

## **Greg McCormack speech - National Press Club**

**12 September 2018**

Welcome.

This is an historic day.

Forestry industry history will record that in 1992 the Federal Government and the States released the National Forest Policy Statement.

It will also record that in 1997 the Federal Government released the Plantations Vision 2020 document which set a goal of 3 million hectares by 2020.

And a new page in the long story of forest industries in Australia is being written this evening.

I will shortly be inviting the Assistant Minister with responsibility for our industries in the Morrison Government, Senator Richard Colbeck, to take the stage and reveal the new National Forest Industries Plan.

But first let me acknowledge our special guests.

Senator Colbeck I have mentioned.

Senator Anne Ruston, now Assistant Minister for International Development and the Pacific, but as you all know she has been developing this Plan with us for the last three years as the Assistant Minister for Forestry.

Representing the ALP, Lisa Chesters, Shadow Assistant Minister for Rural and Regional Australia and Brian Mitchell the Member for Lyons – both great advocates for us.

A special welcome to Guy Barnett, Tasmanian Minister for Energy and Resources

I acknowledge Nicole Lawder, Deputy Leader of the ACT Opposition

John Simon, Chair of FWPA

Daryl Quinlivan, Secretary of the Department of Agriculture and Water Resources

Tim Johnston, CEO of VAFI

Craig Jones, CEO of FIAT,

Andrew Hurford, President of Timber NSW

Matt Granger, acting CEO of FIFWA

Adan Taylor, President of AFCA

Bob Gordon, President of the IFA

Dr Kevin Harding, President of AFG

Michael Hartman, CEO of Skills Impact

Kersten Gentle, CEO of FTMA

Simon Dorries, CEO of Responsible Wood

Sara Gipton, CEO of FSC

David Gover, CEO of EWPA

Anna Campbell, CEO of the Red Meat Advisory Council

Warwick Ragg from the NFF representing Tony Mahar

AFPA Board members

AFPA Members

Ladies and gentlemen,

That list of special guests reflects what a special evening this is.

As I said before, this is a night which has been a long time coming.

It has been of course a three-year process for AFPA, the Forest Industries Advisory Council and the Federal Government, but actually I mean something more profound.

As many of you have heard me say at many functions over the years, we are not the industry we were when the policy frameworks I mentioned at the start were established.

We have changed dramatically, and we needed a recognition of that by the Federal Government to reset expectations for our next big growth phase.

As we at AFPA have been saying for some years the world into which the Plantations Vision 2020 document was launched no longer exists.

Far from continuing the trajectory towards that goal of 3 million hectares of additional production trees, post the GFC we topped out at 2.1 million hectares and in fact have been going backwards ever since as some areas planted too far from processing centres have been reverting to farmland.

And other winds of change have been blowing hard.

State Governments have been getting out of plantation forestry, overseas super funds have been buying in, bringing important investment, but their business models mean they have not been establishing new areas.

In addition, there is growing demand here and overseas, exposing us to ever greater reliance on imported timber products.

We run a constant trade imbalance of about \$5.3 billion imported against \$3.5 billion exported.

This is not what policy makers had in mind when they last truly focused on our industries back in the 1990s.

They would be staggered I think to discover that in 2018 we are importing up to a third of the sawn softwood for our homes and that we have seen the native forest estate shrink by 3 million hectares during the last 20 years when Regional Forestry Agreements should have provided certainty.

But tonight it is our fervent hope that we are going to hit restart.

Our industry has come together over the last few years and provided the Government with clear, unambiguous advice about the place we are, where we want to be, and the things Government must do to clear the way for us to get there:

- More plantations – over the past decade we have seen Australia’s plantation estate go backwards at a time of record domestic and global demand for forest products
- Recognition of our industries’ clean and renewable credentials through the inclusion of our industries in the carbon market and renewable energy schemes;
- Reliable, affordable energy – processors and manufacturers of forest products are among the biggest energy users in the country;
- Certainty for our native forest industries, which use sustainably sourced timber to support tens of thousands of jobs in regional communities;
- And more support for research and development in forest industries to unlock the endless possibilities of timber, the ultimate renewable.

And to their credit the Government listened. I say 'their' because I mean both our special guests tonight. Senator Colbeck commenced the process when he last had this role, he handed the baton to Senator Ruston who carried it forward with enthusiasm until very recently before handing it back to Senator Colbeck.

Senators I think probably enough has been said about the Federal Government's recent leadership change and how turbulent it all looked from outside - there's nothing more for me to add to that.

I will just say though that as all that change was happening just two weeks before this dinner, the seamless high - speed baton pass from Senator Ruston to Senator Colbeck of this Plan would have won them an Olympic gold medal.

Well done to you Richard for catching the baton and delivering for us.

Well done to you Anne for making sure it was ready to be passed on, and well done to Michelle and all the Department people for working around the clock to deliver once you got the Green lights you needed.

You have a great team in the forestry section Daryl Quinliven.

I've always said our industries are a very big part of this nation's past and potentially an even greater part of the future.

A plan which unlocks that vital mantra of "the right trees in the right places at the right scale" will play a huge role in allowing us to reach that potential. We all look forward very much to hearing from you tonight Senator Colbeck and AFPA looks forward to continuing to contribute to the thinking and the execution however we are asked.

Ladies and Gentlemen please welcome to the stage Senator Richard Colbeck.