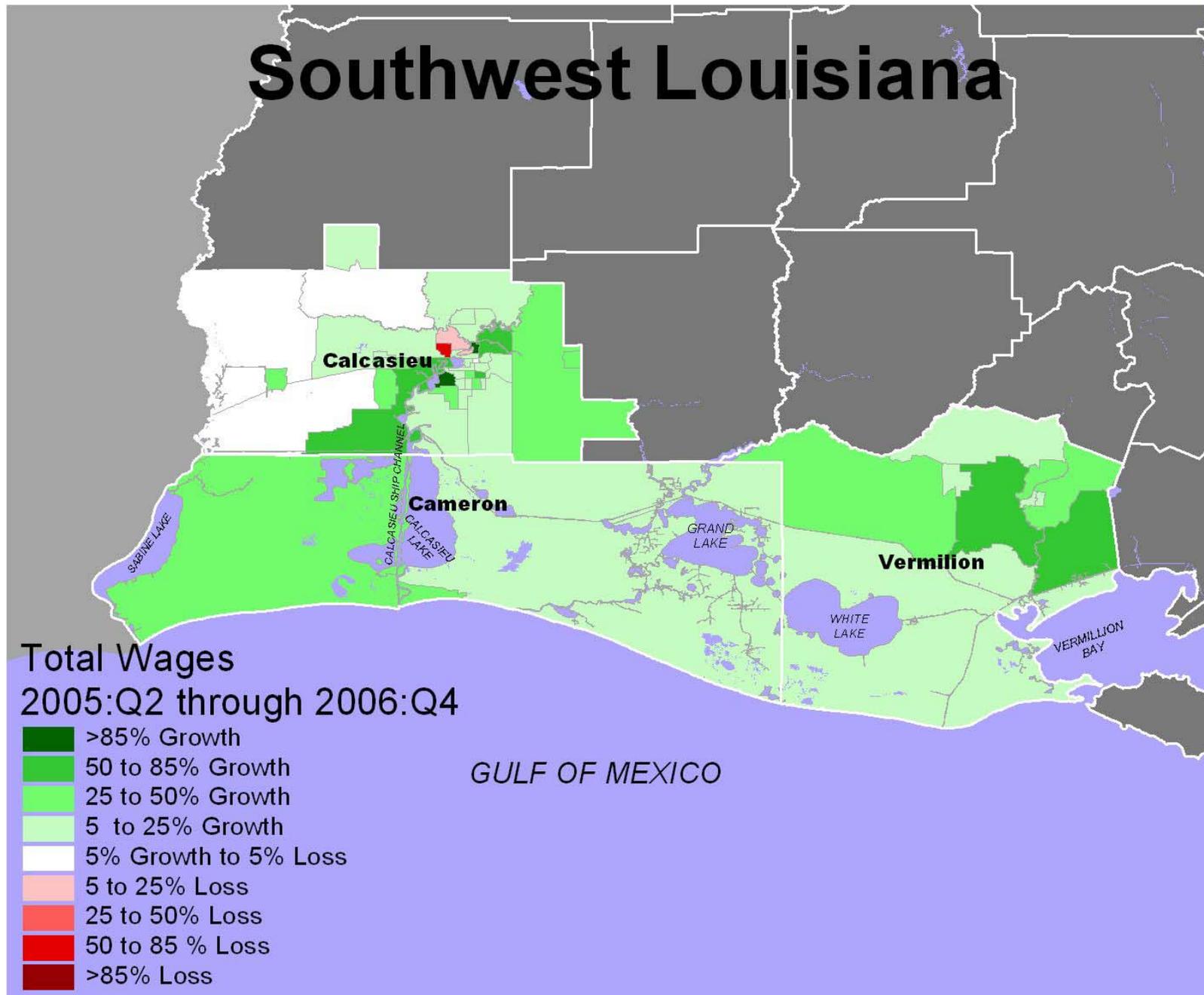


Figure 6: Southwest Louisiana Wage Growth



4. Results for Jefferson Parish

Overall, Jefferson Parish fared the second best out of the Southeast Parishes, only behind St. Tammany Parish in terms of its recovery. The parish experienced an initial decline of 1,267 employers, but has subsequently gained employers every quarter after that except for 2006Q3. As of 2006Q4, Jefferson Parish had 11,045 employers operating, corresponding to a net loss of 3.2% from pre-storm levels.

Table 13
Total Employers Verified Open in Jefferson Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------------------|
| Accommodation and Food Services (72) | 868 | 788 | 723 | 746 | 807 | 817 | 842 | -3.0% |
| Administrative and Waste Services (56) | 690 | 613 | 618 | 617 | 636 | 647 | 659 | -4.5% |
| Agriculture, Forestry, Fishing & Hunting (11) | 14 | 12 | 10 | 11 | 14 | 12 | 12 | -14.3% |
| Arts, Entertainment and Recreation (71) | 145 | 118 | 102 | 107 | 130 | 123 | 129 | -11.0% |
| Construction (23) | 957 | 864 | 981 | 1,069 | 1,120 | 1,114 | 1,138 | 18.9% |
| Educational Services (61) | 95 | 84 | 76 | 75 | 77 | 79 | 81 | -14.7% |
| Finance and Insurance (52) | 844 | 751 | 726 | 734 | 762 | 700 | 787 | -6.8% |
| Health Care and Social Assistance (62) | 1,109 | 971 | 1,012 | 1,032 | 1,067 | 1,060 | 1,085 | -2.2% |
| Information (51) | 175 | 170 | 166 | 154 | 167 | 165 | 171 | -2.3% |
| Management of Companies & Enterprises (55) | 66 | 60 | 61 | 57 | 57 | 58 | 58 | -12.1% |
| Manufacturing (31,32,33) | 423 | 395 | 383 | 402 | 406 | 397 | 395 | -6.6% |
| Mining (21) | 62 | 55 | 62 | 62 | 65 | 65 | 64 | 3.2% |
| Other Services (81) | 839 | 722 | 778 | 706 | 739 | 722 | 801 | -4.5% |
| Professional & Technical Services (54) | 1,358 | 1,155 | 1,181 | 1,183 | 1,253 | 1,214 | 1,298 | -4.4% |
| Public Administration (92) | 90 | 87 | 80 | 76 | 84 | 87 | 87 | -3.3% |
| Real Estate and Rental and Leasing (53) | 512 | 404 | 416 | 437 | 444 | 435 | 446 | -12.9% |
| Retail Trade (44,45) | 1,564 | 1,417 | 1,323 | 1,373 | 1,433 | 1,419 | 1,446 | -7.5% |
| Transportation & Warehousing (48,49) | 388 | 361 | 369 | 369 | 373 | 377 | 371 | -4.4% |
| Unclassified () | 95 | 84 | 104 | 89 | 104 | 102 | 123 | 29.5% |
| Utilities (22) | 23 | 16 | 13 | 13 | 13 | 23 | 24 | 4.3% |
| Wholesale Trade (42) | 1,099 | 1,022 | 1,029 | 1,030 | 1,052 | 1,006 | 1,028 | -6.5% |
| Total | 11,416 | 10,149 | 10,213 | 10,342 | 10,803 | 10,622 | 11,045 | -3.2% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 13 shows the results for the number of open employers in each industry by quarter for Jefferson Parish. Retail Trade experienced the largest net loss, with a net decline of 118 (down 7.5%). It was followed by the Finance and Insurance, Professional and Technical Services, and Real Estate industries with net losses of 57, 60, and 66 employers, respectively. These losses were offset, in part, by gains in the Construction sector, which increased by 181 employers (up 18.9%). The Manufacturing Sector is still down 6.6% and has shown a troubling decline in the last two reported quarters. While the overall numbers are not as large as some of the other sectors, these companies tend to pay higher wages, purchase goods and services within the region, and bring in dollars from outside the region.

Table 14
Jefferson Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|---------------|-----------------|---------------------------------|---------------------------------|
| 1 - 5 Employees | 1,614 | 26.67% | 2.3 | 2.9 |
| 6 – 10 Employees | 399 | 18.71% | 7.5 | 7.3 |
| 11-50 Employees | 360 | 15.75% | 22.8 | 21.7 |
| > 50 Employees | 108 | 15.84% | 158.2 | 148.1 |
| All Businesses | 2,538 | 22.23% | 17.0 | 17.5 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 57 business failures that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Business failure rates for firms operating in the quarter prior to the storms in Jefferson Parish are shown in Table 14. The overall failure rate was 22.23%, lower than the 29.31% rate for the Southeast region as a whole even though slightly higher than the state as a whole. More than one in four employers with 1-5 employees was closed by 2006Q4. However, the surviving firms were larger on average than firms were pre-Katrina.

