

## **Building and Lumber Forecast: Increase in Construction to Boost Lumber Sales, Jobs in 2014**

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Although higher lumber consumption resulted in a boost for domestic production in 2013, suppliers remained cautious with inventory. The recent government shutdown caused a ripple effect throughout the economy and created a feeling of uncertainty for many in the industry. But there is good news for the lumber sector. Construction growth is expected to be one of the economic saviors for Hawaii in 2014 with projects ranging from housing developments in West Oahu to high-rise condominiums in Kakaako to city and state infrastructure improvements statewide.

The University of Hawaii Economic Research Organization's (UHERO) state forecast released last October estimates authorizations for all new construction will exceed a growth of over 20 percent this year. Construction employment in Hawaii is poised for an 11 percent jump — resulting in more than 3,000 new jobs — with overall employment expected to go up 2.4 percent, according to the report. An increase in employment numbers will help drive the demand for more housing.

Nationally, single- and multi-family housing starts are expected to rise to a seasonally adjusted rate of 1.15 million from last year's rate of 924,000, as estimated by the National Association of Home Builders. As the housing market continues its recovery, lumber sales will see a healthy improvement.

Lumber production has steadily increased by more than 35 percent over the past four years since the Great Recession, as reported by Wood Resource Quarterly. The first seven months of 2013 showed production up nearly 7 percent from the same period in 2012.

It will be a very strong 2014 for the construction and lumber industries as both ride the momentum built up over the last few years. Stay tuned, Hawaii!

For more information about lumber and the benefits of building with wood, please visit the Hawaii Lumber Products Association at [www.HawaiiLumber.com](http://www.HawaiiLumber.com).

### **Who is HLPAA?**

Since Hawaii Lumber Products Association (HLPAA) was started in 2003, they have worked hard to reach their goal to educate and promote the benefits of building with wood.

HLPAA is committed to educating the general public, homeowners, commercial builders, designers and architects about the performance quality, environmental advantages, architectural benefits and cost advantages of wood-frame design and construction.

Based on the proven track record of wood and its achievement of long-term performance success in Hawaii's construction industry, lumber products are a preferred building material.

As Hawaii's only devoted lumber association, HLPAA has over 35 members here and across the mainland comprised of professionals representing the development and construction industry. They continue to work hard to make major impacts on the Hawaii and mainland construction industry in order to increase lumber products demand, to increase knowledge of the "greenness" of lumber products and their environmental advantages.