

REMARKS BY  
PAUL LYSKAVA, EXECUTIVE DIRECTOR  
PENNSYLVANIA FOREST PRODUCTS ASSOCIATION  
Before the  
HOUSE AGRICULTURE AND RURAL AFFAIRS COMMITTEE

APRIL 4, 2005

On behalf of the Pennsylvania Forest Products Association (PFPA), I wish to thank Chairman Hershey, Representative Daley and members of the Committee for the opportunity to provide information on this critical issue facing our industry.

PFPA is the leading statewide trade association for the state's forest products industry. PFPA counts among its membership companies and individuals that produce lumber, paper, cabinets and furniture, flooring, interior millwork, pallets and containers and other wood and paper products that we find every day in our homes, businesses, schools and stores. PFPA's membership also includes a number of the large industrial and institutional forest landowners.

The forest products industry is a vital component of our state's economy. The sawmills, paper mills, and manufacturers of other wood products employ over 82,000 Pennsylvanians or about one of every nine Pennsylvanians employed in manufacturing. There are more than 2,600 forest product manufacturing facilities across the Pennsylvania, located in every county of the Commonwealth. Pennsylvania's forest products industry has combined annual sales of \$15 billion and an overall annual economic impact estimated to be approximately \$25 billion.

Pennsylvania leads the nation in the production of hardwood lumber, which includes high quality species such as oak, maple, cherry, ash and poplar. PFPA's membership accounts for about three-quarters of this hardwood lumber production.

Most of these jobs and other economic impacts depend directly upon access and utilization of the forest resource within Pennsylvania. Our forests are a renewable resource and the hardwood species that dominate our forests are capable of regenerating naturally. We are blessed with a forest resource that is capable of providing needed wood products while providing other worthwhile public benefits, including wildlife habitat, recreational, aesthetics, open space opportunities, and natural filters for improved water and air quality. Almost 70 percent of forested acres in Pennsylvania are privately owned, and this serves as the primary source of material to support our forest products manufacturing base. As an industry, we are concerned not only with our access to this timber resource, but also on long-term productivity, health and sustainability of the forests that are needed to support our industry for future generations.

For this reason, we are concerned with the impact of deer on the forest resource, forest landowners and our industry. Numerous areas of the state, including much of northern Pennsylvania, have experienced a years or even decades of the forest habitat being overwhelmed by an overabundance of deer. In a forest landscape, deer feed on seedlings and saplings of preferred species, resulting in poor forest regeneration and a shift of tree species composition.

Among tree species, deer have a preference for oak, sugar maple, cherry and ash, which are all valuable commercial timber species.

The cost to mitigate for an overpopulation of deer in a managed forest is substantial. For private forestland owners, the cost of installing fence to protect a forest tract can be \$300/acre or more. If herbicide treatments are needed to eliminate competitive vegetation left by deer and fertilization is added to accelerate seedling growth, the cost can rise to over \$500/acre. These prohibitive costs make wide spread fencing an unrealistic tool for most private forestland owners.

Many forest managers try to lessen these costs by utilizing hunters, DMAP and the current season and bag limits as a primary deer mitigation tool. This approach also involves costs for activities such as deer population estimates, forest regeneration assessments and interaction with hunters to obtain the desired deer management. Large industrial or institutional landowners in northern Pennsylvania that actively manage their forest ownership for timber production report that they utilize a variety of deer mitigation tools, and these mitigation costs accounting for between 10-15 percent of their total land management costs.

The cost per acre to mitigate deer on a smaller woodlot is usually higher and these landowners are often unable or unwilling to incur these costs.

Deer mitigation also has a considerable impact on public land managers and Pennsylvania taxpayers. On Pennsylvania's State Forests system alone, we estimate that the impact of deer is costing Pennsylvania taxpayers over \$20 million. This includes an annual cost of approximately \$4 million in direct mitigation and regeneration activities. An estimated \$16-\$18 million in additional revenue is lost each year in deferred and unrealized timber sales, caused by the diversion of agency resources to deer mitigation and an overall reduction of timber harvesting related to deer. If deer were not an issue, we estimate that industry could access an additional 15 – 20 million board feet of stumpage annually from the State Forest system. Currently, this material must come from other sources, ultimately driving up the cost of raw resource to both primary and secondary wood processors.

PFFPA has supported the current and on-going Deer Management Strategy by the Game Commission, believing that it is a good first step towards providing the necessary tools to help forest landowners deal with an overabundance of deer on a landscape basis. We support the DMAP program, concurrent seasons, and antlerless hunting opportunities.

Over the past two years, PFFPA members and other forest landowners have reported that deer numbers are lower, forest regeneration is taking hold and habitat is improving. It must be noted, however, that the forest is only showing the initial stages of habitat improvements. Trees grow slowly and it will take additional years for degraded forest habitats to more fully recover. We are extremely concerned about the talk of the Commission retreating from the current strategy and the reports that some legislators are linking their support for a license fee increase to a revised deer management strategy that will create higher deer populations in northern Pennsylvania.

Increasing the deer population at this time will quickly reverse the benefits incurred over the past three years. Recovering habitat will return to its depleted state. Mitigation costs to deal with deer will increase for landowners.

Over the long-term, the continuation of deer overabundance in a forest landscape threatens to cause dramatic changes, including a shift in forest composition from valuable commercial species to less desirable species. Mitigation activities, such deer fencing are too cost prohibitive to be a long-term solution to the problem. Placing the burden of these management costs on the landowner creates disincentive to maintain their land as sustainable working forests. Without access to the timber resource from productive, healthy and sustainable working forests, the long-term economic sustainability of the state's entire forest products industry is put at risk.

Thank you for the opportunity to address the Committee on this important issue. I would now like to introduce Jim Chapman, Operations Manager and Forester for Hyma Devore Lumber Mill in Youngsville, Warren County, PA. Jim will give you a more personal perspective on the challenges facing forest landowners in northern Pennsylvania.

For more information, contact:

Paul Lyskava, Executive Director  
Pennsylvania Forest Products Association  
(717) 312-1244