

# Montana Manufacturing and Forestry Update

## 2026 Economic Outlook Seminar

**Samuel Scott**

**Forest Economist**

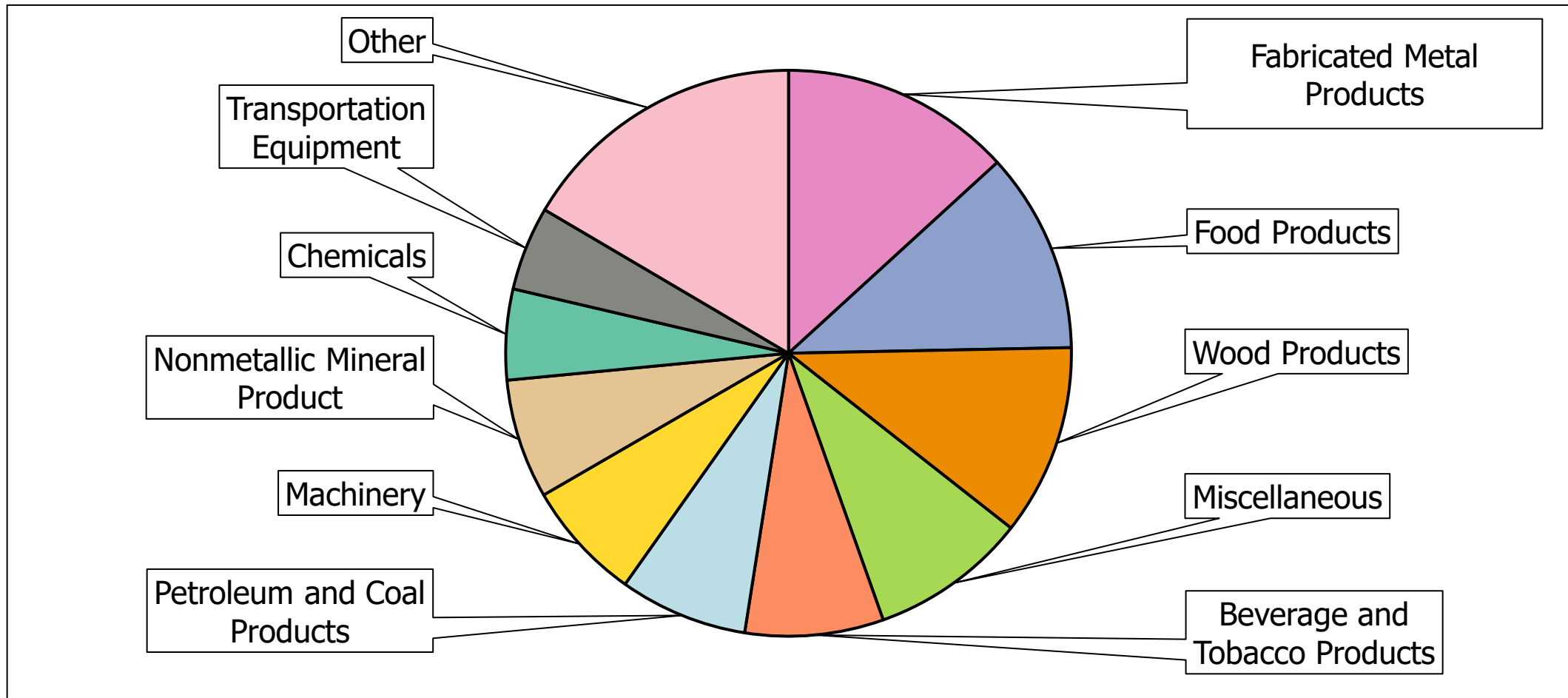
**Bureau of Business and Economic Research**



