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Improved Timber Utilisation Statistics 2008 & Initial Data 2009

**Consumption of Sawn Softwood in Main End-User
Markets in the United Kingdom**

**A Series of Tables & Charts,
Updated from the Timber Utilisation Database**

**for the
Forestry Commission**

**by Nicholas Moore
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Introduction

The following tables and charts are part of the programme of work aimed at quantifying the volume of softwood consumed by the main end-use markets in the UK. A full report on timber utilisation is produced every few years and for intervening years, these tables and charts, and now, additionally, a brief commentary, are supplied to provide updated information from the previous report or previous tables and charts.

For the first time, the tables and charts in this update provide a selection of initial data for the immediate past year, which for this update is 2009.

The initial data for 2009 can be found in charts 3, 4 and 5. All other tables and charts refer to previous years with 2008 the latest for which data are available.

The time-lag in the publication of official statistics by the Office for National Statistics does not allow updating of softwood consumption by main markets until at least September of the following year. Hence, 2009 data will not be available until September 2010 at the earliest.

The initial data for 2009 are, in chart 3, the development of the total of UK produced consumption within the total volume of softwood consumed; in chart 4, total softwood consumption (domestically produced and imported) is compared against total construction output in the UK and in chart 5, a time-series of indexed imported softwood is compared against the index of housing starts in the UK with a forecast of housing starts for the immediate past year (2009).

NB: Data referring to utilisation or consumption for UK producers are calculated by deducting exports from production.

Research and analysis has permitted quantification of main markets from 2002. Information by market before 2002 has been estimated.

Table 1: Softwood Utilisation by Main Market by Volume, 2007 & 2008

000s m3	UK Producers		Imports		Total	
	2007	2008	2007	2008	2007	2008
Construction	943	834	5,822	3,978	6,765	4,812
Pallets & Packaging	763	744	1,680	1,155	2,443	1,900
Fencing & Outdoor	1,040	963	222	180	1,262	1,143
Other Markets	28	26	222	174	250	200
TOTAL	2,774	2,567	7,946	5,487	10,720	8,054

Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources.

Key Change: Total softwood consumption falls by 25% in 2008.

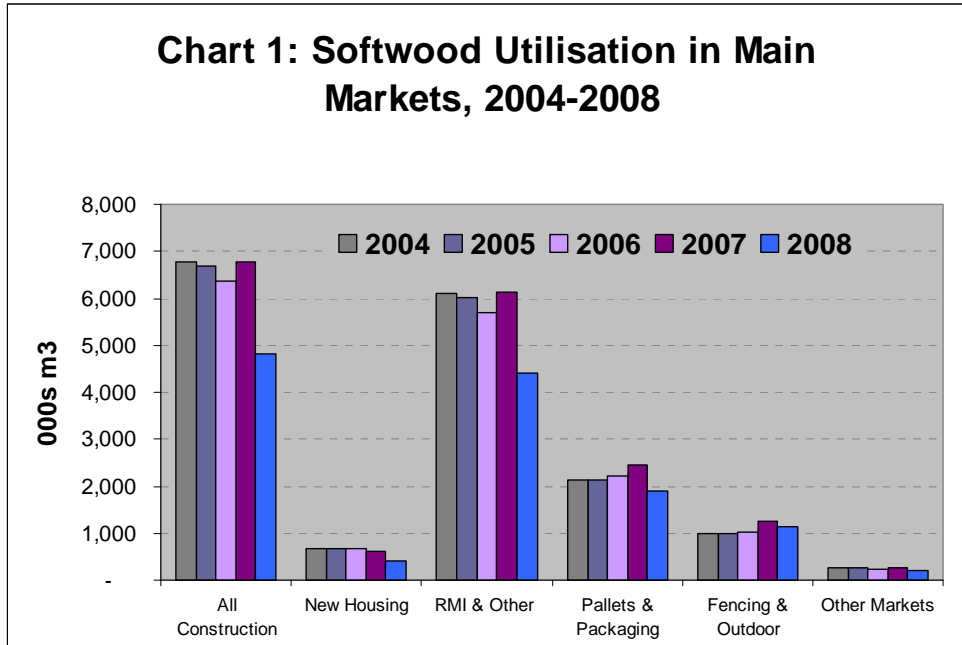
Table 2: Softwood Utilisation by Main Market and Construction Sector by Volume, 2007 & 2008

