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NSW Government's support for forest industries a welcome first step

The Australian Forest Products Association (AFPA) has welcomed the NSW Government's announcement this week of a \$46 million equity injection into the Forestry Corporation of NSW as a first step to aid the State's forest industries to recover from the recent bushfires and now the Covid-19 virus.

Forest industries are significant regional employers in NSW, supporting over \$7 billion of economic activity and directly employing over 21,000 people in the State, but with a significant amount of the softwood plantation assets and sustainably managed native forest estate damaged by the fires and now the Covid-19 virus there will be long-term impacts on the supply chain, manufacturing businesses and jobs.

AFPA Chief Executive Officer Mr Ross Hampton said, "Our supply chain starts with the planting of trees, timber is then sustainably harvested and transported to regional manufacturing facilities and processed into renewable products that store carbon. The recently announced equity injection for the replanting of burnt trees and forestry infrastructure is a welcome step, and it responds directly to some of the priority initiatives we've urged the NSW Government to deliver," Mr Hampton said.

"However, our domestic manufacturing businesses and their jobs are also impacted and will need ongoing support from Federal and State governments for many years to come.

"Timber workers continue the huge and urgent task of recovering fire damaged timber to be processed into renewable timber products for Australia's housing and other markets. The window of opportunity to effectively recover usable timber from the burnt plantations is only about a year.

"Our industry needs urgent support to address barriers to recovering this timber such as increased road access, availability of harvest machinery and crews, the capacity of the facilities to keep employees, process the logs, store the timber and market the products," Mr Hampton said.

"The replanting effort, the recovery and processing of burnt timber, employment pressures, and the increased freight costs facing the industry from the recent bushfires and now the Covid-19 virus are unprecedented.

"We are working with the States and Federal Governments to manage these challenges – we hope to see further announcements to support jobs, our manufacturing businesses, and the massive recovery effort needed in NSW, Victoria and South Australia," Mr Hampton concluded.

ENDS.

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