**FOREST INDUSTRY  
RESEARCH PROGRAM**  
UNIVERSITY OF MONTANA

Manufacturing Update – S. Scott

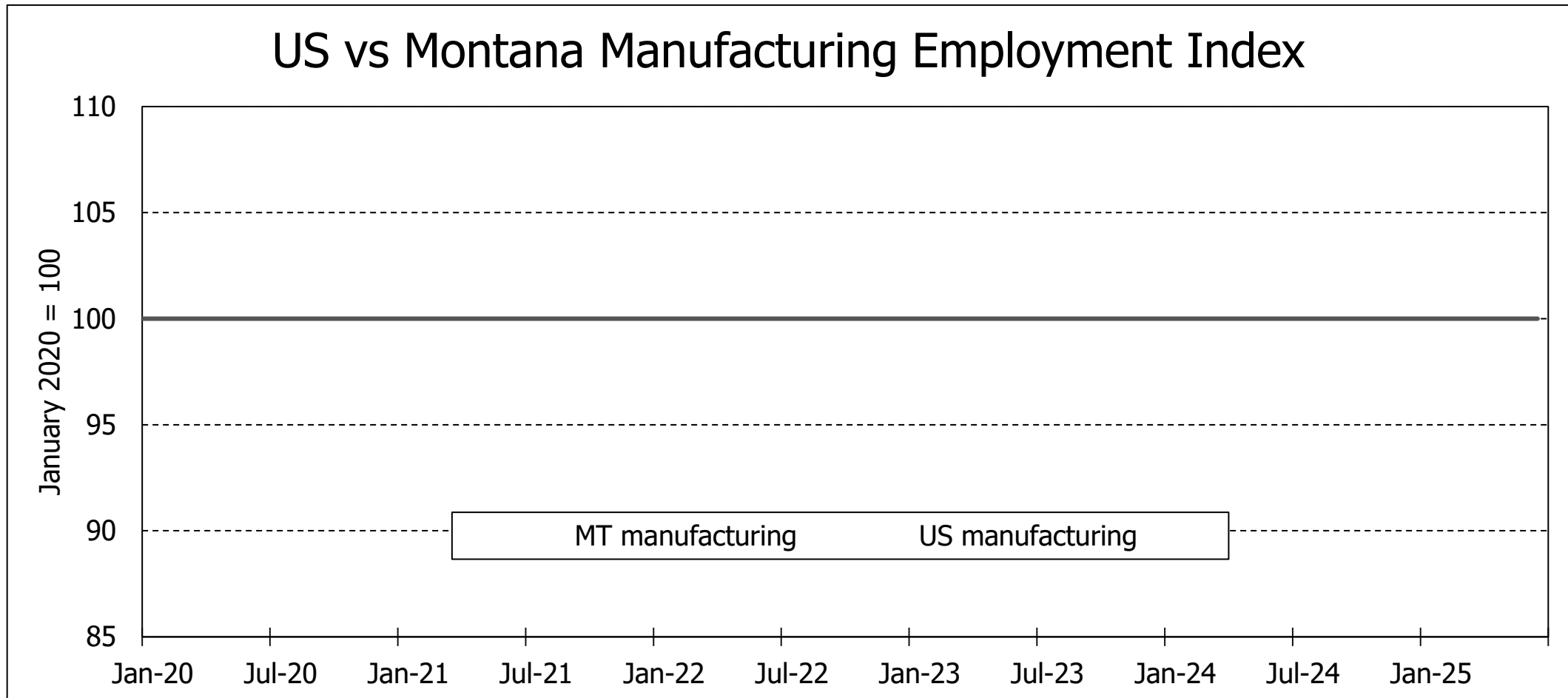
# Total Manufacturing Employment



Source: US Bureau of Labor Statistics QCEW



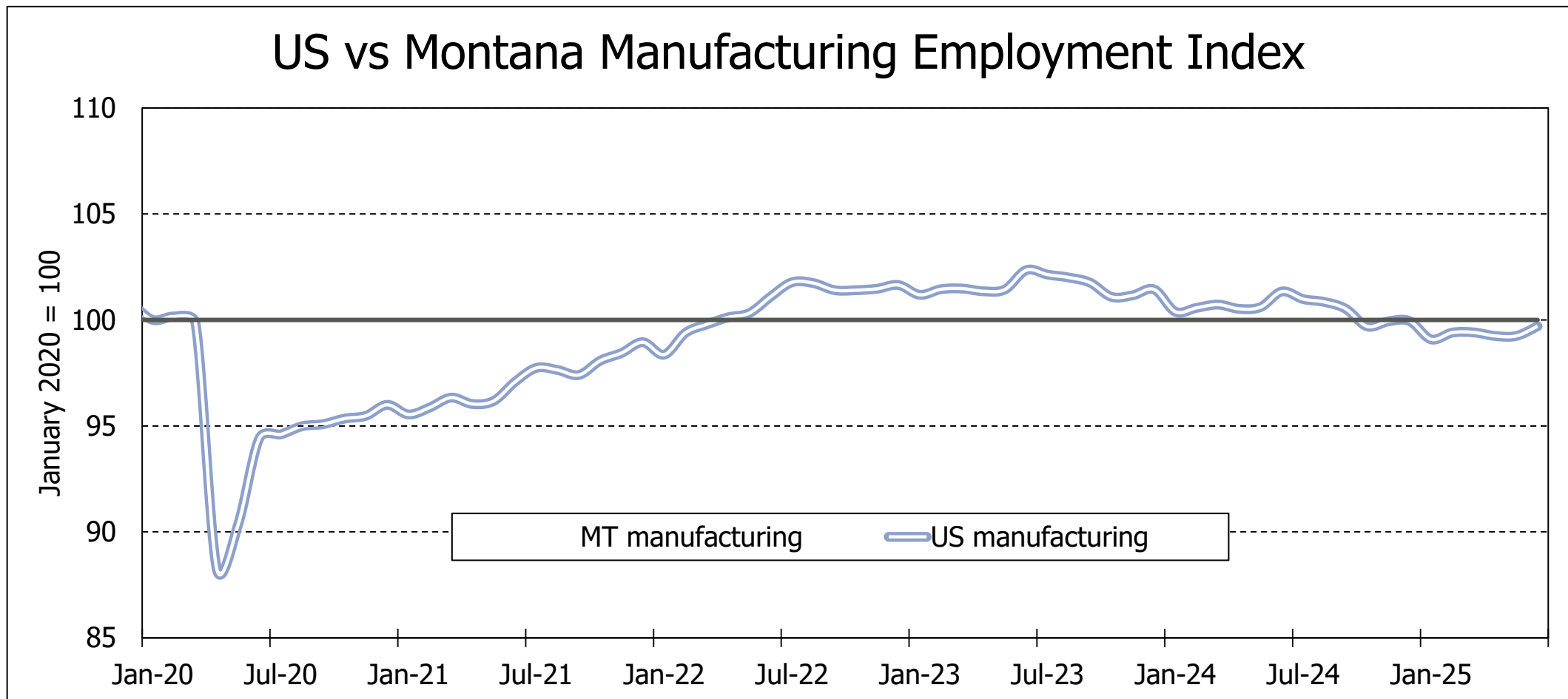
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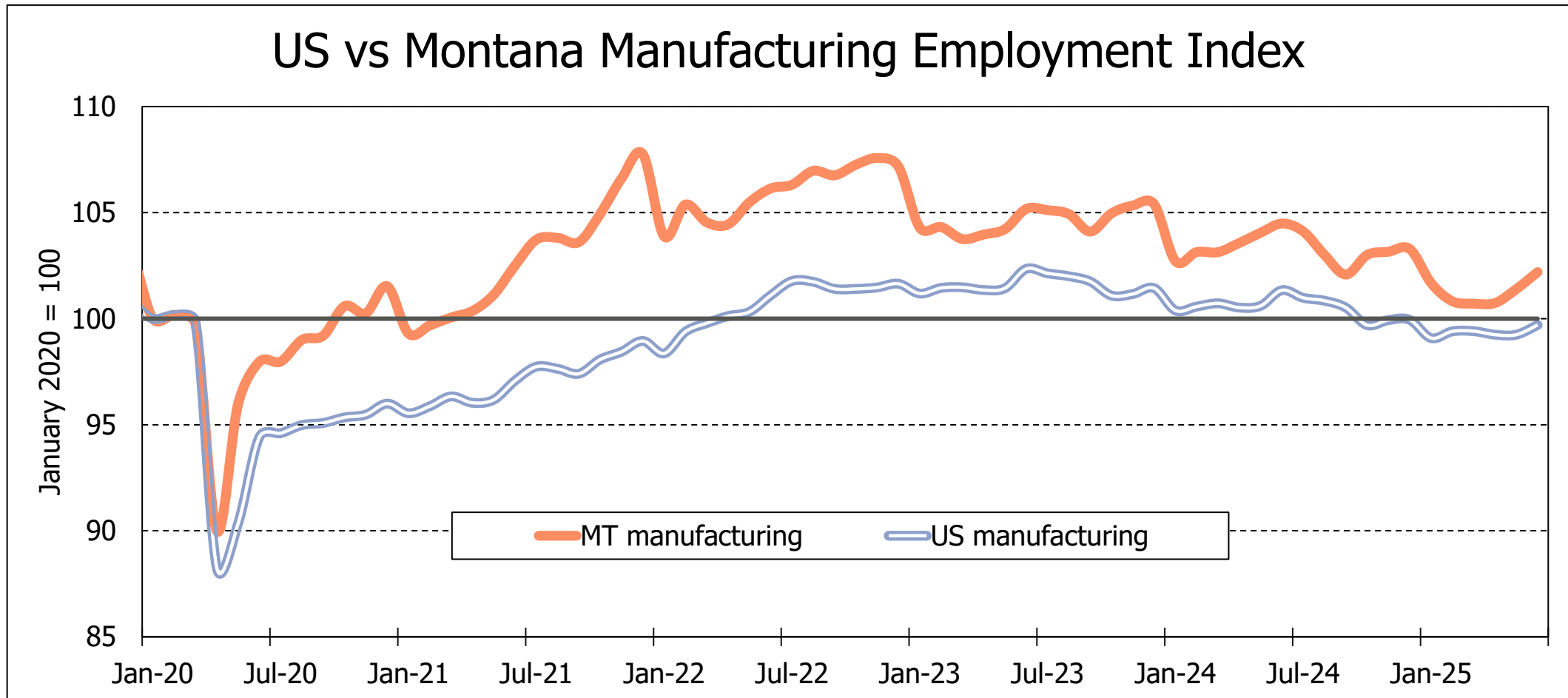
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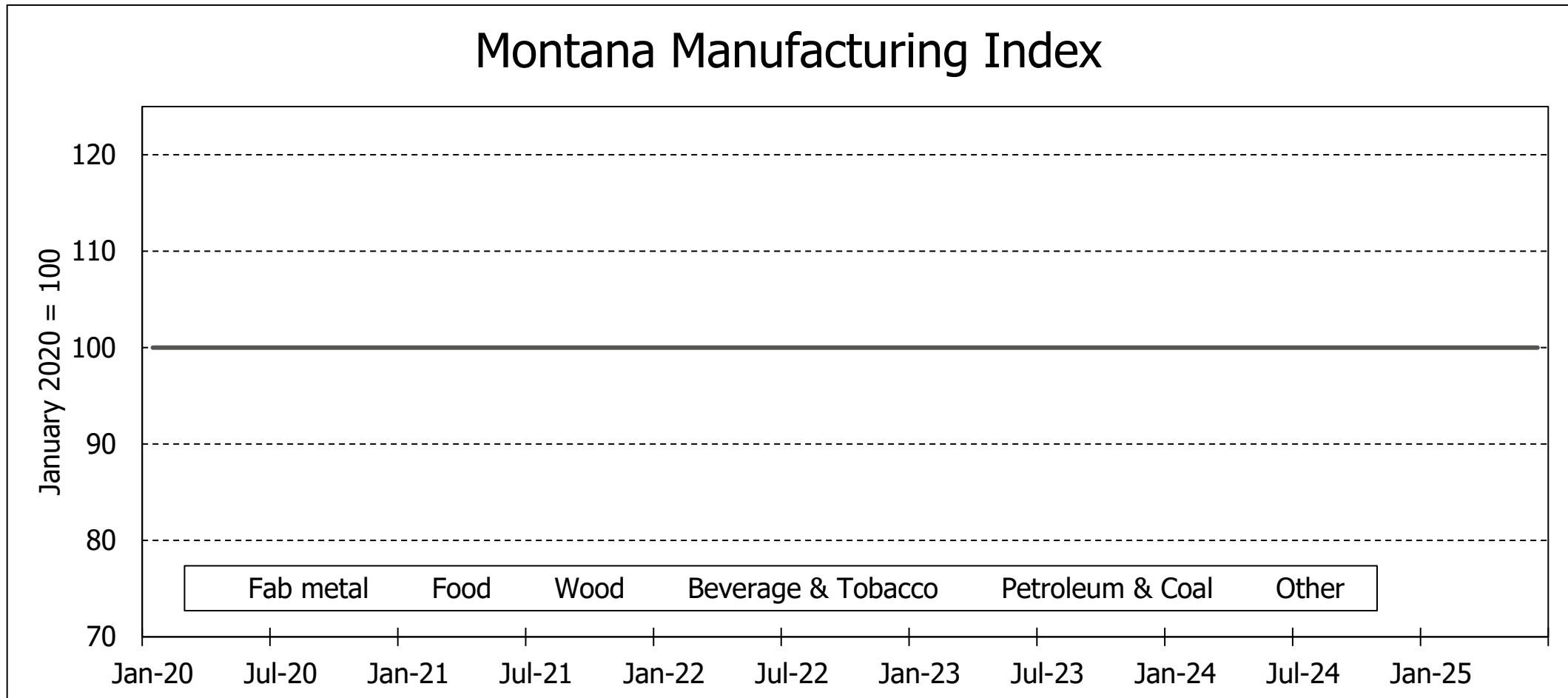
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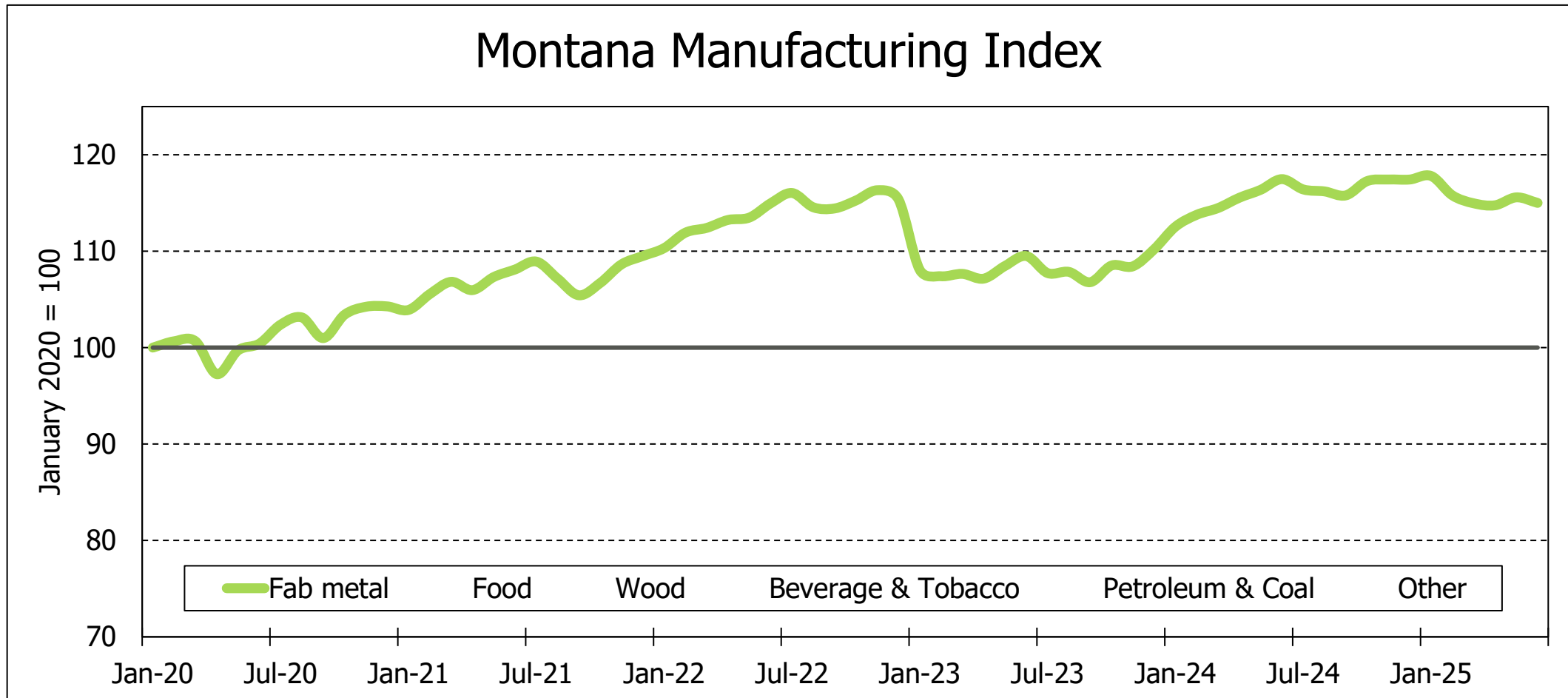
# Statewide Manufacturing Sectors



