



Importance of the Forest Products Sector to National Economic Recovery

Nationally, the forest products industry employs more than one million people directly and ranks among the top ten manufacturing employers in 48 states. The 1.08 million people in various segments of the wood and paper industry represent a larger share of U.S. employment than the automobile industry (828,500 as of November, 2008).

Many of AFRC's members are family-owned, community based companies. Our member companies provide some of the best, if not the only, full time, year round jobs in rural areas where unemployment far exceeds the national average. Yet, unemployment statistics tell an incomplete story of the wood manufacturing sector. For a number of reasons, manufacturers choose to continue to run facilities on reduced shifts, rather than shut down entirely.

A recent survey of AFRC members showed hours of mill operation down 50% from January, 2007. Number of employees for the same period has been reduced approximately 24%.

AFRC members depend on timber from public land as a source of raw materials. This is particularly true at a time when private timberland owners are inclined to hold their timber off the market, awaiting a rebound in log prices. Without a dependable source of raw materials, mills have difficulty retaining workers and obtaining financing. If these businesses lose financing, as they will without a dependable raw material supply, they often close forever, never to return. With them will go the health of local communities, schools, public services and the ability to manage our federal lands.

When AFRC's members purchase timber sales from public lands, they make possible the active management our public forests need to restore them to a healthy, balanced condition. Because of historic policies of fire suppression and recent gridlock in forest management, federal forests in the West are overstocked and subject not only to catastrophic wildfires, but to insect and disease infestations. Revenues from timber sales make forest health restoration activities possible. Removal of merchantable logs provides revenue for stewardship activities. Residual forest materials can provide a source of alternative energy. Without the manufacturing infrastructure in local communities, public forest management would not be possible at any meaningful level.

Forest manufacturers play a vital role in America's economic recovery. The public forests on which they depend also depend on them. Job retention in this sector is vital to our nation's economic future.

The American Forest Resource Association (AFRC), headquartered in Portland, Oregon, represents nearly 80 forest products businesses and forest landowners in twelve states, primarily in Washington, Oregon, California, Idaho and Montana. Its mission is to create a favorable operating environment for the forest products industry, ensure a reliable timber supply from public and private lands, and promote sustainable management of forests by improving federal laws, regulations, policies and decisions that determine or influence the management of all lands. For information, call 503-222-9505

March, 2009