

## **TIMBER QUEENSLAND MEDIA RELEASE**

### **FOR IMMEDIATE RELEASE**

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### **Queensland budget weak on future timber material needs for housing**

Queensland's peak body for the forest and timber industry is warning of a looming building materials crisis by a lack of policy and budget measures for increasing future timber supply to help meet the state's rising housing demand.

"While we support the critical need to accelerate housing and building projects for a growing population, the 2024-25 budget is weak when it comes to supporting essential supply chains such as timber for meeting the future construction of houses," said Timber Queensland CEO Mick Stephens.

"Up to 90% of homes in Queensland rely on local plantation softwood for timber framing and Queensland native hardwood and cypress is used extensively for structural beams and posts, flooring, cladding and decking products as well as for furniture and cabinetry."

"With high forecast housing demand, the state budget does not address longer term measures to expand investment in farm forestry and new plantations for future timber supply while the government is dragging its feet on securing future hardwood supply from state-owned and private native forests," Mr Stephens said.

"Back in 2019 the Queensland Government committed to a Native Timber Action Plan to secure jobs and a long-term future for the hardwood industry. It's now 2024 and we have no action other than one line in the budget papers to implement the plan with no funding commitments."

"Lack of action on the plan is putting in jeopardy an ability to guarantee essential building materials from a \$700 million hardwood industry supporting 6000 jobs across the state," Mr Stephens said.

"Over \$140 million in new mill investment is stalled as hardwood supply contracts from state forests expire at the end of 2024."

Key measures to increase future hardwood supply we have recommended to Government include:

- implement new 20-year hardwood supply contracts from existing state forests and other crown land for processors as soon as possible;
- provide certainty for native forest owners to manage and invest in the responsible management of their forests by providing a long-term right to harvest, in accordance with the appropriate code of practice or management plan, to remove sovereign risk; and
- provide greater support for private forestry education and extension services so that farmers and landowners, including traditional owners, can implement best forest management practices to increase timber yields, profitability and related environmental benefits.

Timber recycles carbon

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“Recent research<sup>1</sup> has found that state forests in South and Central Queensland generate better long-term environmental and social outcomes compared to if they were managed as national parks, with sustainable timber production an important benefit,” Mr Stephens said.

A shortage in native timber will put additional pressure on the housing and construction sector which is struggling to keep up with demand in the middle of a housing crisis.

The *Homes for Queenslanders* program has a target of 1 million new homes by 2046 (or 45,000 homes per annum, compared to Queensland average of 30,000 per annum), together with a forecast national deficit in housing supply until at least 2028<sup>2</sup>.

“During COVID the housing and construction sector experienced materials supply shortages which led to blow outs in completion times as well as higher building costs and issues regarding the higher risks of imports with low environmental compliance,” he said.

“Lack of action on a serious and sensible plan for the local timber industry will only increase these risks and exacerbate the ability for the state government to meet housing targets.”

<sup>1</sup> Indufor & Natural Capital Economics (2022). The study adopted an ecosystems approach, by incorporating *regulating* services such as biodiversity conservation and carbon sequestration, *provisioning* services such as timber and honey production and *cultural services* such as recreation and tourism. The report can be found [here](#).

<sup>2</sup> National Housing and Finance Investment Corporation, *State of the Nation's Housing 2022-23*

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