

The UK timber industry has experienced growth for the first time in three years, according to a new report by the Timber Trade Federation (TTF). But a sharp rise in running costs and subdued demand sees many companies continuing to struggle.

The TTF Statistical Review 2011 – Industry Facts and Figures reveals a degree of recovery in 2010, with the consumption of timber and panel products reaching a level of more than 14 million cubic metres (m³). The import sector grew by 8.4% in volume, to 8.37 million m³, while UK production increased by 9.2% to 6.45 million m³. As a result, the industry rose in value by just over 20% to £3.13 billion.

At the same time, the prices of raw materials, energy and other goods and services have climbed dramatically – making it more difficult for companies to achieve adequate returns. What's more, the 2010 recovery was very much concentrated in the first half of the year. The import sector, for example, grew by 13% year on year in the first six months of 2010, but only by 3% in the second six months.

John White, CEO of the TTF, said: "While 2010 was, thankfully, an improvement on the two previous years, demand remains subdued in many markets. The UK timber industry is still challenged by the weak economic recovery."

The TTF Statistical Review 2011 – Industry Facts and Figures report is available to view in full at www.ttf.co.uk/News_Info/Statistics.aspx