



Building the Nation:
Growing the
Green Triangle's
Contribution to
Australia's Future



Green Triangle
Forest Industries Hub

gtfi.com.au

Building the Nation

Expanding production of sustainable timber and wooden building materials in the Green Triangle plantation forestry region is vital for Australia.

As demand for wooden building products continues to grow, the nation's major supply region must act urgently to increase its contribution to building the nation, by consolidating its available resource whilst realising plans to grow the future by expanding its plantation timber base.

The industry's focus over the next decade is clear:

- continue to build the nation,
- increase local wood processing and significantly reduce raw wood exports; while
- strengthening the industry's economic profile to support the region, the industry and the nation.

Demand to grow

Despite growing global demand for wood products and investor interest in plantations, the Green Triangle estate is shrinking, taking up less than six per cent of the region's total land mass. Annually the region loses up to 5000 hectares of plantation trees due to the inability to plant due to strict water controls and

growing land pressure from the agriculture sector which has driven property prices to record levels. The plantation estate must have the ability to grow to support long term sustainable investment in what is one of the best localities in the world to produce commercial fibre.

Australia's major supplier of wood products

The Green Triangle is Australia's premier plantation forestry and wood products region. It builds Australia delivering more wood products into domestic markets than any other region producing:

- 35% of Australia's locally produced house framing and interior sawnwood
- 25% of the nation's particleboard
- 48% of the packaging and industrial grade timber
- 60% of the poles, posts, fencing and similar products, used in the agriculture, horticulture and external environments.



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A vision for the future

The industry wants to expand its contribution to building Australia in the short term. By focusing on using all its available resource, the region will:



Continue its nation-leading sawnwood supply for housing, packaging and the external environment



Significantly increase its production of engineered wood products like LVL, CLT and GLT, for the built environment



Expand its wood panels (particleboard, MDF and OSB) production to meet growing demand and to use even more residues



Utilise softwood and hardwood resource in new, varied and blended ways to reduce exports to absolute minimums



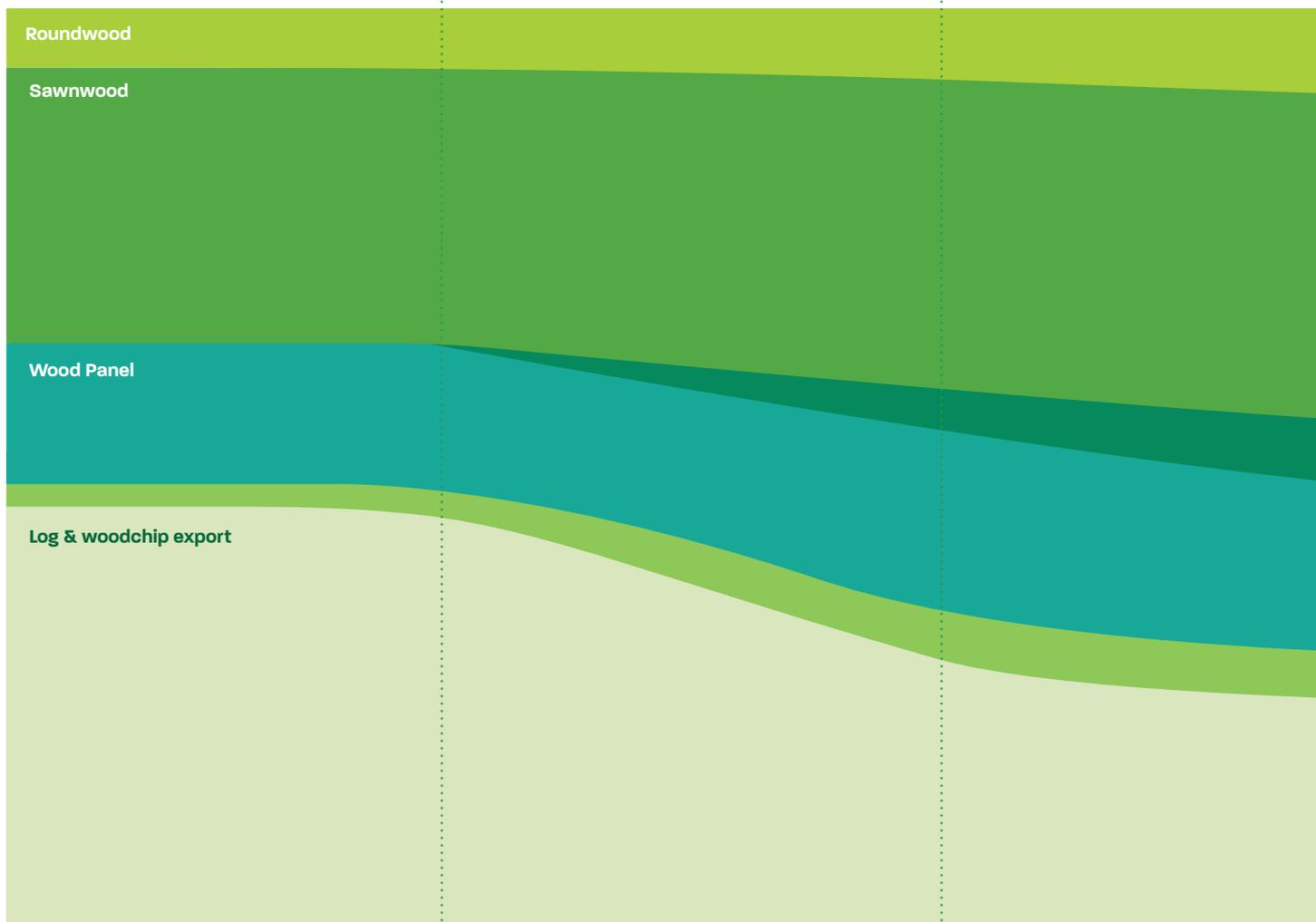
Create value-added products (pulp and bio-energy) for export markets and to earn new export income.

