Economic importance of the Austrian forestry and timber industry

Dr. Christian Helmenstein

April 13th, 2015
The Austrian timber industry
Overview

10.6 bn. Euro
   direct
(20.2 bn. Euro total) GVA

Contribution to the
Austrian GDP:
3.9% direct or
7.5% total

Every
26th Euro
is directly or every
13th Euro totally
related to the timber
industry

Trade balance
in the sectors of the timber
industry is
positive

Every
22nd workplace
(direct) or 13th (total) is
secured in the timber
industry

Source: Economica.
Initial situation
Economic impact of the forestry and timber industry is underestimated

The macroeconomic and regional economic importance of the forestry and timber industry in terms of

\[\rightarrow\text{value added}\]
\[\rightarrow\text{purchasing power and}\]
\[\rightarrow\text{employment}\]

is substantially underestimated!

Reasons:

• The forestry and timber industry are (similar to tourism, sport or culture) a cross-sectional matter, tangent to a larger number of different activities.
• No standardised definition of „forest and timber industry“ is in use.
• Systematic lack of data.
Approach

• **Consistent definition of „timber industry“**
  • Comparability of study results
  • Intertemporal comparisons
  • International comparisons

• **Development of a „Timber-Satellite Account“**
  • Statistical method to capture the total economic importance of the forestry and timber industry.
  • Mapping of the entire value-added network of the „timber industry“.
  • Indication of direct and multiplicative effects of the „timber industry“.
Forestry and timber industry
Definition alongside the value chain

4 definition levels, depending on the position within the value chain

Source: Economica.
Direct gross value added
3.9% of the Austrian GDP derive from the forestry and timber industry

Forestry: 1.200 mn. € (0.4%)

Timber industry in the narrowest sense: 4.983 mn. € (1.8%)

Timber industry in the broad sense: 10.620 mn. € (3.9%)

Source: Economica.
Direct gross value added
Sectoral perspective

<table>
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<tr>
<th>Activity</th>
<th>Value (in mln Euro)</th>
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Source: Statistik Austria, Economica.
Total gross value added
Every 13th Euro derives directly or indirectly from the forestry and timber industry

Forestry: 1.647 mn. € (0,6%)

Timber industry in the narrowest sense: 10.388 mn. € (3,8%)

Timber industry in the narrow sense: 17.157 mn. € (6,3%)

Timber industry in the broad sense: 20.246 mn. € (7,5%)

Source: Economica.
Productivity in the timber industry
Large differences

Source: Statistik Austria, Economica.
Direct employment
In Austria every 22\textsuperscript{nd} person is working in the forestry and timber industry

*Forestry: 23,405 (0.6\%)*

*Timber industry in the narrowest sense: 73,963 (1.8\%)*

*Timber industry in the narrow sense: 155,982 (3.8\%)*

*Timber industry in the broad sense: 190,730 (4.6\%)*

Source: Economica.
Direct employment
Sectoral perspective, head count

Source: Economica.
Total employment
The forestry and timber industry account for 327,000 workplaces

Forestry: 29,254 (0.7%)

Timber industry in the narrowest sense: 150,560 (3.6%)

Timber industry in the narrow sense: 273,350 (6.6%)

Timber industry in the broad sense: 327,072 (7.9%)

Quelle: Economica.
Export dynamics

Destination Italy

Development of exports – 2006 = 100

- Wooden furniture
- Raw wood
- Paper and cardboard
- Veneer, chipboards
- Wood, unworked
- Wood products
- Wood residues
- Firewood, charcoal
- Paper residues

Source: WIFO, Economica.
Export dynamics
Destination Germany

Source: WIFO, Economica.
Export of wooden furniture
Germany and Italy

Source: WIFO, Economica.
Export of raw timber
Germany and Italy

Source: WIFO, Economica.
Wood – an intelligent and innovative raw material (I)
Austria’s density of scientists is twice as high as Europe’s average

Source: Economica.
Wood – an intelligent and innovative raw material (II)
Innovation alongside all steps of the value chain

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Source: Economica.
Research & development in the timber industry
A strong international network

Source: Economica.
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