Details on the net change in employers for Jefferson Parish are enumerated in Table 15. A large number of closings in 2005Q3 caused a large net loss of employers during that quarter for the parish. The parish made gains in its net change position every quarter except 2006Q3. As of 2006Q4, the parish was only 371 employers shy of its pre-Katrina employer count.

Table 15
Net Change in Jefferson Parish Employers
by Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|--------------|----------|--------------|---|---------------|
| As of 2005 Q3 | 1,774 | 0 | 3 | 236 | 268 | -1,267 |
| As of 2005 Q4 | 2,269 | 61 | 60 | 589 | 478 | -1,203 |
| As of 2006 Q1 | 2,374 | 216 | 262 | 949 | 305 | -1,074 |
| As of 2006 Q2 | 2,249 | 222 | 271 | 1,231 | 356 | -613 |
| As of 2006 Q3 | 2,548 | 210 | 265 | 1,385 | 314 | -794 |
| As of 2006 Q4 | 2,538 | 210 | 283 | 1,626 | 468 | -371 |

5. Results for Orleans Parish

Orleans Parish had the greatest amount of damage due to the storms and not surprisingly suffered the most in terms of business losses. It was second only to St. Bernard in terms of the percentage of lost businesses, but had over four times the net loss. The net loss of 1,983 employers is roughly double the net loss for the remainder of the state.

As with the other parishes, Orleans Parish had a significant initial decline in employers following the storms. Unlike some other parishes though, its firm count continued to fall for two more quarters. In 2006Q2, the parish began to show some signs of recovery and showed strong improvement during the 2006Q4. As of 2006Q4, the parish had 7,609 employers verified as open, a 20.7% decline from 2005Q2. That loss was still above that of the Southeast region as a whole though.

Table 16 contains the net loss by Industry for Orleans Parish. Not surprisingly given the declines in population and customer base, the largest declines occur in the Service sector. However, it is interesting to note that only Retail Trade and Health Care experienced losses close to 40%, the latest projection for the loss in population. Although up slightly from the previous two quarters, the critical Manufacturing sector is still down 59 firms (25%) sixteen months after the storms.

Table 16
Total Employers Verified Open in Orleans Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------------|
| Accommodation and Food Services (72) | 1,027 | 802 | 645 | 680 | 737 | 750 | 800 | -22.1% |
| Administrative and Waste Services (56) | 486 | 413 | 400 | 401 | 430 | 430 | 456 | -6.2% |
| Agriculture, Forestry, Fishing & Hunting (11) | 10 | 10 | 10 | 9 | 8 | 9 | 11 | 10.0% |
| Arts, Entertainment and Recreation (71) | 165 | 133 | 122 | 115 | 115 | 114 | 124 | -24.8% |
| Construction (23) | 358 | 259 | 286 | 336 | 359 | 371 | 382 | 6.7% |
| Educational Services (61) | 116 | 103 | 93 | 95 | 98 | 100 | 109 | -6.0% |
| Finance and Insurance (52) | 552 | 451 | 409 | 414 | 443 | 403 | 443 | -19.7% |
| Health Care and Social Assistance (62) | 949 | 691 | 584 | 521 | 558 | 566 | 589 | -37.9% |
| Information (51) | 173 | 154 | 140 | 130 | 133 | 133 | 131 | -24.3% |
| Management of Companies & Enterprises (55) | 45 | 38 | 37 | 36 | 38 | 32 | 34 | -24.4% |
| Manufacturing (31,32,33) | 235 | 183 | 161 | 161 | 164 | 166 | 176 | -25.1% |
| Mining (21) | 55 | 44 | 52 | 51 | 46 | 45 | 47 | -14.5% |
| Other Services (81) | 895 | 648 | 824 | 531 | 552 | 537 | 780 | -12.8% |
| Professional & Technical Services (54) | 1,441 | 1,175 | 1,195 | 1,164 | 1,227 | 1,211 | 1,295 | -10.1% |
| Public Administration (92) | 142 | 116 | 117 | 118 | 121 | 111 | 111 | -21.8% |
| Real Estate and Rental and Leasing (53) | 448 | 346 | 310 | 290 | 290 | 290 | 303 | -32.4% |
| Retail Trade (44,45) | 1,453 | 1,087 | 751 | 758 | 856 | 846 | 893 | -38.5% |
| Transportation & Warehousing (48,49) | 265 | 220 | 219 | 211 | 221 | 230 | 220 | -17.0% |
| Unclassified () | 135 | 114 | 115 | 91 | 117 | 126 | 165 | 22.2% |
| Utilities (22) | 22 | * | 6 | 8 | 10 | 19 | 17 | -22.7% |
| Wholesale Trade (42) | 620 | 554 | 535 | 521 | 516 | 502 | 523 | -15.6% |
| Total | 9,592 | 7,545 | 7,011 | 6,641 | 7,039 | 6,991 | 7,609 | -20.7% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 17
Orleans Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|---------------|-----------------|---------------------------------|---------------------------------|
| 1 - 5 Employees | 2,207 | 42.14% | 2.2 | 2.4 |
| 6 - 10 Employees | 489 | 31.25% | 7.4 | 6.5 |
| 11-50 Employees | 510 | 27.45% | 23.1 | 19.0 |
| > 50 Employees | 176 | 24.86% | 209.1 | 143.3 |
| All Businesses | 3,464 | 36.11% | 22.9 | 19.4 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 82 business failures that reported wages for 2005Q2, but either failed to report the number of employees or reported zero employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 17 shows the failure rates for Orleans Parish employers that were open in 2005Q2, prior to the storms. By 2006Q4, 3,464 (36.1%) employers operating prior to the storm had closed. As one would expect, failure rates were the highest for the smallest firms (1-5 employees) with over two out of five of them failing over the time period. The average size of firms, measured by average employment, fell significantly. This is especially true for the largest employers (> 50 employee), which saw a drastic fall in the average size.

Table 18
Net Change in Orleans Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|--------------|----------|--------------|---|---------------|
| As of 2005 Q3 | 2,439 | 0 | 10 | 173 | 209 | -2,047 |
| As of 2005 Q4 | 3,530 | 72 | 29 | 387 | 605 | -2,581 |
| As of 2006 Q1 | 3,539 | 288 | 104 | 559 | 213 | -2,951 |
| As of 2006 Q2 | 3,387 | 296 | 110 | 787 | 233 | -2,553 |
| As of 2006 Q3 | 3,558 | 287 | 102 | 929 | 213 | -2,601 |
| As of 2006 Q4 | 3,464 | 298 | 104 | 1,149 | 526 | -1,983 |

Results on the net change in Orleans Parish employers are shown in Table 18. The parish lost a net of 2,047 employers during the quarter following the storms. The net loss continued to climb in the next two quarters. By 2006Q4, the parish was 1,983 employers below its pre-Katrina employer count.

6. Results for Plaquemines Parish

Overall, Plaquemines Parish was similar to the Southeast Region as a whole in terms of loss in open employers. The parish initially saw a decrease of 15.3% in open firms while the southeastern region lost 15% of open firms. After the initial loss, the parish made modest gains each quarter except for 2006Q1. As of 2006Q4, the parish had 636 open employers compared to 718 in 2005Q2. This corresponds to a net loss of 11.4%.

