

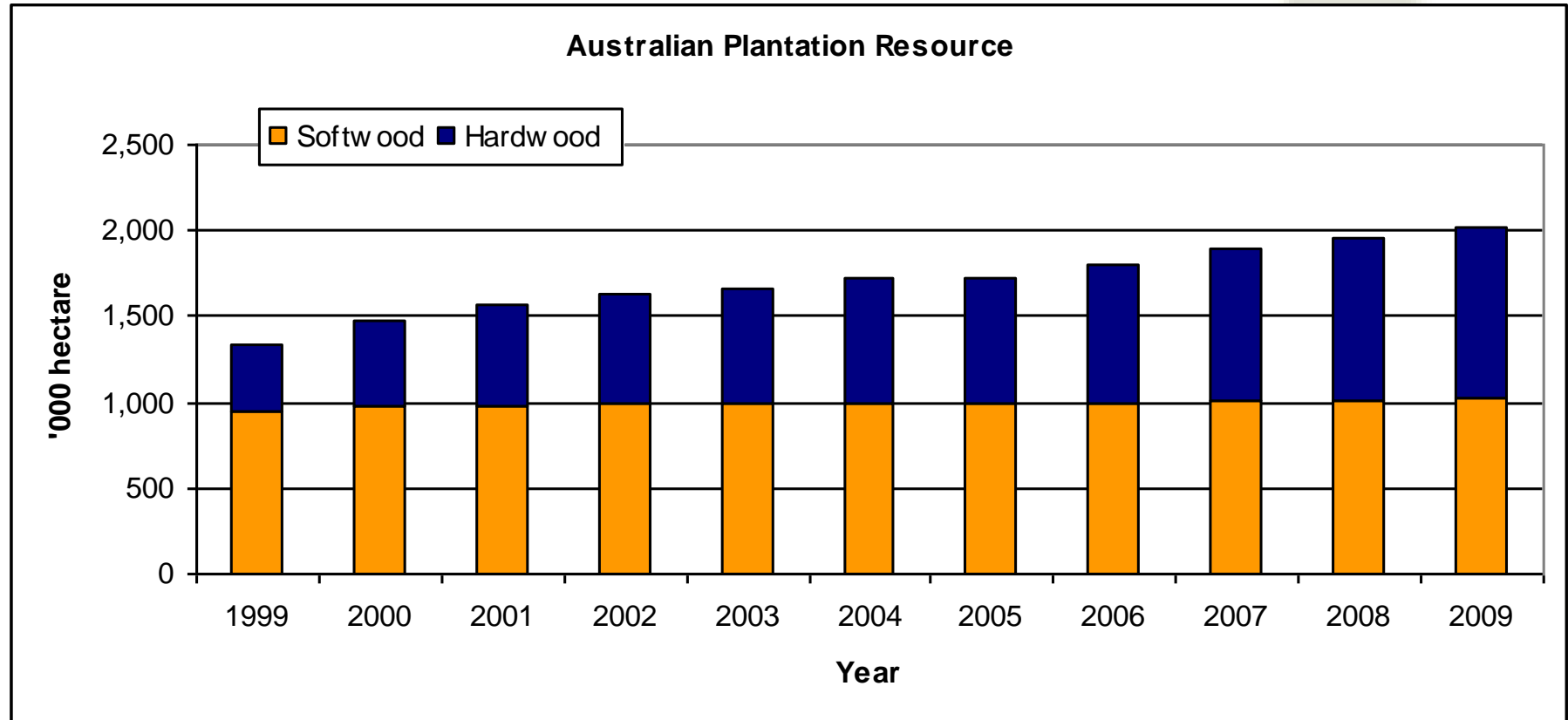
The Future of Australian Forests

Linda Sewell
Chief Executive Officer
HVP Plantations





National growth has all been in hardwood