000s m3	UK Producers		Imports		Total	
	2007	2008	2007	2008	2007	2008
Construction	943	834	5,822	3,978	6,765	4,812
New Housing	91	63	533	343	624	406
RMI & Other	852	772	5,288	3,635	6,140	4,406
Pallets & Packaging	763	744	1,680	1,155	2,443	1,900
Fencing & Outdoor	1,040	963	222	180	1,262	1,143
Other Markets	28	26	222	174	250	200
TOTAL	2,774	2,567	7,946	5,487	10,720	8,054

Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources

Key Change: Softwood consumption in New Housing falls by 35% in 2008.

Chart 1: Softwood Utilisation in Main Markets in the UK, 2004-2008



Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources

Key Change: Softwood consumption falls in all markets in 2008.

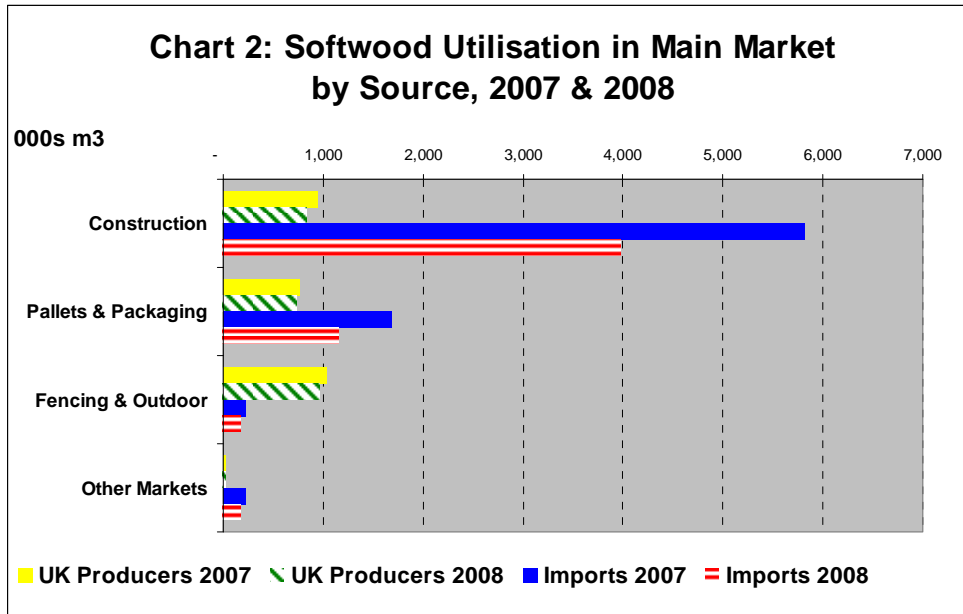
Table 3: Share of Softwood Utilisation by Main Market, 2007 & 2008

Share of Volume	UK Producers		Imports		Total	
	2007	2008	2007	2008	2007	2008
Construction	34.0%	32.5%	73.3%	72.5%	63.1%	59.7%
Pallets & Packaging	27.5%	29.0%	21.1%	21.1%	22.8%	23.6%
Fencing & Outdoor	37.5%	37.5%	2.8%	3.3%	11.8%	14.2%
Other Markets	1.0%	1.0%	2.8%	3.2%	2.3%	2.5%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources.

Key Change: Share of softwood consumption held by construction falls below 60% in 2008.

Chart 2: Softwood Utilisation in Main Markets by Volume, 2007 & 2008



Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources

Key Change: Softwood consumption in construction falls by 29% in 2008.

