Media Release

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Positive forest industry figures should not distract from urgency of securing long-term timber supply

Today's update of Australian forest and wood products statistics is positive news for Australia's forest industries, however this year's strong figures shouldn't distract from the underlying long-term issues that need to be addressed to ensure a prosperous future for our industries in Australia, Chief Executive Officer of the Australian Forest Products Association (AFPA), Mr Ross Hampton said today.

"While we welcome the encouraging figures including; annual sales and service income of forest products manufacturing industries being worth \$23.7 billion in 2015-16, a record annual log harvest in 2016-17 at 33 million cubic metres, up 10 per cent, and, the gross value of logs up 13 per cent on the previous year at \$2.6 billion, we need major policy changes and action from government to ensure the future viability of the full value chain," Mr Hampton said.

"We need to plan for the future and part of that means urgently getting more new trees in the ground, to have the capacity to meet increasing Australian demand for forest products in decades to come.

"The Federal Government has indicated it will deliver a new National Forestry Industry Plan later in 2018 and a key component needs to be policies which drive investment in new trees. AFPA has been calling for 400,000 new hectares of tree plantings - 300,000 of new plantations and 100,000 of suitable farm forestry plantings.

"Last week, through the plantations update, we saw a reduction in the total plantation estate.

"If we don't get new trees in the ground now, inevitably, Australia will be forced to import more and more timber products and our local timber industry, including timber processing and value-added manufacturing will suffer.

"In the last year, enough timber was imported to build 40,000 new homes in Australia. That's a trend that needs to be reversed.

"The National Forestry Industry Plan is the pathway and the time to make this happen," Mr Hampton concluded.

ENDS.

*Today's full update of *Australian forest and wood product statistics: September and December quarters 2017* can be found <u>here</u>.