Source: US Bureau of Labor Statistics QCEW



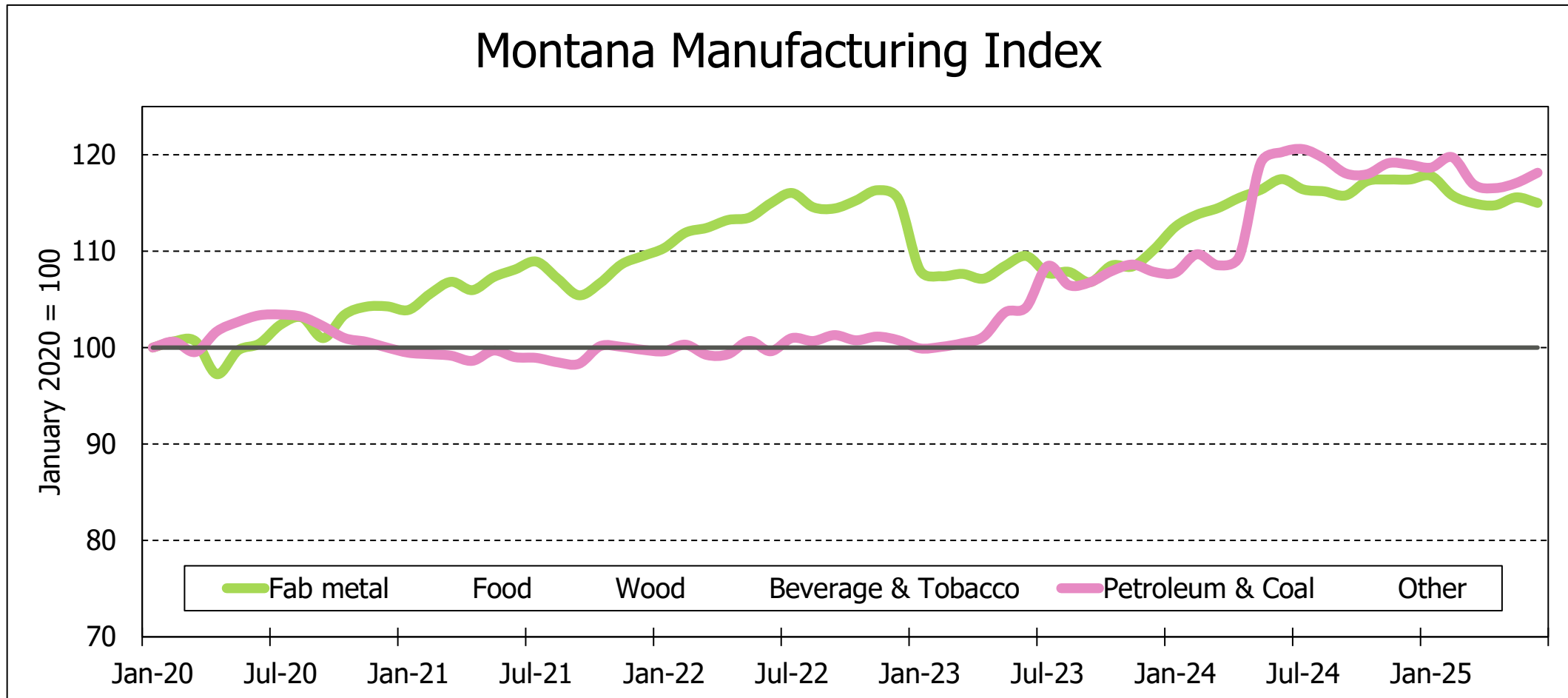
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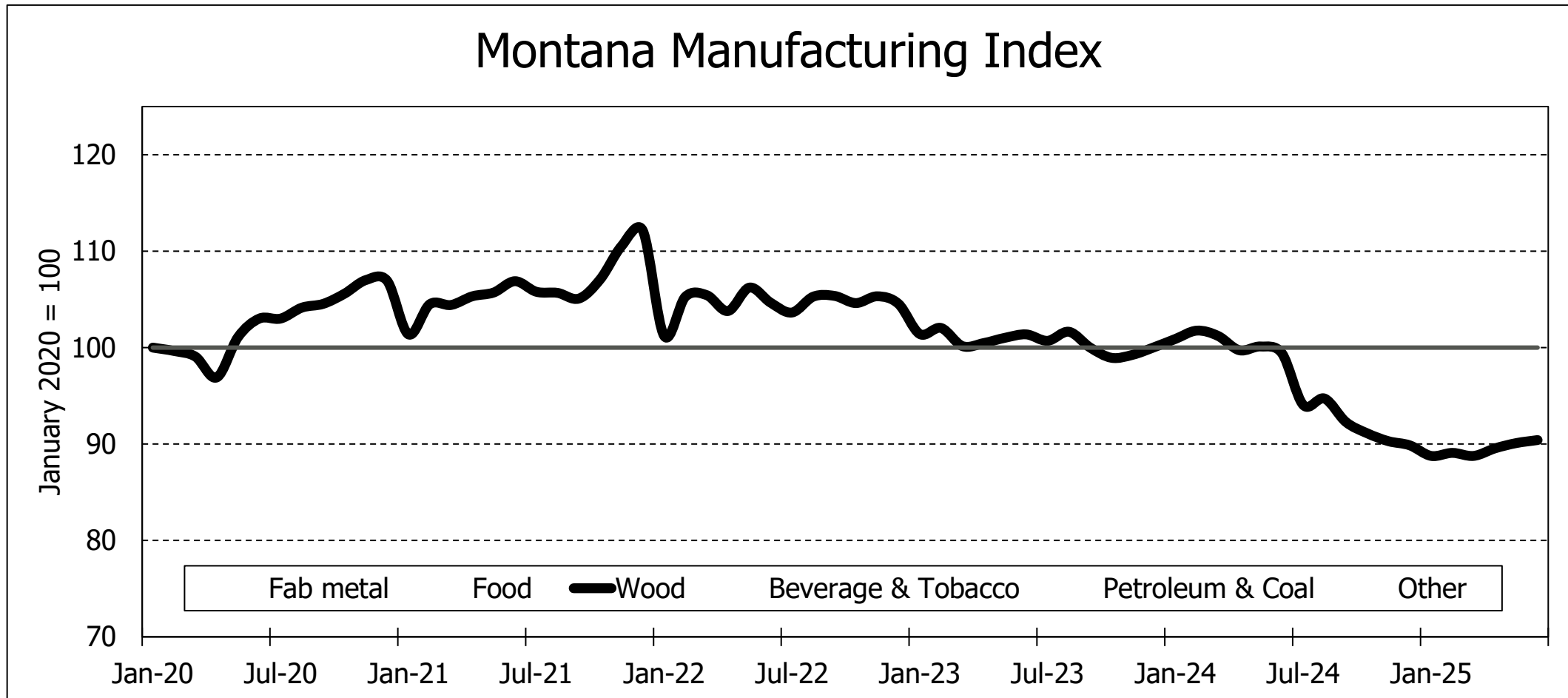
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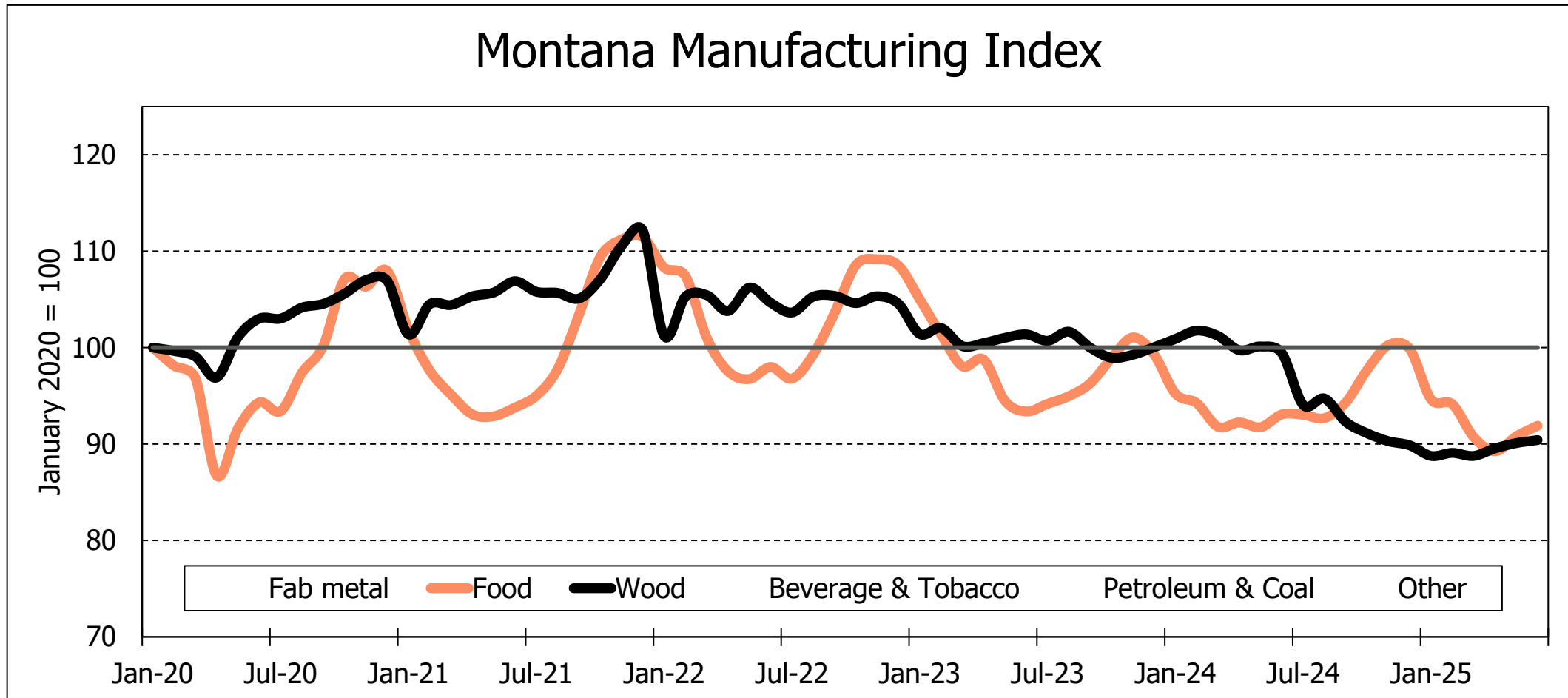
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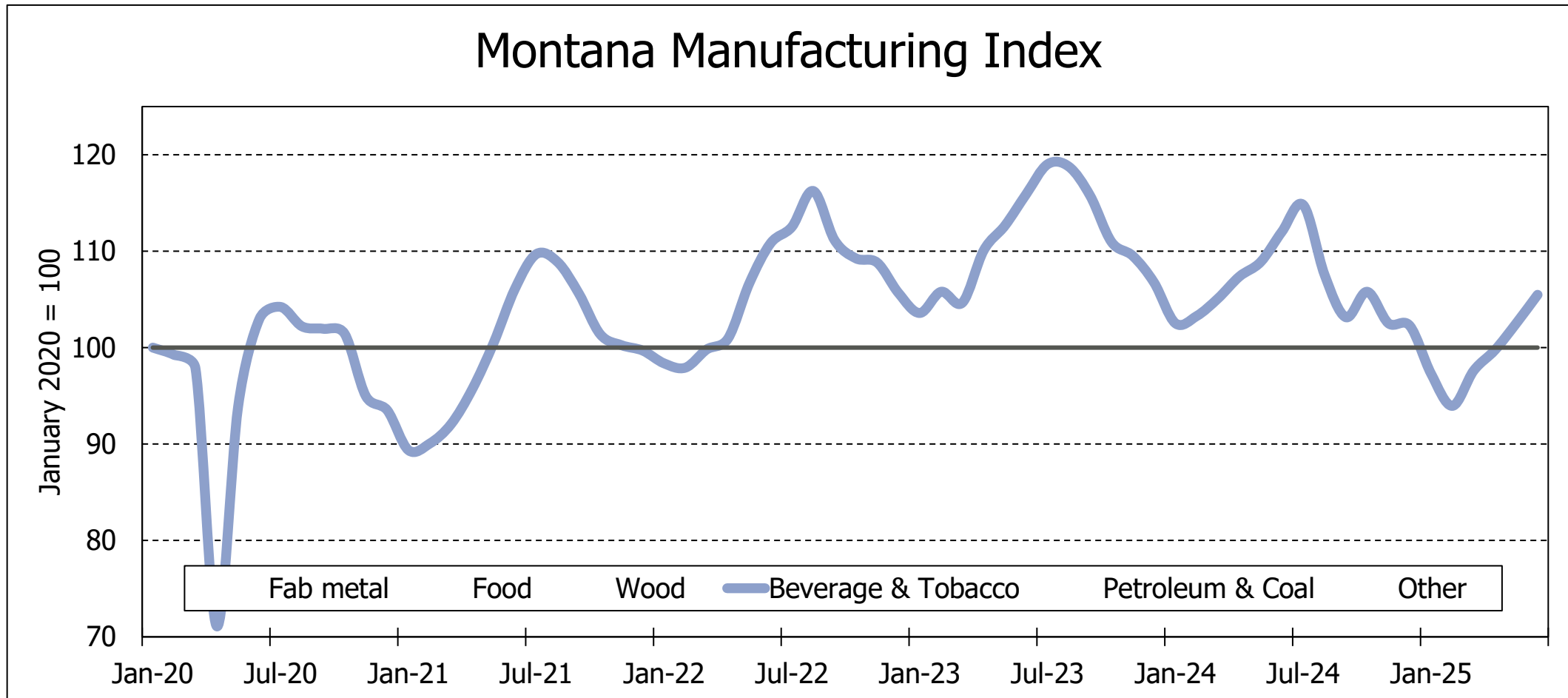
