

Media Release

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Federal Budget heralds new era of forest industries research and innovation with \$100m for national institute

A new National Institute for Forest Products Innovation (NIFPI) will embark on transformative R&D with \$100 million confirmed for the Launceston headquartered centre in tonight's Federal Budget.

Australian Forest Products Association (AFPA) Chief Executive Officer Ross Hampton said the record-breaking commitment comes alongside other initiatives to enhance skills and training and grow Australia's forestry estate to secure our future wood fibre supply.

"The NIFPI will turbocharge Australia's innovation capability in emerging technologies such as biomaterials, biochemicals and biofuels, as well as traditional fields such as forest science and timber processing," Ross Hampton said.

"This investment will position Australia as a world leader in the development of wood-based technologies that will maximise the potential of our sustainable timber and wood fibre and create new advanced manufacturing opportunities."

The Budget delivers on several Federal Labor election commitments including \$100 million for the NIFPI, \$8.6 million to extend Regional Forestry Hubs from 2024-25 and to provide extension services, and \$10 million for skills and training to equip the forest industries workforce with competencies, credentials, training and accreditations.

Additionally, the Budget recommits \$86.2 million for plantation establishment grants and \$112.9 million for wood processing innovation grants funded in the March Budget. Forest industries are also expected to benefit from the \$15 billion National Reconstruction Fund.

"Tonight, the Treasurer committed to building one million new houses. But we will only be able to build more houses if we plant one billion new production trees by 2030 to meet future demand. Furthermore, global demand for wood and fibre is forecast to quadruple by 2050, showing initiatives to grow the estate are on the right track," Ross Hampton said.

"Australia's forest industries will play an increasingly important role providing the sustainable and important products of the future, while helping Australia reach its emissions reduction targets, helping the world fight climate change. From house-frames to paper and cardboard packaging, Australia's forest industries supply chain is essential. We welcome the Government's recognition of the sector in tonight's Federal Budget," Ross Hampton concluded.

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