Logging, 2022

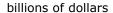
Released at 8:30 a.m. Eastern time in The Daily, Wednesday, December 20, 2023

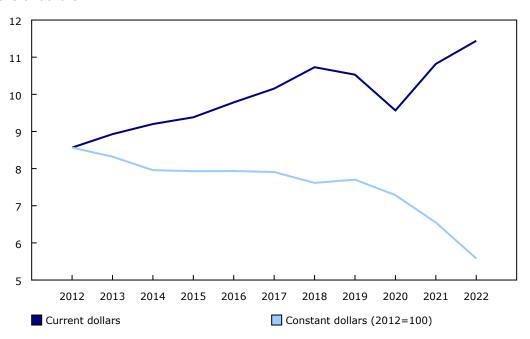
Revenues pushed up again by another year of price increases

Total revenue in the logging industry increased 4.6% (+\$547.0 million) to \$12.4 billion in 2022 compared with 2021, and it was up 20.8% since 2020. The shares of total revenue for the logging (except contract) Canadian industry (52.2%) and the contract logging Canadian industry (47.8%) remained the same.

Revenue from logging activities—which excludes revenue from other sources, such as secondary business activities—was up 5.8% (+\$628.8 million) from 2021, reaching \$11.4 billion in 2022. Like in 2021, this growth was driven by a strong average annual price increase for logs, pulpwood and other forestry products (+24.1%), as measured by the Raw Materials Price Index.

Chart 1
Revenue from logging activities, 2012 to 2022





Note(s): Constant dollars were calculated using the yearly averages of the Raw Materials Price Index for logs, pulpwood and other forestry products and rebased to 2012=100. **Source(s):** Tables 18-10-0268-01 and 16-10-0114-01.

The rise in the cost of materials and supplies outpaces the increase in revenue from logging activities

Total expenses from logging activities reached \$11.9 billion in 2022, a \$751.1 million annual increase. This 6.8% rise exceeded the growth seen in total revenue (+4.6%). As a result, total expenses represented 96 cents for every dollar of total revenue, up from 94 cents in 2021.





In 2022, the cost of materials and supplies grew 8.0% (+\$419.1 million), to reach \$5.7 billion, for all logging activities. Materials and supplies accounted for 59.6% of total expenses for loggers (except contract), while they represented 35.6% for contract loggers. The total cost of energy, water utility and vehicle fuel increased 25.0% (+\$210.0 million) in 2022.

Total salaries and wages for the logging industry increased 1.9% (+\$34.2 million) to \$1.8 billion in 2022. Loggers (except contract) are logging on an own-account basis and hire subcontractors, resulting in some of the salary and wage expenses being classified under subcontract fees. Contract loggers' share of total salaries and wages was 67.8%, compared with 32.2% for loggers (except contract). For every dollar of total expenses, contract loggers spent 22 cents on salaries and wages, while loggers (except contract) spent 10 cents.

Increased revenue from logging activities in five provinces

In 2022, the top five provinces, which represented 96.5% of Canada's revenue from logging activities, saw modest increases compared with 2021. Quebec (+\$250.4 million; +10.9%) saw the largest increase, followed by British Columbia (+\$200.0 million; +3.8%), Alberta (+\$65.8 million; +5.6%), Ontario (+\$40.4 million; +3.9%) and New Brunswick (+\$31.9 million; +4.7%). Manitoba saw the fastest growth of all the provinces (+\$23.5 million; +51.5%).

Did you know we have a mobile app?

Get timely access to data right at your fingertips by downloading the StatsCAN app, available for free on the App Store and on Google Play.

Note to readers

The logging industry is composed of two Canadian industries: logging (except contract) and contract logging. One of the main features of businesses specialized in logging (except contract) is that they own the rights to harvest timber. The largest proportion of revenues for contract loggers comes from logging services provided on a fee or contract basis, while the largest share of revenues for the logging (except contract) industry is from logging operations on an own-account basis.

The cost of materials and supplies is made up of purchases of raw materials and components, repairs and maintenance, payments to subcontractors, and stumpage fees.

Data for 2021 have been revised.

Data were collected for the 12-month fiscal period ending on April 1, 2022, or between this date and March 31, 2023. For more information on data quality and revisions, please refer to Annual Survey of Manufacturing and Logging Industries.

Available tables: table 16-10-0114-01.

Definitions, data sources and methods: survey number 2103.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).