Montana's Wood Products Industry Update

Status and Trends

Montana Economic Outlook Seminar

Samuel Scott

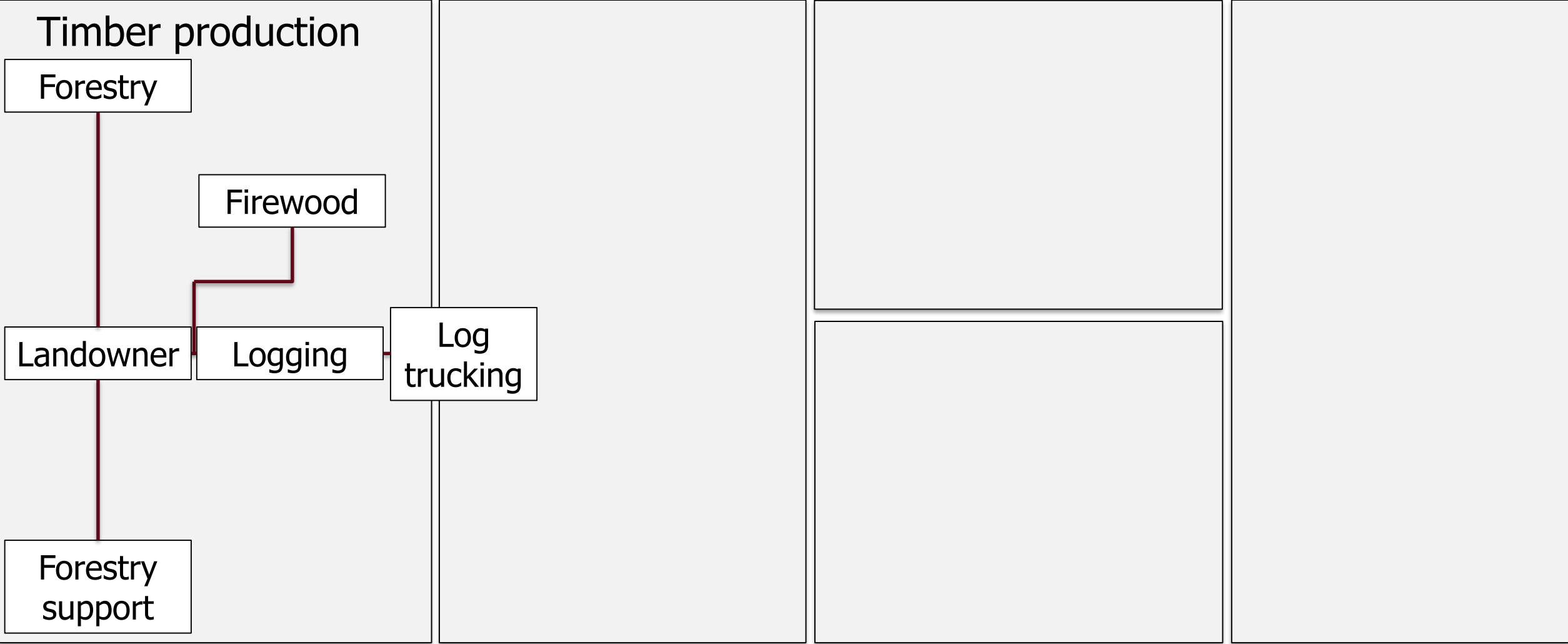**Forest Economist**

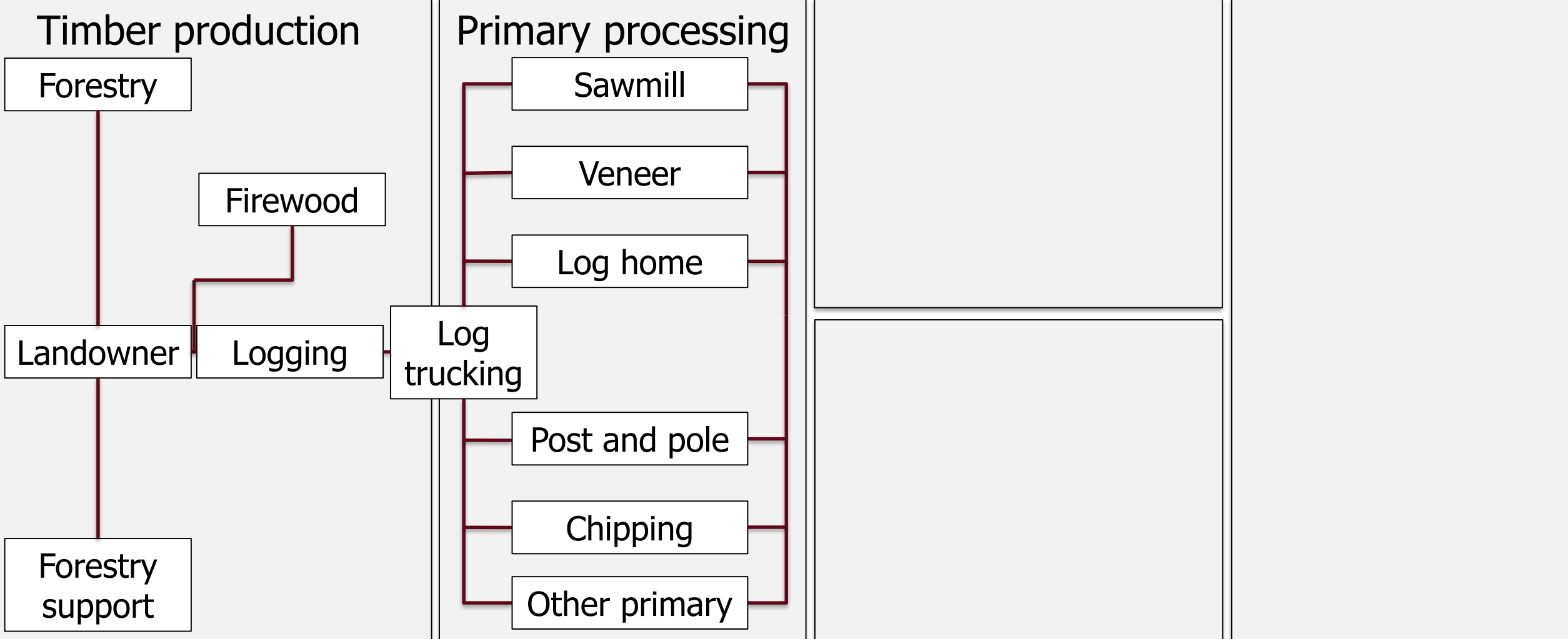**Bureau of Business and Economic Research**

