



# MADISON'S TIMBER PREVIEW

PO Box 2486, Vancouver, BC V6B 3W7 ✦ Tel: 604-984-6838 ✦ Email: [madrep@shawcable.com](mailto:madrep@shawcable.com) ✦ Web: [www.madisonsreport.com](http://www.madisonsreport.com)

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Access to merchantable timber in the US has been a burning issue, in more ways than one, for over a decade. What amounts to a moratorium on logging of public lands has been in effect for 25 years, while at the same time government policy has been to put out all forest fires. As a result, the public forestland of the US is currently in a dangerous state of undermanagement. Not only is there a great risk of major forest fire events, but the previously-valuable timber is close to becoming unusable for sawmilling or lumber manufacturing.

Despite repeated warnings by forest professionals both within and outside the US Forest Service, the government has been reluctant to change this policy.

The gruesome death of 19 young forest firefighters in Arizona a couple of weeks ago served as a wake-up call to federal and state representatives.

US Representative Sean Duffy, R-WI, intends to submit the bill in July aimed at boosting opportunities for timber harvesting in US National Forests.

Speaking on the floor of the US House of Representatives June 28th, Seventh District Republican Duffy said there's been a dramatic drop-off in timber harvested from the public forest over the past few decades. In the 1980s and early 90s, Duffy said an average of 150 million board feet of lumber was harvested each year. Now, that number is closer to 98 million.

Duffy says that decline comes despite the recommendations of the US Forestry Service, which says 131 million board feet should be harvested from the Chequamegon-Nicolet National Forest in Wisconsin each year to keep it healthy and sustainable. The Congressman called it a waste to let a "noble resource" rot and burn.

Duffy's office says opening Wisconsin's forest to more timber harvesting could create up to 4,000 jobs and have an economic impact of more than US\$200 million for the state.

Meanwhile, Oregon Department of Forestry economist Brandon Kaetzel said Tuesday that a pick-up in the US housing market has been a boon for Oregon's timber industry. Small woodland owners increased cuts by more than 14 per cent over the past year, and harvest on Tribal lands increased by 21 per cent.

Lane County, which produces the most timber of any county in the state, saw a significant rise in harvest between 2011 and 2012. The 11.3 per cent increase was pushed largely by an uptick on private industry and Forest Service lands.

"Lane County made up a third of the total harvest that the Forest Service had for 2012," said Kaetzel to *KLCC* radio.

Oregon's timber harvest is up 36 per cent from its 2009 recession low. The state Department of Forestry says the harvest increased a third straight year to 3.75 billion board feet. The 2009 harvest was 2.75 billion board feet.

The department reported the largest increase in logging was on tribal lands, followed by private forest lands. Logging on federal, state and county lands decreased or stayed about the same as the year before.

Lane County was the biggest timber producer in western Oregon in 2012 with 590 million board feet. Klamath County was the biggest producer in eastern Oregon with 107 million board feet.

Overall, Oregon forests produced nearly 1 billion board feet more in 2012 than it did in the depths of the recession in 2009.

In related news, after more than a year of campaigning and efforts on the part of several state politicians to bring more revenue to the state in the form of increased timber harvesting of public land, the Oregon Legislature Monday passed a bill to allow struggling timber counties to use measures other than voter-approved property taxes to pay for public safety, according to *Bloomberg Business Week*. The votes Monday were 22-7 in the Senate and 49-10 in the House. Governor John Kitzhaber is expected to sign the bill.

The bill, HB 3453, would allow the governor to declare a public safety emergency and gives counties the power to impose an income tax, a tax on 911 services, or other assessments. The state would cover half the costs of public safety, and the county half. Oregon state police have already stepped up their presence in areas where sheriff's patrols have been diminished.

The bill could only be used in two counties before July 2014, presumably Curry and Josephine, the two closest to going broke, said *Daily Tidings* Monday.

While state politicians still argue for an increase in federal logging levels to boost revenues, they recognize that is a longshot, and years away if it happens.

Elsewhere, lumber production in Wyoming could be headed toward its best year since the industry hit rock bottom in 2010, when Wyoming's 12 surviving sawmills produced 55 million board feet of lumber. Contrast that with the 168 million board feet produced by Wyoming mills just 10 years earlier, in 2000.

Similarly, in Montana, prior to a series of sawmill closures starting in 2000, lumber production was averaging 1.2 billion board of timber. Since 2010, lumber production dropped to an all-time low of 374 million board feet.

In 1990, Montana forests supported 12,646 direct jobs with a payroll of roughly US\$400 million, and US\$1.2 billion in annual sales. By 2012, forest products employment dropped to roughly 6,650 workers, with a payroll of US\$295 million and US\$880 million in annual sales.

In late November 2012, US Forest Service Chief Tom Tidwell announced that timber harvesting on federal land would increase by 20 per cent over the next couple of years. Tidwell told members of Boise's City Club that the year's severe wildfire season is an example of why it's critical to restore forest health by clearing out some of the fuel that is leading to much bigger wildfires. Close to 9 million acres burned across the US last year year, much more than normal, Tidwell said, but federal scientists predict that fire seasons of 12-15 million acres will be the norm in the future.

Tidwell said at the time that about 80 million of the agency's 193 million acres need to be restored and that thinning is one of the main tools to accomplish that.

Keta Kosman  
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Madison's Lumber Reporter  
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