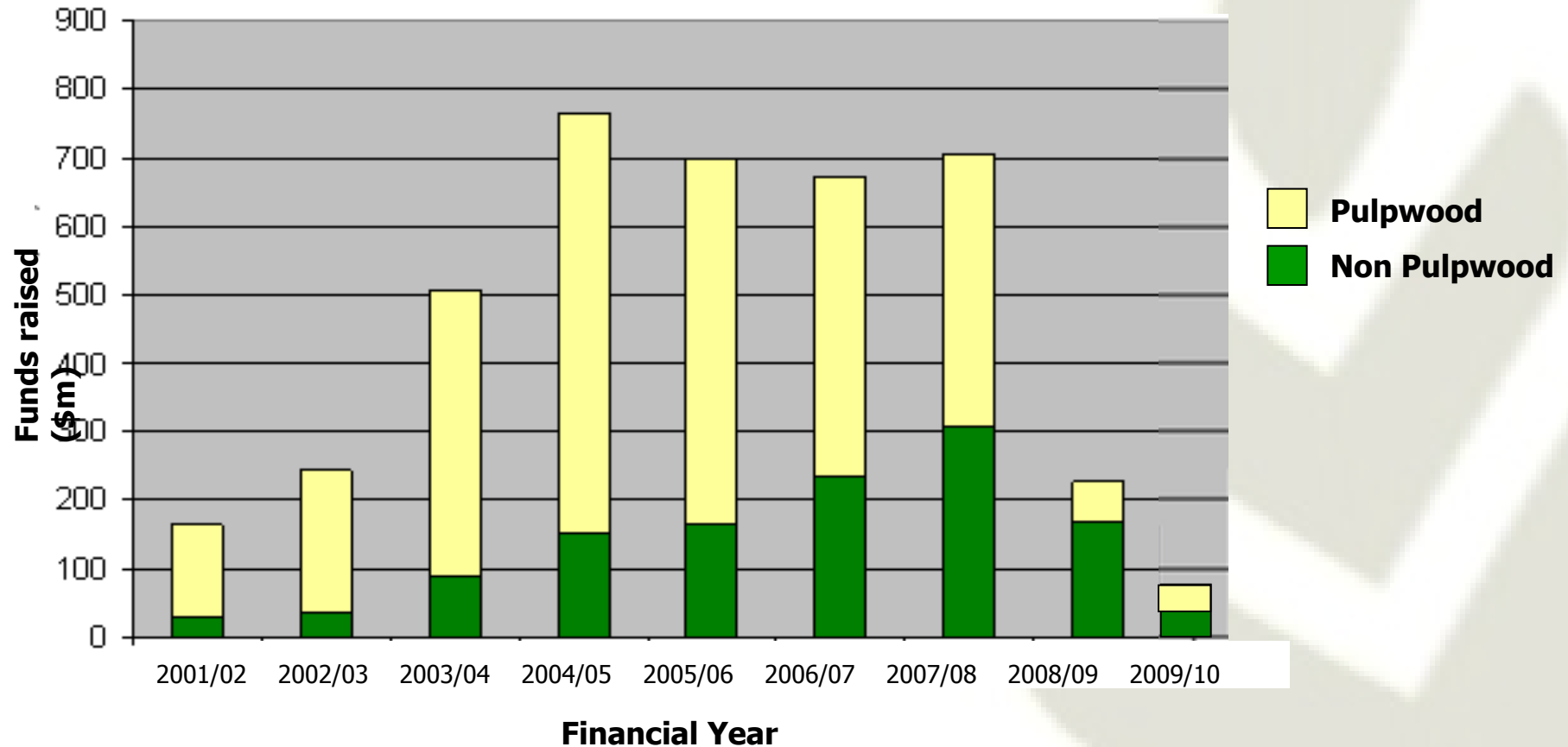
Source: A3P

The Australian forestry estate has grown at a CAGR of 4.5% since 1994; driven by growth in hardwood planting (CAGR 15 %)

