



MEDIA RELEASE

Thursday 5 August 2004

## **VicForests launched: balancing communities, jobs and the environment**

The Agriculture Minister, Bob Cameron, has today launched VicForests – a new entity established by the Bracks Government to manage commercial activity in Victorian forests.

Mr Cameron said the establishment of VicForests fulfilled a State Government commitment on forestry to clearly separate the Government's forest policy, regulatory and commercial functions.

"Previously, Government was both the monopoly supplier of native forest timber as well as the environmental regulator," Mr Cameron said.

"Under the new structure, the Department of Sustainability and Environment (DSE) will continue to be responsible for forest stewardship, while VicForests will take over the commercialisation of the State's timber resources.

"The establishment of VicForests will also ensure the Government's commercial forest operations are open and accountable and the logging industry is managed more efficiently and competitively.

"VicForests will deal with industry on a purely commercial basis which will create greater certainty and long term viability for the sector."

The Chairman of VicForests', Paul Barker, said VicForests had already been in discussion with industry, contractors and unions over what changes to licences and timber sales may be required to help make the industry sustainable.

"We recognise that a lot of people have a big stake in the native timber industry so we are going to be taking our time listening and talking," Mr Barker said.

“We will fulfill all existing timber licences, but they will not be renewed once they expire.

“VicForests is developing a new allocation and pricing system to replace licences and intends to continue talking about the options with industry.”

VicForests took over the management of timber licences in eastern Forest Management Areas (FMAs) this week (from 1 August, 2004). Western FMAs will follow at a later date.

The Chief Executive Officer of VicForests, David Pollard, said that as a priority the organisation would work responsibly with contractors and unions to improve work practices and safety in harvesting operations.

“My task is to establish a properly functioning market for native timber in Victoria that achieves social, economic and environmental sustainability.”

## **BACKGROUND**

?? *VicForests will have regional head offices in Bairnsdale, Traralgon and Seymour. It will continue to operate from its Benalla office until new facilities at Seymour are available.*

?? *VicForests employs 130 people including 96 who have transferred from Forestry Victoria in DSE.*

?? *As a state-owned corporation the Board of VicForests and its CEO are accountable to the Minister for Agriculture.*

?? *Victoria’s forest industry has an annual turnover of around \$540 million, generating direct employment of over 4,000 people.*

?? *Indirect employment is estimated at around 10,000 people.*

?? *In 1999, the Victorian timber industry contributed around \$1.8 billion to Victoria’s total Gross State Product of \$160.5 billion.*

ENDS

### **For media information contact:**

David Pollard, CEO VicForests on 03 9608 9500

Campbel Giles, Premier’s Media Unit on 9651 5799 or 0407 972 900