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### Victorian industry cautiously welcomes Tasmanian resolution

The peak representative body for the Victorian timber industry, the Victorian Association of Forest Industries (VAFI), has cautiously welcomed the agreement between the Tasmanian timber industry, the CMFEU, environmental non-government organisations and timber communities.

VAFI CEO Philip Dalidakis said although he did not agree with all aspects of the agreement, he was happy to see the first stage in the long process of finding a resolution to the issue of native forestry in Tasmania had been reached.

“The Victorian industry cautiously welcomes this agreement, with some reservations, and we support the National Association of Forest Industries’ position on the use of wood waste for biomass,” Mr Dalidakis said.

He also warned against any simplistic comparisons between the agreement in Tasmania and the future of forestry in Victoria.

There are three significant differences between the situations in Tasmania and Victoria:

1. Some form of restructure would likely have been required anyway, as the Tasmanian timber industry was facing a crisis of supply, with a 50 percent reduction in the sawlog supply occurring by 2020.
2. The agreement in Tasmania has been made possible because Gunns, the major player in the industry, is moving out of native forestry in that State. This will free up more than 50 percent of the current resource for future wood supply for the industry and conservation objectives.
3. The potential investment in a \$2 billion pulp mill will create a range of new economic opportunities for Tasmania. No such potential investment exists in Victoria.

Mr Dalidakis said he would continue to monitor the situation in Tasmania with interest.

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