

Wednesday, 7 October 2020

## **FOREST INDUSTRIES READY TO ASSIST AUSTRALIA'S ECONOMIC RECOVERY**

The Federal Budget delivered by Treasurer Josh Frydenberg last night has been welcomed by the Australian Forest Products Association (AFPA) for its significant measures to support jobs, businesses, and manufacturing investment as Australia looks to kickstart the economy.

The Budget details a \$65 million bushfire support package that will provide relief to forest industries devastated by the Black Summer bushfires, including the \$40 million Forestry Recovery Development \$10 million Salvage Log Storage Fund, and the \$15 million Forestry Transport Assistance Fund. The Federal Government's \$250 million waste and recycling infrastructure investment is essential to support innovation in this important sector.

"The Budget has detailed measures, including components of the \$1.9 billion for low emissions and renewable technologies, that should support our renewable forest industries, regional jobs, and help develop new bioenergy and the bioeconomy initiatives. We know that bioenergy can deliver baseload power 24 hours a day, 7 days a week, unlike many alternative renewables, and wood fibre is a sustainable biological resource that produces renewable wood and paper products, including new innovative bioproducts," said the Acting CEO of AFPA Gavin Matthew.

"There is a clear recognition that housing construction is the engine room for growth and jobs in Australia's economy. Australia's timber processing industry supplies most of the renewable timber products for new houses built in Australia and a substantial portion of multi-unit and commercial construction. The Federal Government's HomeBuilder program is welcome and has seen confidence in the new home market improve. HomeBuilder's extension beyond 2020 and ongoing refinement of its settings are needed to ensure this important activity continues," Mr Matthew said.

Last night's Federal Budget also detailed the ongoing initial implementation of the National Forest Industries Plan. AFPA and industry will continue to work with the Federal Government on measures to plant the one billion new trees target, and ensure the elements needed to turbocharge local forest products manufacturing in this country are delivered.

There are 80,000 workers directly and another 100,000 indirectly employed across the full value chain of forest industries and their contribution to communities across the country is essential, during this difficult time.

**SEE OVER**

“AFPA reminds policymakers our renewable forest industries can play a significant role in both Australia’s COVID-19 recovery and in preparing for a low-emission manufacturing future. To build Australia’s resilience we need to continue supporting regional jobs, reducing Australia’s \$2 billion annual trade deficit, and producing more value-added forest products locally,” Mr Matthew concluded.

## **ENDS**

### ***Other important Budget measures include:***

- *\$1 billion in new national housing corporation bonds for more affordable housing construction.*
- *\$150 million in the Indigenous Home Ownership Program.*
- *\$2 billion investment in road safety upgrades.*
- *Temporary full expensing of depreciable assets for businesses with turnover below \$5 billion.*
- *\$2 billion through the Research and Development Tax Incentive and \$1 billion for new research funding for our universities.*
- *\$1.2 billion to create 100,000 new apprenticeships and traineeships, with a 50 per cent wage subsidy for businesses who employ them.*
- *\$31.5 million towards improving the regime for ag-vet chemical access and approvals.*
- *\$28 million over four years to strengthen biosecurity technologies to enhance the scanning of imported products.*

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