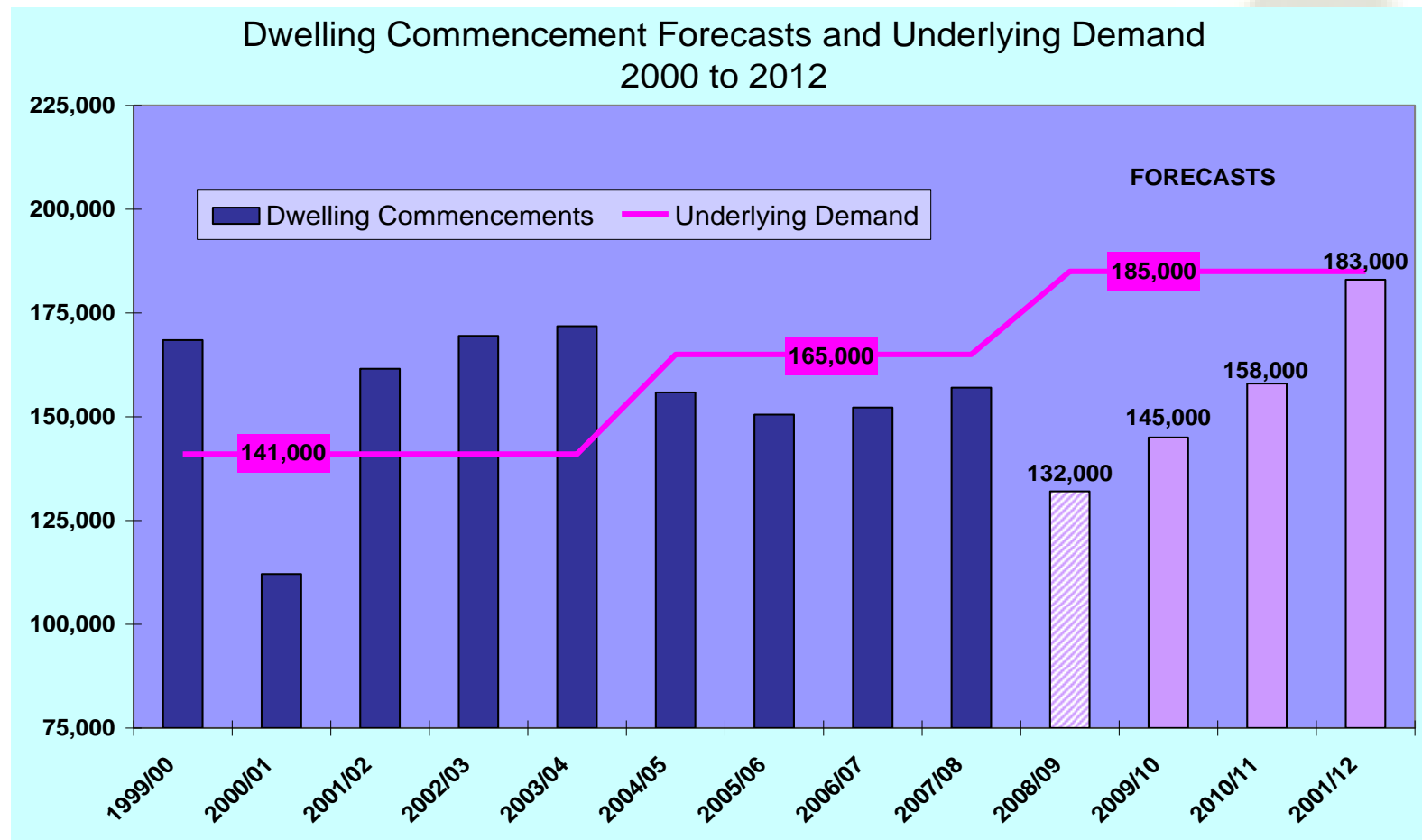
Growth fuelled by MIS – now in decline

Source: AAG

