

Victorian Association of Forest Industries Inc.
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MEDIA RELEASE

GOVERNMENT DECISION DESTROYS LOCAL NATIVE FOREST INDUSTRY

The Victorian Association of Forest Industries Inc. (VAFI) is devastated by the State Government's decision to shut down the Victorian native timber industry by 2030.

"It's clear the government has bowed to pressure from vocal environmental groups and turned its back on listening to those within the industry and those impacted by the flow-on of this devastating decision. Victoria has a long and proud native timber history and it is integral to many rural and regional communities that depend on it," VAFI CEO, Tim Johnston said.

"This short-sighted decision sadly comes as no surprise given the government's lack of response to issues affecting the native timber industry over the last five years, and it will be one that will hurt the Victorian economy, and more importantly, local communities and families that are reliant on it. This decision will have a highly destructive impact on small business, communities and families.

"We've seen the writing on the wall given the lack of government response to forest protests, forest contractors and saw millers walking away from the industry because of a lack of certainty, and a flawed and biased consultation process, but knowing this government's lack of commitment to jobs and industry in both rural and regional Victoria doesn't make this pill any less bitter to swallow."

Mr Johnston said many regional towns including Corryong, Orbost, Benalla, Powelltown and Heyfield will be devastated by this decision and said the government must work closely with industry and those affected to help towns and families recover from the impact of the government's decision.

Now that the policy agenda is clear via the single page *Victorian Forestry Plan*, detail on implementation is urgently required given the gravity of this decision. VAFI calls on the government to work with industry and impacted businesses on a long-term plan that supports small business owners and industry workers to secure their futures.

The Victorian native timber industry is highly regulated and environmentally responsible with only 3,000 hectares per year harvested and replanted, in an overall forest estate of nearly 8 million hectares. What many fail to understand is that the forests are regenerated to allow the natural cycle of forestry to continue. With the demand for timber only growing, closing our local native timber industry will see hardwood imported from some countries that don't share Australia's high level of environmental regulation, completely negating wood's carbon benefits.

As timber is recyclable, stores carbon, and is key to addressing climate change, how can this government claim to be acting on environmental grounds when it fails to support the use of local timber, the ultimate renewable?

"The rhetoric we hear all the time is that native forestry workers and businesses should transition into plantations, but this is not viable for a number of reasons. Firstly, there needs to be land available for plantation establishment. The government's own plantation estate has barely been established, let alone developed to a point where it can realistically supply fibre to industry. While VAFI supports the government's previous commitments to plantation development, there is nothing new in today's announcement. Secondly, the existing plantation resource here in Victoria can't replace the products from native forests," Mr Johnston said.

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VAFI calls on the government to fully appreciate the important role the industry plays in the ongoing sustainable management of state native forests, notably the skill and equipment experienced contractors make available to fight fires. Mr Johnston said this decision will only heighten the mental and emotional strain on rural and regional families.

“The irony of this decision is the State Government has actually chosen Victorian native timber for many of its high-profile building projects, including the award-winning Parliament House Annexe, at the same time knowing that the plan to shut down the industry was imminent,” he said.

(The most recent economic analysis by VicForests showed that the native timber sector generates approximately 2,500 direct jobs. Native timber generated \$770 million in revenue with \$297 million value added in regional communities. [VicForests, *The economic impact of VicForests on the Victorian community*]).

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