Regional Wood Products Supply Chain

Timber production

Forestry

Firewood

Landowner — Logging — Log trucking

Forestry support

Regional Wood Products Supply Chain

Timber production

Forestry

Firewood

Landowner — **Logging** — **Log trucking**

Forestry support

Primary processing

Sawmill

Veneer

Log home

Post and pole

Chipping

Other primary

Regional Wood Products Supply Chain

Timber production

Forestry

Firewood

Landowner — Logging — Log trucking

Forestry support

Primary processing

Sawmill

Veneer

Log home

Post and pole

Chipping

Other primary

Residual processing

MDF

Particleboard

Other residual

Pulp and paper

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Regional Wood Products Supply Chain

Timber production

- Forestry
- Firewood
- Landowner
- Logging
- Forestry support

Primary processing

- Sawmill
- Veneer
- Log home
- Log trucking
- Post and pole
- Chipping
- Other primary

Secondary processing

- Case goods and furniture
- Construction products
- Packaging

Residual processing

- MDF
- Particleboard
- Other residual
- Pulp and paper

Montana's Forest Products Industry

Regional Wood Products Supply Chain
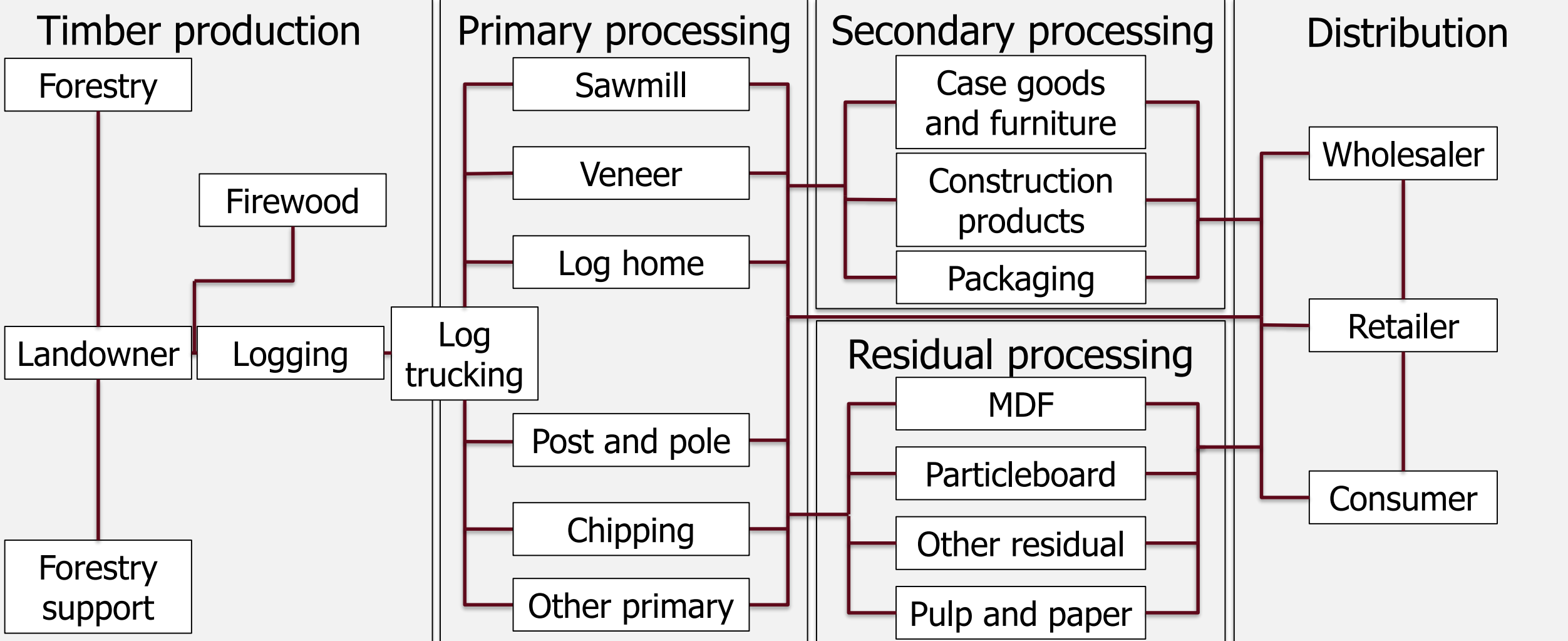
Regional Wood Products Supply Chain