Table 19
Total Employers Verified Open in Plaquemines Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|------------|------------|------------|------------|------------|------------|------------|----------------------------------|
| Accommodation and Food Services (72) | 52 | 39 | 29 | 28 | 30 | 33 | 31 | -40.4% |
| Administrative and Waste Services (56) | 35 | 34 | 33 | 37 | 37 | 36 | 33 | -5.7% |
| Agriculture, Forestry, Fishing & Hunting (11) | 11 | 6 | 7 | 9 | 11 | 11 | 10 | -9.1% |
| Arts, Entertainment and Recreation (71) | 8 | * | * | * | * | * | * | * |
| Construction (23) | 68 | 61 | 74 | 65 | 69 | 71 | 71 | 4.4% |
| Educational Services (61) | * | * | * | * | * | * | * | * |
| Finance and Insurance (52) | 24 | 24 | 21 | 19 | 20 | 15 | 20 | -16.7% |
| Health Care and Social Assistance (62) | 35 | 26 | 26 | 22 | 26 | 25 | 26 | -25.7% |
| Information (51) | * | * | * | * | * | * | * | * |
| Management of Companies & Enterprises (55) | * | * | * | * | * | * | * | * |
| Manufacturing (31,32,33) | 50 | 48 | 47 | 53 | 53 | 51 | 50 | 0.0% |
| Mining (21) | 46 | 39 | 41 | 51 | 41 | 44 | 37 | -19.6% |
| Other Services (81) | 43 | 38 | 37 | 31 | 34 | 36 | 39 | -9.3% |
| Professional & Technical Services (54) | 45 | 40 | 44 | 41 | 46 | 47 | 51 | 13.3% |
| Public Administration (92) | 15 | 13 | 15 | 13 | 13 | 12 | 12 | -20.0% |
| Real Estate and Rental and Leasing (53) | 59 | 49 | 50 | 48 | 49 | 45 | 45 | -23.7% |
| Retail Trade (44,45) | 67 | 54 | 42 | 40 | 38 | 43 | 45 | -32.8% |
| Transportation & Warehousing (48,49) | 78 | 70 | 83 | 84 | 86 | 84 | 81 | 3.8% |
| Unclassified () | * | * | * | * | * | * | * | * |
| Utilities (22) | * | * | * | * | * | * | * | * |
| Wholesale Trade (42) | 67 | 53 | 56 | 55 | 58 | 59 | 64 | -4.5% |
| Total | 718 | 608 | 619 | 614 | 627 | 632 | 636 | -11.4% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

The number of employers open in each industry by quarter for Plaquemines Parish is shown in Table 19. The largest net losses occurred in the Accommodation and Food Services and Retail Trade industries, losing 21 (down 40.4%) and 22 (down 32.8%) employers, respectively. By 2006Q4, the construction industry had shown a modest gain of three employers, or a 4.4% increase. The Transportation and Warehousing industry gained the same number of employers, corresponding to a 3.8% increase. The Professional and Technical Services industry experience the largest gain though, with a net gain of 6 employers, or a 13.3% increase. The Manufacturing industry has held fairly steady and is right at pre-hurricane levels.

The failure rates for employers open in Plaquemines Parish prior to the storms are shown in Table 20. Slightly more than one out of every four employers open in 2005Q2 had closed by 2006Q4. The failure rate for the largest firms (> 50 employees) was 12.24%, significantly lower than that of the region as a whole, 20.05%. The average size of surviving employers, as measured by their employment, increased over the same time period.

Table 20
Plaquemines Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|---------------|-----------------|---------------------------------|---------------------------------|
| 1 - 5 Employees | 114 | 34.13% | 2.4 | 2.7 |
| 6 – 10 Employees | 39 | 25.32% | 7.4 | 7.1 |
| 11-50 Employees | 28 | 16.77% | 22.5 | 22.9 |
| > 50 Employees | 6 | 12.24% | 162.5 | 163.9 |
| All Businesses | 190 | 26.46% | 19.4 | 22.5 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 3 business failures that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 21 shows results for the change in the number of open firms in Plaquemines Parish by quarter. The parish experienced an initial net loss of 110 employers in 2005Q3. The parish made moderate progress every quarter except for 2006Q1. As of 2006Q4, the parish was still 82 employers shy of its pre-storm employer count.

Table 21
Net Change in Plaquemines Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|--------------|----------|--------------|---|---------------|
| As of 2005 Q3 | 131 | 0 | 0 | 11 | 10 | -110 |
| As of 2005 Q4 | 154 | 1 | 3 | 34 | 19 | -99 |
| As of 2006 Q1 | 177 | 16 | 11 | 66 | 12 | -104 |
| As of 2006 Q2 | 174 | 16 | 11 | 69 | 19 | -91 |
| As of 2006Q3 | 188 | 17 | 11 | 89 | 19 | -86 |
| As of 2006 Q4 | 190 | 16 | 13 | 93 | 18 | -82 |

7. Results for St. Bernard Parish

St. Bernard Parish experienced the largest impact on the percentage of open employers due to the storms. The parish experienced a large loss of employers in 2005Q3 and continued to lose employers for two more quarters. In 2006Q2, the parish finally began to show signs of recovery. By 2006Q4, there were 525 employers operating in the parish, a loss of 526 employers from 2005Q2. Thus, the parish had half the number of employers in 2006Q4 as it did prior to the storms.

Industry level results by quarter are shown in Table 22 for St. Bernard Parish. The extensive losses in most industries reflect a combination of damaged infrastructure and a loss of population that serves as a customer base for many industries. The Accommodation and Food Services, Other Services, Real Estate, and Retail Trade industries all experienced a net loss of about two-thirds of all employers. The Healthcare industry experienced a net loss of 72 employers, or 58.5%.

The Public Administration and Mining industries were the only industries that came anywhere near their pre-storm level of employers by 2006Q4, being with one and two employers, respectively. The Transportation and Warehousing industry had a net loss of only 7 employers, or 17.9% loss, while the Construction industry only lost 35 employers, corresponding to a 27.6% loss. These losses would have been significant in other parishes, but were much less significant than the losses in other industries in St. Bernard Parish.

Table 23 contains business failure rates for St. Bernard Parish and again highlights the devastation in this parish. More than half of the employers operating in 2005Q2 were closed by 2006Q4. The overall average employment for the surviving firms remained almost unchanged. The employment for the largest firms (> 50 employees) fell sharply though.

Table 22
Total Employers Verified Open in St. Bernard Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|--------------|------------|------------|------------|------------|------------|------------|----------------------------------|
| Accommodation and Food Services (72) | 98 | 45 | 15 | 9 | 21 | 30 | 30 | -69.4% |
| Administrative and Waste Services (56) | 35 | 25 | 13 | 15 | 19 | 21 | 19 | -45.7% |
| Agriculture, Forestry, Fishing & Hunting (11) | * | * | * | * | * | * | * | * |
| Arts, Entertainment and Recreation (71) | 25 | 14 | * | 6 | 8 | 10 | 11 | -56.0% |
| Construction (23) | 127 | 77 | 62 | 77 | 89 | 90 | 92 | -27.6% |
| Educational Services (61) | * | * | * | * | * | * | * | * |
| Finance and Insurance (52) | 50 | 35 | 28 | 20 | 24 | 14 | 23 | -54.0% |
| Health Care and Social Assistance (62) | 123 | 72 | 60 | 45 | 46 | 57 | 51 | -58.5% |
| Information (51) | 13 | 11 | 7 | 7 | 7 | 8 | 9 | -30.8% |
| Management of Companies & Enterprises (55) | * | * | * | * | * | * | * | * |
| Manufacturing (31,32,33) | 64 | 45 | 34 | 37 | 41 | 40 | 38 | -40.6% |
| Mining (21) | 7 | * | * | 7 | 6 | 7 | 6 | -14.3% |
| Other Services (81) | 83 | 31 | 19 | 20 | 24 | 23 | 25 | -69.9% |
| Professional & Technical Services (54) | 80 | 45 | 41 | 38 | 41 | 38 | 37 | -53.8% |
| Public Administration (92) | 26 | 24 | 18 | 17 | 24 | 24 | 24 | -7.7% |
| Real Estate and Rental and Leasing (53) | 46 | 22 | 15 | 16 | 13 | 14 | 15 | -67.4% |
| Retail Trade (44,45) | 158 | 87 | 54 | 39 | 45 | 51 | 55 | -65.2% |
| Transportation & Warehousing (48,49) | 39 | 31 | 32 | 31 | 31 | 30 | 32 | -17.9% |
| Unclassified () | 9 | * | * | * | 6 | 8 | 9 | 0.0% |
| Utilities (22) | * | * | * | * | * | * | * | * |
| Wholesale Trade (42) | 54 | 38 | 33 | 34 | 36 | 35 | 40 | -25.9% |
| Total | 1,051 | 618 | 451 | 429 | 488 | 511 | 525 | -50.0% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 23
St. Bernard Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|---------------|-----------------|---------------------------------|---------------------------------|
| 1 - 5 Employees | 350 | 61.73% | 2.3 | 2.5 |
| 6 – 10 Employees | 118 | 53.64% | 7.5 | 6.1 |
| 11-50 Employees | 83 | 41.71% | 21.0 | 18.0 |
| > 50 Employees | 13 | 29.55% | 144.2 | 96.6 |
| All Businesses | 576 | 54.80% | 13.1 | 13.4 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 12 business failures that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Details on the net change in employers in St. Bernard Parish are shown in Table 24. The initial decline in the number of employers in 2005Q3 can be seen along with the large number of closings during that quarter. Such a trend would persist until 2006Q2. As of 2006Q4, the parish was still 526 employers shy of its pre-Katrina levels.