Table 4: Share of Softwood Utilisation within Main Market, 2007 & 2008

Share of Volume	UK Producers		Imports		Total	
	2007	2008	2007	2008	2007	2008
Construction	13.9%	17.3%	86.1%	82.7%	100.0%	100.0%
Pallets & Packaging	31.2%	39.2%	68.8%	60.8%	100.0%	100.0%
Fencing & Outdoor	82.4%	84.2%	17.6%	15.8%	100.0%	100.0%
Other Markets	11.1%	12.8%	88.9%	87.2%	100.0%	100.0%
TOTAL	25.9%	31.9%	74.1%	68.1%	100.0%	100.0%

Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources.

Key Change: UK producers' share of total consumption rises to 32% in 2008.

Table 5: Share of Softwood Utilisation within Construction Sector & Other Main Market, 2007 & 2008

Share of Volume	UK Producers		Imports	
	2007	2008	2007	2008
Construction	13.9%	17.3%	86.1%	82.7%
New Housing	14.6%	15.5%	85.4%	84.5%
RMI & Other	13.9%	17.5%	86.1%	82.5%
Pallets & Packaging	31.2%	39.2%	68.8%	60.8%
Fencing & Outdoor	82.4%	84.2%	17.6%	15.8%
Other Markets	11.1%	12.8%	88.9%	87.2%

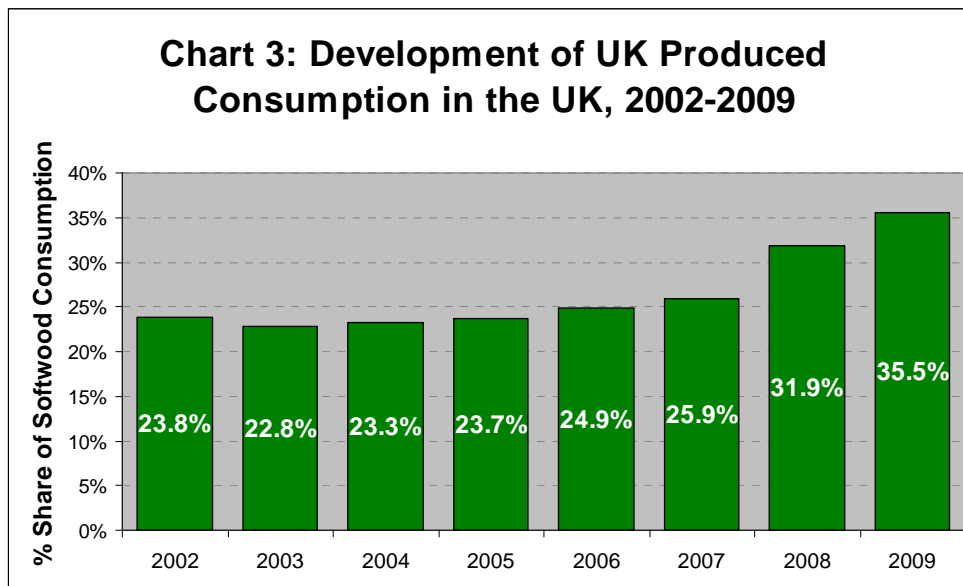
Source: Forestry Commission Forestry Statistics 2009; Timber Trade Federation Import & Export Statistics; TIMCON Wood Packaging Data; Office for National Statistics; Industry Sources.

Key Change: Fall in softwood imports in 2008 of 31% is reflected in import share by market.

Data able to report on softwood market development for 2009 will not be available until later in 2010, however, with the production of the Forestry Commission publication, “Wood Production and Trade” in May 2010, provisional estimates can be made of the ‘headline’ development of total softwood consumption in the UK by source: domestically produced and imported consumption.

