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MEDIA RELEASE

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Plantations contribute to regional economies

A recent study of two plantation regions in Australia conducted by the Bureau of Rural Sciences concludes that plantation sector expansion can contribute to stable economic growth in regional areas, according to Gippsland Private Forestry Executive Officer, Rob Willersdorf.

“The report found that during the establishment phase, expansion of plantations on agricultural land generally has the same effects on rural populations as ongoing farm amalgamation processes. However, where there is interest in rural residential ‘lifestyle’ blocks, subdivision of ‘homestead blocks’ on plantation properties may provide opportunities for rural population growth. Plantation establishment creates jobs in plantation management companies and in contracting businesses that provide services to the plantation sector, such as bulldozing and planting contractors and businesses providing chemical and fertiliser application services” said Mr Willersdorf.

As the plantations mature, employment in the plantation sector increases rapidly. A large proportion of this employment is generated in the harvesting, transport and processing of wood products. The presence of processing facilities in regional areas can help to reduce or prevent population decline by providing an alternative source of employment.

“The report shows that communities where plantation expansion had taken place experienced either growth in population or a smaller decrease in population than the average for nearby communities. Continued plantation expansion and associated industry development can stem the rate of rural decline and lead to sustainable population and economic growth once the plantations reach harvesting age”.

Mr Willersdorf said whilst Gippsland was not one of the regions studied in this BRS report, the plantation sector is a major contributor to Gippsland’s economy. “Over 50% of Gippsland’s current wood supply comes from plantations, and the sector directly supports 1500 jobs in the region, generating wages income of \$ 80 million per year.”

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Promoting sustainable, commercial private forestry development in Gippsland