State of the Industry

Regional forest cover
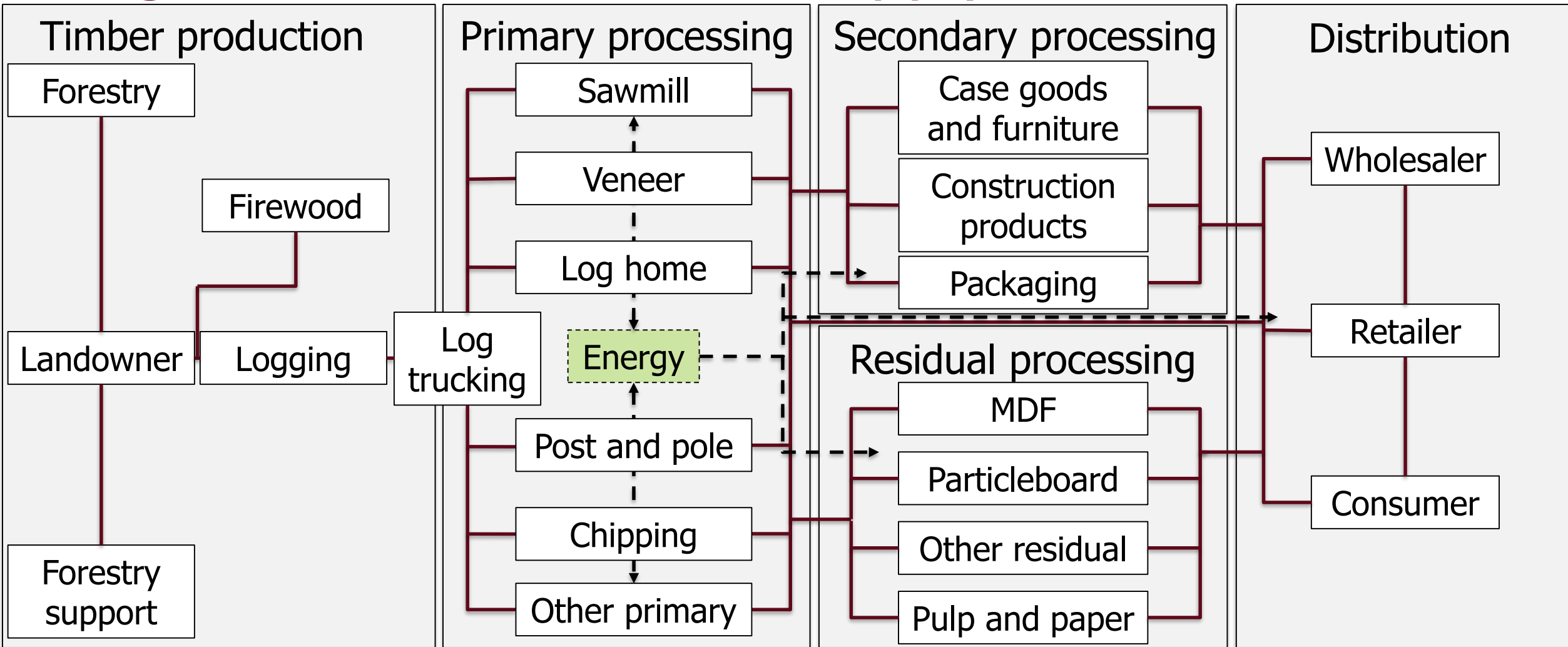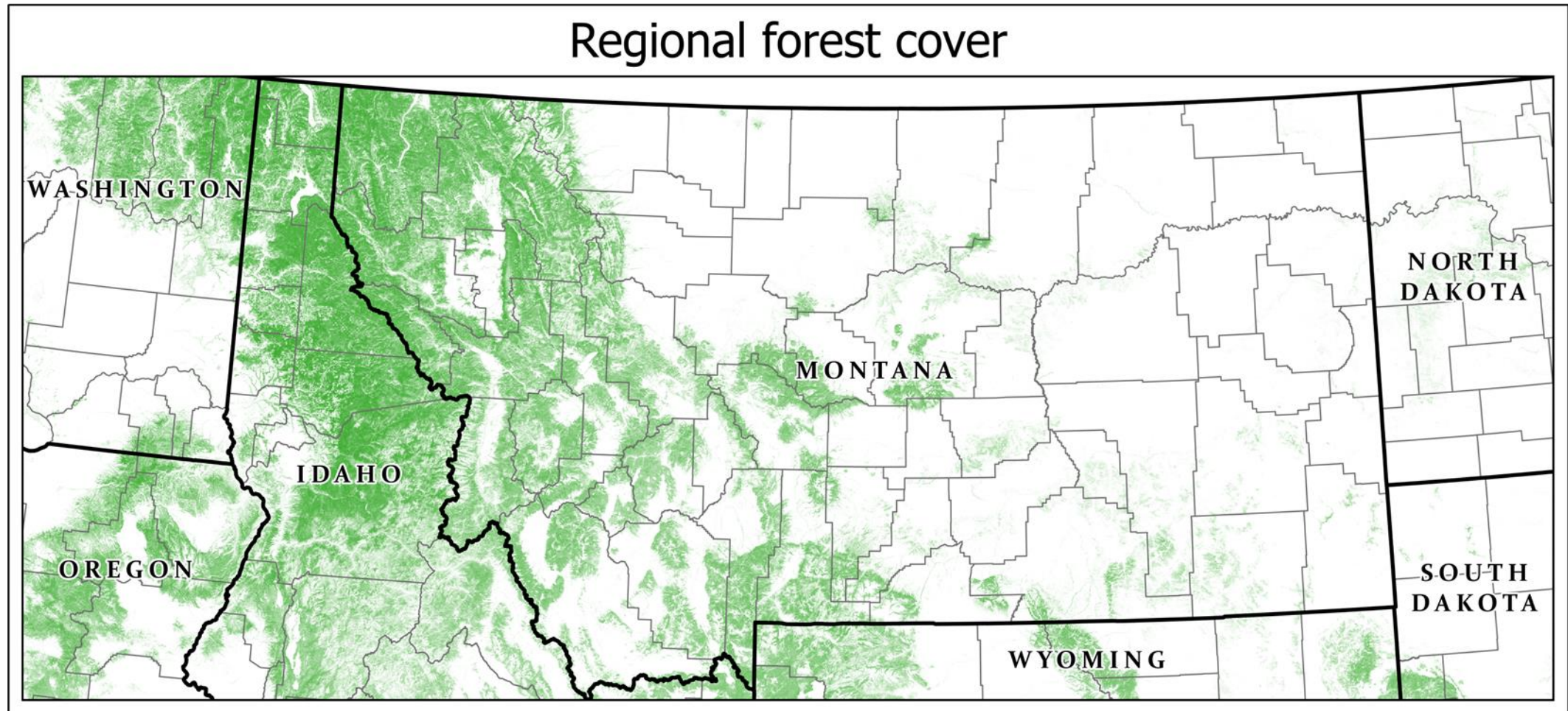
Source: USGS NLCD