Our "domestic first" future

2020

Immediate

1-5yrs



By 2030...



Green Triangle local processing can rise to:

95%

Up from 41% in 2020.



Gross regional value of the Green Triangle can lift to:

\$1.5^{bil}

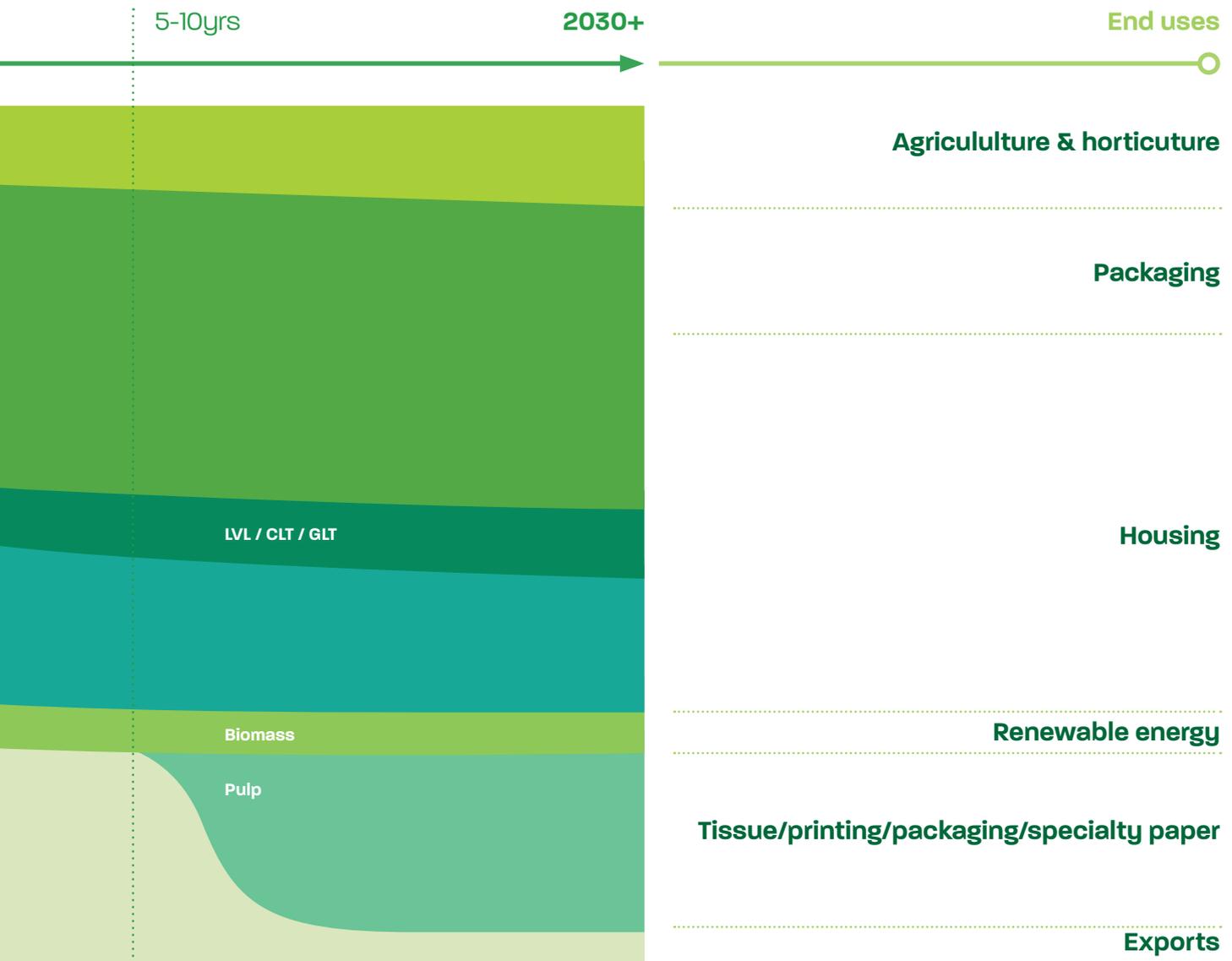
An increase of 60% from 2020.