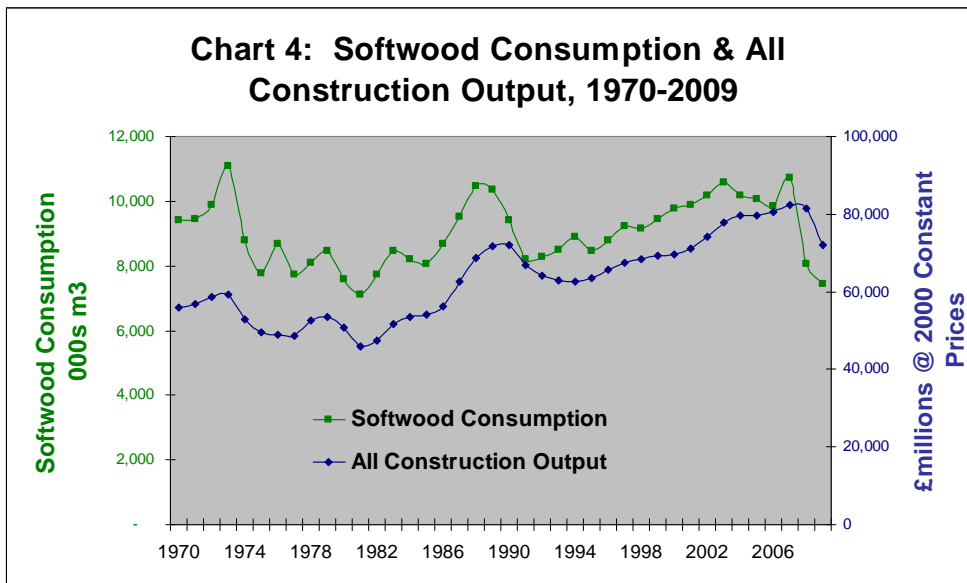
Chart 3 below describes the development of domestically produced consumption.

Chart 3: UK Domestic Producers’ Share of UK Softwood Consumption 2002-2009



Key Change: Marginally higher UK sawmill output in 2009 and a continued fall in imports raises the share of UK produced consumption significantly.

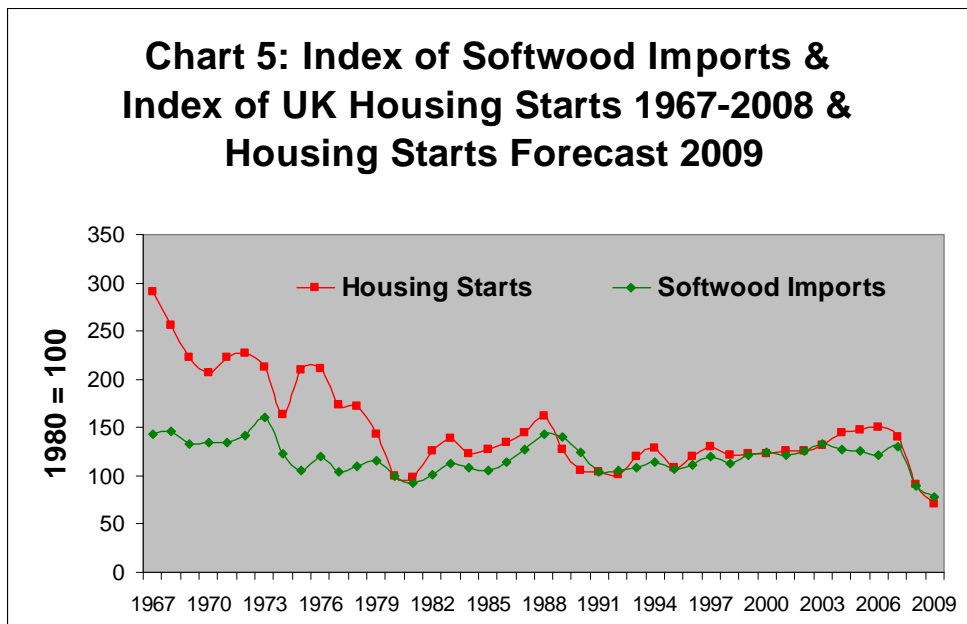
Chart 4: Total Softwood Consumption and All Construction Output, 1970-2009



Source: Forestry Commission; Timber Trade Federation; Office for National Statistics; Industry Sources.

