

Implications for Jobs and Industry Growth

The Tasmanian forest industry directly employs more than 10,000 people and contributes about \$1.3 billion to the Tasmanian economy each year.

The Australian and Tasmanian governments both share an overriding commitment to maintaining jobs in Tasmania's forest and timber industries. The overall package has been developed to ensure this commitment is met in full.

Both governments are confident that the investment of over \$200 million in forest industries will lead to sustained jobs growth in Tasmania's forest and timber industries.

Specific measures will be introduced to ensure mills, industries and regions potentially affected by new conservation reserves will continue to flourish. The Tasmanian Community Forest Agreement will provide specific assistance to specialty timber mills in the north-west and west coasts affected by the reservation of substantial special species timber resources. This assistance includes support for retooling and capital investment and new wood supply arrangements to provide security of supply during the transition period and going forward. The Forest Agreement also provides support to improve access to forest areas for the special species and beekeeping industries. Refer to Fact Sheet No. 22 for further information concerning special species timbers.

The Community Forest Agreement includes a \$46 million Tasmanian Forest Industry Development Program that will assist the hardwood timber industry to adjust to the changes in the log mix arising from the new reserves and the reduction in clear-felling of old-growth. The program will aim to maximise the recovery of forest products from increasing use of regrowth, plantation and other changes in the resource mix. The program will include a specific provision of \$4 million to be invested in country sawmills.

Longer-term resource security and employment will be assured by the investment of \$115 million in forest management programs to establish new plantations and improve the productivity of existing plantations and regrowth forest, and a \$29.5 million investment in roads and other infrastructure to support the implementation of changed harvesting programs agreed under the package.

Other elements of the Forest Agreement that will contribute positively to jobs and industry growth include the \$10 million softwood industry development proposal, and the \$4 million forestry training initiative.

Both governments are confident that the socio-economic impact of the package will be positive.

Overall, the Tasmanian Community Forest Agreement secures the future viability of the Tasmanian forest industries by ensuring a sustainable balance between protecting Tasmania's unique environment and providing for the needs of forest and timber industries and workers.

The broader Tasmanian economy will also benefit from the creation of the new reserves. The tourism industry already contributes more than \$1 billion each year to the State's economy and directly employs more than 22,500 people (Tourism Council Tasmania). Tasmania's ancient forests and other natural features are at the core of Tasmania's attraction for tourists. The new reserves in the Tarkine and the Styx Valley in particular will boost the attractiveness of these areas as significant tourist destinations. The \$5 million investment in new forest tourism facilities will also help attract additional visitors and contribute to the growth of the tourism industry and the growth of the surrounding regions.