Table 24
Net Change in St. Bernard Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|--------------|----------|--------------|---|---------------|
| As of 2005 Q3 | 461 | 0 | 1 | 12 | 15 | -433 |
| As of 2005 Q4 | 643 | 7 | 6 | 24 | 20 | -600 |
| As of 2006 Q1 | 634 | 33 | 9 | 30 | 6 | -622 |
| As of 2006 Q2 | 591 | 38 | 9 | 43 | 14 | -563 |
| As of 2006 Q3 | 583 | 40 | 9 | 62 | 12 | -540 |
| As of 2006 Q4 | 576 | 40 | 6 | 67 | 17 | -526 |

8. Results for St. Tammany Parish

St. Tammany Parish fared by and far the best out of the Southeast parishes in terms of employers and employment, being the only parish in the region to have a net gain in employers. As of 2006Q4, the parish had 5,439 open employers compared to 5,068 prior to the storms. This corresponds to a gain of 7.3%.

The results for the number of employers in each industry by quarter for St. Tammany Parish are shown in Table 25. Not surprisingly, the Construction industry experienced the largest increase in employers, gaining 121 employers, a 23.2% increase. Such an increase drastically outweighs the combined net losses for all industries. The Professional and Technical Services industry had a net increase of 93 employers, or 14.7%. Most of the services industries remained relatively constant or saw slight increase in employer counts. This is due to the fact that St. Tammany Parish did not experience a large decline in population like the other parishes did.

Table 25
Total Employers Verified Open in St. Tammany Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------------|
| Accommodation and Food Services (72) | 354 | 332 | 316 | 332 | 361 | 371 | 380 | 7.3% |
| Administrative and Waste Services (56) | 278 | 261 | 265 | 248 | 265 | 260 | 272 | -2.2% |
| Agriculture, Forestry, Fishing & Hunting (11) | 23 | 19 | 17 | 19 | 22 | 21 | 28 | 21.7% |
| Arts, Entertainment and Recreation (71) | 59 | 56 | 52 | 50 | 52 | 54 | 56 | -5.1% |
| Construction (23) | 521 | 495 | 549 | 573 | 612 | 616 | 642 | 23.2% |
| Educational Services (61) | 41 | 37 | 38 | 42 | 41 | 43 | 43 | 4.9% |
| Finance and Insurance (52) | 375 | 329 | 344 | 337 | 360 | 330 | 387 | 3.2% |
| Health Care and Social Assistance (62) | 579 | 552 | 563 | 579 | 589 | 592 | 604 | 4.3% |
| Information (51) | 69 | 74 | 73 | 68 | 66 | 67 | 74 | 7.2% |
| Management of Companies & Enterprises (55) | 22 | 25 | 23 | 27 | 27 | 26 | 32 | 45.5% |
| Manufacturing (31,32,33) | 139 | 133 | 136 | 145 | 148 | 141 | 149 | 7.2% |
| Mining (21) | 28 | 25 | 27 | 25 | 29 | 28 | 29 | 3.6% |
| Other Services (81) | 321 | 293 | 327 | 282 | 299 | 292 | 332 | 3.4% |
| Professional & Technical Services (54) | 631 | 583 | 648 | 659 | 681 | 672 | 724 | 14.7% |
| Public Administration (92) | 73 | 75 | 74 | 76 | 77 | 75 | 74 | 1.4% |
| Real Estate and Rental and Leasing (53) | 187 | 163 | 178 | 174 | 180 | 182 | 195 | 4.3% |
| Retail Trade (44,45) | 684 | 627 | 641 | 647 | 692 | 678 | 701 | 2.5% |
| Transportation & Warehousing (48,49) | 131 | 124 | 131 | 130 | 125 | 124 | 135 | 3.1% |
| Unclassified () | 35 | 44 | 67 | 41 | 45 | 46 | 62 | 77.1% |
| Utilities (22) | 28 | 28 | 28 | 27 | 28 | 29 | 24 | -14.3% |
| Wholesale Trade (42) | 490 | 481 | 488 | 497 | 511 | 487 | 496 | 1.2% |
| Total | 5,068 | 4,756 | 4,985 | 4,978 | 5,210 | 5,134 | 5,439 | 7.3% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 26
St. Tammany Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|---------------|-----------------|---------------------------------|---------------------------------|
| 1 - 5 Employees | 768 | 25.64% | 2.2 | 2.8 |
| 6 – 10 Employees | 139 | 15.74% | 7.4 | 7.7 |
| 11-50 Employees | 155 | 17.05% | 22.1 | 22.7 |
| > 50 Employees | 27 | 16.56% | 132.3 | 128.7 |
| All Businesses | 1,114 | 21.98% | 11.0 | 12.0 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 25 business failures that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 26 shows the failure rates for St. Tammany Parish. Slightly more than one in five employers failed between 2005Q2 and 2006Q4. This is slightly lower than the Southeast region as a whole and similar to the state as a whole. The average employment for the region increased over the same time period.

Table 27 shows the details for the net change in employers in St. Tammany Parish. There was an initial net loss of 312 employers in the quarter following the storms. However, unlike the other parishes of the Southeast region, St. Tammany began to recover quickly. By 2006Q4 there were 371 more employers in the parish than before the storms. No other parish in the Southeast region experienced an increase in the number of open employers above the initial level before the storms.

Table 27
Net Change in St. Tammany Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|--------------|----------|--------------|---|---------------|
| As of 2005 Q3 | 638 | 0 | 5 | 185 | 136 | -312 |
| As of 2005 Q4 | 796 | 21 | 53 | 437 | 244 | -83 |
| As of 2006 Q1 | 928 | 71 | 160 | 604 | 145 | -90 |
| As of 2006 Q2 | 941 | 75 | 165 | 810 | 183 | 142 |
| As of 2006 Q3 | 1,118 | 77 | 166 | 938 | 157 | 66 |
| As of 2006 Q4 | 1,114 | 72 | 166 | 1,153 | 238 | 371 |

9. Results for Calcasieu Parish

Calcasieu Parish closely represents the trend seen for the Southwest Parish as a whole. After a significant initial decline in employer count, the parish quickly rebounded. By 2006Q4, the parish had 12 more employers operating than it had prior to the storms, up 0.3%. Calcasieu Parish did not experience the same degree of flooding as other parishes, such as St. Bernard and Orleans Parishes. It was therefore able to begin the recovery effort sooner than those parishes. The industry trends for the parish were similar to that over other parishes impacted by the storms, though slightly less pronounced. The Construction industry gained 26, or 6.9%, employers. The largest losses occurred in the Accommodation and Food Services industry along with the Retail trade industry, losing a net of 25 (down 8.7%) and 29 (down 4.2%) employers, respectively.

