

New Report Asserts Softwood Lumber's Economic Impacts

A new report by Forest Economic Advisors (FEA), commissioned by the Softwood Lumber Board (SLB), highlights the importance of softwood lumber manufacturing to the U.S. economy and, in particular, the health of rural communities. Through both direct manufacture and via downstream industries that use softwood lumber as a primary input, FEA estimates that 775,674 jobs, with a total payroll of more than \$46 billion, are tied to the softwood lumber manufacturing industry.

There are currently 509 sawmills operating in 464 mostly rural communities across 32 states. Softwood lumber's economic impact extends far beyond the direct sales, employment, and wages of the nation's lumber mills. In many ways, mills formed microeconomic hubs that generated substantial indirect and induced employment and wages, in the form of the goods and services mills purchased for their operations, and the goods, materials, and services workers bought using their incomes, including through investment in housing. Because most mills are in rural areas with limited alternative employment opportunities, these jobs are of particular importance to state and regional economies. When tabulating these, softwood lumber's total direct impact in 2016 was 208,107 jobs and \$11.35 billion in wages. Many would be surprised to learn that the softwood lumber industry employs more people than oil and gas extraction (181,430 jobs) or primary steel manufacturing (140,200 jobs).

FEA also assessed the economic impacts of seven downstream industries that rely heavily on lumber as a primary input in their operations, including the manufacture of trusses, windows, doors, millwork,

wood containers, and pallets; wood preservation; wood remanufacturing; and the lumber wholesale trade. Together these industries accounted for 567,567 indirect & induced jobs, with annual wages of \$34.93 billion.

The Softwood Lumber Board's role is to strengthen and diversify the demand for softwood lumber. Over the last five years the SLB has contributed to increasing demand by 2.59 billion board feet. The SLB's impact has grown each year, creating 906 million board feet of increased demand in 2016 alone. The SLB supports the market by supporting strong and safe building codes for wood, inspiring and educating architects and engineers on the benefits of wood construction, promoting the benefits of softwood lumber products in and around the home, and pursuing new markets for softwood lumber such as mass timber, mid-rise and tall wood construction.

FEA's findings confirm the importance of the SLB's efforts to safeguard and increase softwood lumber's market share, as literally tens of thousands of families in hundreds of different communities rely on a healthy, strong softwood lumber industry.

ECONOMIC IMPACT OF THE U.S. SOFTWOOD LUMBER INDUSTRY



208,000+ **Direct jobs** in harvesting & manufacturing related to softwood lumber

775,000+ **Direct & Indirect jobs** in harvesting & manufacturing related to softwood lumber

465 communities supported by **COMPARATIVE INDUSTRIES:** **181,000** direct jobs in oil & gas extraction

509 softwood lumber mills in 32 states **140,000** direct jobs in primary steel manufacturing

LUMBER INDUSTRY PAYROLL

\$11 BILLION USD
Direct Lumber Jobs

About the SLB

The Softwood Lumber Board (SLB) is an industry-funded initiative established to promote the benefits and uses of softwood lumber products in outdoor, residential, and non-residential construction and to increase demand for appearance and softwood lumber products.

www.softwoodlumberboard.org | info@softwoodlumberboard.org |  @LumberBoard