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State of the Industry

Regional timber harvest

Timber harvest (MMBF)
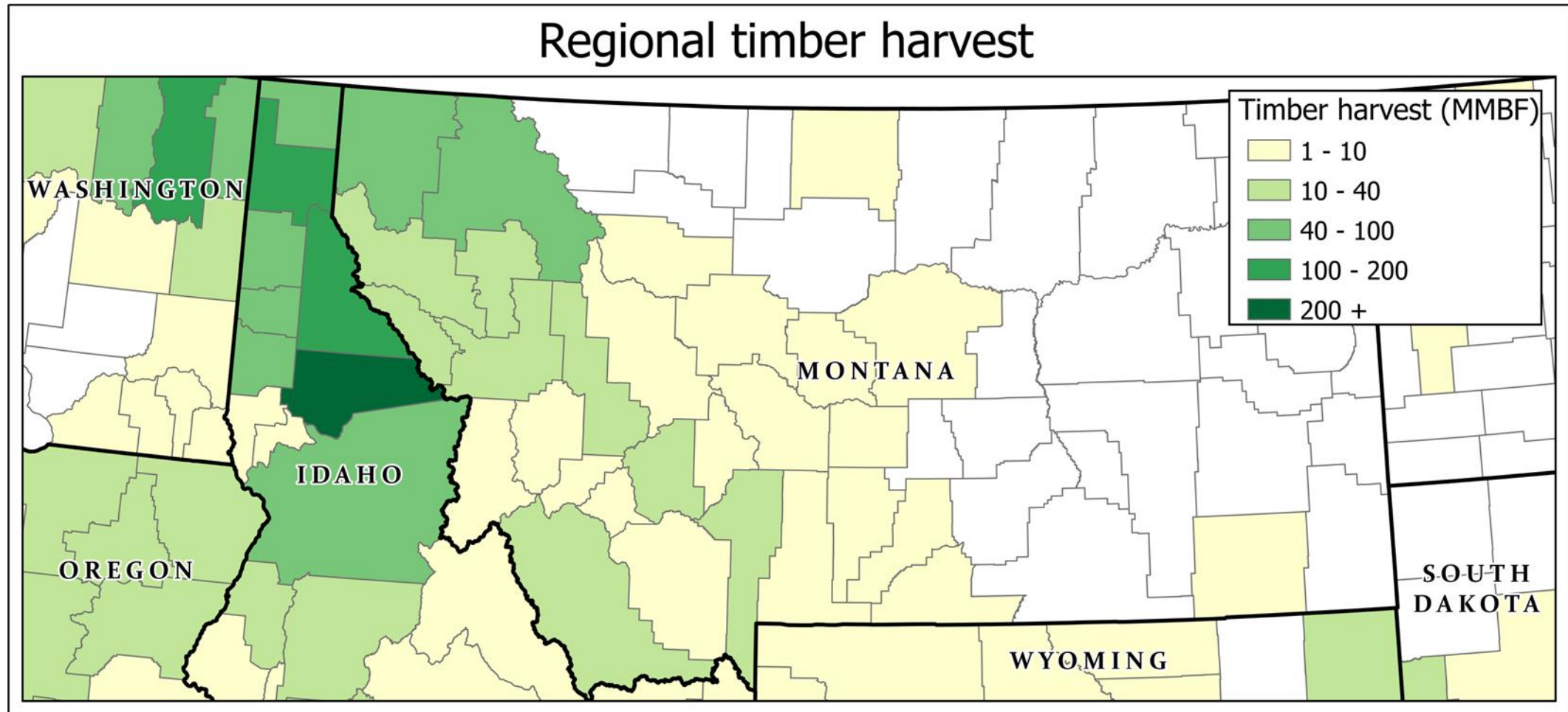- 1 - 10
- 10 - 40
- 40 - 100
- 100 - 200
- 200 +

Sources: BBER, USFS NRUMS

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Montana's Forest Products Industry

State of the Industry

Regional timber harvest and mill locations
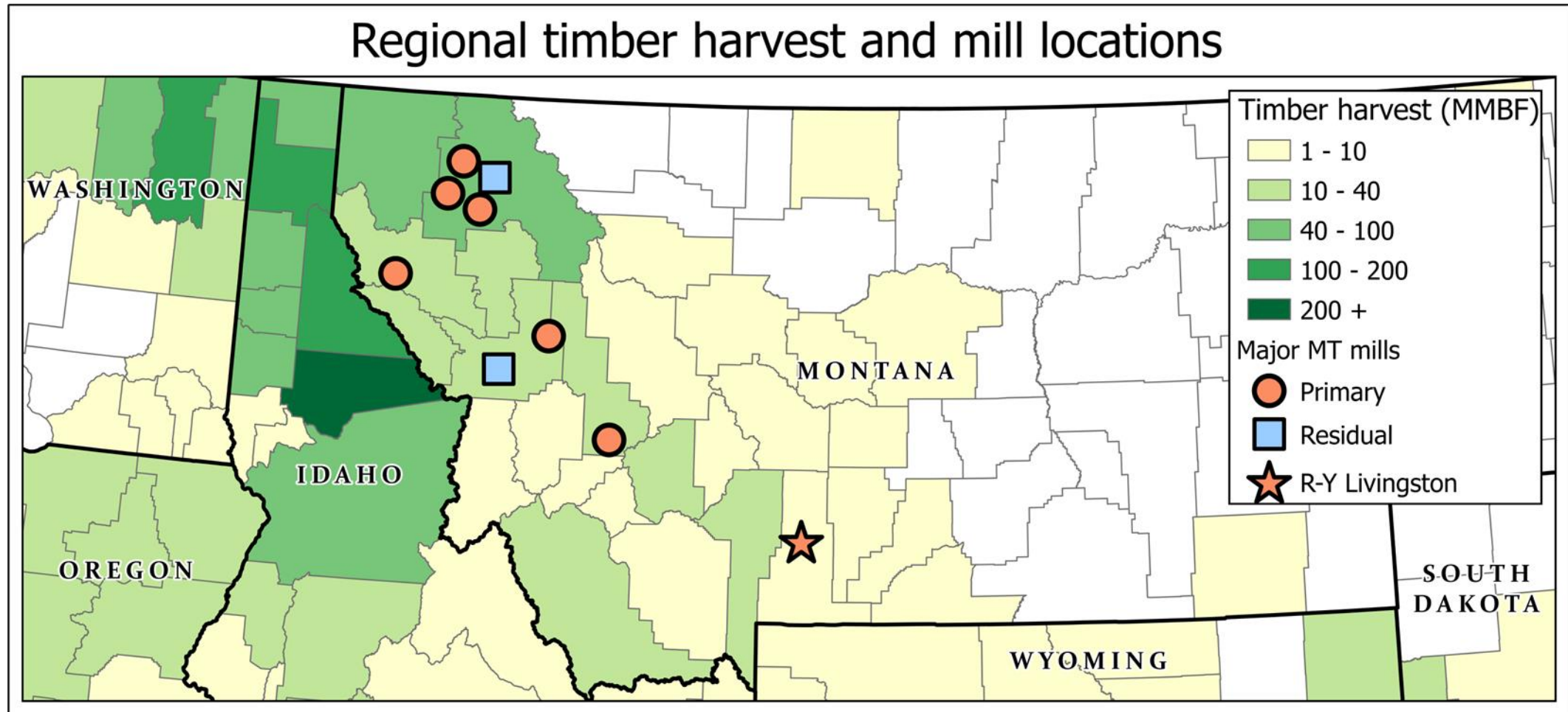
Sources: BBER, USFS NRUMS

