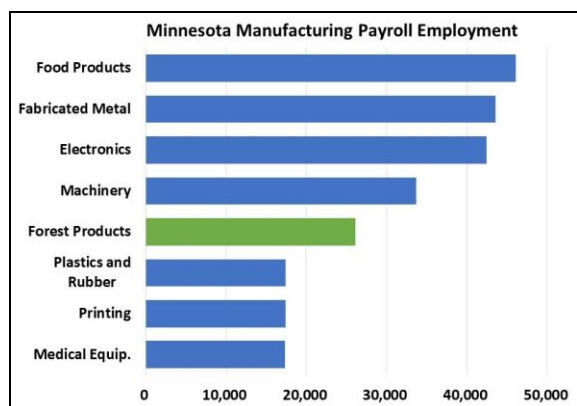


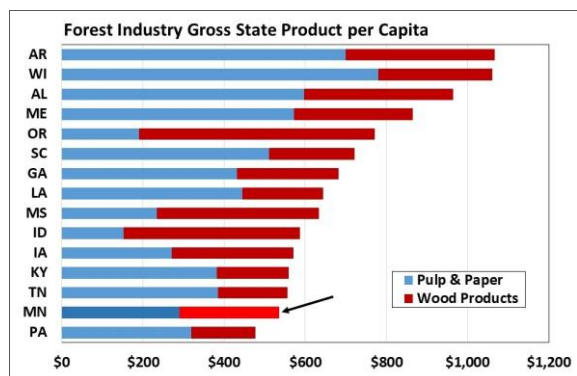
January 2023

The forest products industry is a cornerstone of the state's economy:

- ❖ **\$18.7 billion value of shipments (gross sales) effect and 8.4 percent of all manufacturing payroll employment**
- ❖ **5th largest manufacturing sector in Minnesota by payroll employment**



- ❖ **69,010 jobs total employment effect**
- ❖ **\$494 million total state & local tax payments effect**
- ❖ **14th ranked nationally in forest industry value added (Gross State Product) per capita**



Contact: Don Deckard, Ph.D., Forest Economist
Email: donald.deckard@state.mn.us
Desk: (651) 259-5287

Updated annually when value of shipments data is released.

Pulp, Paper, Oriented Strand Board (OSB) Sheathing and Siding, Pallets, Railroad Ties, Utility Poles, Cabinets, Millwork, Wood Furniture, Veneer, Specialty Products, Bio-Energy, Bio-Chemicals, Logging, and Forestry

Direct Economic Effect ¹	2021d	2020
Payroll & Self-Employed	30,005 jobs	30,045 jobs
Labor Income	\$1.9 billion	\$1.8 billion
Value of Shipments (Gross Sales)	\$10.4 billion	\$9.7 billion
Value Added (Gross State Product)	\$3.6 billion	\$3.4 billion
State Income Taxes Paid	\$118 million	\$110 million

Total Economic Effect ²	2021d	2020
Payroll & Self-Employed	69,010 jobs	69,105 jobs
Labor Income	\$4.2 billion	\$3.9 billion
Value of Shipments (Gross Sales)	\$18.7 billion	\$17.4 billion
Value Added (Gross State Product)	\$8.0 billion	\$7.4 billion
State Income Taxes Paid	\$261 million	\$242 million

Number of Facilities	2021d	2020
Primary Pulp & Paper Mills ³	3	3
Recycled Pulp & Paper Mills	3	3
Converted Paper Products	89	90
Lumber & Wood Products	337	329
Millwork & Wood Furniture	366	373

Timber Harvest (1,000s of cords) ⁴	2019-18	% Harvest
Pulpwood	2,083.4	74.0%
Sawlogs & Specialty Products	606.4	21.6%
Fuelwood	124.3	4.4%
Total	2,814.1	100.0%

Timberland (1,000s of acres) ⁵	2019	% Acres
National Forest System	1,834	11.6%
Other Federal	25	0.2%
State	3,693	23.4%
County & Local Govt.	2,486	15.7%
Private & Tribal	7,752	49.1%
Total	15,790	100.0%

Table Notes:

Abbreviations: (d) = draft, (r) = revised.

¹Data sources: Minnesota Department of Employment and Economic Development, U.S. Census, U.S. Dept. of Commerce, BEA, and U.S. EIA.

²Economic multipliers: direct, indirect, and induced effects.

³Verso Duluth paper mill closed in mid-2020 resulting in statewide pulpwood demand reduction of about 160,000 cords per year.

⁴Standard cord = 79 cubic feet of solid wood. Decorative products, e.g. spruce tops, balsam boughs, and birch bark not included.

⁵Timberland = acres capable of growing commercial forest products and not reserved from harvest. Data sources: USDA Forest Service FIA, Minnesota DNR, and Minnesota Association of County Land Commissioners.