Funds Raised by Forestry Industry

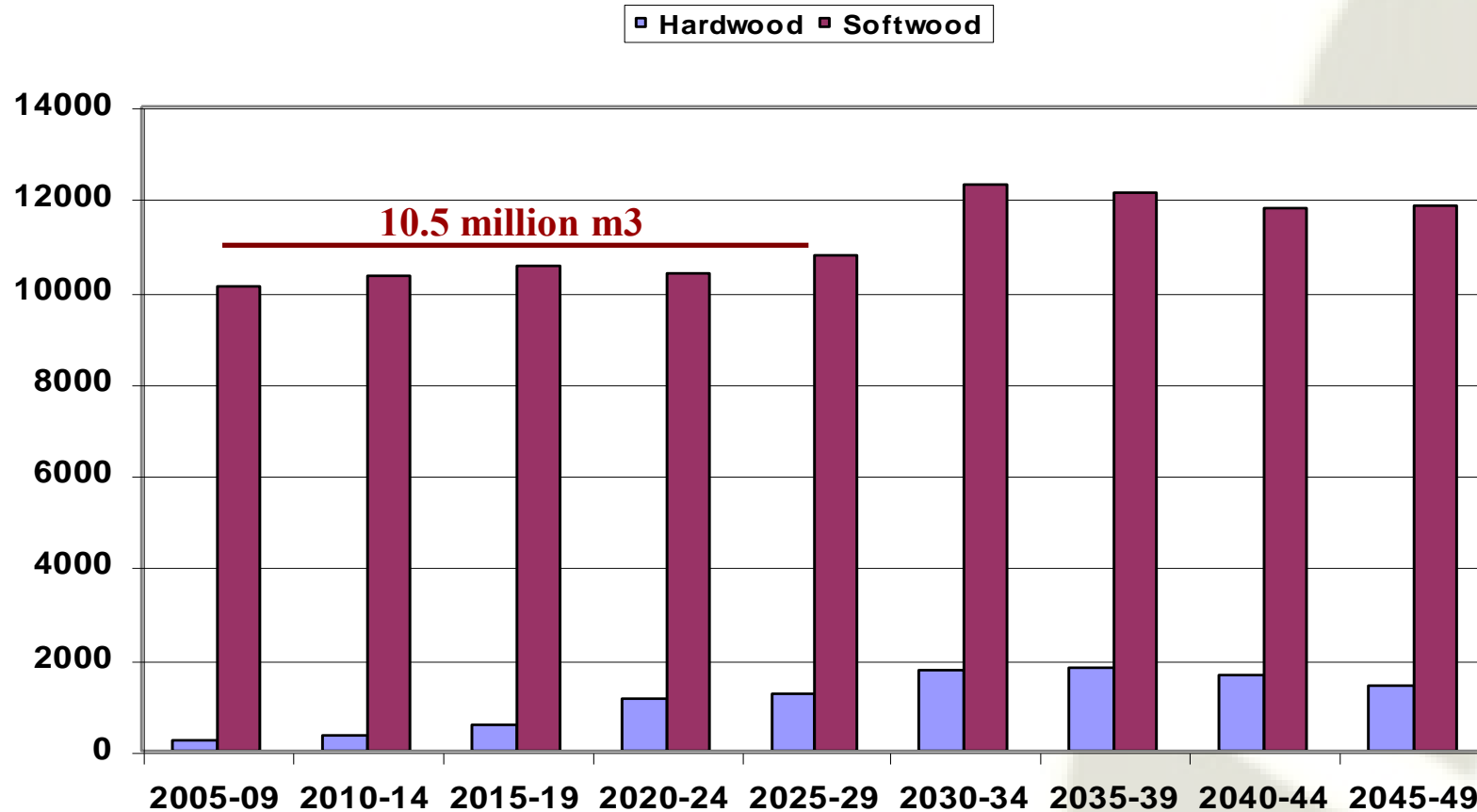


Underlying demand for housing remains strong

