

A photograph of a pine forest. The trees are tall and slender, with green needles and brown trunks. The foreground is a grassy field. The sky is blue.

# **Collaborative Forestry Workshop**

## **Tom Partin, AFRC**

# **Balancing Economics and Science in Forest Restoration**

# The Problem---Overcrowded Forests and Wildfire Risk!

## How Do We Get All of the Acres Treated?



### Blue Mtn. Forests

FOREST	Total Acres (000)	Moderate		High	
		Acres (000)	%	Acres (000)	%
MNF	1,702	625	36.7	738	43.4
UNF	1,403	522	37.2	528	37.6
WWNF	2,378	867	36.5	772	32.4
<b>TOTALS</b>	<b>5,484</b>	<b>2,014</b>	<b>36.7</b>	<b>2,038</b>	<b>37.2</b>

# More Problems--Forest Service Acres Treated (Nationally)

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- November 14 Report—208,639 acres with timber harvested in FY '12 (39,117ac) R-6.
- USFS 2012 report—between 65-82 million acres need restoration.
- 12.5 million require mechanical treatments
- At this rate—takes over 60 years to treat--

# Who is Being Impacted Besides the Forests?

<u>County</u>	<u>%National forest</u>	<u>Unemployed</u>
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○ Grant	78%	14.2%
○ Klamath	63%	12.3%
○ Lake	76%	12.7%
○ Umatilla	64%	9.0%

○ National Average unemployed...8.1%

○ What social responsibilities do we have to manage our National Forests?

# How Do We Get From Here to--

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**To Here? It's the Trees—Both what you  
leave, and what you take !**



# Logging Costs for Mechanical Logging

- Mechanical Logging.....\$24-26/ton
- Hauling.....\$10/ton
- Total.....\$35/ton
- Tons on a log truck.....26 tons
- Cost of logging per truck.....\$910/Truck
- Volume/truck load.....3.5  
MBF/load
- Logging/haul cost.....\$260/MBF

# Product Cost and Values

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- Logging Cost—Thinning.....\$260/MBF
- Manufacturing.....\$125/MBF
- Total Production Cost.....\$385/MBF
  
- 1"X4" Pine #3 Common.....\$360/MBF
- 1"X12" Pine #3 Common.....\$390/MBF
- Pine #3 shop .....\$560/MBF
  
- Pine Chip Logs...\$18/ Green Ton or  
\$156/MBF
  
- \*you can't expect small pine logs and chips  
to pay for forest restoration!!!



