

East Gippsland native forestry worth AU\$150 million

The Victorian Association of Forest Industries (VAFI) has welcomed the release of a new study commissioned by the Department of Primary Industries (DPI) into the economic importance of East Gippsland native forestry. VAFI Public Affairs Manager Shaun Ratcliff said the study by Coakes Consulting, Victoria's Forestry Communities: Adapting to Change in the Forestry Industries, showed that native forestry in East Gippsland generates AU\$150 million of economic activity and directly supported the livelihoods of 2,000 people in the region.

“This report confirms that the forest and wood products industries are major drivers of economic growth, particularly in rural and regional areas,” Mr Ratcliff said. According to the study, native forest and wood products businesses with links to the East Gippsland Forest Management Area create over AU\$150 million of economic activity each year.

It was also found these businesses supported around 2,022 people (778 industry workers, plus their families) within East Gippsland. This only includes those directly employed in the industry and not those indirectly supported by it, such as employees of non-forestry firms that rely on it for trade.

According to research conducted by Australian National University academic Dr Jacki Schirmer, this figure may be even higher. In this study, also commissioned by DPI, 1,289 people (2.3% of the workforce) in East Gippsland were found to be directly employed in the forestry industry. A further 2,145 people were found to be directly employed in forestry in Gippsland.

The Coakes study found forestry jobs to be generally better paying than the Victorian labour force average, with incomes also growing faster than average between 2001 and 2006. Forestry jobs were also found to be more secure, with workers on average being employed in the industry for 19.7 years; and 10.2 years with the same business. There was also a higher than average indigenous participation in the industry, with 2.8% of the industry workforce in East Gippsland being Aboriginal.

The study also found forestry workers to be highly active in their communities, with 65.4% reporting involvement in community groups and organisations. However, a very high proportion (40.5%) stated when asked that they would leave the area to find work if no longer employed by the timber industry.

Mr Ratcliff said the report made it clear forest and wood products industries were major economic contributors to the local economy.