



PRESS RELEASE

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FOR IMMEDIATE RELEASE



Local Lumber Industry to See Boost in 2015 As Construction Set to Drive Hawaii's Economy

(Honolulu, HI) August 27, 2014 – Construction has been one of the hardest hit industries since the economic downturn of 2008/2009, but it has also been on a steady rebound over the last couple of years both nationally and locally. The University of Hawaii Economic Research Organization (UHARO) released its forecast earlier this month, indicating confidence in the growth of construction jobs due to “planned condo projects on Oahu, rail construction, and the need for single-family homes.” There will be a small net gain in construction jobs for 2014 with a 7 to 8 percent rise in 2015 to 2016, according to the report.

“Increased construction projects throughout the state will mean increased demand for wood products as lumber remains the top choice for building residential housing,” said Erin McClanahan, Hawaii Lumber Products Association (HLPA) president and Sause Bros. Hawaii marketing manager. “Based on information compiled from the State of Hawaii Data Book, more than 12,000 homes built in Hawaii from 2007 to 2011 relied on wood products. The average single-family home requires about 10,000 board feet of lumber.”

Hawaii's seasonally adjusted unemployment rate in July remained low at 4.4 percent, as reported by the state Department of Labor and Industrial Relations, with an overall increase of 800 payroll jobs from June. With a steady workforce, demand for housing will only intensify in a local market already short on supply. This is especially true for first-time homebuyers in search of single-family homes.

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Hawaii's uptick in housing construction follows an overall upward trend for the U.S. as builder confidence rises. The August results from the National Association of Home Builders/Wells Fargo Housing Market Index (HMI) show builder confidence up two points to 55. Any number above 50 means a majority of builders believe market conditions—which include current single-family home sales, future sales and prospective buyer traffic—are good as opposed to poor. This is the highest the index has been since January.

Builder optimism is no doubt partially attributed to the U.S. Commerce Department's latest figures showing a nationwide 8.3 percent jump in single-family housing starts in July, up from a seasonally adjusted annual rate of 606,000 in June to 656,000.

As Hawaii's construction industry maintains forward momentum to eventually drive the local economy over the next few years, lumber demand will see a healthy leap as well.

The Hawaii Lumber Products Association is comprised of professionals representing the development and construction industry as well as building material producers and service companies. They are committed to the education and promotion of lumber products as the best choice for home construction in Hawaii. To find out more about using wood in home construction and HLP, please visit HawaiiLumber.com or [Facebook.com/HawaiiLumber](https://www.facebook.com/HawaiiLumber).

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