Key Change: Construction output fell by 11.5% in 2009 as softwood consumption fell by 7.5%. In 2008, total construction output fell by 1% and softwood consumption fell by 25%.

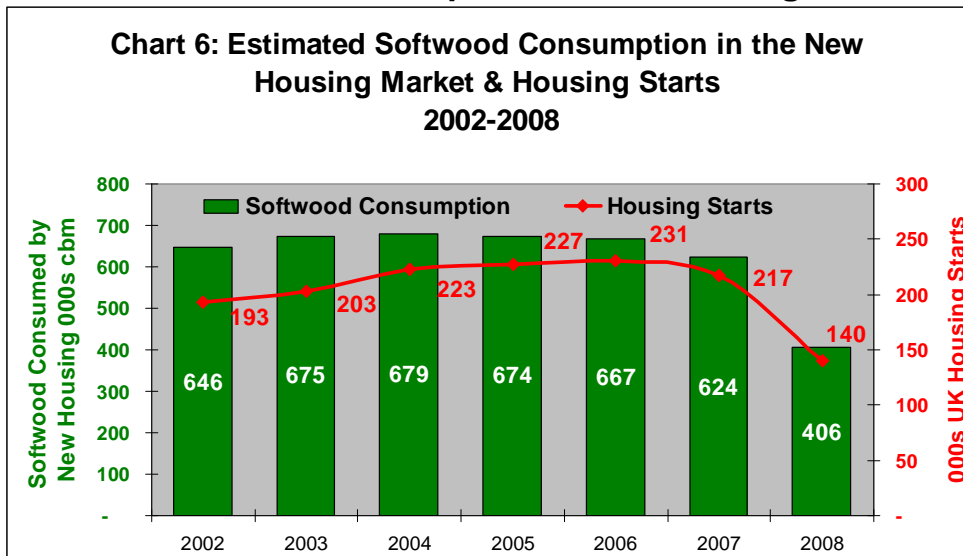
Chart 5: Index of Softwood Imports & UK Housing Starts, 1967-2009



Source: Forestry Commission; Timber Trade Federation; Office for National Statistics; Industry Sources.

Key Change: The forecast of Housing Starts indicates a fall of 22% in 2009; softwood imports down by 12%.

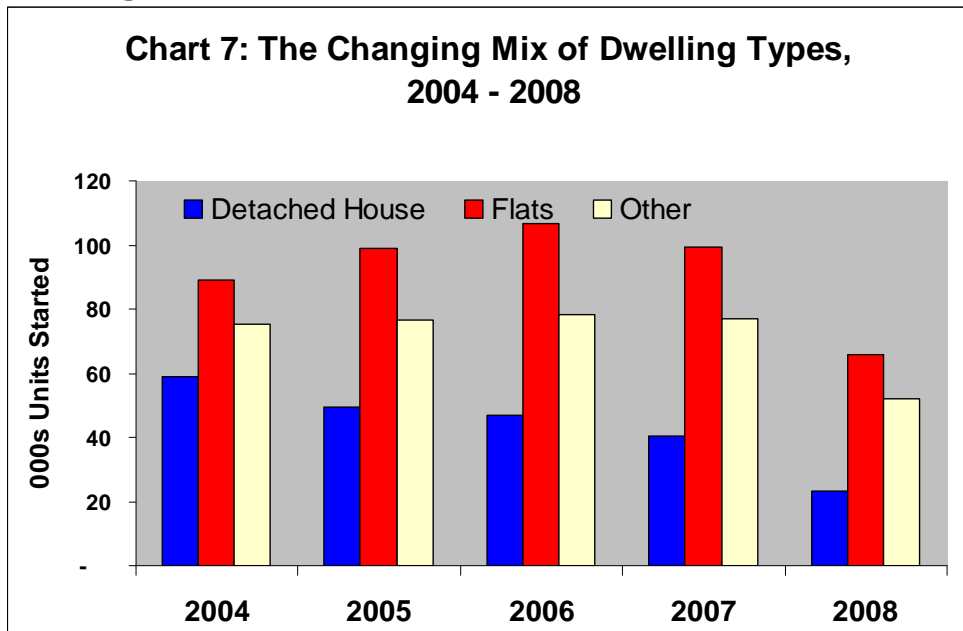
Chart 6: Softwood Consumption in New Housing Starts, 2004-2008



