

NSW Legislative Council Inquiry into the Sustainability of the NSW Timber Industry

OPENING STATEMENT Softwoods Working Group

- Thankyou for the opportunity to meet with you today. We look forward to answering your questions
- Our submission provides a more detailed response to the relevant Terms of Reference for this Inquiry. Our focus is solely on the role of softwood plantations and the processing activity based on this fibre resource.
- The key points that we would like to emphasise (and can address in any amount of detail!) are:
 - There has been a shortage of timber products nationally for many years
 - The plantation resource has been in gradual decline for over 10 years.
 - The future **prospects** for the plantation growing sector and associated processing industries is extremely promising **IF** action is taken now to address the issue we have identified in our report. Can't keep just talking about it!
 - The 2019-20 fires have seriously damaged but not destroyed the industry – the recovery effort has been an excellent example of private/public partnerships.
 - Despite these fires, the plantations & timber industry in this region, is still the biggest socio-economic game in town. We wish to table a summary table indicating the dimensions of this impact.
Bigger than agriculture and bigger than tourism (by several orders of magnitude).
 - The plantation estate needs to be expanded, to address national as well as regional issues.
 - The state govt needs to get more involved in that expansion effort and we have prepared an Options paper as to how this could be addressed (which we wish to table).
 - Fire prevention & management are critical issues that require a significant review to ensure the existing and new plantation resource is adequately and effectively protected.

In summary, the SW Slopes has a world scale softwoods timber industry. Our processing mills are globally competitive, and rank amongst the largest of their kind in the Southern hemisphere. The industry is highly integrated, meaning that just about every gram of fibre grown in used in some way, either as a commercial product, as fossil fuel replacement, or for environmental protection in the forest. Our labour productivity is around \$500,000 per employee – a very high figure.

Our urgent need to maintain this successful and sustainable driver of our regional economy is to have more trees in the ground – at least 30,000 ha of net addition to the plantation estate, or preferably more. This expansion would not threaten agricultural production, but would involve the right trees, in the right location, at the right scale.