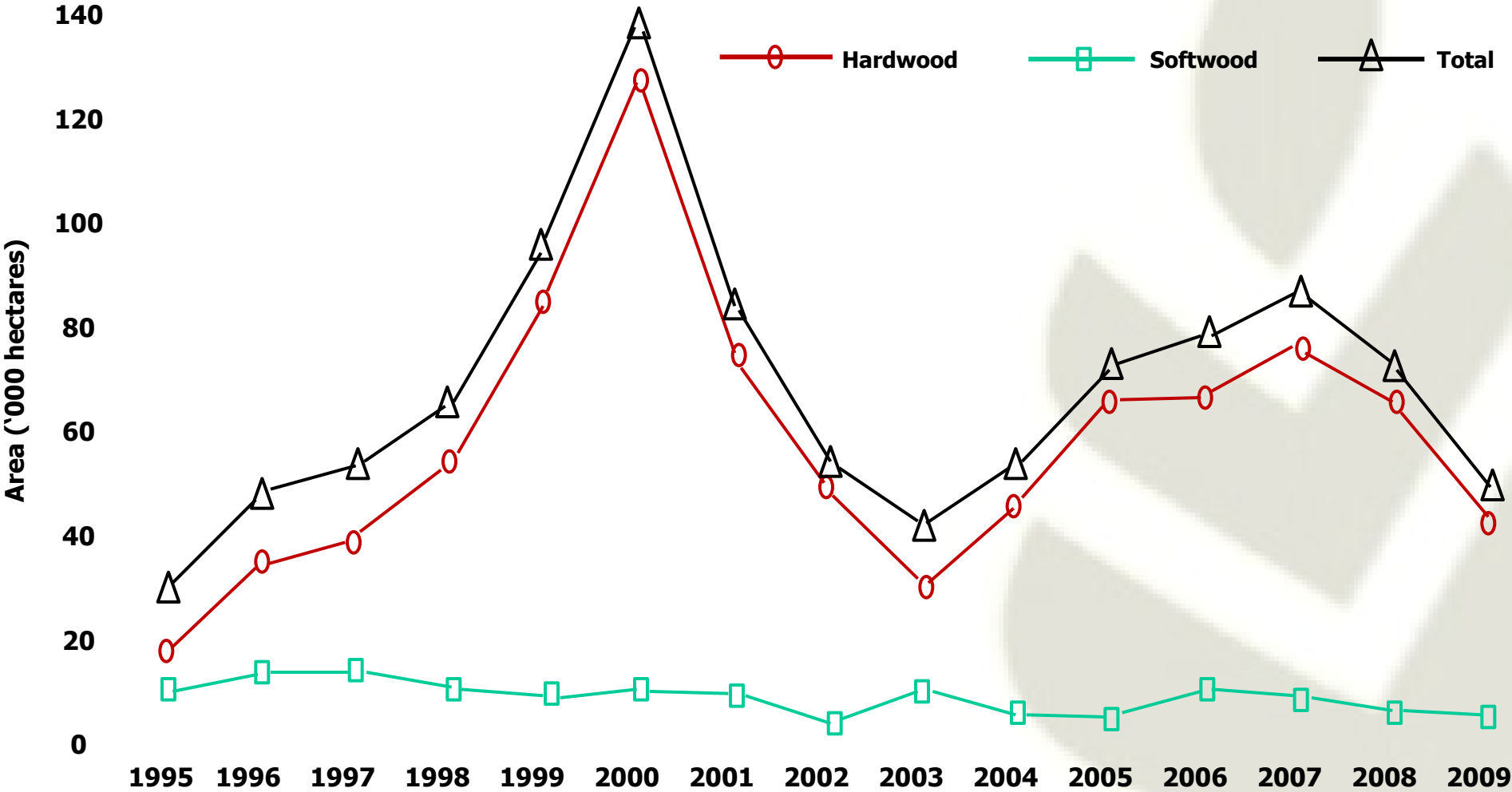


Housing deficiency is beginning to approximate