

Forestry Sector Profile

SUMMARY

This profile is one of a series—with one profile for each major sector. Copies of the profiles can be found at: <http://www.cbe.wvu.edu/>. Follow the links to the Center of Economic and Business Research (CEBR).

In addition to agriculture and fishing, Whatcom County has a rich history in forestry and wood products. Many symbols of the local economy were based on a timber economy. Remaining symbols include the GP facility and Mt. Baker Plywood on Bellingham Bay.

As is the case with fishing and agriculture, confusion arises when people talk about employment or production in forestry. Official statistics from Washington State show that fewer than 50 people are employed in Whatcom County in forestry. This low number stems from the fact that jobs in millwork, plywood, pulp, and other related industries are counted in the manufacturing sector.

EARNINGS

Data are provided in this section to show earnings by individuals employed in forestry, as well as related manufacturing jobs and other, non-agricultural jobs in Whatcom County. As with fishing, there are very few people employed in the sector. While the earnings are attractive (*i.e.*, relatively high), there are very few people actually receiving this pay.

Earnings in Forestry—Whatcom County

Year	Forestry	Average Earnings: Dollars Per Person Per Year	
		Logging, Sawmills, and Wood Products	Non-Ag Jobs
1990	7,737	20,014	18,848
1991	7,734	21,173	19,866
1992	6,736	22,744	20,408
1993	7,508	22,963	20,735
1994	14,726	24,518	21,567
1995	16,644	25,956	22,354
1996	15,451	26,009	23,283
1997	18,821	26,550	23,909
1998	19,234	27,395	24,779
1999	30,985	28,751	25,594
2000	33,849	29,751	26,295

Source: Washington State Employment Security Department
Notes: It may be very important to note that there are very few forestry workers. Very few individuals make these relatively high wages.

NON-MARKET VALUES

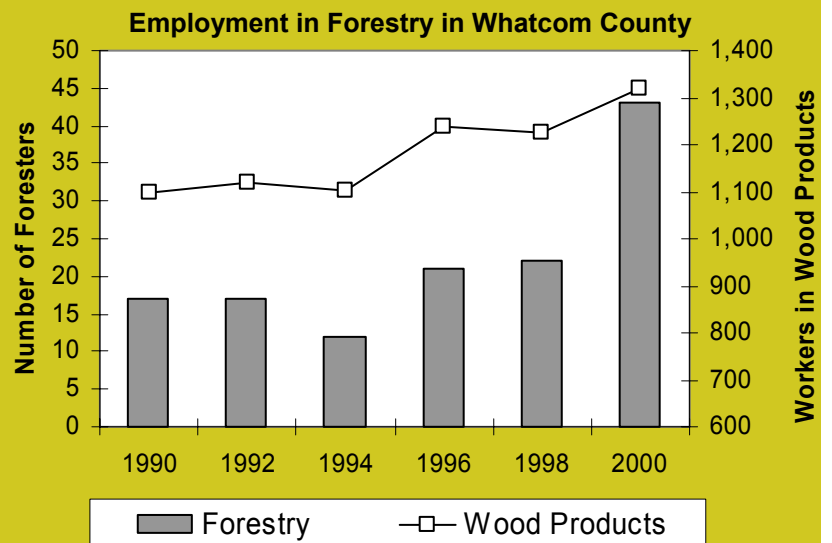
The table provides examples of non-market costs and benefits related to the local forestry industry.

Examples of Non-Market Costs and Benefits

Non-market Benefits	Non-Market Costs
Products made with native woods	Scientific values when old-growth timber is cut
Heritage and Culture	Cultural/heritage values when old-growth timber is cut
Recreation	Science and recreation values with declining habitat

EMPLOYMENT

The figure shows employment in forestry (from agriculture, fishing, and forestry) and three related subsectors of manufacturing. The related subsectors cover sawmills and planing operations, logging, and the production of selected wood products. Jobs in these manufacturing businesses might be viewed by many people as being jobs in forestry. (Just over half of the manufacturing jobs shown in the table are for millwork, plywood, and structural members. The remaining portion includes logging and sawmill operations.)



PRODUCTION

Timber harvests and lumber/wood product production is shown in Forest Service reports by forest area or Forest Service region. For example, data are available that show stumpage volumes and average values in the Mt. Baker-Snoqualmie National Forest; harvest levels on private versus public lands in Western Washington (with public lands shown by land type—Forest Service, Bureau of Land Management, state lands, and Bureau of Indian Affairs); volume of key products produced in the Seattle district; and pulp exports by district. This information is critical for the local industry, but does not give a view of activity in Whatcom County alone.

Other reports show that private lands tend to provide most of the timber harvested in Whatcom County, with harvest levels exceeding 100 million board feet in the early 1990's. Harvest levels on state lands have declined from just over 40 million board feet in 1989 to just over 20 million board feet in the early 1990's. Harvest levels on federal lands were less than 20 million board feet in the early 1990's. More recent data should be available soon from the Washington State Department of Natural Resources.

Unincorporated areas of Whatcom County—including the communities of Deming, Kendall, Maple Falls, Van Zandt, Acme, and Glacier—have significant timber economies. Small mills and logging operations operate in the area. As noted above, however, many of the jobs in the mills and related value added businesses would not be counted as forestry jobs.

The Whatcom County Comprehensive Economic Development Strategy also notes that, "Environmental restrictions on riparian areas, federal Endangered Species Act listings of spotted owl, Chinook salmon and bull trout, and state laws governing endangered species have reduced access to timber in the county. However, the impact on timber manufacturing in Whatcom County has not been as significantly affected by environmental restrictions as others areas of the state due to low reliance on publicly-owned timber lands."