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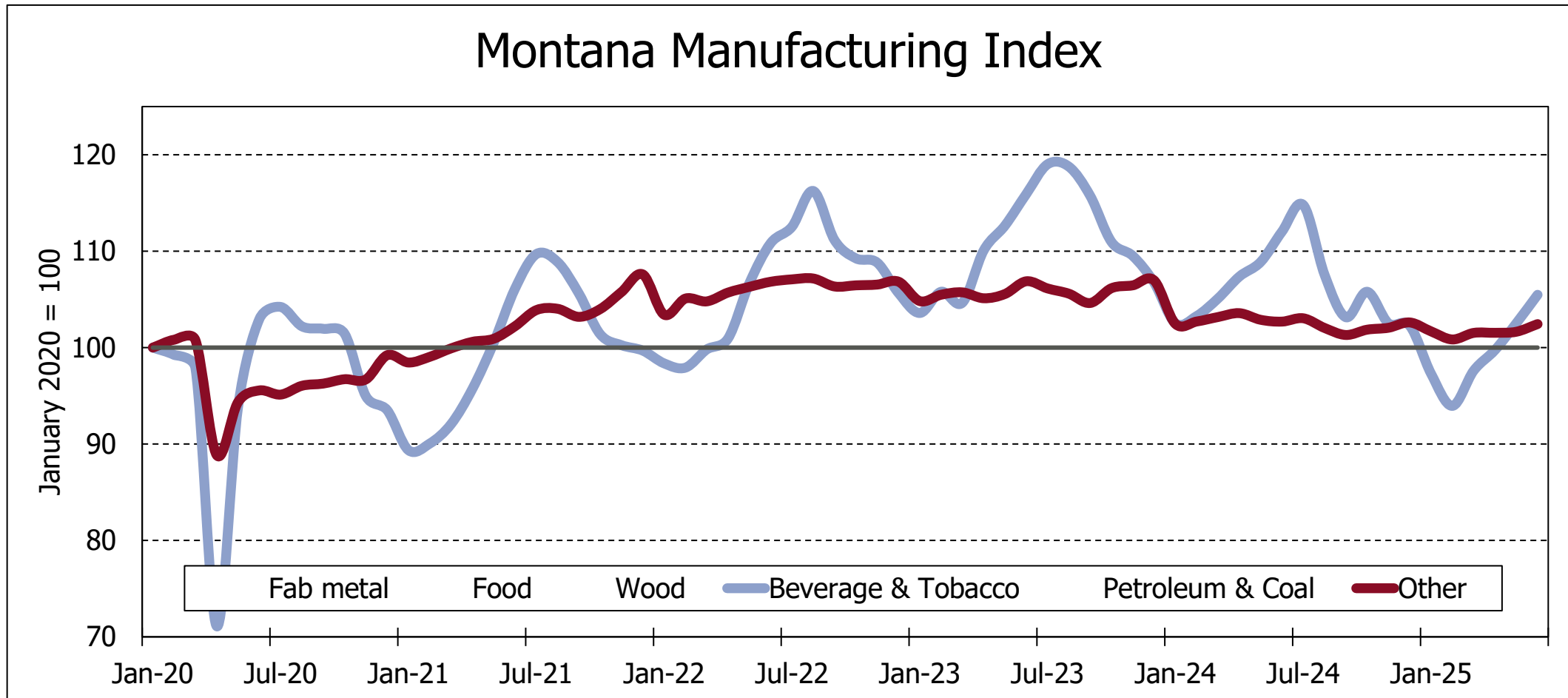
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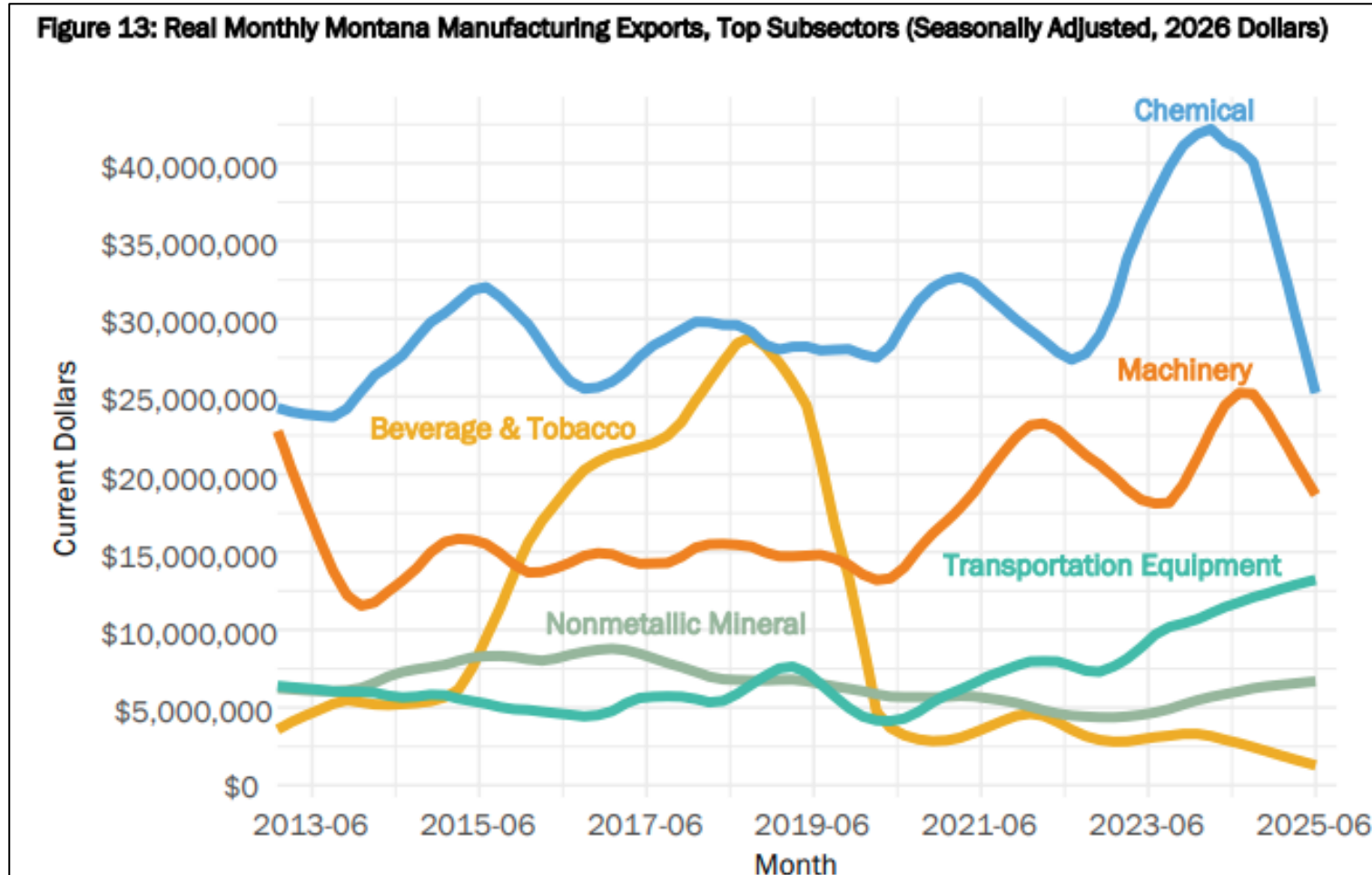
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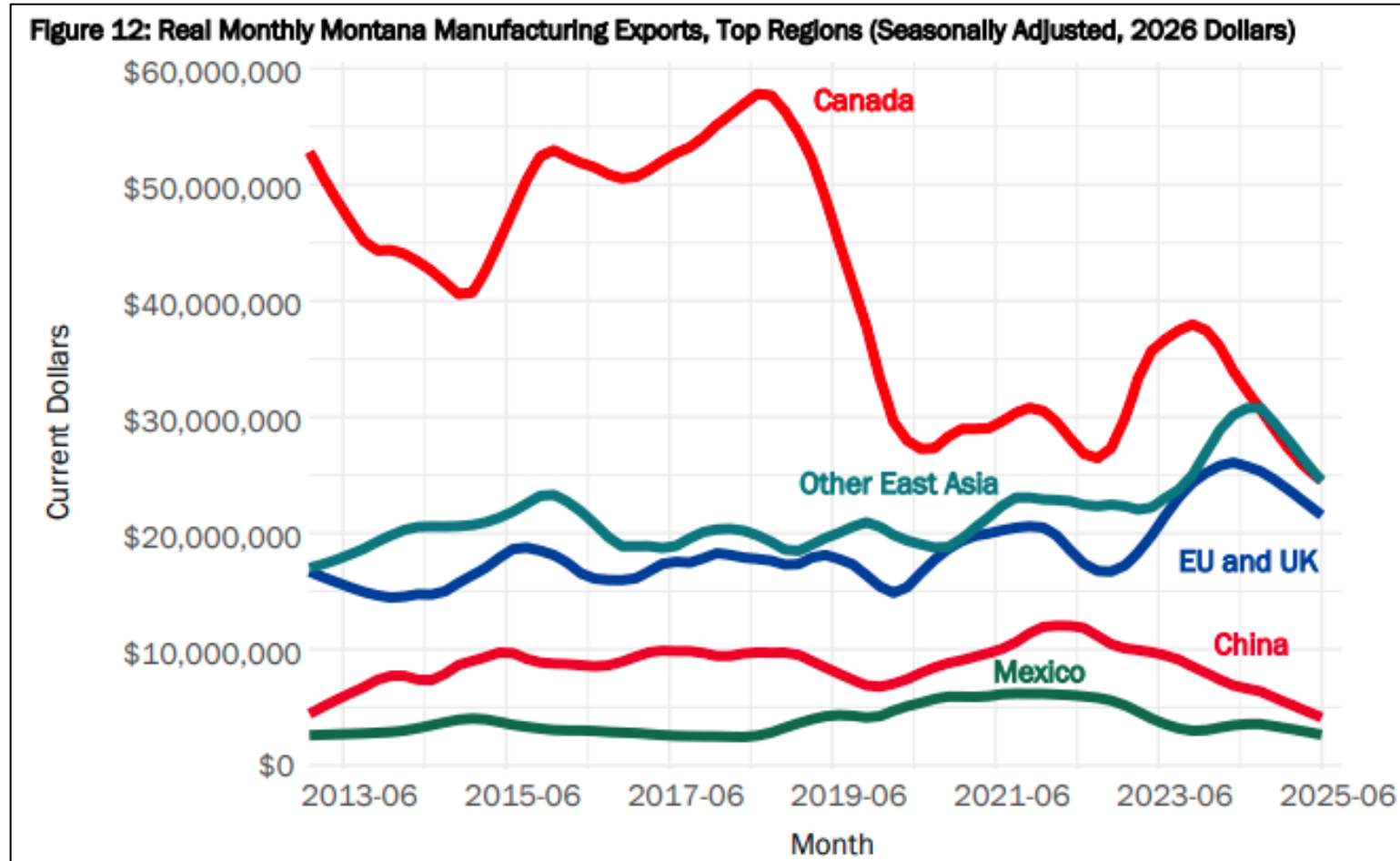
# Trade



