



Investing in the future of our forest industries

The Government is investing in transformative research, development and innovation to grow our nation's forest industries, expand Australia's future timber supply, and strengthen the timber industry workforce. This investment will benefit all Australians, particularly the manufacturing and construction industries, driving vital research and development uplift, and delivering Australian made solutions to national challenges.

What's in this year's budget

The Budget provides \$204.8 million over 5 years from 2022-23 to support industry training, research and development to improve innovation and encourage sustainable and productive growth for Australia's forest industries.

What is being delivered?

- \$100 million over 5 years from 2022-23 to establish the Australia-wide National Institute for Forest Products Innovation (NIFPI) to support transformative research and innovation in forest industries.
- \$86.2 million over 5 years from 2022-23 for grants to establish new forestry plantations.
- \$10 million over 4 years from 2022-23 to support the delivery of qualifications, competencies and credentials to meet the training and accreditation needs of forestry and wood products industries.
- \$8.6 million over 3 years from 2024-25 to extend funding for the Regional Forestry Hubs and expand their role to provide extension services from 2022-23.

These measures deliver on the Government's election commitments as published in the *A future grown in Australia: a better plan for forestry and forest products*.

Why is this important

Global and domestic demand for Australian timber and wood products is increasing as they are recognised for their sustainability. The Government is meeting this increasing demand by investing in transformative science and innovation, supporting establishment of new forestry plantations and ensuring our nation has the workforce needed to meet the future demands of our forest and wood products sectors.

Investing in forestry research and innovation will allow Australia to make better use of our production forests, value-add to these resources and increase the economic contribution of the forest and wood products sectors to the Australian economy.

Establishing the Australia-wide NIFPI will put Australia's timber industry on the front foot, supporting transformative research, development and innovation. It will create opportunities to commercialise new knowledge in the forest industries while supporting the development of forest industries researchers for both today and the future.

This funding will continue the work of the 11 Regional Forestry Hubs across Australia to June 2027. This will enable them to continue strategic planning, technical assessments and analyses to support growth in the forest industries in their regions. Their role will also be expanded to include extension services to enable them to inform local industries and landholders about innovation and research outcomes.

A highly skilled workforce is essential to meet the future demands of Australia's forestry and wood sector.

Australia's forestry and wood processing sectors already require a wide range of skilled employees with diverse competencies and training needs. The demand for new and innovative wood-based products has introduced to the forestry industry a range of new technologies and with it, an array of associated specialist skills.

As businesses increase production to meet demand and transition towards new technologies, expert knowledge and training requirements will increase and become more specialised.

The Government is committed to supporting the forestry and wood product sectors achieve and maintain appropriate skill levels within the workforce. This investment will improve training pathways for incoming workers and create greater career progression.

The Government is providing grants to support plantation and farm forestry establishment to increase Australia's sustainable future wood supply. This demonstrates the government's commitment to working with industry in getting trees in the ground to meet Australia's future timber needs and enhance the future sustainability of the industry.

Increasing the plantation estate will have flow on benefits in achieving the Government's climate change emission reduction targets.

How much will this cost

	2021-21 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	TOTAL \$m
Australia-wide National Institute of Forest Products Innovation		1.000	24.000	25.000	25.000	25.000	100.000
Extend Regional Forestry Hubs		0000	0000	0.600	4.000	4.000	8.600
Forestry Workforce Training Program		0.500	1.500	4.000	4.000	0000	10.000
Support Plantation Establishment	0.294	0.300	10.191	25.204	30.223	19.997	86.209
Subtotal – Investing in the future of our forest industries	0.294	1.800	35.691	54.804	63.223	48.997	204.809

More information

For more information, visit agriculture.gov.au/budget

For more information about our investment in forestry visit agriculture.gov.au/budget