Green Triangle can decrease raw wood exports by:

90%

Ensuring local product for local economies.



Making more from available resource

Despite its existing contribution, in 2021 demand for the region's resource exceeds supply by 0.6 million m³ per annum. The gap between supply and demand is growing continuously.

Industry's existing plans and developments will absorb almost all the available and suitable softwood plantation resource. Those developments will increase sawnwood supply, significantly increase particleboard production and commence production of new engineered wood products. It is estimated it will grow to 1.6 million m³ over the next ten years unless additional production and processing capacity comes online.

The region's commitment to 100 per cent utilisation, using the 'whole of the log', continues but it is running out of softwood logs with exports tumbling and mainly confined to resource that cannot be efficiently processed locally.

Over the next two decades the region's softwood supply cannot increase. However, it will be maintained, requiring industry to continue on its mission to utilise all the softwood resource.

Using existing resource: the hardwood solution

To expand its production to match growing national demand, the region must focus efforts on utilising the hardwood plantation resource to manufacture wood-based building products. Currently, that material is all exported but that can change.

As the primary fibre, or blended with softwood resource, the plantation hardwood supply may be used to manufacture a wide range of engineered wood products and wood panels used to build Australia. Hardwood resource could also be used to supply some of Australia's growing demand for wooden packaging and industrial products.

Until the plantation resource base is expanded, the solution to Australia's need for sustainable, plantation-based wood products depends partly in how efficiently and effectively it takes up the opportunity presented by the Green Triangle region's hardwood supply.

Growing the future

As new manufacturing is committed, the Green Triangle's plantations will inevitably be 'right-sized' (helping meet the 'One Billion Trees Program' vision) and 'right-shaped' (growing the right species, for the right length of time) to meet the nation's demand. Growth in processing to meet clear domestic demand will guide the plantation expansion need.

To achieve this, the Green Triangle needs strategic support to improve commercial capabilities for some participants to conduct trials and studies. This must be supported by appropriate government policy to ensure the sector can expand its plantation base sufficiently to meet growing national demand for sustainable solutions to its built environment needs.



Action today delivers solutions tomorrow

Achieving its ambitious aims is within the grasp of the Green Triangle and its plantation forestry and wood products industry. It can be successful, with appropriate support from Government.

The industry's three-step action plan is:

1.

Continue efforts to maximise local processing of softwood resource;

2.

Urgently establish practical, in region trials to use hardwood resource (including hybrid softwood-hardwood products) to manufacture more building products:

- a.** engineered wood products
- b.** reconstituted wood panels and roundwood and
- c.** external environment products;

3.

Prepare investment plans for increased wood processing in the Green Triangle and for the required plantation expansion, for the region to continue its role in building the nation.



Green Triangle Forest Industries Hub

The Green Triangle is unique in that it contains the breadth of the entire value chain – from seedling cultivation right through to final fibre processing.

There is also depth to its value chain – from world leading, international corporations through to start-ups and micro businesses – all are looking for innovative solutions. In 2018 nine of these companies recognised that a unified approach to growing the sector was required to strengthen it for future generations.

Today's the GTFIH represents more than 90 per cent of the region's forestry and wood fibre industry, actively working with government and key stakeholders to realise its ambitious plans to sustainably grow the industry.



Has some of Australia's best climate, topography and accessibility and wood fibre processing



Constitutes 17% of Australia's plantations, or 334,000 hectares



Supplies \$1.5b in forest industry economic output – 7% of the Green Triangle's total economic output



Supports over 3,000 workers directly in the local region and over 4,000 indirect jobs



Sees under 6% of its land used by plantations



Around 5.8 million tonnes of carbon is sequestered in Green Triangle plantations







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