one year's demand

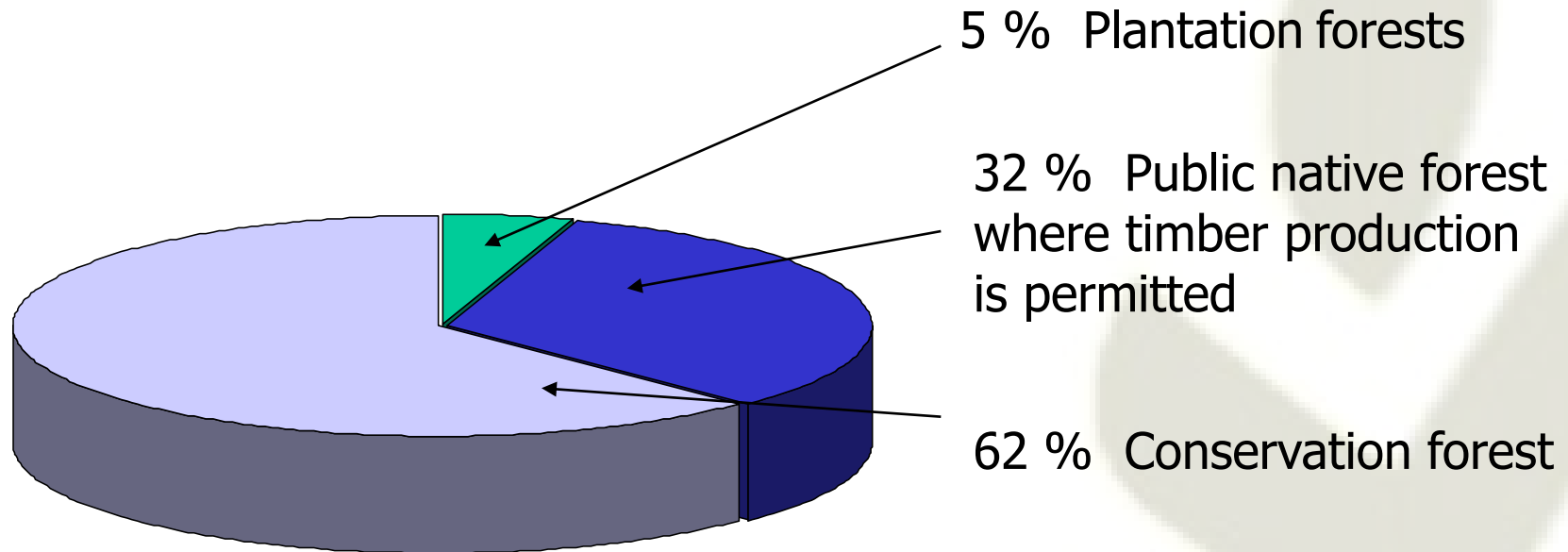
Softwood sawlog supply flat for 20 years



