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MEDIA RELEASE



450,000 HECTARES OF NEW TREES NEEDED TO MEET PROJECTED AUSTRALIAN POPULATION BY 2040

The Chairman of **A3P**, the Plantation Products and Paper Industry Council, Nick Roberts, told a conference in Sydney today that Australia would need to plant as much as 450,000 hectares of new trees to meet the demands of an increased population by 2040.

Addressing the Future Forests and Timber 2004 Conference in Sydney, Mr Roberts said the projection was based on an expected increase in the Australian population of 3 to 9 million over the next 35 years.

"A3P represents the supply chain from plantations to finished products, an industry that accounts for approximately 80 per cent of forest products turnover nationally, and we're very concerned that we need to be planting more trees for future needs", Mr Roberts said.

"The current Australian population of 20 million people is serviced by a softwood plantation area of 1 million hectares. On current indications, every 1 million Australians requires 50,000 hectares of trees to sustain their needs for structural and appearance grade solid wood, and residual chips and fibre for supply to the domestic pulp and paper sector to manufacture newsprint, linerboard, containerboard, tissue, printing and writing grades of paper", he said.

"However, a conservative estimate based on population projections from the ABS shows that we will need between 150,000 hectares and 450,000 hectares of trees to meet our needs. At the current rates of establishment, we will hit neither of these two targets".

"Given that the current estate is sustainable, we will see an increasing demand for imported structural and solid wood products until whatever acreage of trees we do plant has matured".

Mr Roberts said the Industry Growth Strategy currently being developed meant that the entire value chain of the whole timber, wood products and paper industry had agreed to work together, in partnership with the Federal Government, for the first time.

"We are looking carefully at the future of the industry in Australia, where its competitive advantages lie and how these might be best leveraged to ensure that the industry has a strong and long-term future in Australia", Mr Roberts said.

"A major priority will involve addressing the trade deficit which currently sits at approximately A\$2 billion per annum. Assisting the industry in growing and diversifying its range of products will assist in driving down the trade deficit. However, a lack of ability to plant trees will also work against redressing the deficit", he said.

"Another major priority for the Growth Strategy will be to address the international competitiveness and sustainability of the domestic processing sector, infrastructure needs for the industry into the future, and energy market reform".

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