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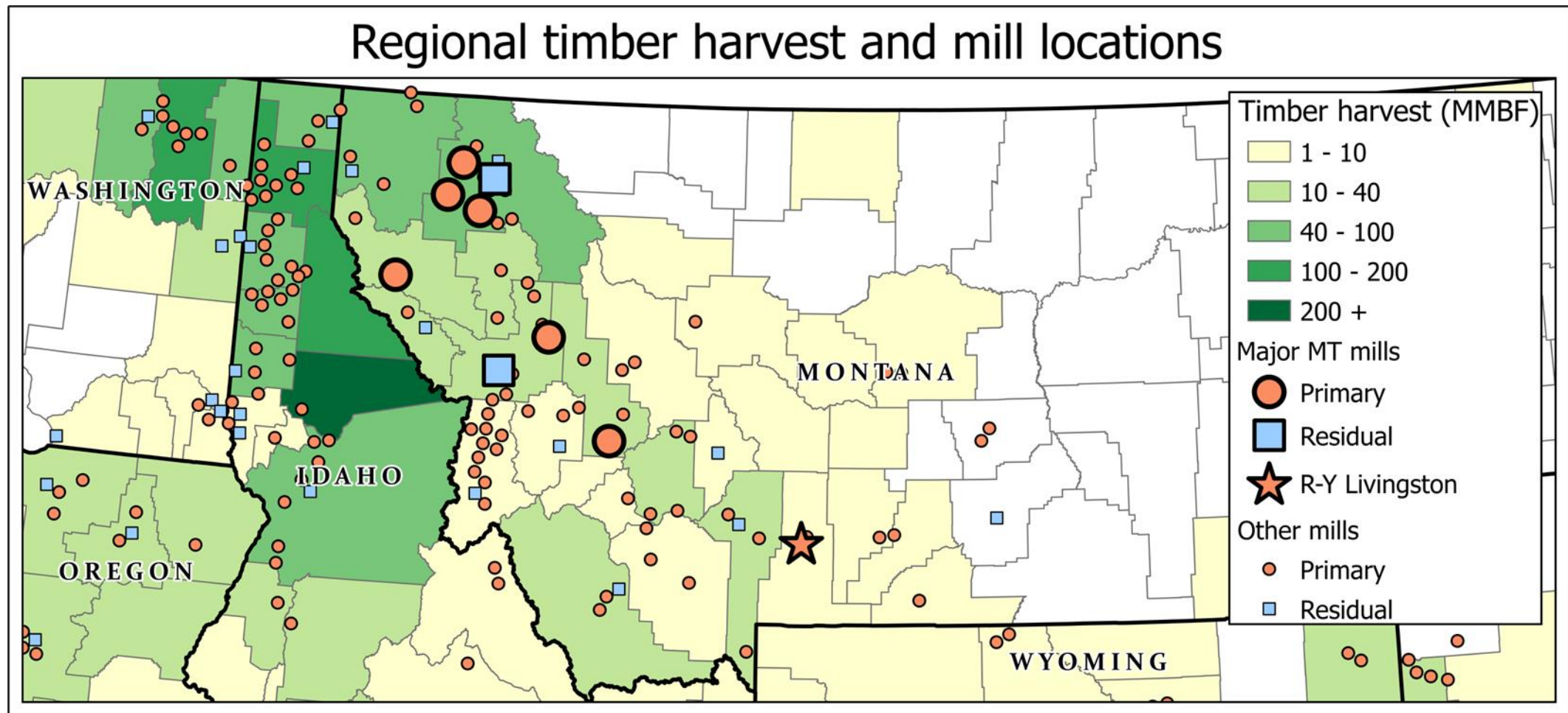Montana's Forest Products Industry

State of the Industry

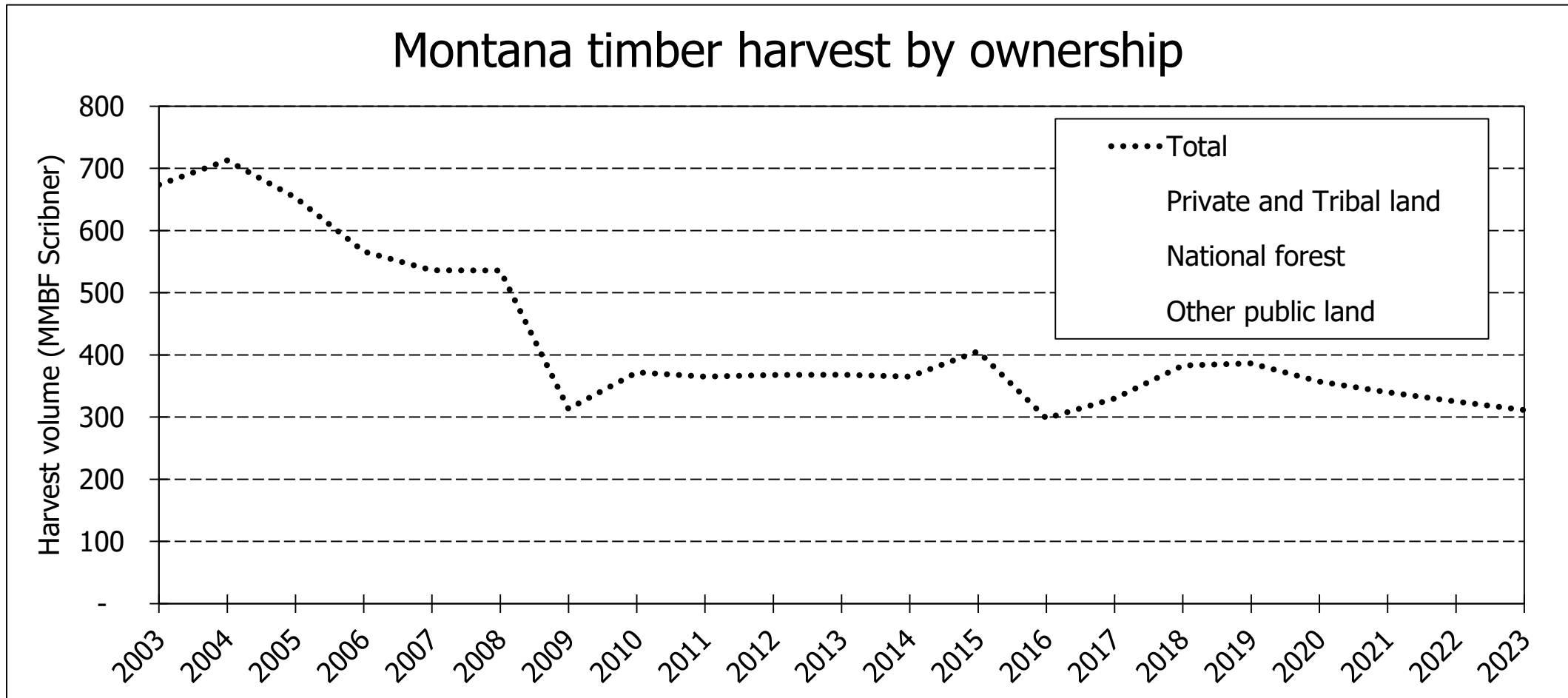
Regional timber harvest and mill locations