Source: BBER; USA Trade; US BLS



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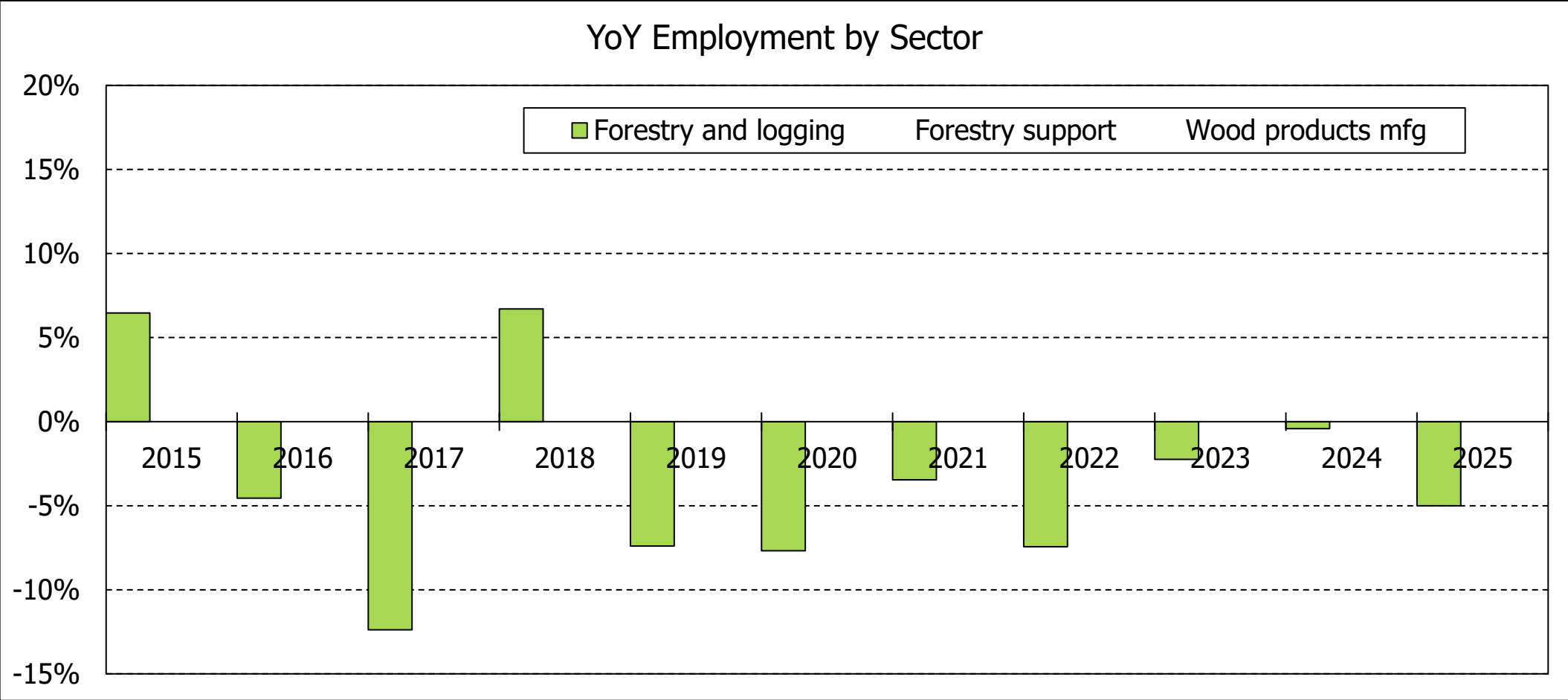


