



Media Release

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Forest industries can recession-proof and emissions-proof the economy

Australia's renewable, sustainable forest industry has the potential to recession-proof the Australian economy by providing tens of thousands of new jobs and billions of dollars in new investment, while providing significant climate change benefits, according to the National Association of Forest Industries (NAFI).

"We are facing the deepest recession in recent memory and there is no doubt this recession will change the nature of the global and Australian economy. The way the Government handles the economy during these times will determine what our economy looks like in the longer term. A strategic and forward thinking approach by Government is quickly needed to overt the long term effects of the recession. The strategy needs to ensure jobs are created and provides the essential incentives for innovative and low emission technologies to be adopted," said NAFI CEO Allan Hansard.

"The forest industry needs to be part of that strategy. Jobs need to be created and investment ensured for the long term, rather than just making stop-gap handouts. Appropriate government support and regulatory frameworks to ensure the growth of the forest industry will deliver 16,000 new jobs, \$19 billion in new investment, largely in rural and regional Australia and provide an annual carbon sequestration of 81 million tonnes.

"Forest industry related infrastructure is urgently needed in the key plantation resource areas of Northern Tasmania, Green Triangle in Victoria and South Australia, South west Western Australia. This infrastructure, and the investment incentive it will provide, will generate around \$7 billion worth of new capacity to the industry and generate around 6000 new jobs.

"In addition to the clear economic benefits Australia's renewable, sustainable forest industry can provide are the significant environmental benefits. Forestry is recognised as Australia's only carbon positive industry, and has the capacity to sequester around 81 million tonnes of carbon each year – the forests we sustainably manage are carbon sinks, the products we produce are renewable and are carbon sinks, and the fuels and energy produced from our wood waste is renewable and can reduce our reliance on fossil fuels.

"There is enough wood waste available from existing forest industry activities in Australia (without harvesting a single extra tree) to produce around 3 million megawatt hours of electricity per annum – enough to power 400,000 homes, and provide a permanent reduction in Australia's greenhouse gas emissions of 3 million tonnes of CO₂ per year.

"Australia's sustainable and renewable forest industries can readily provide the opportunity to recession-proof as well as emission-proof Australia's economy. We're urging the Australian Government to take this opportunity to secure Australia's economic and environmental future," Mr Hansard said.

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