Sources: BBER, USFS NRUMS

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Montana's Forest Products Industry

Trends of the Industry

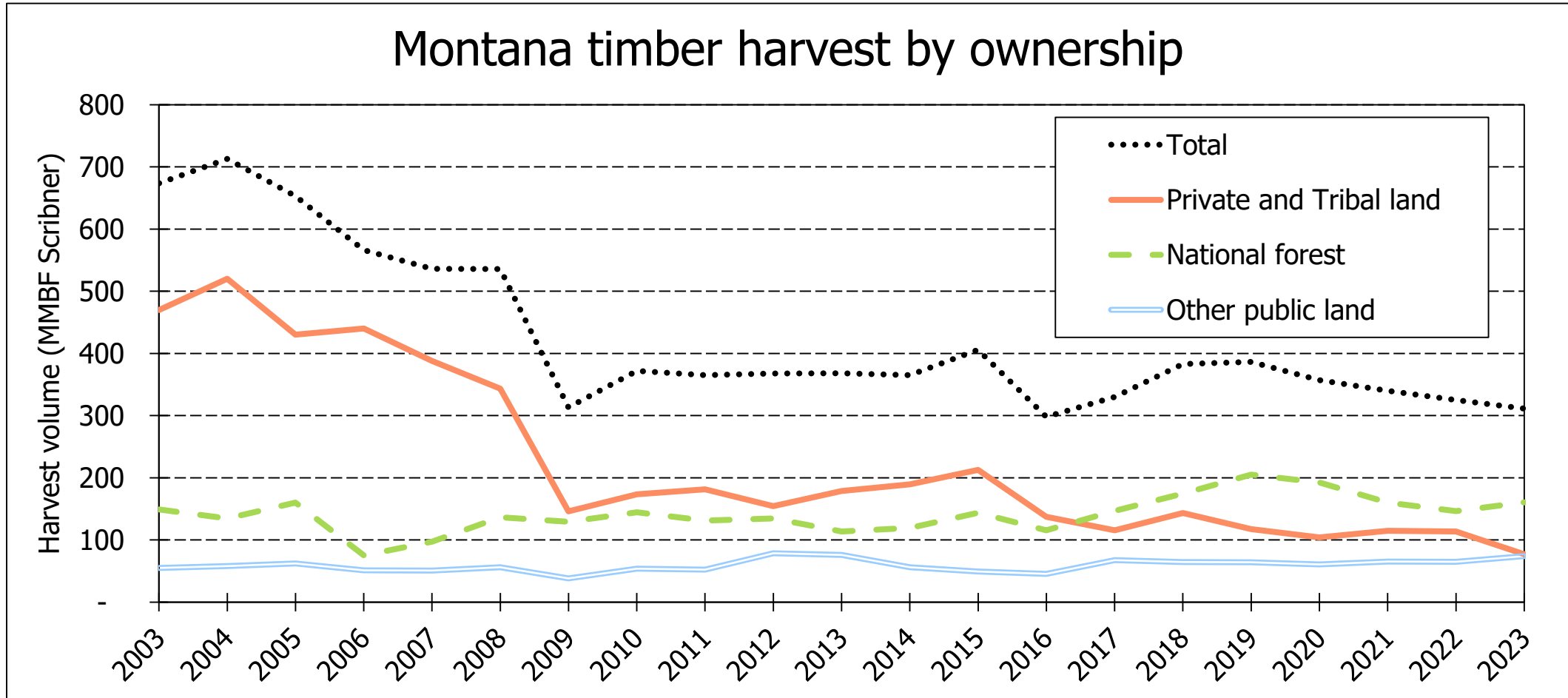Montana timber harvest by ownership

Source: BBER

*2023 estimated

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Montana's Forest Products Industry

Trends of the Industry

Montana timber harvest by ownership

Source: BBER

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Trends of the Industry

Key metrics of the Montana lumber industry

Sources: BBER, Random Lengths

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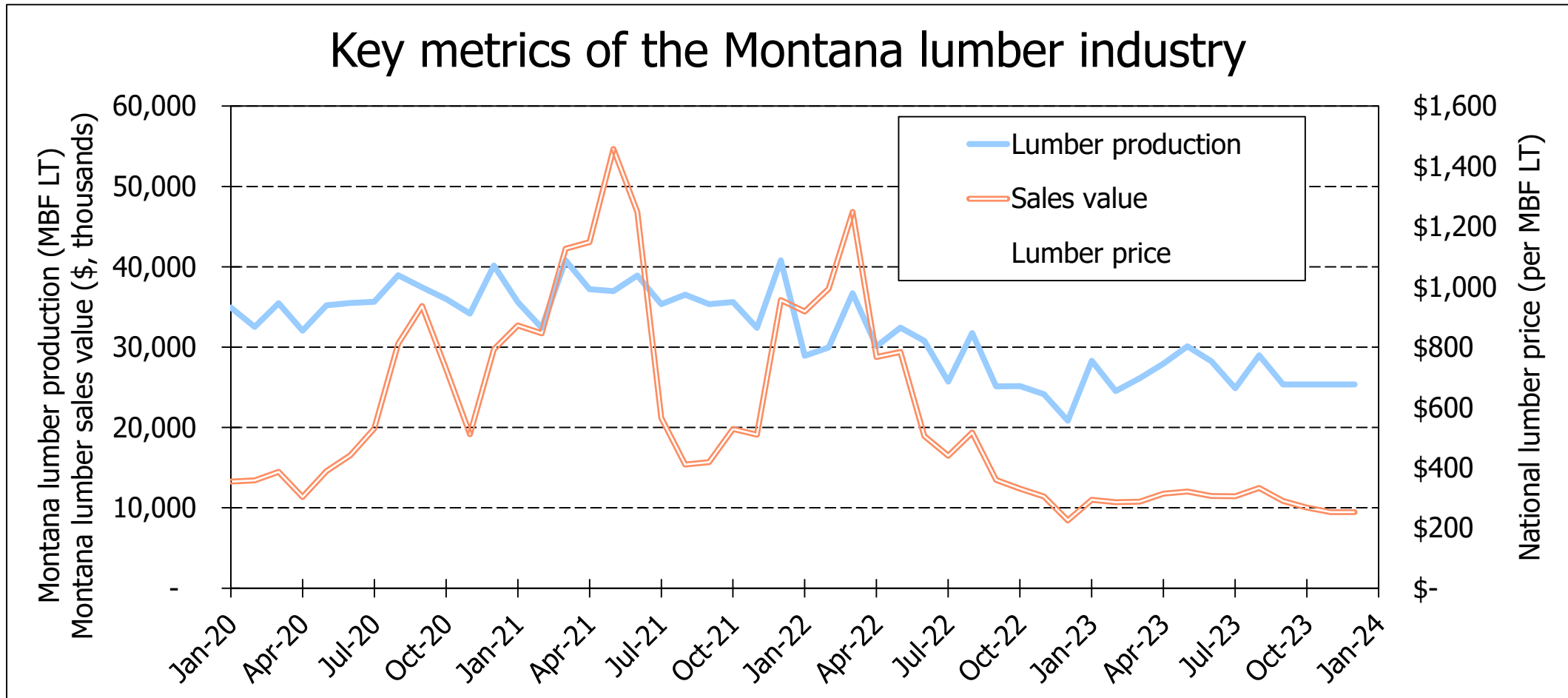Montana's Forest Products Industry

