

11 March 2015

An economically, socially and environmentally sustainable timber industry.

MEDIA RELEASE

"Shoebridge Economics Gets It Wrong Again"

- The NSW Government is directly responsible for the management of around 12 million hectares of publicly-owned native vegetation. 2 million hectares is dedicated as State forest (16%) of which half is currently available for timber production (8%).
- 7.56 million hectares or 63% of the State's publicly managed native vegetation is formally protected in National Parks, Reserves or State Conservation Areas.
- Last financial year it cost the taxpayer \$412 million for the National Parks & Wildlife Service to manage our National Parks, Reserves and State Conservation Areas. This equates to a cost of \$55 per hectare per year or, coincidentally, \$55 per year for every person in NSW.
- In contrast it cost the taxpayer \$17.6 million for the Forestry Corporation to look after our native hardwood State forests which equates to \$8.67 per hectare per year or \$2.40 per year for every person in NSW.
- NSW native State forests protect the environment and at the same time support over 5,000 regional jobs and an industry which contributes \$386M to the NSW economy. The value added worth of the industry is equivalent to \$19 per hectare per year. By having a native forest industry every person in NSW is \$49 per year better off after all land management costs are accounted for.
- The hardwood logs which come from our State forests are processed into a diverse variety of natural products that many of us take for granted in everyday life. The production of native hardwood flooring, decking, flooring, joinery, furniture, writing paper, fencing, wharf and bridge timbers electricity poles, pallets, house bearers and joists is all dependent on their being ongoing access to NSW State forests.



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FACTS ABOUT THE SOUTH COAST AND EDEN REGIONS

- Our native forests produce around 1 million cubic metres of logs per year on a sustainable yield basis. About one third of this timber is produced on the NSW South Coast and Eden region.
- On the NSW South Coast and Eden region the timber industry directly employs over 1,700 people. (2011 national Census and is published by the Australian Bureau of Agricultural and Resource Economics).
- The value of the timber industry goes beyond the forest gate. Only 15% of timber industry jobs are in timber harvesting and forest management. 85% are in manufacturing and value adding of wood and paper products.
- For every cubic metre of sawlog that is harvested in our native forest there is around \$380 of value added by the timber industry's supply chain.
- On the South Coast Region the industry contributes around \$14,000 for each hectare that is selectively harvested to the State's economy. In the Eden region the value is higher approximately \$18,000 per hectare as there is more complete utilisation as a consequence of the pulpwood market. Pulpwood comes from thinnings and low quality logs which are unsuitable for milling.
- Multiple use State forests are over five times cheaper to manage than National parks and reserves. If all the State forests in the South Coast and Eden regions were converted to National Park it would cost the taxpayer an extra \$15 million every year to manage them.
- Most of the timber produced in the Eden Region is exported as woodchip by South East Fibre Exports. However this supports the harvest of sawlogs which supply Blue Ridge Hardwoods at Eden. Together these businesses are the region's largest employers and the mainstay of the Eden economy generating over \$18 million annually in value added.
- All the best forests on the NSW South Coast and Eden are already in National Parks now - Morton, Budawang, Monga, Murramarang, Deua, Wadbilliga, South East, Biamanga, Ben Boyd, Tantawangalo, Coolangubra) and all of the conservation targets for ecosystem reservation have been well exceeded.
- Regional Forest Agreements were put in place in the late 1990s. For over 15 years all Wilderness, Rainforest and Old Growth and high conservation forest has been protected.