



VicForests: Our Story

VicForests' story is social, economic and environmental.

We are a Government Owned Enterprise, tasked to harvest, commercially sell and sustainably regrow timber from Victoria's State forests.

VicForests harvests only native timber because that is its current Government mandate.

We undertake this task with skilled foresters and ecologists, based on science.

We regrow all harvested coupes with their original species; we apply extensive protections for protected species; and we protect waterways and soils.

Native timber is the ultimate renewable resource.

When we consider the effects of substitution, long term carbon storage in wood products and the lifecycle of harvested and regrown forest, we are carbon positive.

Our local processing and value adding avoid timber imports from interstate, or overseas sources with limited if any ecological protections.

And healthy biodiversity returns to forests over the regrowth cycle.

Our activities are vital to many rural Victorian communities.

We support 2500 regional jobs that underpin families, livelihoods, mortgages and education.

We add social cohesion to small and medium communities, such as through one-in-10 jobs in Orbost and contributing to one in five jobs in Morwell.

Most staff, contractors and customers live in rural communities.

They are also trained bushfire fighters who utilise their skills and specialised machinery at wild-fires, helping to protect lives, homes and properties.

VicForests has been certified, since 2007, under the Responsible Wood standard, endorsed by the world's largest certifying system, the Programme for the Endorsement of Forest Certification. VicForests is audited by Responsible Wood every nine months.

Carbon positive – Climate friendly

VicForests' native timber harvest process stores more carbon than a non-harvest scenario, according to a [Deloitte Access Economics report](#) on the economic impact of VicForests on the Victorian community.

The Victorian native timber industry has a positive net impact because VicForests' harvesting and regrowth process sequesters (locks up) carbon in the wood products that are made and in the new trees that are planted. This calculation has been completed by [Deloitte Access Economics](#). It is based on our current operations model and compared to ceasing all harvesting of Victorian native timber.

Sustainably harvested wood is a truly renewable resource which can be used in a range of industries to reduce carbon emissions.

Victoria's native timber industry conserves 835 tonnes of carbon per hectare under a "business as usual" model, compared to 523 tonnes of carbon per hectare under a "no harvest" scenario.





Environment

Victoria has 7.1 million hectares of public forests. This is public land with trees on it.

About 94 per cent will never be harvested because it is protected in parks, reserves, or is unsuitable for native timber harvesting.

VicForests harvests around 3000 hectares per year, or 0.04 per cent of existing native public forest. This represents, nominally, the equivalent of 4 in every 10,000 trees.

High Conservation Values (HCVs) are protected through rigorous conservation practices including exclusion zones for threatened species and buffer zones to prevent encroachment on rainforest areas.

VicForests undergoes multiple ecological audits, including a nine-monthly audit under the Responsible Wood certification system, an annual Government audit, an annual internal audit and on-going compliance audits.

VicForests is committed to the highest standard of regeneration.

We replant all the areas that are harvested with the same tree species that were there previously.

All areas are sown with seed that is collected in the same area that timber harvesting has taken place and in proportion to the original species mix that was there prior to harvesting.

Social

Native timber harvesting generates and supports thousands of jobs across regional Victoria.

The native timber industry supports over 2500 jobs, most in regional areas, including about 500 harvest and haulage contractors. The industry is a key employer in many regional towns where there is limited other work. In Morwell, the industry contributes to 1400 jobs or 19 per cent of the total employment.

Australian Paper in Morwell accounts for about 1200 of these jobs.

In Orbost, the native timber industry contributes 214 jobs or 11 per cent of jobs.

Corporate/Economic

VicForests, its customers and contractors generated \$770 million in revenue during 2015/16, according to a [Deloitte Access Economics report](#), the economic impact of VicForests on the Victorian community. VicForests has continued to deliver strong financial results. In 2017/18, VicForests made a profit of \$1.2 million, was debt-free, with \$1 million in cash. This was achieved in challenging circumstances with reduced harvests of Ash forests.

Over six years (2012/13 – 2017/18), VicForests recorded over \$10 million in after tax profits.

VicForests generates about \$100 million a year in revenue and employs 121 full time staff, a majority of whom live and work in regional Victoria.

Our Deloitte Access Economics report found there would be a \$5.2 billion negative impact over 10 years from 2016 if VicForests did not exist.

Briefly, by the numbers:

- There is 7.1 million hectares of public forests across Victoria. 94 per cent is protected in parks, reserves or is unsuitable for native timber harvesting.
- VicForests harvests around 3000 hectares per year, or 0.04 per cent. This represents, nominally, the equivalent of 4 in every 10,000 trees.
- Timber stores up to 15 times the amount of CO2 compared to that which is released during its manufacturing.
- The native timber industry supports over 2500 jobs, mostly in regional areas.
- In Morwell, the industry contributes to 1400 jobs or 19 per cent of the total employment, 1200 of these jobs are at Australian Paper.
- In Orbost, the native timber industry contributes 214 jobs or 11 per cent of local jobs.
- VicForests, its contractors and customers generate \$770 million in revenue each year.
- [Deloitte Access Economics](#) found there would be a \$5.2 billion negative impact over 10 years from 2016 if VicForests did not exist.