Minimal new softwood plantings

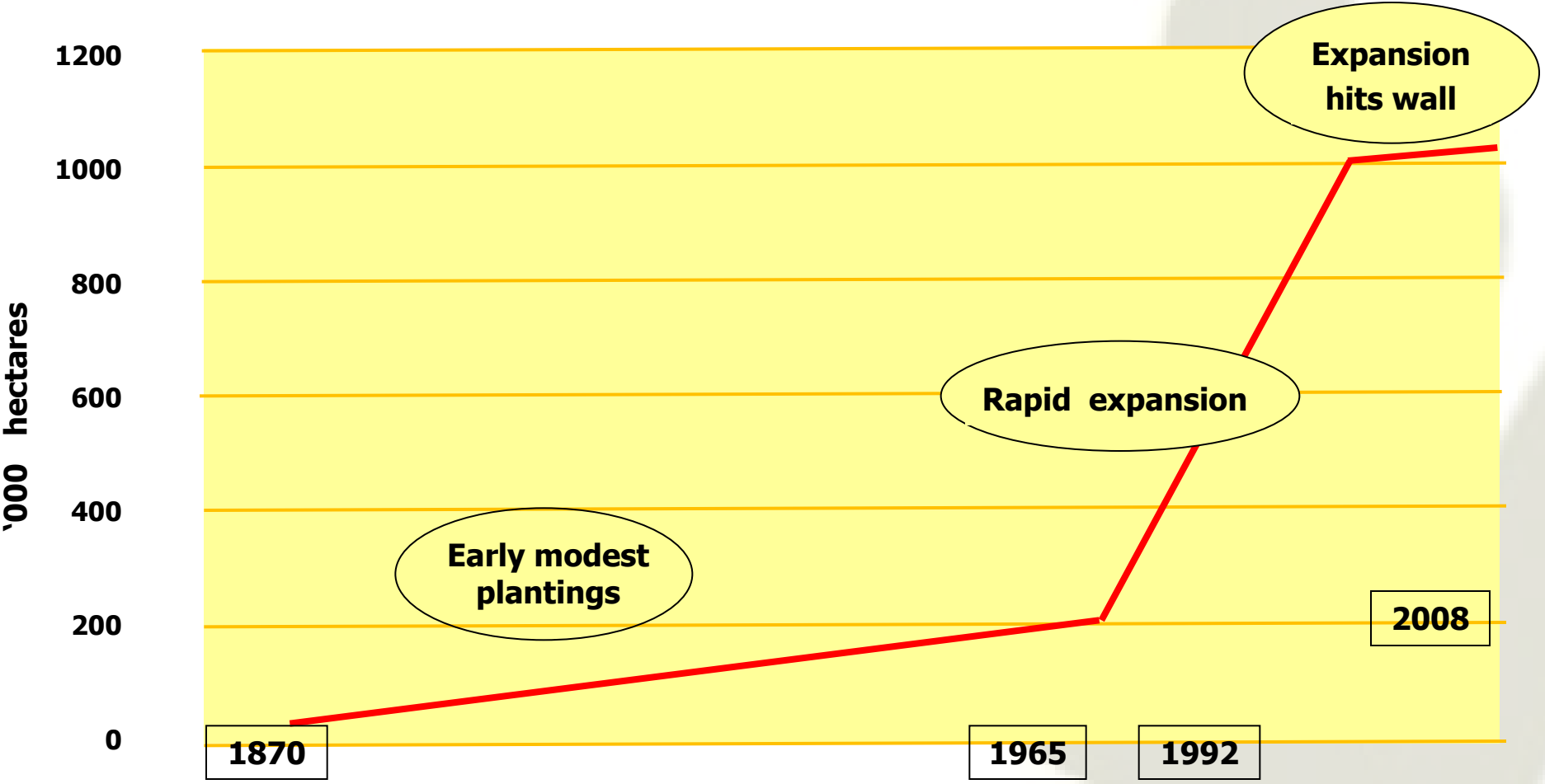


Australia's forest cover

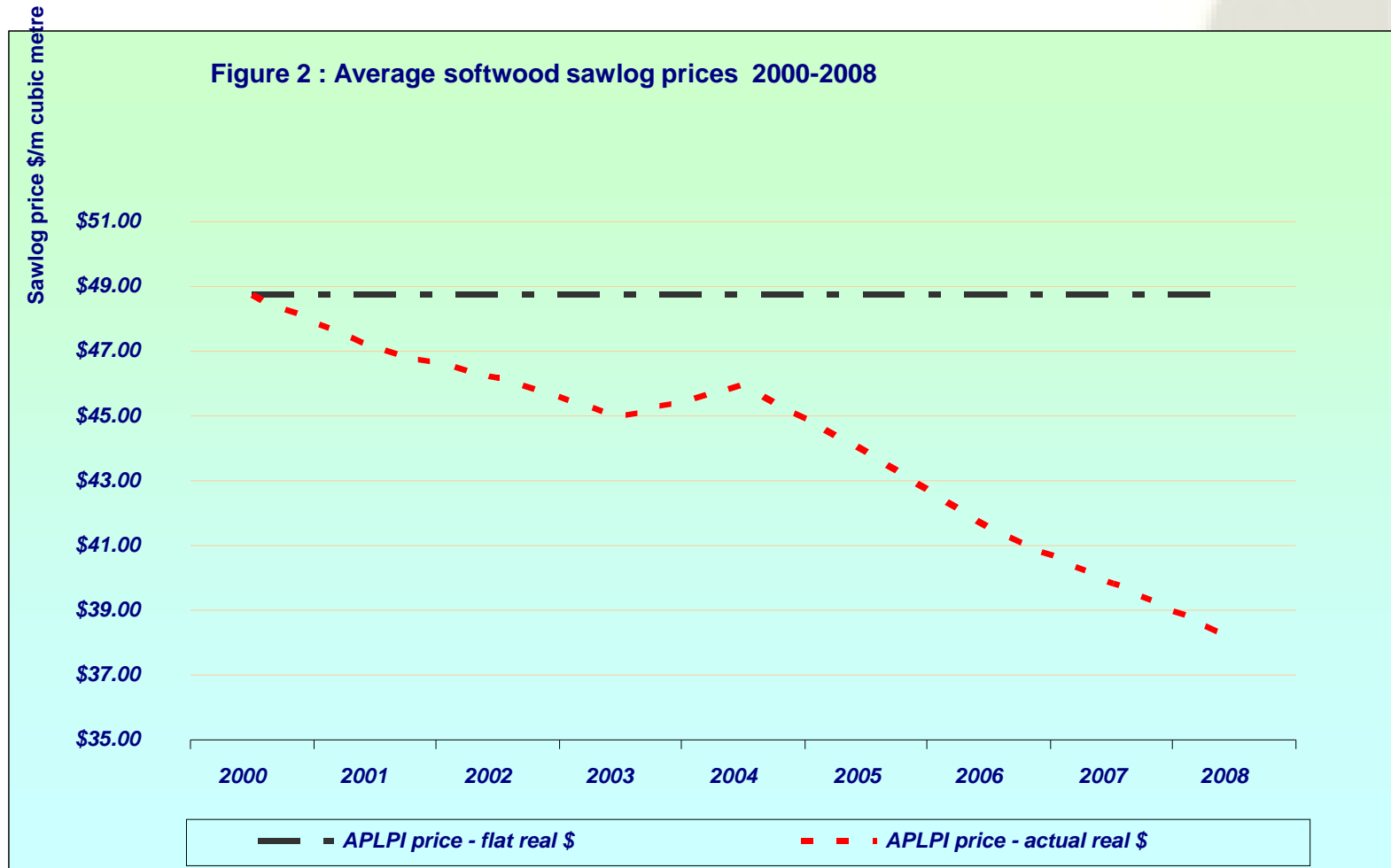


Forests cover 35 million hectares (4.5%) of the Australian land mass. Plantations are only 5% of this area.

Progress of plantation expansion



Prices are not keeping pace with inflation



Fire-risk fears

Petition to remove plantations

By **KIM QUINLAN**

A PETITION calling for the removal of pine plantations in Mount Clear and Mount Helen to reduce the bushfire risk has been established.

The petition was started by Mount Clear resident Ann Belcher, who believed thousands of lives were at



Thousands of lives are potentially threatened by the continuation of these plantations and millions

Log route worry

By LEAH METHER

Creek Track, it did not mention an upgrade to

"The part that's astonishing to me is that Upper

option and most direct route. I could accept it



- Australia's log supply to provide for structural lumber for housing needs is flat for the next 20 years
- Short term demand for housing is likely to outstrip Australia's ability to supply domestic demand
- Longer term population growth will fuel demand well in excess of Australia's ability to supply
- The industry needs to plant more trees
- Commercial returns from planted forests should increase

