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## Plantations will not replace native timber

A new review by respected industry analysts, Pöyry Management Consulting, has confirmed that Victoria's plantation industry is not an alternative to our native forestry industry.

Pöyry has reviewed a report by the National Institute of Economic & Industry Research (NIEIR) suggesting Victoria can transition to a plantation-only timber industry, and found the report overlooks a range of relevant issues and risks.

"The NIEIR report appears to be the basis for claims by some conservationists that the Victorian timber industry can be supplied solely by plantations," VicForests' Director, Corporate Affairs, Nathan Trushell, said.

"However, Pöyry's review debunks this myth and suggests the NIEIR report fails to fully consider important issues such as the significant difference between plantation timber and native forest timber.

"The NIEIR report appears to overlook some key considerations including:

- Hardwood plantation sawlogs do not have the same wood qualities as native forest sawlogs,
- It is impossible to harvest only appearance grade timber without also generating pulp log because both types of timber are produced from the same tree,
- Victoria's hardwood plantation estate is based around Blue Gum, a species which is not sought after for appearance grade products.

"The NIEIR report also calls for the world's largest Eucalypt plantation sawmill to be built in western Victoria, citing the example of a Tasmanian sawmill which processed Eucalypt plantation sawlogs.

"However, the Tasmanian mill struggled to compete with structural grade pine timber. This mill went into receivership in 2010 and the new owners have chosen to process only pine," he said.

Mr Trushell said much of the timber from Victoria's plantations is used for different purposes to that from our native forests.

"These two timber sources complement, not replace, each other," he said.

"The Pöyry review highlights that if native forest sawlog was not available then our demand for appearance grade timber would be met by imported hardwood which may come with questionable environmental credentials.

"Locking up our native forests will not reduce demand for these products, it will only push the pressure to meet this demand on to someone else.

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“Australia already has a \$2.1 billion trade deficit in wood and wood products, despite currently producing timber from both plantations and native forests.

“Not harvesting our native forests would only put more stress on the forests in developing countries. These countries are not always as well placed to manage their timber resources in the sustainable way they are managed in Victoria,” he said.

“The Pöyry review also found some of the economic assumptions in the NIEIR report are based on inappropriate accounting methods, and rely on carbon markets which are not applicable to Victoria.

“Despite these concerns, the NIEIR report has been used by some conservationists to support their philosophical opposition to the native timber industry without acknowledging the full environmental outcomes of this proposal.

“Victoria’s sustainable native timber industry harvests and re-grows less than 0.1% of our native forest estate each year,” Mr Trushell said.

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