# Relative Values of Forest Products

## 2012 Third Quarter Prices



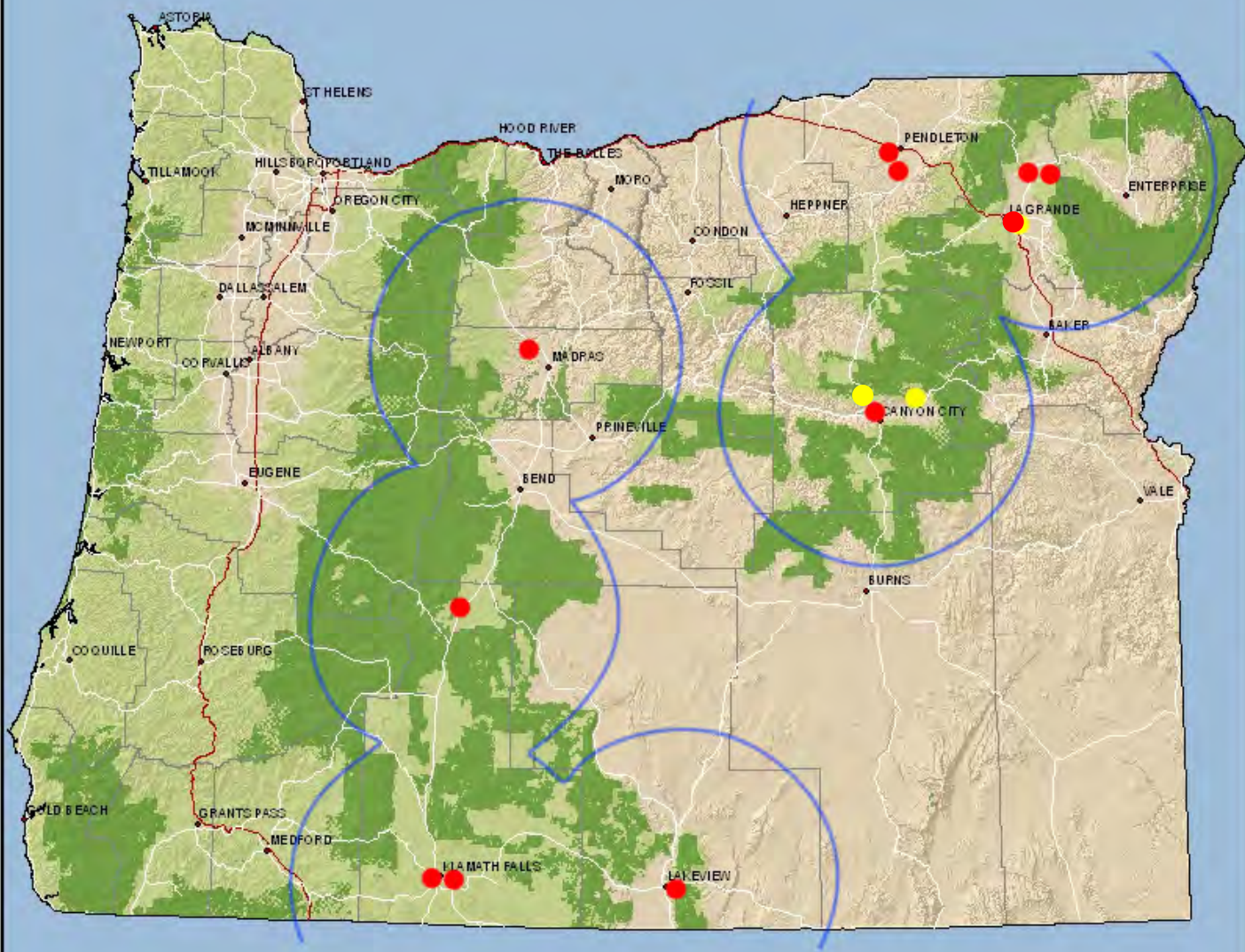
\*Per Bone-Dry Ton

## Conventional USFS Appraisal Method Based on Residual Value or TEA Does Not Work

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- The Forest Service simply can't put up a project— (dry site young pine) back out logging and manufacturing, and hope it breaks even.
- The Forest Service must first know how much money is needed to complete the restoration work---then sell a product with enough value to get the work done.
- This means knowing what products will sell for—cost of logging, and what work you want to accomplish.
- The Forest Service must know and understand your industry partners and what they make and the values they receive for their products.

# Oregon Forests



- USFS Ownership
- Forested Land
- Mill Location
- Potential Location
- 50-mile Radius



**Oregon**  
DEPARTMENT OF  
FORESTRY  
2007 Paper Recycling  
Award, Cooper Award

# **Why Are Some Groups Opposed to Cutting Larger Trees (Not Old Growth)?**

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- **Trust Issue? USFS Management of 70's-early 90's**
- **So What are the Options—Analogy between Banks in 1929 and Forest Service in 1970-80's.**
- **Let's put our money in the mattress and protect it!**
- **Let's set our big trees aside and not treat those acres!**

**Money in the mattress and overly protected trees in the forest—burn!!**

# Money for Restoration is Growing on the Trees—use it!

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- ⦿ Forest Products Industry has adapted!
- ⦿ Forest Service management techniques have advanced!
- ⦿ Not enough money in the Treasury to pay for all the restoration needed
- ⦿ **Economics is the vehicle to get our forests managed as the science prescribes!**