

Forest Products Industries' Economic Contributions: Michigan - 2017

Michigan has 20.3 million acres of forest land that cover 56 percent of its land base, and most of this forest land can produce commercial timber. The majority, 62 percent, is privately owned; about 23 percent is managed by state and local government, and 15 percent by the federal government. Michigan ranks 1st in forest land acres among the 20 Northeast and Midwestern area states. These forests support a vibrant forest products industry.

Key Findings – Forest Products Industries:

- Provided almost 41,000 direct jobs and supported a total of almost 91,000 jobs in 2017.
- Provided more direct labor income, value-added, and output than: commercial fishing, hunting, and trapping; mining and oil and gas production; and agricultural production industries (plant crop and animal farming).
- Accounted for 5 percent of Michigan's direct manufacturing jobs, and 6 percent of non-food manufacturing jobs.
- In Michigan, Wisconsin, and Minnesota, 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* **	1,321	\$38,420	\$44,745	\$62,158
Logging*	4,487	\$159,122	\$182,134	\$280,775
Primary solid wood products	4,768	\$321,264	\$392,651	\$1,689,171
Secondary solid wood products	7,048	\$444,056	\$490,191	\$1,420,592
Wood furniture	10,837	\$737,746	\$919,632	\$2,239,587
Pulp, paper, and paperboard mills	3,186	\$334,981	\$591,328	\$2,493,853
Secondary paperboard and other paper products	9,099	\$639,396	\$848,708	\$3,996,111
Total	40,746	\$2,674,985	\$3,469,389	\$12,182,247

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

Industry Group	Employment	Labor Income	Value-added	Output
Forestry* **	1,006	\$39,924	\$45,601	\$68,754
Logging*	1,360	\$50,753	\$66,245	\$106,630
Primary solid wood products	13,650	\$762,121	\$1,098,788	\$2,792,150
Secondary solid wood products	14,888	\$859,091	\$1,145,163	\$2,609,545
Wood furniture	22,207	\$1,340,506	\$1,888,220	\$4,008,738
Pulp, paper, and paperboard mills	14,008	\$946,096	\$1,549,503	\$4,202,047
Secondary paperboard and other paper products	24,058	\$1,483,728	\$2,193,724	\$6,408,302
Total	91,176	\$5,477,204	\$7,987,222	\$20,196,166

*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 Industries in Michigan:

Top 5 Industry Sectors by Direct Jobs

Industry Sector	Employment
Paperboard container manufacturing	6,972
Commercial logging	4,487
Wood office furniture manufacturing	4,474
Sawmills	2,583
Paper mills	2,263

Top 5 Industry Sectors by Value Added (Thousands)

Industry Sector	Value Added
Paperboard container manufacturing	\$622,084
Wood office furniture manufacturing	\$485,223
Paper mills	\$440,688
Commercial logging	\$182,134
Sawmills	\$164,179

Comparison with Neighboring States:

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

Industry	Michigan	Wisconsin	Minnesota
Forestry*	1,321	778	782
Logging	4,487	5,207	2,495
Primary solid wood products	4,768	4,564	1,489
Secondary solid wood products	7,048	14,911	11,288
Wood furniture	10,837	12,071	8,575
Pulp, paper, and paperboard mills	3,186	11,233	2,542
Secondary paperboard and other paper products	9,099	19,029	6,885
Sum of Direct Contributions	40,746	67,793	34,055

*Includes maple syrup production.

Forest Products Industries in Context to other Industries:

Natural Resources and Agricultural Production Industries in Michigan, 2017

Manufacturing Industries	Employment	Labor Income (Thousands)	Value-added (Thousands)	Output (Thousands)
Forest products	40,746	\$2,674,987	\$3,481,716	\$12,182,249
Commercial fishing, hunting, and trapping	1,152	\$7,325	\$51,774	\$52,329
Mining and oil and gas production	20,087	\$827,114	\$2,485,183	\$4,133,628
Agricultural production (plant crop and animal)	87,073	\$1,588,824	\$2,949,105	\$8,196,106

About this Bulletin:

This bulletin summarizes the economic contributions of forest products industry in Michigan 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.

Nondiscrimination Statement

This institution is an equal opportunity provider.