

Canadian Softwood Lumber

American home builders need reasonably priced lumber to build homes that average working families can afford.

U.S. domestic production is not sufficient to meet demand. NAHB is working with the Forest Service and the Bureau of Land Management to clear the regulatory hurdles that constrain domestic lumber production.

In 2016, the U.S. consumed 47.1 billion board feet of softwood lumber while producing 32.8 billion board feet. That's a shortfall of 14.3 billion board feet. More than one-third of the lumber consumed in the U.S. last year was imported, and more than 95% of the imports came from Canada. Annual domestic production has not met demand even once during the last 50 years.

Why It Matters

The lumber supply problem is made worse by the Commerce Department decision to impose duties averaging 26.75% on Canadian lumber shipments into the U.S. The tariffs are acting as a tax on American home builders and home buyers, making housing less affordable for American families and forcing builders to look overseas to Germany and Russia in order to meet demand.

The fact that America cannot meet the nation's demand for lumber is all the more reason to move forward on an equitable U.S.-Canada trade agreement that will provide a reliable and affordable supply of lumber and meet the housing needs of American consumers.

Solutions

America cannot meet the nation's demand for softwood lumber, which will only continue to grow as the housing recovery picks up steam. Therefore, NAHB believes the following steps should be taken:

- **Rescind the lumber duties**, which will be finalized on Nov. 18, and negotiate a settlement to address American home builder concerns regarding price and availability of lumber. NAHB is meeting with representatives of the Trump administration and Congress, as well as Canadian federal and provincial officials, to achieve this goal.
- **Boost domestic production** by seeking higher targets for timber sales from publicly-owned lands and opening up additional federal forest lands for logging in an environmentally sustainable manner.
- **Reduce U.S. lumber exports.** Domestic producers are selling abroad to China and other international clients in order to increase profits. Exporting timber should be discouraged when there is a gaping need at home.
- **Seek out new markets** to reduce our nation's reliance on Canadian lumber imports and make up for our domestic shortfall. NAHB last year held productive talks with Chilean government, trade and industry officials that focused on increasing exports of softwood lumber to America. Other potential markets include Sweden and Brazil.