

Growing our forestry sector

Wood and wood products are our third largest export industry. Our wood sector is innovative, from better forestry practices, to new manufactured products.

Recently, however, there has been a trend away from value-added wood processing and manufacturing towards simply shipping raw logs overseas.

Since 2008, the wood processing and manufacturing industry has lost 3,000 jobs. Wood processing and manufacturing exporting has fallen in real terms, while raw log exports have tripled. Local wood processors often say they struggle to get the logs they need while raw logs are sent overseas, with the jobs and value-add being captured in other countries.

The shift away from value-added to raw exports has led the chairman of the Wood Council to say the goal of lifting exports to \$12b by 2022 isn't going to be achieved.

Government can do its part to help coordinate the needs of foresters with the processing and manufacturing industry.

Increasing both commercial and native forest area in New Zealand is an important part of doing our bit to combat climate change.

Labour will:

- **Establish a New Zealand Forest Service in Rotorua to help coordinate forestry companies and manufacturers by developing a National Forestry Strategy. The Forest Service will also:**
 - **plant commercial forests itself on Crown land and other land to provide certainty of supply to businesses investing in processing and manufacturing**
 - **provide consultancy services for iwi and private owners to help them establish forests on their land**
 - **be co-located with Scion, renamed the Forest Research Institute**
 - **establish regional offices where required**
- **Support wood manufacturing and processing by favouring wood for new government building projects, including KiwiBuild**
- **Allocate up to \$20m to help construct a new prefabricated housing plant in Gisborne**
- **Help keep forestry in New Zealand hands by requiring the sale of logging rights on land over 50 hectares to be approved by the Overseas Investment Office for overseas purchasers**
- **Work with the tertiary education sector to get more young people qualified to work in the forestry sector**
- **Employ young unemployed people under the Ready for Work programme to carry out riparian tree planting to block run-off and serve as a carbon-sink.**

Bringing the centre of the Government's forestry policy work to Rotorua will help it work better for the industry. This will replace services carried out within MPI and will be cost-neutral.

The Forest Service will be responsible for developing, coordinating, implementing and managing a wide ranging and comprehensive National Forest Strategy. The development of this strategy will involve all sectors of the wider industry as well as associated key stakeholders (for example, conservation, commercial, territorial and local authorities and iwi).

Let's do this.



This strategy will address the 21st century challenges and opportunities facing the industry and the country. This will include (but is not limited to) mitigating climate change risk, uneven harvest spreads, the development of downstream processing capacity, and, where applicable, working with the Department of Conservation and other key stakeholders to protect conservation values in our remaining indigenous forests, and to enhance indigenous biodiversity generally.

A big part of the Forest Service's work will be ensuring there is a dependable supply of wood for domestic processors and manufacturers, giving the industry the confidence to invest in more capacity and create jobs. To this end, the Forest Service will plant its own forests as needed, along with working with existing foresters and other land owners who may want to convert their land to forest.

DoC will remain the lead agency responsible for managing New Zealand's indigenous forest estate and all conservation land.

Let's do this.