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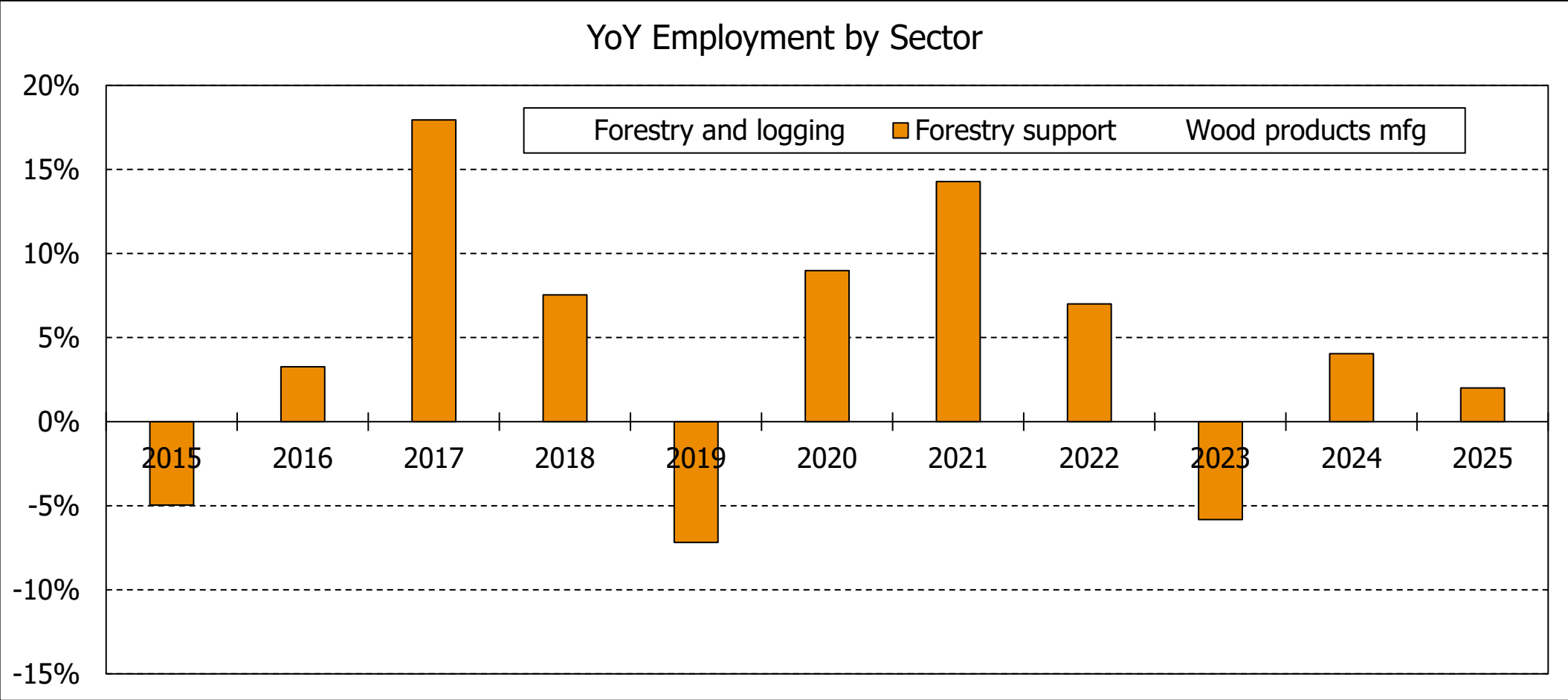
# Forest Industry Employment



