

Media Statement

8 September 2017

VicForests Media Statement responding to ANU report on economic contribution of timber in the Central highlands released 5/9/2017

Nathan Trushell, VicForests CEO said:

"VicForests has had limited time to analyse the report., however, the summary highlights a key issue whereby the value of the timber industry has been substantially down played.

"The value add of the native timber industry has been valued at \$12 million per annum compared with work done by Deloitte Access Economics in 2015 showing the total economic activity generated as a result of native timber harvesting in the Central Highlands is \$573 million with a value add of \$357 million when taking into account primary processing.

"The key issue is that the ANU report has only calculated the value add of timber in the forest, rather than the impressive domestic value add from processing and downstream manufacturing to produce high quality timber products.

"This is akin to only calculating the value of grape growing for the wine industry while ignoring the substantial value add of producing high quality wine.

"The claim in the report that native timber processors can transition to plantation is simply not accurate. Substitution for similar raw material is not available or within economic range.

"The native forest industry that benefits from our operations within the Central Highlands employs 2 117 direct full-time equivalent jobs.

"Only 6% of forest in Victoria is available and suitable for native timber harvesting and more than 70% is in National Parks and reserve systems.

"Other industry and economic benefits, including tourism, are important and we can all continue to add greater value and benefits to all Victorians.

"Deloitte are currently updating its Central Highlands study at a statewide level and we expect this report to be released this year."

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Background

Deloitte Access Economics Report - <http://www.vicforests.com.au/about-vicforests/economic-report>

Plantations & Native timber harvesting Factsheet - <http://www.vicforests.com.au/static/uploads/files/fs-plantation-web-wfkpsjqlbofi.pdf>

Why we need a native timber industry Factsheet - <http://www.vicforests.com.au/static/uploads/files/fs-nativetimber-web-wfvjizcqtzs.pdf>

Resource Outlook - <http://www.vicforests.com.au/planning-1/resource-outlook-2017>