Table 28
Total Employers Verified Open in Calcasieu Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------------|
| Accommodation and Food Services (72) | 289 | 274 | 264 | 278 | 270 | 273 | 264 | -8.7% |
| Administrative and Waste Services (56) | 182 | 178 | 184 | 191 | 198 | 184 | 192 | 5.5% |
| Agriculture, Forestry, Fishing & Hunting (11) | 27 | 26 | 26 | 26 | 24 | 24 | 24 | -11.1% |
| Arts, Entertainment and Recreation (71) | 57 | 55 | 49 | 53 | 58 | 56 | 54 | -5.3% |
| Construction (23) | 378 | 365 | 380 | 410 | 403 | 397 | 404 | 6.9% |
| Educational Services (61) | 30 | 28 | 30 | 29 | 28 | 25 | 30 | 0.0% |
| Finance and Insurance (52) | 268 | 232 | 267 | 273 | 277 | 243 | 284 | 6.0% |
| Health Care and Social Assistance (62) | 422 | 410 | 397 | 418 | 420 | 425 | 442 | 4.7% |
| Information (51) | 40 | 46 | 59 | 47 | 47 | 47 | 48 | 20.0% |
| Management of Companies & Enterprises (55) | 14 | 11 | 11 | 14 | 15 | 11 | 12 | -14.3% |
| Manufacturing (31,32,33) | 130 | 133 | 132 | 135 | 133 | 127 | 124 | -4.6% |
| Mining (21) | 26 | 25 | 26 | 31 | 29 | 32 | 25 | -3.8% |
| Other Services (81) | 321 | 315 | 341 | 305 | 308 | 296 | 328 | 2.2% |
| Professional & Technical Services (54) | 401 | 372 | 404 | 398 | 395 | 373 | 405 | 1.0% |
| Public Administration (92) | 90 | 94 | 91 | 90 | 91 | 90 | 89 | -1.1% |
| Real Estate and Rental and Leasing (53) | 158 | 154 | 152 | 158 | 168 | 161 | 152 | -3.8% |
| Retail Trade (44,45) | 691 | 639 | 643 | 669 | 678 | 647 | 662 | -4.2% |
| Transportation & Warehousing (48,49) | 149 | 156 | 147 | 148 | 153 | 149 | 150 | 0.7% |
| Unclassified () | 6 | 11 | 13 | 12 | 11 | 16 | 12 | 100.0% |
| Utilities (22) | 31 | 23 | 22 | 22 | 19 | 22 | 28 | -9.7% |
| Wholesale Trade (42) | 200 | 189 | 192 | 197 | 200 | 188 | 193 | -3.5% |
| Total | 3,910 | 3,736 | 3,830 | 3,904 | 3,925 | 3,786 | 3,922 | 0.3% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Failure rates by firm size are shown in Table 29. As of 2006Q4, 721 employers that were during the quarter prior to the storm had failed. This is almost one in five employers. The average employment for every size and for the parish as a whole increased by 2006Q4 compared to pre-Rita, on par with the region as a whole.

Details on the net change in employers are shown in Table 30. The parish experienced a large net loss in employers immediately following the storms. The parish quickly recovered and had a net gain in employers by 2006Q2. A significant amount of firm closings left the parish with an overall net loss in 2006Q3, but as of 2006Q4 the parish had 12 more employers operating than it did prior to the storms.

Table 29
Calcasieu Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|--------------------------|------------|---------------|---------------------------|---------------------------|
| 1 - 5 Employees | 432 | 22.43% | 2.5 | 3.1 |
| 6 – 10 Employees | 132 | 15.90% | 7.4 | 7.9 |
| 11-50 Employees | 110 | 13.51% | 22.4 | 23.3 |
| > 50 Employees | 30 | 12.15% | 187.8 | 194.2 |
| All Businesses | 721 | 18.44% | 19.8 | 22.1 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 17 business failures that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 30
Net Change in Calcasieu Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------|-----------|----------|-----------|---------------------------------------|------------|
| As of 2005 Q3 | 364 | 0 | 3 | 99 | 88 | -174 |
| As of 2005 Q4 | 463 | 0 | 7 | 228 | 148 | -80 |
| As of 2006 Q1 | 503 | 18 | 35 | 355 | 125 | -6 |
| As of 2006 Q2 | 559 | 17 | 36 | 436 | 119 | 15 |
| As of 2006 Q3 | 722 | 16 | 35 | 473 | 106 | -124 |
| AS of 2006 Q4 | 721 | 14 | 34 | 559 | 154 | 12 |

10. Results for Cameron Parish

Results for the number of open employers by industry for Cameron Parish are shown in Table 31. Cameron Parish experienced significantly more damage than the rest of the Southwest region, as can be seen from the total number of open employers. Whereas the rest of the region began to recover after the initial decline in open employers due to the storm, Cameron Parish continued to lose employers for two more quarters. As of 2006Q4, the parish had lost 42 (22.5%) of its open employers since the storms hit. Just as in the

Southeast parishes, the largest losses occurred in those sectors relying on population. Retail trade had a net loss of 11 employers, down 45.8% from pre-storm levels. The Construction and Public Administration industries were the only to show net increases in employer counts, with gains of one employer each.

Table 31
Total Firms Verified Open in Cameron Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q4 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--|
| Accommodation and Food Services (72) | 9 | 8 | * | * | * | * | * | * |
| Administrative and Waste Services (56) | 8 | 9 | 10 | 10 | 9 | 9 | 7 | -12.5% |
| Agriculture, Forestry, Fishing & Hunting (11) | * | * | * | * | * | * | * | * |
| Arts, Entertainment and Recreation (71) | * | * | * | * | * | * | * | * |
| Construction (23) | 15 | 12 | 11 | 14 | 16 | 14 | 16 | 6.7% |
| Educational Services (61) | * | * | * | * | * | * | * | * |
| Finance and Insurance (52) | * | * | * | * | * | * | * | * |
| Health Care and Social Assistance (62) | 8 | 6 | 6 | 6 | 5 | 5 | 6 | -25.0% |
| Information (51) | * | * | * | * | * | * | * | * |
| Management of Companies & Enterprises (55) | * | * | * | * | * | * | * | * |
| Manufacturing (31,32,33) | 10 | 10 | 7 | 7 | 8 | 6 | 6 | -40.0% |
| Mining (21) | 14 | 12 | 11 | 12 | 16 | 15 | 14 | 0.0% |
| Other Services (81) | 10 | 8 | 6 | * | * | * | * | * |
| Professional & Technical Services (54) | 13 | 12 | 12 | 11 | 12 | 12 | 11 | -15.4% |
| Public Administration (92) | 12 | 13 | 13 | 12 | 12 | 13 | 13 | 8.3% |
| Real Estate and Rental and Leasing (53) | * | * | * | * | * | * | * | * |
| Retail Trade (44,45) | 24 | 19 | 12 | 9 | 12 | 12 | 13 | -45.8% |
| Transportation & Warehousing (48,49) | 27 | 27 | 26 | 23 | 24 | 24 | 23 | -14.8% |
| Unclassified () | * | * | * | * | * | * | * | * |
| Utilities (22) | * | * | * | * | * | * | * | -50.0% |
| Wholesale Trade (42) | 16 | 14 | 11 | 15 | 16 | 15 | 17 | 6.3% |
| Total | 187 | 167 | 142 | 135 | 148 | 144 | 145 | -22.5% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 32
Cameron Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|---------------------------------|-------------------|---------------------|----------------------------------|----------------------------------|
| 1 - 5 Employees | 41 | 43.62% | 2.4 | 2.6 |
| 6 – 10 Employees | 13 | 32.50% | 7.3 | 7.7 |
| 11-50 Employees | 9 | 23.68% | 23.7 | 21.3 |
| > 50 Employees | 1 | 10.00% | 115.2 | 106.3 |
| All Businesses | 65 | 34.76% | 14.1 | 16.3 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 1 business failure that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Failure rates for businesses in Cameron Parish are shown in Table 32. As of 2006Q4, 65 employers that were open before the storm had failed. This gives the parish a failure rate of 34.8%, only exceeded by Orleans and St. Bernard parishes. The failure rate for the smallest firms (<5 employees) was 43.62%, significantly higher than that of larger firms. Of course, the average employment for open employers in 2006Q4 was significantly higher than it was prior to the storms. Table 33 presents the net change by quarter.

Table 33
Net Change in Cameron Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|----------------|---------------------------|------------------|-----------------|------------------|--|-------------------|
| As of 2005 Q3 | 25 | 0 | 0 | 3 | 2 | -20 |
| As of 2005 Q4 | 51 | 2 | 0 | 6 | 2 | -45 |
| As of 2006 Q1 | 63 | 11 | 2 | 18 | 2 | -52 |
| As of 2006 Q2 | 56 | 11 | 2 | 21 | 5 | -39 |
| As of 2006 Q3 | 63 | 11 | 2 | 24 | 5 | -43 |
| As of 2006 Q4 | 65 | 11 | 2 | 28 | 4 | -42 |

11. Results for Vermilion Parish

Industry level results for Vermilion Parish are contained in Table 34. The employer count for Vermilion Parish had a significant initial decline immediately following the storms. It quickly rebounded the next quarter to be within 5 employers of prestorm levels. By 2006Q4, the parish had 8 more open employers than before the storms, a gain of 0.8%.