Source: BLS QCEW; BEA REIS; CB CBP



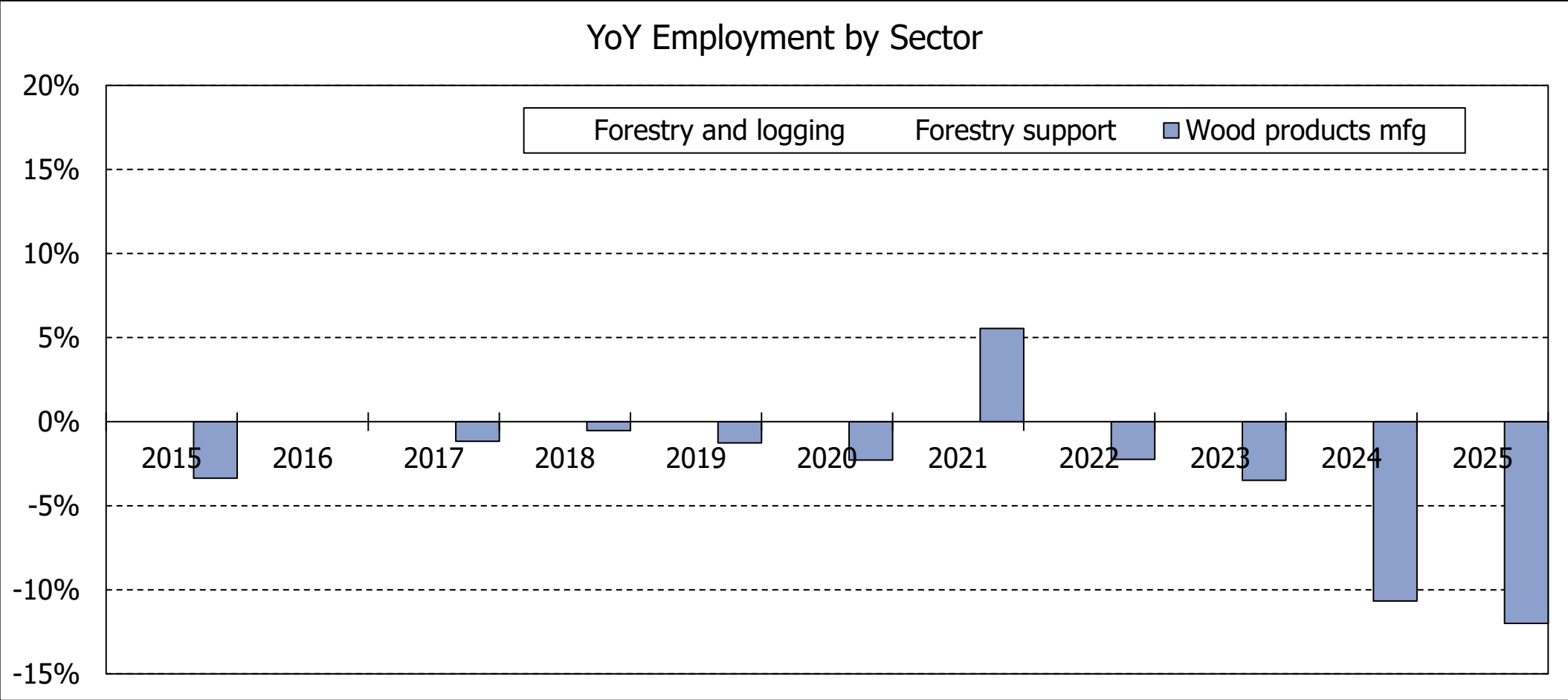
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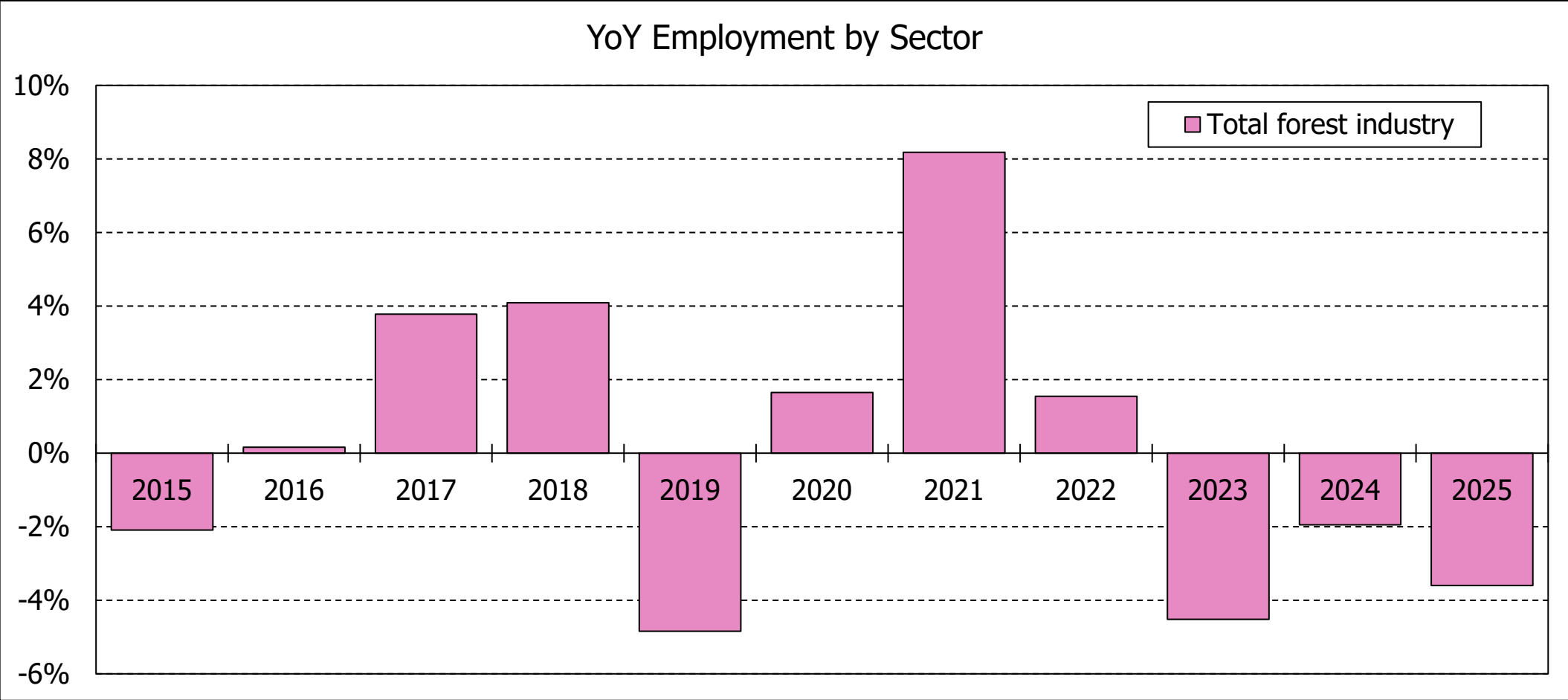
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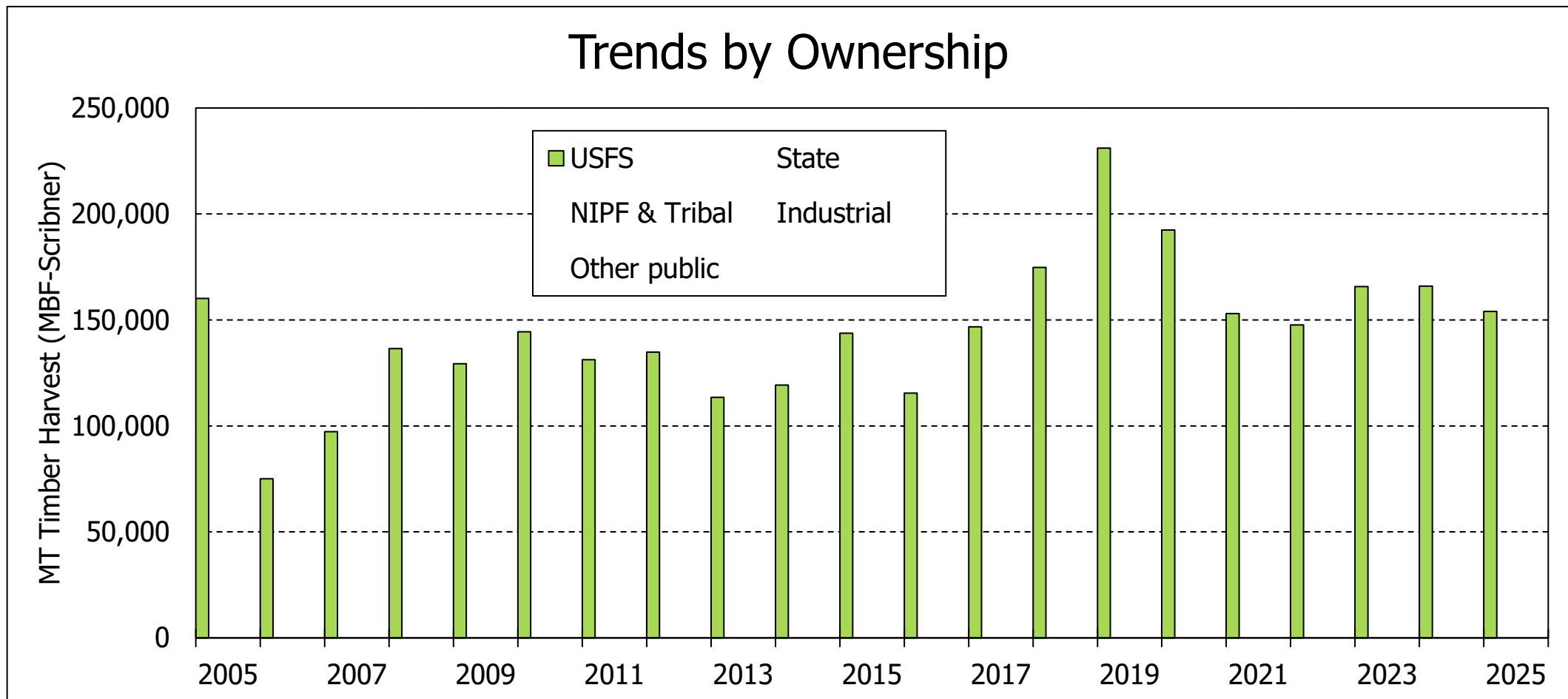
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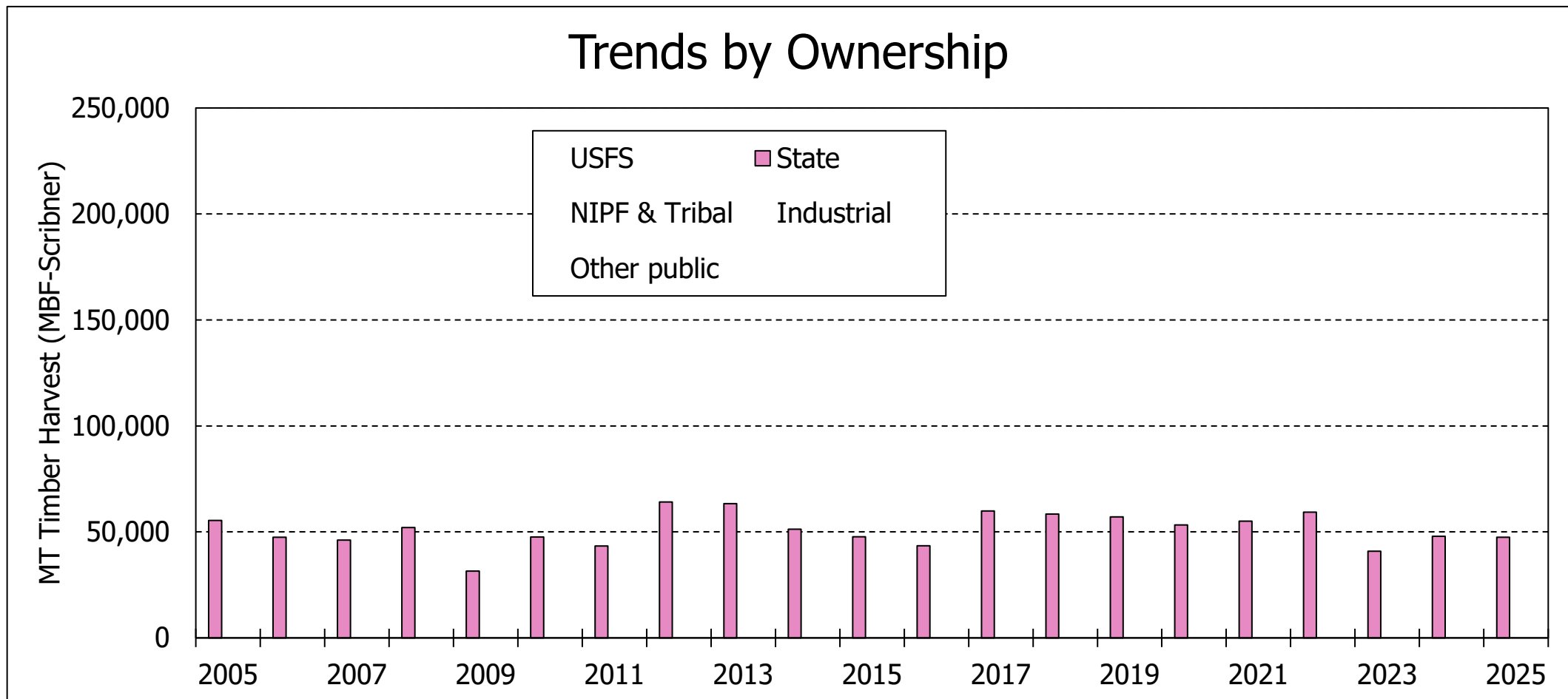
# Timber Harvest by Ownership



