

## TIMBER QUEENSLAND MEDIA RELEASE

FOR IMMEDIATE RELEASE



29 October 2020

### **Stocktake of state election policies on the forest and timber industry**

With polling day rapidly advancing on 31 October, the Queensland forest and timber industry has responded to recent policy announcements and commitments made by the major political parties that will impact upon the industry.

Timber Queensland CEO Mick Stephens said “We have assessed the various announcements and commitments made over the course of the election as to how they relate to the industry’s needs and potential to grow.”

“Key amongst the issues of relevance to the timber industry are energy costs. We [welcomed](#) the early announcement by the LNP of cheaper energy costs for manufacturing via reduced state transmission costs which will be of direct benefit to timber processors and manufacturers across the state. This was a key election ask of industry.”

Given concerns raised by the hardwood sector, both the ALP and LNP provided a general commitment to address the issue of rising private native log exports, which is at risk of eroding local hardwood processing and job creation.

Timber Queensland also asked for more specific responses from the major parties to its election policy statement and five point plan that can be found [here](#).

#### *ALP response*

In addition to their native log exports policy stance, the Deputy Premier Stephen Miles in a letter to Timber Queensland advised:

*The Palaszczuk Labor Government recognises the substantial economic benefits of having a sustainable forestry industry in Queensland, which will continue to be supported under a re-elected Palaszczuk Labor Government. We have worked constructively with your organisation and the timber industry over the past five years to deliver the Timber Action Plan, extend the continuation of hardwood timber harvesting in Wide Bay/ Burnett for an additional two years, guaranteeing access up to 2026 and establish a timber advisory panel responsible for overseeing and making plans with the industry for the future.*

*As we have previously indicated, if re-elected the Palaszczuk Labor Government will establish a Native Timber Advisory Panel. The Advisory Panel will include representation from the timber industry, employee representatives, conservation groups, traditional owners, scientists and be led by an independent Chair. Appropriate government and departmental officers will be routinely available to work with the Advisory Committee.*

## TIMBER QUEENSLAND MEDIA RELEASE



*Further, a Timber Industry Ministerial Advisory Committee will be established to work even more closely with the forestry sector to ensure its sustainability under a re-elected Palaszczuk Labor Government.*

### *Assessment of ALP policies*

Timber Queensland has previously stated that we regarded the timber action plan, announced in November 2019, as an important first step toward recognising the need for resource security and the long-term future of the many workers and timber companies in the hardwood sector. However, given the importance of resource security and role of the panel in identifying supply options, we have been concerned that the advisory panel has yet to be established and about the slow rate of progress with the underlying study.

“In summary, the ALP policy response is a recommitment of the timber action plan with the exception of the inclusion of the Ministerial advisory committee with the timber industry. We welcome the Ministerial level committee, which was identified as a key industry ask to foster more regular and direct consultation with Government to implement more concrete action.”

### *LNP response*

In addition to their stance on rising native log exports, the LNP provided a detailed policy response in a letter to Timber Queensland from the Shadow Minister for Agricultural Industry Development, Fisheries and Forestry, Tony Perrett.

A key plank of the LNP policy is a 30-year plan with a focus on:

- *Protecting jobs and increasing private sector investment*
- *Providing a long-term plan for the development of a sizeable timber industry in Northern Queensland based on the utilisation of suitable private and crown forest*
- *Addressing concerns around hardwood timber supply throughout the state with emphasis on Queensland's most productive and important regions*
- *Establishing a timber advisory panel responsible for overseeing and making plans with the industry for the future*
- *Conducting a comprehensive study to identify sustainable future options for timber supply, including on private land, to be completed in 2021*

Other key specific measures included:

### ***Queensland Farm Forest Development Initiative***

*The LNP will establish a Queensland Farm Forestry Development Initiative to encourage increased private native (hardwood) forest production, as well as softwood plantings for commercial timber on farms. This will generate alternative incomes for farmers and other landholders.*

## **TIMBER QUEENSLAND MEDIA RELEASE**



### ***Improving wood productivity***

*We will work with industry to improve wood productivity from state-owned native (hardwood) forests and private forests through improved practices, fire management, biosecurity, and environmental certification. The LNP will increase Government support for private native forestry management incentives, and extension activities, to develop a more financially secure and long-term private timber resource.*

### ***Supporting local building and construction procurement***

*The LNP's plan for Queensland will stimulate the economy - including the struggling construction sector. Under the LNP's new Build-to-Rent scheme, land tax would be slashed by 75% and exemptions on international investor taxes would be provided on eligible build-to-rent housing projects. The plan is expected to secure \$2 billion worth of investment, create 4,600 construction jobs and 4,000 new homes over the next 10 years.*

*An LNP Government will mandate government contracts go to Queensland businesses in three strategic industries to support local jobs and drive our economic recovery. The LNP's new procurement mandate will make Queensland businesses the only ones in line for government contracts for food, manufacturing, and medical supplies.*

*Over the next five years, an LNP government will transition all government contracts to 100% Queensland medical supplies, 100% manufacturing and 100% local food. This would be applied to providing supplies like timber for Queensland Government projects. It will help secure existing jobs as well as generate new jobs for the entire forestry supply chain.*

### ***Lowering electricity costs for timber mills and manufacturers***

*The LNP's plan for cheaper electricity and tax certainty will secure existing jobs, with the aim of creating 20,000 manufacturing jobs over the next four years. The LNP plans to slash electricity costs by 20 per cent delivering hundreds of thousands of dollars in savings every year for sawmills and manufacturers who struggle under Labor's high electricity costs.*

*A \$493 million community service obligation (CSO) will be provided to the Government Owned Corporation Energy Queensland, which owns Queensland's 'poles and wires' businesses Energex and Ergon Energy Network. The CSO will remove the need to charge manufacturing businesses a rate of return on electricity provided through the distribution networks. It will reduce both fixed connection costs and usage tariffs.*

### ***Resource Security and the South-East Queensland Forest Agreement***

*A two-year extension of the SEQ forest agreement to 2026 and the impact on long-term job industry certainty and supply is concerning. An elected LNP Government will have the Queensland Productivity Commission review the current agreement deadline with a focus on the economic impacts on supply, the need for increased private investment, and job security for the industry. An elected LNP Government commits to maintaining the Forestry Code to ensure the future of the hardwood industry.*

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### *Assessment of LNP policies*

A broad suite of key issues and recommendations identified in the Timber Queensland plan have been addressed by the LNP policies, providing a solid foundation for the forest products and timber industry to remain resilient and grow into the future.

“The LNP policies presented to industry are comprehensive and set a vision for growth in terms of providing a clear and certain policy framework for industry investment,” Mr Stephens said.

### *Incoming Government*

Timber Queensland remains committed to working with all political parties and members of Parliament to promote a bright industry future.

“Timber Queensland looks forward to working with the incoming Government over the next four years, given the significant opportunities for growth and the importance of the industry in providing much-needed timber for the state’s building and construction needs.”

“With the right policies in place, we believe the industry could generate an extra \$300 million in annual output and generate an additional 2000 jobs,” Mr Stephens said.

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