

Quick Updates from Your HF Team

Negotiators Derail Threat of Major Transportation Strike

On the heels of yet another unsettling <u>inflation report</u> released on Tuesday, the hardwood sector and broader business community dodged a bullet Wednesday night when railway carriers and unions reached a tentative labor deal, avoiding a strike that would further disrupt already-stressed supply chains. The <u>framework</u> extends the so-called "cooling off period" to iron out the details and delivers one of the union's key demands, a 24% pay raise for workers over a five-year period, a key point brokered by the Administration which intervened in discussions. During the days leading up to the agreement, industry groups including the U.S. Chamber of Commerce, <u>chemical makers</u>, and the Hardwood Federation and a group of allied associations have drafted letters urging Congress to takes steps that would fast-track a settlement.

Federation Partners with Farm Bill Allies

The Hardwood Federation team is preparing for the next Farm Bill, joining forces with coalitions to leverage the Federation's top ag priorities. This includes the "Forests in the Farm Bill" (FIFB) Coalition, a group that convenes every five years to help shape forestry, biomass energy and forest products policy as part of the larger Farm Bill package. This year, HF is serving on a FIFB subgroup to explore programs within the farm bill to increase demand for forest products. The Federation is also

participating in the Forest Climate Working Group's (FCWG) efforts to identify common forest related priorities for inclusion in the Farm Bill. FCWG also represents a diverse group of participants focused on forests and forest products as a solution to climate challenges. In addition to the FIFB and FCWG, we are working with our colleague organizations that rely on and support the Market Access and Foreign Market Development programs.

USFS Reports Third Quarter Drop in Timber Sales

The U.S. Forest Service (USFS) has released its "Cut and Sold Report" for the Fiscal Year (FY) 2022 Third Quarter, showing total volumes of all convertible forest products sold and harvested from USFS lands. The <u>report</u> shows a drop in sales from 146 Billion Board Feet (BBF) in year-to-date output for FY2022 as compared to 1.435 BBF at this point in FY2021, a decline of 25 BBF in year-over-year sales. Although Congress has poured significant resources into the USFS system, including funds from the 2021 bipartisan infrastructure law, we have not yet seen evidence that the impacts of this infusion have trickled down to the operational level.