

# Opinion Piece

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## Sustainable native forestry is the economically viable option in Victoria

People connect to trees and forests on an emotional level. Beyond the fundamental role they play in providing the air we breathe, forests are often viewed as the gateway to nature and we feel the need to protect them from threats both man-made and natural.

This emotional connection can lead to misconceptions about our native timber industry and the important roles forests also play in meeting our demand for wood products.

Wood and wood products are very much connected to our everyday lives. They are a part of the homes we live in, the floors we walk on, the newspapers we read and many more products that we ultimately couldn't live without.

A recent report by PwC questioned the value of the native timber industry in providing these products to Victorians.

The headlining claim of this report is that each native forestry job costs \$5m. It is difficult to take this claim seriously when the authors of the report at no point made an attempt to contact anyone from the native timber industry in either the formulation or the conclusion of this report.

Even more surprising is the fact that the report looks at our industry through a key hole and only considers the jobs associated with 'the cultivation of trees and forestry support services'. As a result, the regionally-based mills who process this timber are ignored despite being responsible for the majority of the employment and economic benefits provided by our industry.

Without these mills, and without the significant demand for our local timber, there would be no need to cultivate trees or engage forestry support services.

Another recently released study by Deloitte Access Economics looked at the primary processing of native timber as well as the forest-based activities and found that \$573m of economic activity was generated in 2013/14 from VicForests timber harvesting operations in just one region of the State.

It can be easy to also forget how vital this industry is to the people living in small Victorian communities.

Further, according to Deloitte, this activity resulted in 2117 direct equivalent full time jobs from less than 0.3% of the public land in the Central Highlands Regional Forest Agreement area. We don't generate this income, and provide this social benefit, indiscriminately. In any year, we harvest and regrow less than 0.1% (one thousandth) of Victoria's forests.

We carry a serious responsibility to ensure the social sustainability of thousands of regional Victorians and their families who are directly employed by the industry. These regional families are the ones we read about in the city whose young people have less opportunities, and whose older people have fewer chances to reskill and transform.

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It continues to be suggested that we can meet the demand for high quality local timber by moving to an entirely plantation based model. Expert studies looking at the reality of this 'transition' model have shown it is not straight forward and presents different challenges.

High quality sawlogs are grown over 60 to 80 years. Native timber could be cultivated over a shorter period of time but it would not be of as high quality and it would still take at least 40 years as there is no current established market.

A 'rapid transition' into plantations, meaning establishing hardwood plantations of timber that is not native to Australia, would still take 25 years before achieving any results.

More plantations also mean acquiring more land, which comes at a great cost to the agriculture and farming industries.

The only other immediate alternative is to replace our local hardwoods with imported wood from South-East Asia, where sustainable harvesting may be in a completely different league.

Our focus remains on the long term economic returns to Victoria that include maintaining thousands of regional jobs and the associated businesses that generate hundreds of millions of revenue dollars annually. We agree it would be great to further improve the industry's profitability, but not at the expense of the future sustainability of our forests.

But profitability aside, we need timber as a fundamental part of a long-term renewable economy.

We believe it is far better to source timber from our sustainably managed local forests than to push the pressure to meet our demand for wood onto developing nations.