

# Forest Products Industries' Economic Contributions: Vermont - 2017

Vermont has 4.5 million acres of forest land that cover 76 percent of its land base, and most of this forest land can produce commercial timber. The majority, 79 percent, is privately owned; about 10 percent is managed by state and local government, and 11 percent by the federal government. These forests support a vibrant forest products industry.

## Key Findings – Vermont's Forest & Wood Products Industries:

- Provided more than 9,100 direct jobs and supported total employment of 13,800 jobs in 2017.
- Provided more direct labor income, value-added, and output than agricultural production industries (plant crop and animal).
- Accounted for 12 percent of Vermont's direct manufacturing jobs, and 5.7 percent of non-food manufacturing jobs.
- Contributed to a regional (VT, NH, MA & ME) forest product economy which included 95,500 workers and accounted for almost \$27 billion in direct output.

## Economic Contributions:

Contributions can be viewed in terms of value-added (Gross State Product or GSP), output (sales), employment, and/or labor income. Value-added is a commonly used and conservative measure of economic contributions of an industry. Value-added is the difference between an industry's output or sales and the costs of intermediate inputs. When a sawmill sells a board, the value of the log and other inputs is not counted in value-added because they were counted when produced by loggers and others. Thus, only new additions to value (e.g., labor income, etc.) are included. Labor income is the major component of value-added and includes employee compensation and proprietor income. Another measure of economic contribution is industry output or sales. For example, if a log is sold to a sawmill that sells boards, both sales are counted as part of the overall region's sales or output—they are important economic activities. Employment includes both full- and part-time jobs; there can be overlap in the number of part-time jobs across sectors.

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

Industry Group	Employment*	Labor Income	Value-added (Gross State Product)	Output (Sales)
Forestry**	3,342	\$34,873	\$43,968	\$75,732
Logging	1,737	\$50,332	\$52,799	\$90,979
Primary solid wood products	941	\$47,374	\$79,769	\$305,966
Secondary solid wood products	1,053	\$45,676	\$75,042	\$217,960
Wood furniture	1,318	\$58,983	\$57,502	\$173,733
Pulp, paper, and paperboard mills	641	\$49,841	\$78,548	\$474,397
Secondary paperboard and other paper products	76	\$4,393	\$5,779	\$32,082
<b>Total Direct Contributions</b>	<b>9,107</b>	<b>\$291,472</b>	<b>\$393,406</b>	<b>\$1,370,850</b>
<b>Total Contributions with Multipliers</b>	<b>13,816</b>	<b>\$521,860</b>	<b>\$770,800</b>	<b>\$2,057,036</b>

\*Full- and part-time jobs

\*\*Includes maple syrup production. See full report for details.



## Top Forest Products Industries in Vermont:

### Top 5 Industry Sectors by Direct Jobs\*

Industry Sector	Employment
Commercial logging	1,737
Non-upholstered wood household furniture manufacturing	869
Sawmills	638
Support activities for forestry	638
Paperboard mills	410

### Top 5 Industry Sectors by Value Added (Thousands)

Industry Sector	Value Added
Commercial logging	\$52,799
Paperboard mills	\$50,112
Sawmills	\$38,964
Non-upholstered wood household furniture manufacturing	\$37,627
Paper mills	\$28,436

## Comparison with Neighboring States:

### Forest Products Industries Direct Employment in Vermont, New Hampshire, Massachusetts, New York, and Maine, 2017

Industry	Vermont	New Hampshire	Massachusetts	New York	Maine
Forestry*	705	526	660	383	1,759
Logging	1,737	1,732	835	4,013	5,052
Primary solid wood products	941	1,107	300	2,861	2,986
Secondary solid wood products	1,053	1,170	2,790	7,113	2,484
Wood furniture	1,318	1,181	3,195	11,791	1,590
Pulp, paper, and paperboard mills	641	389	1,845	4,898	3,137
Secondary paperboard and other paper products	76	460	6,087	10,689	1,312
<b>Sum of Direct Contributions</b>	<b>6,470</b>	<b>6,565</b>	<b>15,713</b>	<b>41,749</b>	<b>18,320</b>

\*Excludes maple syrup production.

## Forest Products Industries in Context to other Industries:

### Direct Contributions of Natural Resources and Agricultural Production Industries in Vermont, 2017

Industry	Employment	Labor Income (Thousands)	Value-added (Thousands)	Output (Thousands)
Forest & wood products*	6,470	\$ 274,291	\$ 367,499	\$ 1,317,390
Commercial fishing, hunting, and trapping	72	\$123	\$460	\$564
Mining, and oil and gas production**	1,190	\$48,502	\$299,698	\$396,414
Agricultural production (plant crop and animal)	9,860	\$151,487	\$304,909	\$884,188

\*Excludes maple syrup production.

\*\*Quarrying, mining, and petroleum/coal manufacturing

## About this Bulletin:

This bulletin summarizes the economic contributions of forest products industries' in Vermont 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. For more information, see the full report at [northeasternforests.org](http://northeasternforests.org). This analysis used 2017 IMPLAN data for 32 industry sectors summarized in 7 industry groups.

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