Source: BBER; MT DNRC; USFS



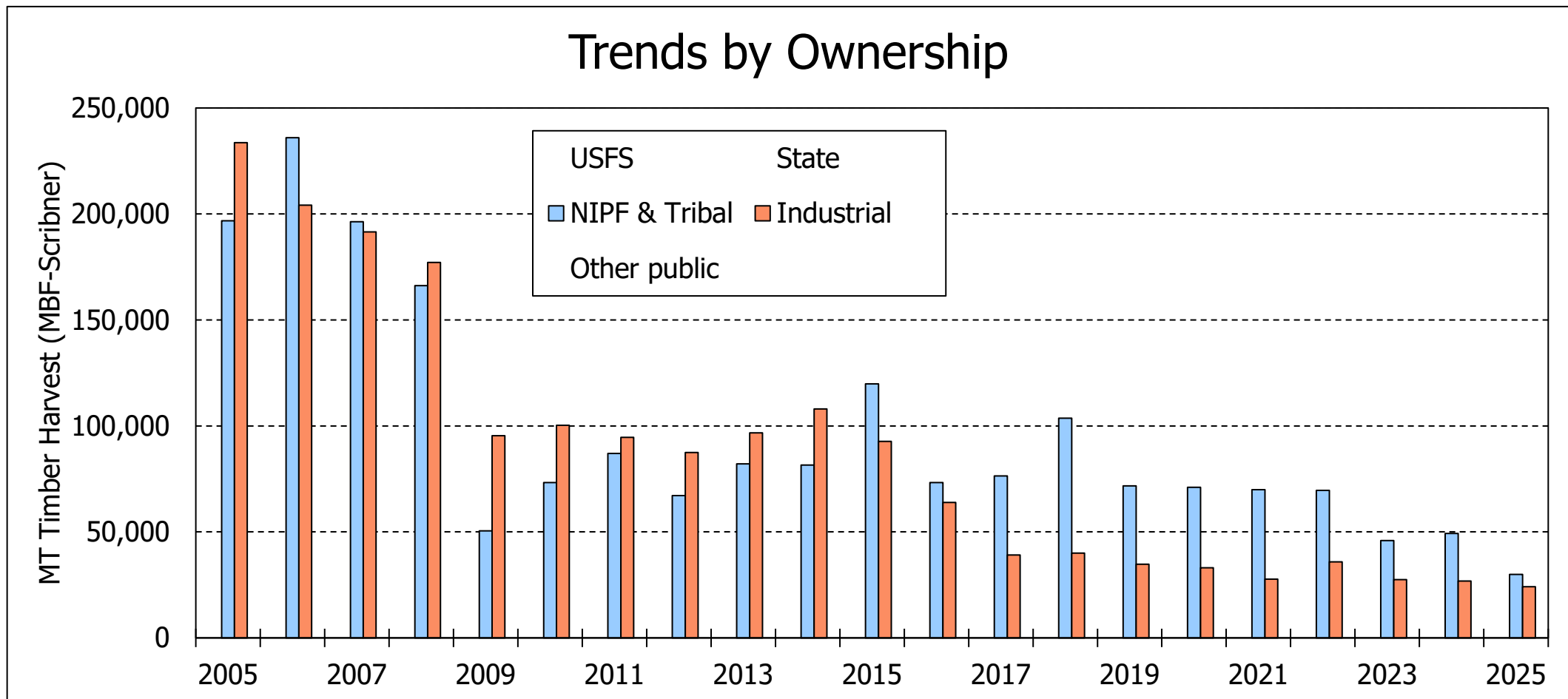
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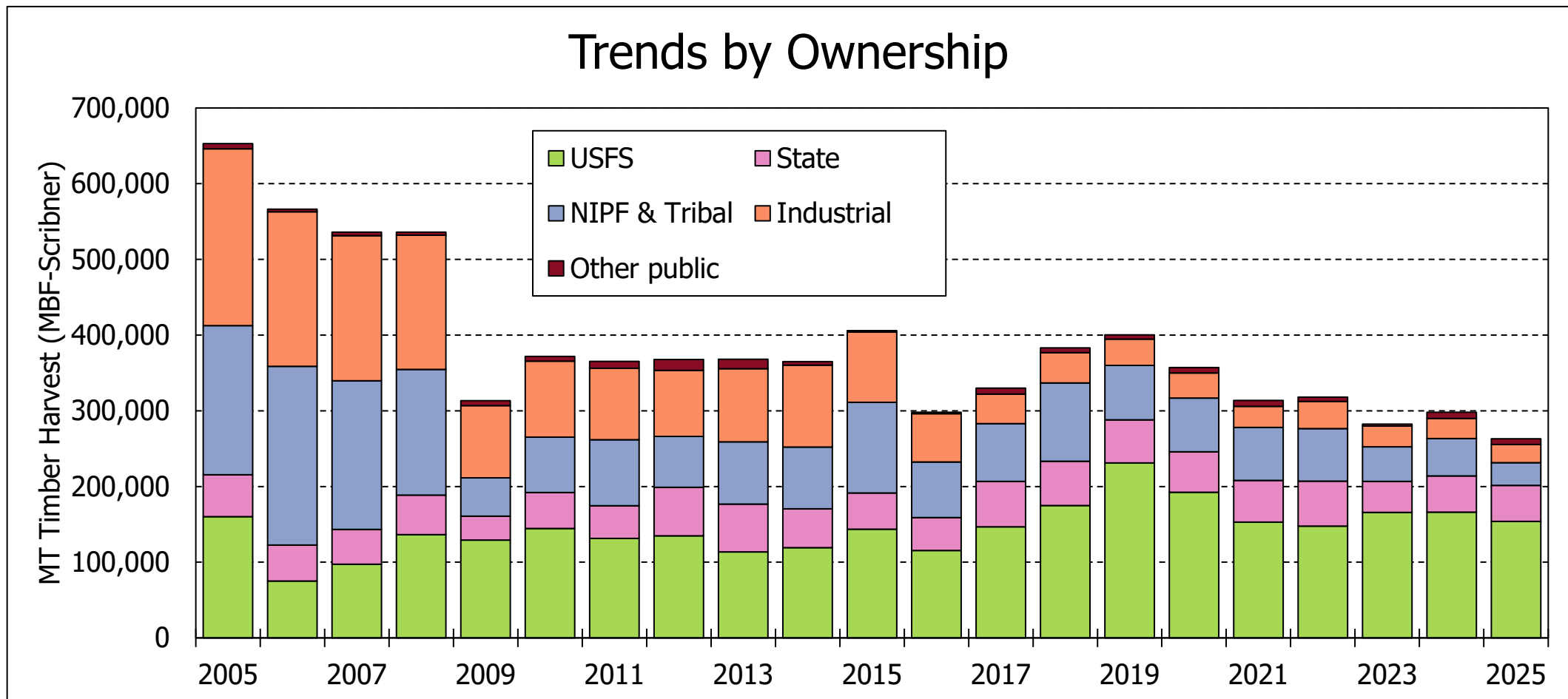
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- US Wildland Fire Service
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  - Might set precedent for separating forest management and firefighting (concerning)



# Policy Updates II

- Executive Order & NFS Memo + GNA Agreement



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  - 25% increase from USFS by 2030
  - National scale: minimal impact
  - Regional scale: larger impact



# Policy Updates II

- Executive Order & NFS Memo
  - 25% increase from USFS by 2030
  - National impact vs regional impact
  - Associated Stewardship agreement
  - For Montana:
    - Possible increase of 40 MMBF/year (100?)
    - 13% increase in total harvest
    - If nothing else changes...



# Policy Updates II

- Industry response depends on:
  - Volume consistency
  - Timber price
  - Timber quality
  - Harvest geography

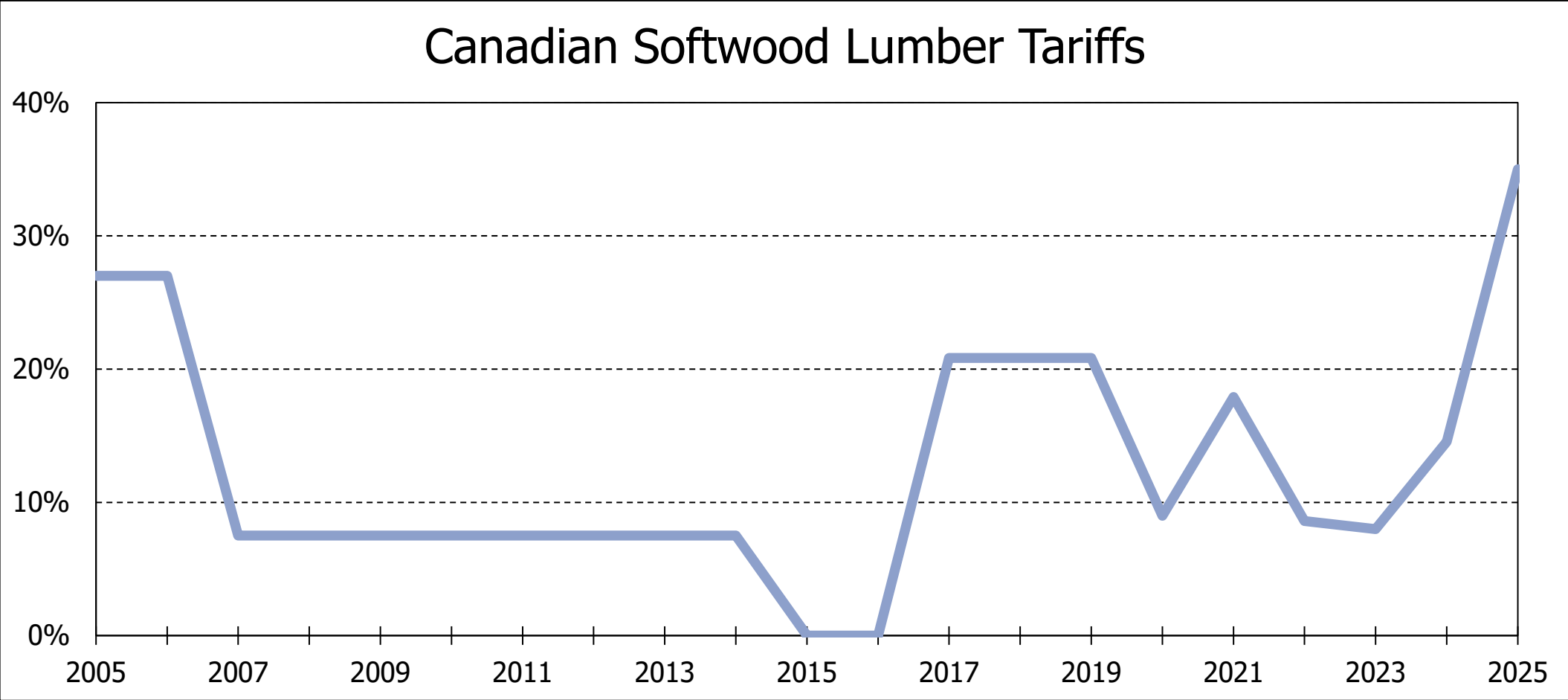


# Policy Updates II

- Industry response depends on:
  - Volume consistency
  - Timber price
  - Timber quality
  - Harvest geography
- If all of that happens... can the dominoes fall?



# Policy Updates III



# Takeaways



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- Montana manufacturing
  - Hot pandemic recovery is cooling
  - Varies by sector



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- Montana manufacturing
  - Hot pandemic recovery is cooling
  - Varies by sector
- Forest products
  - Continued decline
  - Residual processing, labor, haul distance...
  - Gov't making some positive moves



# Policy Updates III

- Canadian lumber tariffs



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  - Aimed at increasing price of Canadian lumber
  - Based on stumpage rates from public land



# Policy Updates III

- Canadian lumber tariffs
  - Countervailing + anti-dumping
  - Aimed at increasing price of Canadian lumber
  - Based on stumpage rates from public land
  - Increasing to historical high
  - May promote growth to US industry
  - Growth will be concentrated in South and PNW
  - Could be offset by other market factors