Trends of the Industry

Montana forest products industry employment

Sources: BBER, USDL BLS, USDC BEA

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Trends of the Industry

Montana forest products industry employment

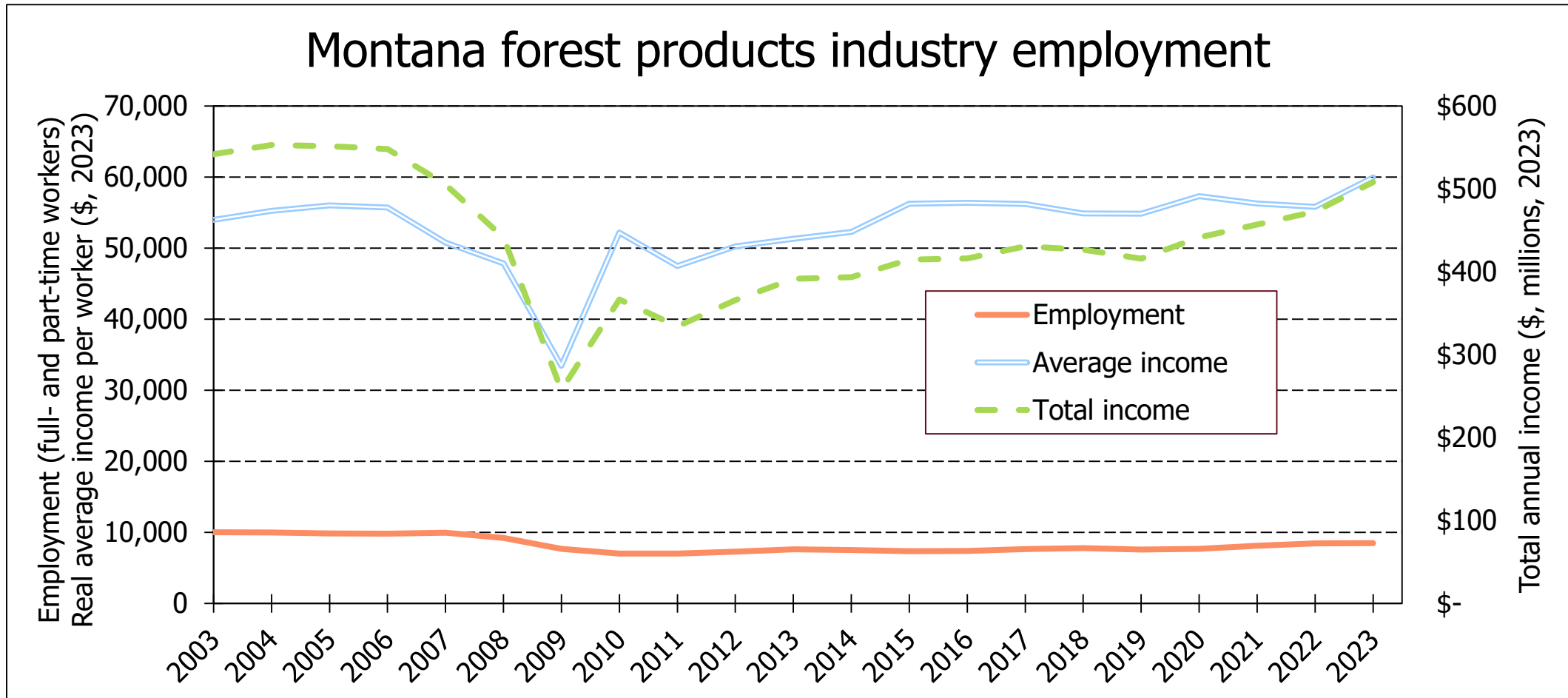Sources: BBER, USDL BLS, USDC BEA

*2023 estimated

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Montana's Forest Products Industry

Trends of the Industry

National housing sales and starts

Legend: Housing starts, New house sales, ... Mortgage rates

Y-axis (left): Privately-owned housing starts (thousands) / New one-family houses sold (thousands) — 0 to 2,000

