

Forest Products Industries' Economic Contributions: Minnesota - 2017

Minnesota has 17.6 million acres of forest land that covers 35 percent of its land base. Most of this forest land can produce commercial timber. The majority, 44 percent, is privately owned with less than 1 percent being managed by tribal nations; 39 percent is managed by state and local government; and 16 percent by the federal government. Minnesota ranks third in forest land acres among the 20 Northeast and Midwestern states, supporting a vibrant forest products industry.

Key Findings – Forest Products Industries:

- Provided 34,000 direct jobs and supported a total of 78,000 jobs in 2017.
- For each direct job in the forest products industries, 1.3 additional jobs were supported.
- Minnesota's forest products industries' total economic contribution in terms of output was \$18 billion.
- In Minnesota, Michigan, and Wisconsin, employed over 142,000 workers and had \$48 billion in direct output.

Economic Contributions:

Direct Contributions by Industry Group, 2017 (in number of jobs, and thousands of dollars)

Industry Group	Employment	Labor Income	Value-added	Output
Forestry* **	782	\$24,391	\$25,912	\$35,376
Logging*	2,495	\$54,797	\$86,138	\$140,983
Primary solid wood products	1,489	\$127,083	\$223,354	\$720,227
Secondary solid wood products	11,288	\$830,622	\$1,023,619	\$2,651,642
Wood furniture	8,575	\$468,103	\$550,837	\$1,419,961
Pulp, paper, and paperboard mills	2,542	\$270,012	\$670,335	\$2,185,705
Secondary paperboard and other paper products	6,885	\$592,342	\$998,697	\$3,349,371
Total	34,055	\$2,367,350	\$3,578,890	\$10,503,265

Total Contributions by Industry Group, 2017 (in number of jobs, and thousands of dollars)

Industry Group	Employment	Labor Income	Value-added	Output
Forestry* **	721	\$27,241	\$32,709	\$46,792
Logging*	1,144	\$31,412	\$50,007	\$83,752
Primary solid wood products	4,507	\$280,373	\$474,112	\$1,102,903
Secondary solid wood products	24,895	\$1,633,149	\$2,291,774	\$4,867,317
Wood furniture	16,265	\$919,698	\$1,252,136	\$2,665,189
Pulp, paper, and paperboard mills	11,627	\$833,013	\$1,550,964	\$3,732,687
Secondary paperboard and other paper products	19,307	\$1,373,381	\$2,242,108	\$5,538,343
Total	78,465	\$5,098,267	\$7,893,811	\$18,036,983

*Forestry and Logging are reported in this table; but most of their contributions are as indirect inputs or intermediate inputs that are used in the production in the other five industry groups – part of their jobs is included in the estimates for the other groups.

**In this summary, the forestry group includes maple syrup production.



Top Forest Products Industry Sectors in Minnesota:

Top 5 Industry Sectors by Direct Jobs

Industry Sector	Employment
Wood windows and door manufacturing	5,728
Wood kitchen cabinet and countertop manufacturing	5,711
Paperboard container manufacturing	3,685
Commercial logging	2,495
Paper bag and coated and treated paper manufacturing	2,379

Top 5 Industry Sectors by Value Added (Thousands)

Industry Sector	Value Added
Wood windows and door manufacturing	\$565,701
Paper mills	\$507,421
Paperboard container manufacturing	\$462,814
Paper bag and coated and treated paper manufacturing	\$408,557
Wood kitchen cabinet and countertop manufacturing	\$327,137

Comparison with Neighboring States:

Forest Products Industries Direct Employment in Minnesota, Michigan, and Wisconsin, 2017

Industry	Minnesota	Michigan	Wisconsin
Forestry*	782	1,321	778
Logging	2,495	4,487	5,207
Primary solid wood products	1,489	4,768	4,564
Secondary solid wood products	11,288	7,048	14,911
Wood furniture	8,575	10,837	12,071
Pulp, paper, and paperboard mills	2,542	3,186	11,233
Secondary paperboard and other paper products	6,885	9,099	19,029
Sum of Direct Contributions	34,056	40,746	67,793

*Includes maple syrup production.

Forest Products Industries in Context to other Industries:

Natural Resources and Agricultural Production Industries in Minnesota, 2017 (number of jobs, and thousands of dollars)

Manufacturing Industries	Employment	Labor Income	Value-added	Output
Forest products	34,055	\$2,367,350	\$3,578,890	\$10,503,265
Commercial fishing, hunting, and trapping	1,066	\$9,137	\$33,027	\$33,391
Mining and oil and gas production	10,476	\$574,139	\$2,534,922	\$3,854,872
Agricultural production (plant crop and animal)	93,066	\$2,913,940	\$5,324,318	\$17,953,495

Natural resources and agricultural industries significantly contribute to the diversity of economic activities reflected in Minnesota's \$361.7 billion GSP. The forest products industries provide more direct labor income, value-added, and output than commercial fishing, hunting, trapping, mining, and oil and gas production industries combined.

About this Bulletin:

This bulletin summarizes economic contributions of forest products industry in Minnesota in 2017, as part of an analysis of the 20 Northeast and Midwest states plus Nebraska supported by a U.S. Department of Agriculture Forest Service 2017 Landscape Scale Restoration Grant. Several measures of economic contribution are presented below; for more information see the full report at <http://www.northeasternforests.org>. This analysis used 2017 IMPLAN data for 32 industry sectors summarized in 7 industry groups.

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