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Government backs forest industry research

The Australian Forest Products Association (AFPA) has welcomed the announcement by Treasurer Scott Morrison in today's Mid Year Economic and Fiscal Outlook (MYEFO) of \$4.7 million over four years to match voluntary contributions by industry for investment in forestry related R&D. The funding will flow via the industry services company, Forest and Wood Products Australia (FWPA).

AFPA Chief Executive Officer Mr Ross Hampton said, "AFPA and others have been arguing for two years that a 'voluntary matching' provision is a missing piece in the R&D architecture of the sector. Assistant Minister for Agriculture and Water Resources, Senator Anne Ruston, is to be congratulated for delivering on this Government commitment in a tough budget environment."

Mr Hampton said, "Forest industries specifically, and agriculture more generally, are the key parts of the economy poised to deliver major growth and productivity benefits to Australia."

"In a carbon constrained global economy placing a premium on renewable and recyclable products, Australian forest industries will play an ever increasing role. A key to maximising that potential is innovation. Today we took a step in the right direction."

"The next vital step is for the Government to back the industry's call for modest funding in the coming budget to bring together the dispersed forest industry research capacity under one virtual roof with the establishment of a *National Institute for Forest Products Innovation*."

"Such a body would ensure we grasp the opportunities of the environmentally focused 21st century, and our modelling shows we would add up more than 12,000 new regional jobs," said Mr Hampton.

The National Institute would bring together Australia's forest industries' R&D efforts in a coordinated national structure to maximise the impact in traditional areas such as tree growth and wood products, as well as cutting edge fronts such as biomaterials, biochemicals and bioenergy.

AFPA's National Institute proposal can be found [here on the AFPA website](#).

AFPA represents forest growers, harvesters, and manufacturers of timber and paper products.

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