Furthermore, a seasonal effect can be seen through the quarters. The first and third quarters of the year generally have fewer employers than the other two. Therefore, the decline in the number of employers from 2005Q2 to 2005Q3 may be, at least partially, due to the season and not directly attributable to the storms.

Table 34
Total Employers Verified Open in Vermilion Parish
by Industry

| Industry (NAICS Code) | 2005Q2 | 2005Q3 | 2005Q4 | 2006Q1 | 2006Q2 | 2006Q3 | 2006Q4 | % Change 2005Q2- 2006Q3 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--|
| Accommodation and Food Services (72) | 54 | 49 | 58 | 49 | 53 | 53 | 56 | 3.7% |
| Administrative and Waste Services (56) | 35 | 34 | 38 | 35 | 33 | 35 | 35 | 0.0% |
| Agriculture, Forestry, Fishing & Hunting (11) | 27 | 25 | 25 | 24 | 24 | 25 | 22 | -18.5% |
| Arts, Entertainment and Recreation (71) | 16 | 14 | 15 | 16 | 15 | 15 | 14 | -12.5% |
| Construction (23) | 80 | 79 | 78 | 75 | 81 | 80 | 79 | -1.3% |
| Educational Services (61) | * | * | * | * | * | * | * | -25.0% |
| Finance and Insurance (52) | 60 | 57 | 59 | 57 | 60 | 57 | 64 | 6.7% |
| Health Care and Social Assistance (62) | 85 | 85 | 84 | 83 | 86 | 87 | 90 | 5.9% |
| Information (51) | 12 | 12 | 11 | 12 | 12 | 15 | 16 | 33.3% |
| Management of Companies & Enterprises (55) | * | * | * | * | * | * | * | * |
| Manufacturing (31,32,33) | 51 | 50 | 48 | 50 | 50 | 51 | 50 | -2.0% |
| Mining (21) | 27 | 22 | 24 | 29 | 27 | 31 | 33 | 22.2% |
| Other Services (81) | 90 | 82 | 93 | 82 | 86 | 86 | 89 | -1.1% |
| Professional & Technical Services (54) | 92 | 89 | 92 | 91 | 95 | 94 | 93 | 1.1% |
| Public Administration (92) | 56 | 54 | 55 | 53 | 53 | 52 | 53 | -5.4% |
| Real Estate and Rental and Leasing (53) | 37 | 37 | 37 | 31 | 38 | 34 | 36 | -2.7% |
| Retail Trade (44,45) | 173 | 159 | 165 | 164 | 168 | 163 | 170 | -1.7% |
| Transportation & Warehousing (48,49) | 40 | 40 | 45 | 44 | 45 | 45 | 48 | 20.0% |
| Unclassified () | * | 5 | 9 | 7 | 7 | 7 | * | * |
| Utilities (22) | 17 | 17 | 16 | 17 | 17 | 17 | 17 | 0.0% |
| Wholesale Trade (42) | 52 | 49 | 50 | 50 | 48 | 47 | 48 | -7.7% |
| Total | 1,014 | 966 | 1,009 | 975 | 1,004 | 999 | 1,022 | 0.8% |

Source: QCEW Data and Author's computations. Items denoted * are omitted due to the small number of employers in that industry.

Table 35 presents business failure rates for Vermilion parish. The failure rates for Vermilion Parish are below that of the Southwest region for every firm size and overall. The average size of employers, as denoted by average employment, rose between 2005Q2 and 2006Q4. The average employment for each size of firm also rose over that time period.

Table 35
Vermilion Parish Business Failure Rates
by Size (through 2006Q4)

| Size (2005Q2 Employment) | # Failures | Failure Rate | Average 2005Q2 Employment | Average 2006Q4 Employment |
|---------------------------------|-----------------------|-------------------------|--|--|
| 1 - 5 Employees | 127 | 21.67% | 2.4 | 2.8 |
| 6 – 10 Employees | 19 | 9.27% | 7.4 | 7.6 |
| 11-50 Employees | 14 | 8.48% | 21.4 | 22.4 |
| > 50 Employees | 4 | 9.09% | 140.8 | 151.9 |
| All Businesses | 166 | 16.37% | 12.6 | 14.5 |

Source: QCEW Data and Author's computations. Note: The total number of failures also includes 2 business failures that reported wages for 2006Q2, but either reported zero employees or failed to specify the number of employees for 2005Q2. Firms are counted as failures if they either failed to report in 2006Q3 or reported both zero employees and zero wages.

Table 36 focuses on the net change by quarter for Vermilion parish. The results indicate a rapid recovery in 2005Q4, but subsequent losses in 2006Q1 and 2006Q3. As of 2006Q4, the parish had a positive net change in its number of open employers. This is probably a seasonal effect and thus the original loss in 2005Q3 may be in part a seasonal loss and not as extreme as it may appear. The results also indicate that the parish gained new firms each quarter.

Table 36
Net Change in Vermilion Parish Employers
By Quarter

| Quarter | Closed After Storm | Moved Out | Moved In | New Firms | Not reporting in 2005Q2, but reported | Net Change |
|---------------|--------------------------|--------------|----------|--------------|---|---------------|
| As of 2005 Q3 | 81 | 0 | 0 | 15 | 18 | -48 |
| As of 2005 Q4 | 90 | 1 | 0 | 49 | 37 | -5 |
| As of 2006 Q1 | 128 | 9 | 10 | 64 | 24 | -39 |
| As of 2006 Q2 | 124 | 11 | 10 | 91 | 24 | -10 |
| As of 2006 Q3 | 158 | 10 | 10 | 118 | 25 | -15 |
| As of 2006 Q4 | 166 | 7 | 10 | 135 | 36 | 8 |

12. Concluding Remarks

This report documents the impact of Hurricanes Katrina and Rita on Louisiana businesses. By 2006Q4, the total number of Louisiana employers neared pre-storm levels – gains elsewhere in Louisiana are almost offsetting losses in Orleans, St. Bernard, and Cameron parishes, which still show the largest impact in terms of net firm losses. The number of employers in St. Bernard parish was still only one-half of its pre-storm number of employers by 2006Q3. Orleans Parish experienced a net loss 2,665 (20.8%) employers over the same time period, but showed significant gains in 2006Q4. It still appears that 2006Q1 was the low point for the Southeast region and the state as a whole due to the improvement in the second quarter of that year.

With the exception of Cameron Parish, Southwest Louisiana has fared much better than Southeast Louisiana. St. Tammany Parish has been the bright spot within the Southeast Region, with 7.3% more employers in 2006Q4 than it had pre-Hurricane. Jefferson Parish has moved close to within 4% of pre-storm levels.

The Construction industry was the industry that showed the most strength for both the state and its regions. Industries that rely on population, such as Retail Trade and Services, experienced the largest net losses in the state. These industries' losses were especially large in the parishes most affected by the storms.