Y-axis (right): Average 30-year fixed interest mortgage rate — 0.0% to 9.0%
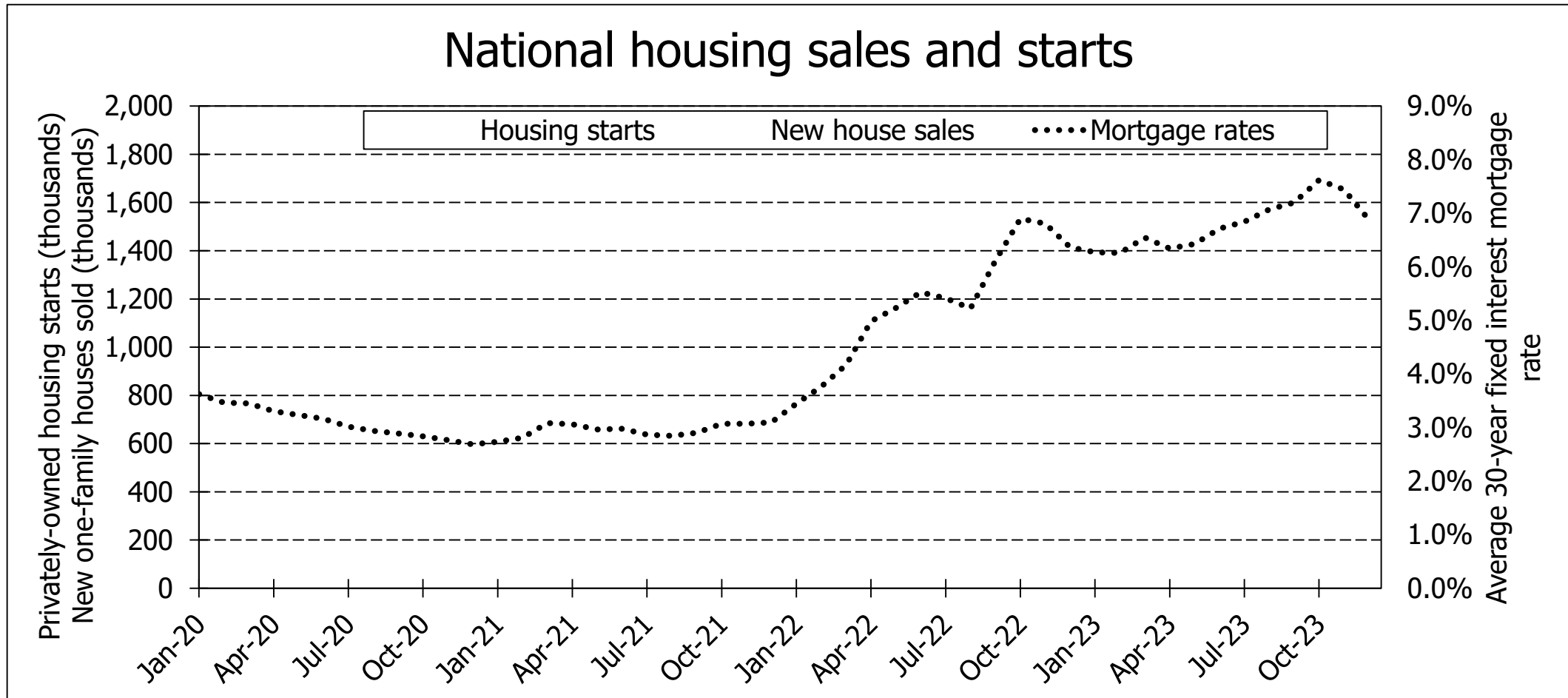
X-axis: Jan-20 through Oct-23

Sources: BBER, USCB, USHUD, Freddie Mac

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Trends of the Industry

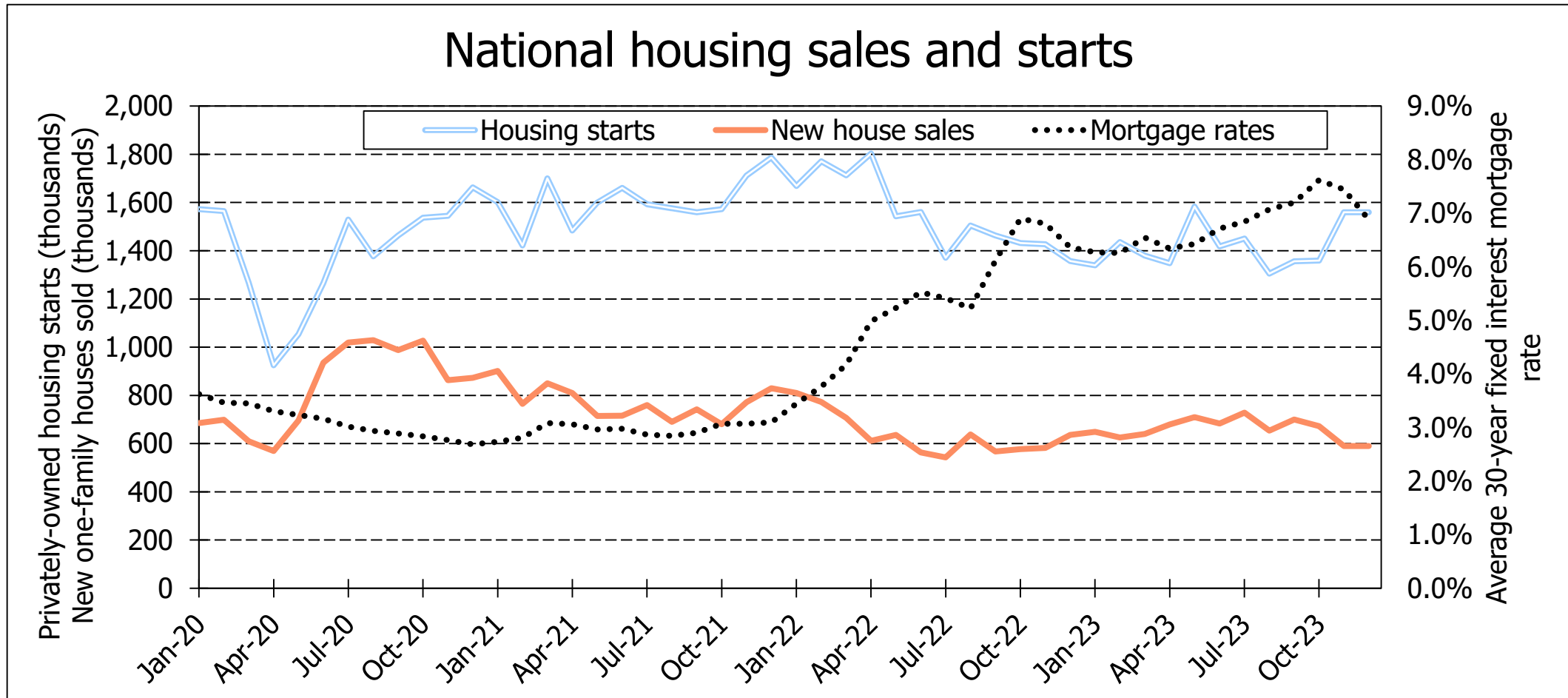## National housing sales and starts

Sources: BBER, USCB, USHUD, Freddie Mac

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Key Stats

	2003	2013	2022	2023
Timber harvest (MMBF Scribner)	674	368	325	311
Lumber production (MMBF-LT)	1,078	562	342	326
Primary sales (millions, 2023)	$1,270	$669	$639	$371
Total labor income (millions, 2023)	$542	$392	$473	$508
Private sector workers	10,033	7,631	8,470	8,479
Labor income per worker (2023)	$54,010	$51,314	$55,819	$59,952

*2023 estimated

Three Takeaways

- Industry impact is diverse and widespread

- Industry is key to managing our forests

- Housing construction is tied to interest rates, but housing supply is still low

Contact us

samuel.scott@mso.umt.edu
todd.morgan@mso.umt.edu
www.bber.umt.edu/FIR