Source: Forestry Commission; Timber Trade Federation; Office for National Statistics; Industry Sources.

Key Change: Volume of softwood consumed in new housing and housing starts fall 35% in 2008.

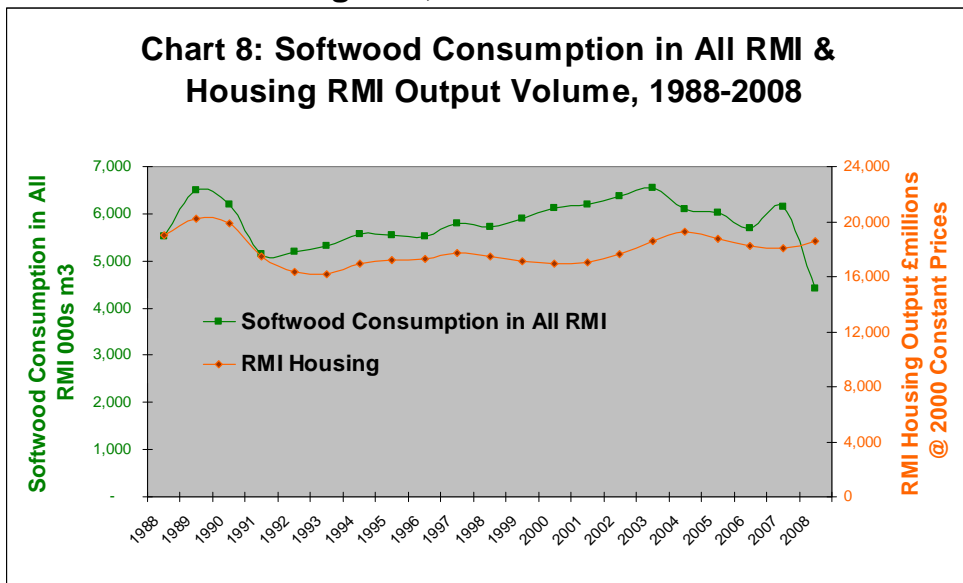
Chart 7: The Changing Mix of Dwelling Types Built in the UK New Housing Market, 2004-2008



Source: Office for National Statistics; NHBC; Industry Sources.

Key Change: Volume of new detached dwellings down 61% from 2004 as the volume of flats falls by 26% between 2004 and 2008.

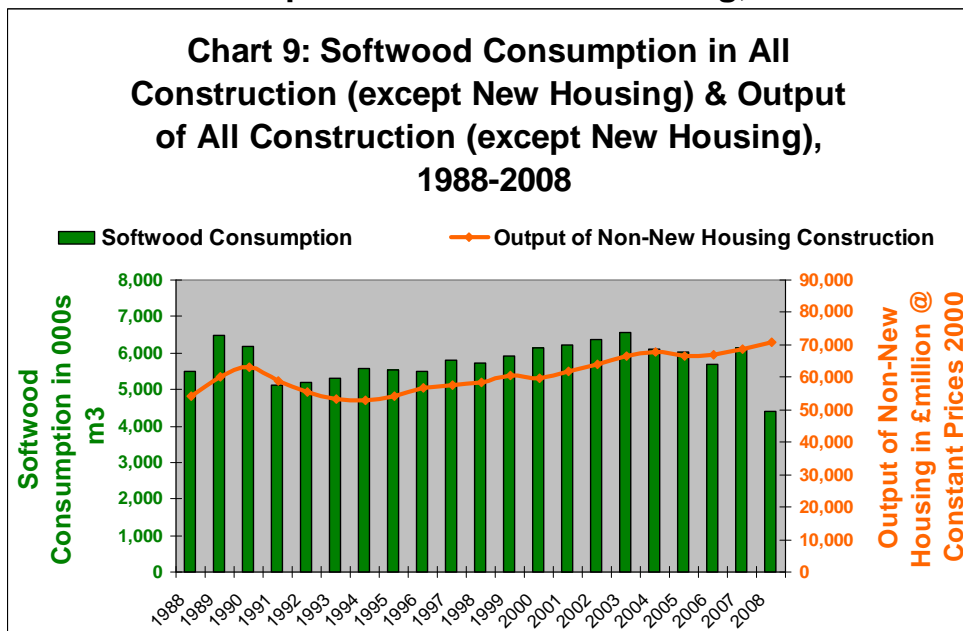
Chart 8: Estimated Softwood Consumption in the All RMI Activity & Volume of Housing RMI, 1988-2008