Appendix A
Parish Level Results

Table A-1
Total Private Firms Verified as Open

| <i>Parish</i> | <i>RLMA</i> | <i>2005Q2</i> | <i>2005Q3</i> | <i>2005Q4</i> | <i>2006Q1</i> | <i>2006Q2</i> | <i>2006Q3</i> | <i>2006Q4</i> |
|-------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Jefferson Parish | 1 | 11,257 | 10,002 | 10,069 | 10,210 | 10,651 | 10,470 | 10,893 |
| Orleans Parish | 1 | 9,368 | 7,368 | 6,838 | 6,469 | 6,860 | 6,825 | 7,446 |
| Plaquemines Parish | 1 | 685 | 577 | 586 | 583 | 595 | 603 | 608 |
| St. Bernard Parish | 1 | 1,008 | 576 | 419 | 398 | 446 | 470 | 485 |
| St. Charles Parish | 1 | 825 | 766 | 816 | 831 | 845 | 848 | 876 |
| St. James Parish | 1 | 296 | 294 | 297 | 287 | 297 | 280 | 282 |
| St. John the Baptist | 1 | 603 | 561 | 569 | 612 | 603 | 581 | 618 |
| St. Tammany Parish | 1 | 4,943 | 4,630 | 4,858 | 4,853 | 5,083 | 5,010 | 5,324 |
| Ascension Parish | 2 | 1,600 | 1,591 | 1,641 | 1,659 | 1,685 | 1,684 | 1,732 |
| East Baton Rouge Parish | 2 | 10,484 | 10,305 | 10,863 | 10,565 | 10,762 | 10,536 | 10,954 |
| East Feliciana Parish | 2 | 214 | 207 | 220 | 210 | 212 | 214 | 221 |
| Iberville Parish | 2 | 472 | 469 | 473 | 457 | 455 | 448 | 457 |
| Livingston Parish | 2 | 1,191 | 1,172 | 1,231 | 1,247 | 1,284 | 1,259 | 1,303 |
| Pointe Coupee Parish | 2 | 328 | 318 | 342 | 316 | 327 | 311 | 316 |
| St. Helena Parish | 2 | 66 | 63 | 66 | 65 | 66 | 69 | 70 |
| Tangipahoa Parish | 2 | 1,825 | 1,795 | 1,863 | 1,916 | 1,951 | 1,925 | 1,984 |
| Washington Parish | 2 | 590 | 549 | 576 | 573 | 586 | 554 | 585 |
| West Baton Rouge Parish | 2 | 456 | 452 | 460 | 472 | 472 | 474 | 476 |
| West Feliciana Parish | 2 | 180 | 173 | 174 | 170 | 179 | 179 | 176 |
| Assumption Parish | 3 | 246 | 245 | 249 | 250 | 253 | 239 | 250 |
| Lafourche Parish | 3 | 1,600 | 1,549 | 1,597 | 1,605 | 1,635 | 1,610 | 1,625 |
| Terrebonne Parish | 3 | 2,456 | 2,387 | 2,450 | 2,448 | 2,496 | 2,432 | 2,457 |

Note: This table counts only private employers that provided reports with non-zero wages or employment as verified open.

Table A-1 (continued)
Total Private Firms Verified as Open

| <i>Parish</i> | <i>RLMA</i> | <i>2005Q2</i> | <i>2005Q3</i> | <i>2005Q4</i> | <i>2006Q1</i> | <i>2006Q2</i> | <i>2006Q3</i> | <i>2006Q4</i> |
|------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Acadia Parish | 4 | 897 | 886 | 889 | 900 | 914 | 898 | 930 |
| Evangeline Parish | 4 | 484 | 472 | 478 | 470 | 477 | 468 | 470 |
| Iberia Parish | 4 | 1,495 | 1,454 | 1,503 | 1,479 | 1,510 | 1,476 | 1,511 |
| Lafayette Parish | 4 | 6,332 | 6,326 | 6,611 | 6,422 | 6,606 | 6,499 | 6,785 |
| St. Landry Parish | 4 | 1,350 | 1,346 | 1,381 | 1,363 | 1,377 | 1,347 | 1,390 |
| St. Martin Parish | 4 | 661 | 654 | 663 | 657 | 676 | 642 | 666 |
| St. Mary Parish | 4 | 1,163 | 1,149 | 1,171 | 1,167 | 1,187 | 1,155 | 1,164 |
| Vermilion Parish | 4 | 907 | 860 | 903 | 870 | 899 | 895 | 917 |
| Allen Parish | 5 | 289 | 279 | 288 | 293 | 303 | 289 | 286 |
| Beauregard Parish | 5 | 511 | 501 | 522 | 506 | 523 | 513 | 506 |
| Calcasieu Parish | 5 | 3,745 | 3,567 | 3,668 | 3,738 | 3,758 | 3,620 | 3,758 |
| Cameron Parish | 5 | 163 | 142 | 117 | 113 | 126 | 122 | 123 |
| Jefferson Davis Parish | 5 | 513 | 512 | 516 | 519 | 529 | 509 | 526 |
| Avoyelles Parish | 6 | 628 | 618 | 642 | 640 | 640 | 638 | 630 |
| Catahoula Parish | 6 | 162 | 164 | 168 | 165 | 165 | 164 | 162 |
| Concordia Parish | 6 | 296 | 281 | 296 | 292 | 290 | 290 | 295 |
| Grant Parish | 6 | 159 | 161 | 162 | 163 | 167 | 161 | 163 |
| La Salle Parish | 6 | 251 | 246 | 252 | 250 | 260 | 253 | 252 |
| Rapides Parish | 6 | 2,754 | 2,738 | 2,811 | 2,798 | 2,822 | 2,723 | 2,820 |
| Vernon Parish | 6 | 599 | 600 | 607 | 608 | 595 | 600 | 600 |
| Winn Parish | 6 | 273 | 265 | 267 | 270 | 267 | 266 | 262 |

Note: This table counts only private employers that provided reports with non-zero wages or employment as verified open.

Table A-1 (continued)
Total Private Firms Verified as Open

| <i>Parish</i> | <i>RLMA</i> | <i>2005Q2</i> | <i>2005Q3</i> | <i>2005Q4</i> | <i>2006Q1</i> | <i>2006Q2</i> | <i>2006Q3</i> | <i>2006Q4</i> |
|---------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Bienville Parish | 7 | 217 | 218 | 225 | 230 | 231 | 224 | 221 |
| Bossier Parish | 7 | 1,867 | 1,874 | 1,922 | 1,909 | 1,930 | 1,886 | 1,931 |
| Caddo Parish | 7 | 5,652 | 5,649 | 6,006 | 5,725 | 5,755 | 5,576 | 5,868 |
| Claiborne Parish | 7 | 216 | 211 | 214 | 219 | 218 | 210 | 215 |
| De Soto Parish | 7 | 314 | 317 | 319 | 322 | 314 | 308 | 302 |
| Lincoln Parish | 7 | 840 | 825 | 875 | 861 | 879 | 835 | 873 |
| Natchitoches Parish | 7 | 685 | 675 | 701 | 687 | 697 | 678 | 691 |
| Red River Parish | 7 | 117 | 122 | 126 | 124 | 124 | 123 | 118 |
| Sabine Parish | 7 | 382 | 376 | 386 | 395 | 395 | 386 | 387 |
| Webster Parish | 7 | 705 | 704 | 712 | 690 | 706 | 687 | 702 |
| Caldwell Parish | 8 | 173 | 168 | 173 | 168 | 171 | 169 | 173 |
| East Carroll Parish | 8 | 134 | 142 | 135 | 132 | 134 | 134 | 131 |
| Franklin Parish | 8 | 329 | 332 | 340 | 331 | 339 | 331 | 336 |
| Jackson Parish | 8 | 220 | 210 | 215 | 210 | 210 | 202 | 203 |
| Madison Parish | 8 | 191 | 186 | 200 | 186 | 190 | 182 | 190 |
| Morehouse Parish | 8 | 469 | 475 | 466 | 462 | 462 | 453 | 450 |
| Ouachita Parish | 8 | 3,666 | 3,661 | 3,908 | 3,627 | 3,674 | 3,552 | 3,708 |
| Richland Parish | 8 | 381 | 371 | 384 | 369 | 364 | 359 | 375 |
| Tensas Parish | 8 | 107 | 103 | 108 | 103 | 105 | 102 | 103 |
| Union Parish | 8 | 283 | 275 | 290 | 290 | 284 | 270 | 267 |
| West Carroll Parish | 8 | 156 | 158 | 166 | 162 | 161 | 166 | 165 |
| Total | | 92,471 | 87,393 | 89,582 | 88,274 | 90,396 | 88,557 | 91,905 |

Note: This table counts only private employers that provided reports with non-zero wages or employment as verified open. Parish values do not sum to the total because the total also includes firms with missing data on physical location and parish fips code