Source: Forestry Commission; Timber Trade Federation; Office for National Statistics; Industry Sources.

Key Change: Softwood consumed in all RMI falls 28%, Housing RMI output falls 9% in 2008.

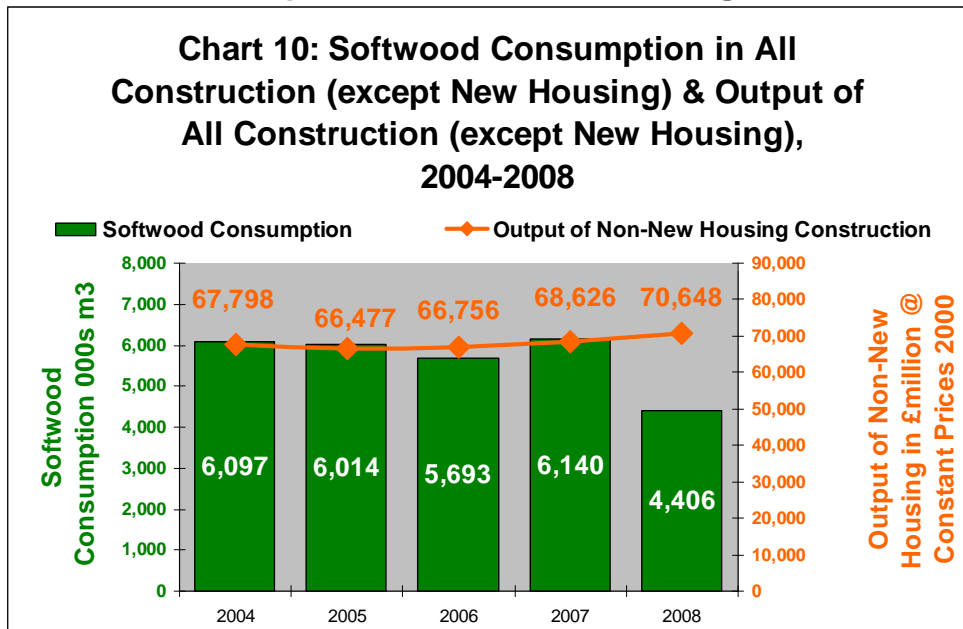
Chart 9: Estimated Softwood Consumption in all Non-New Housing & Construction Output of all Non-New Housing, 1988-2007



Source: Forestry Commission; Timber Trade Federation; Office for National Statistics; Industry Sources.

Key Change: Output of Infrastructure and non-housing public works increases by over 15% in 2008 – raising the total of non-housing construction output.

Chart 10: Softwood Consumption in all Non-New Housing & Construction Output of all Non-New Housing, 2004-2008



Source: Forestry Commission; Timber Trade Federation; Office for National Statistics; Industry Sources.

Key Change: Share of UK Housing RMI output is around 25% of all construction output (not including new housing). Lower timber consuming markets performing better in recession.