Table A-2
Total Employers Verified as Open

| <i>Parish</i> | <i>RLMA</i> | <i>2005Q2</i> | <i>2005Q3</i> | <i>2005Q4</i> | <i>2006Q1</i> | <i>2006Q2</i> | <i>2006Q3</i> | <i>2006Q4</i> |
|-------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Jefferson Parish | 1 | 11,416 | 10,149 | 10,213 | 10,342 | 10,803 | 10,622 | 11,045 |
| Orleans Parish | 1 | 9,592 | 7,545 | 7,011 | 6,641 | 7,039 | 6,991 | 7,609 |
| Plaquemines Parish | 1 | 718 | 608 | 619 | 614 | 627 | 632 | 636 |
| St. Bernard Parish | 1 | 1,051 | 618 | 451 | 429 | 488 | 511 | 525 |
| St. Charles Parish | 1 | 883 | 823 | 873 | 888 | 905 | 908 | 934 |
| St. James Parish | 1 | 342 | 340 | 341 | 329 | 343 | 312 | 312 |
| St. John the Baptist | 1 | 657 | 608 | 616 | 666 | 657 | 637 | 674 |
| St. Tammany Parish | 1 | 5,068 | 4,756 | 4,985 | 4,978 | 5,210 | 5,134 | 5,439 |
| Ascension Parish | 2 | 1,652 | 1,643 | 1,690 | 1,708 | 1,735 | 1,733 | 1,784 |
| East Baton Rouge Parish | 2 | 10,804 | 10,623 | 11,181 | 10,888 | 11,085 | 10,840 | 11,258 |
| East Feliciana Parish | 2 | 259 | 252 | 264 | 255 | 256 | 257 | 266 |
| Iberville Parish | 2 | 547 | 545 | 547 | 534 | 532 | 522 | 530 |
| Livingston Parish | 2 | 1,271 | 1,239 | 1,288 | 1,328 | 1,363 | 1,339 | 1,371 |
| Pointe Coupee Parish | 2 | 383 | 374 | 396 | 372 | 384 | 367 | 373 |
| St. Helena Parish | 2 | 90 | 89 | 91 | 90 | 90 | 95 | 95 |
| Tangipahoa Parish | 2 | 1,954 | 1,922 | 2,002 | 2,054 | 2,089 | 2,053 | 2,100 |
| Washington Parish | 2 | 667 | 623 | 641 | 651 | 664 | 621 | 662 |
| West Baton Rouge | 2 | 518 | 518 | 527 | 540 | 539 | 540 | 541 |
| West Feliciana Parish | 2 | 217 | 210 | 211 | 200 | 207 | 213 | 210 |
| Assumption Parish | 3 | 278 | 278 | 282 | 283 | 287 | 273 | 284 |
| Lafourche Parish | 3 | 1,719 | 1,675 | 1,719 | 1,727 | 1,754 | 1,728 | 1,740 |
| Terrebonne Parish | 3 | 2,557 | 2,488 | 2,551 | 2,552 | 2,598 | 2,534 | 2,564 |

Note: This table counts only private employers that provided reports with non-zero wages or employment as verified open.

Table A-2 (continued)
Total Employers Verified as Open

| <i>Parish</i> | <i>RLMA</i> | <i>2005Q2</i> | <i>2005Q3</i> | <i>2005Q4</i> | <i>2006Q1</i> | <i>2006Q2</i> | <i>2006Q3</i> | <i>2006Q4</i> |
|------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Acadia Parish | 4 | 989 | 978 | 980 | 970 | 1,007 | 988 | 1,021 |
| Evangeline Parish | 4 | 567 | 542 | 549 | 541 | 540 | 539 | 541 |
| Iberia Parish | 4 | 1,596 | 1,556 | 1,602 | 1,577 | 1,612 | 1,576 | 1,610 |
| Lafayette Parish | 4 | 6,473 | 6,464 | 6,748 | 6,536 | 6,748 | 6,610 | 6,900 |
| St. Landry Parish | 4 | 1,487 | 1,488 | 1,517 | 1,498 | 1,516 | 1,481 | 1,523 |
| St. Martin Parish | 4 | 716 | 709 | 731 | 725 | 734 | 716 | 739 |
| St. Mary Parish | 4 | 1,324 | 1,310 | 1,325 | 1,309 | 1,321 | 1,313 | 1,311 |
| Vermilion Parish | 4 | 1,014 | 966 | 1,009 | 975 | 1,004 | 999 | 1,022 |
| Allen Parish | 5 | 369 | 357 | 355 | 372 | 374 | 368 | 355 |
| Beauregard Parish | 5 | 560 | 550 | 563 | 554 | 570 | 560 | 554 |
| Calcasieu Parish | 5 | 3,910 | 3,736 | 3,830 | 3,904 | 3,925 | 3,786 | 3,922 |
| Cameron Parish | 5 | 187 | 167 | 142 | 135 | 148 | 144 | 145 |
| Jefferson Davis Parish | 5 | 594 | 592 | 596 | 601 | 611 | 592 | 606 |
| Avoyelles Parish | 6 | 726 | 715 | 734 | 732 | 728 | 730 | 720 |
| Catahoula Parish | 6 | 205 | 209 | 211 | 217 | 209 | 208 | 205 |
| Concordia Parish | 6 | 357 | 342 | 337 | 347 | 346 | 335 | 332 |
| Grant Parish | 6 | 196 | 197 | 198 | 200 | 204 | 196 | 198 |
| La Salle Parish | 6 | 294 | 289 | 295 | 291 | 302 | 295 | 293 |
| Rapides Parish | 6 | 2,888 | 2,872 | 2,945 | 2,932 | 2,955 | 2,854 | 2,950 |
| Vernon Parish | 6 | 691 | 706 | 712 | 712 | 698 | 703 | 703 |
| Winn Parish | 6 | 328 | 319 | 320 | 324 | 322 | 319 | 316 |

Note: This table counts only private employers that provided reports with non-zero wages or employment as verified open.

Table A-2 (continued)
Total Employers Verified as Open

| <i>Parish</i> | <i>RLMA</i> | <i>2005Q2</i> | <i>2005Q3</i> | <i>2005Q4</i> | <i>2006Q1</i> | <i>2006Q2</i> | <i>2006Q3</i> | <i>2006Q4</i> |
|---------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Bienville Parish | 7 | 261 | 262 | 267 | 266 | 268 | 260 | 263 |
| Bossier Parish | 7 | 1,966 | 1,974 | 2,019 | 2,007 | 2,028 | 1,982 | 2,023 |
| Caddo Parish | 7 | 5,830 | 5,823 | 6,179 | 5,902 | 5,929 | 5,755 | 6,046 |
| Claiborne Parish | 7 | 262 | 255 | 257 | 263 | 262 | 244 | 252 |
| De Soto Parish | 7 | 369 | 371 | 369 | 375 | 367 | 362 | 356 |
| Lincoln Parish | 7 | 928 | 883 | 932 | 917 | 938 | 890 | 928 |
| Natchitoches Parish | 7 | 780 | 769 | 784 | 780 | 791 | 773 | 774 |
| Red River Parish | 7 | 151 | 156 | 160 | 158 | 158 | 158 | 152 |
| Sabine Parish | 7 | 436 | 429 | 439 | 445 | 444 | 438 | 435 |
| Webster Parish | 7 | 790 | 789 | 794 | 776 | 791 | 773 | 787 |
| Caldwell Parish | 8 | 217 | 212 | 205 | 210 | 214 | 211 | 213 |
| East Carroll Parish | 8 | 176 | 184 | 169 | 167 | 176 | 166 | 163 |
| Franklin Parish | 8 | 383 | 388 | 396 | 387 | 395 | 386 | 391 |
| Jackson Parish | 8 | 265 | 255 | 261 | 250 | 257 | 246 | 242 |
| Madison Parish | 8 | 243 | 238 | 251 | 233 | 239 | 229 | 225 |
| Morehouse Parish | 8 | 518 | 531 | 524 | 517 | 516 | 506 | 503 |
| Ouachita Parish | 8 | 3,811 | 3,805 | 4,053 | 3,772 | 3,818 | 3,695 | 3,851 |
| Richland Parish | 8 | 435 | 423 | 439 | 421 | 418 | 416 | 431 |
| Tensas Parish | 8 | 140 | 136 | 142 | 136 | 133 | 134 | 135 |
| Union Parish | 8 | 331 | 324 | 337 | 338 | 334 | 318 | 314 |
| West Carroll Parish | 8 | 191 | 193 | 203 | 197 | 196 | 201 | 201 |
| Total | | 97,639 | 92,461 | 94,517 | 93,231 | 95,420 | 93,494 | 96,747 |

Note: This table counts only private employers that provided reports with non-zero wages or employment as verified open. Parish values do not sum to the total because the total also includes firms with missing data on physical location and parish fips code