

Jobs and industry

For all forest-based industries in the North East region, including wood and wood products, tourism, minerals, grazing and beekeeping, the RFA provides 20 years' certainty to plan for the future.

The Timber industry

The North East region's \$20.6 million native forest industry contributes to a range of activities such as saw milling, pulp and paper production, harvesting and haulage. In 1996, 485 people in the region were employed directly and indirectly in these industries using hardwood resources. The region accounted for around eight per cent of total State sawlog production and 1.3 per cent of total State residual log production in 1996-97.

Taking into account flow-on effects, saw milling and residual log processing in the region are estimated to contribute around \$34 million and \$7 million respectively to the Victorian economy.

The RFA provides a continuing supply to industry of 68,000 cubic metres of D+ sawlogs per year, and a possible increase in supply over the life of the RFA.

Combined with increased investment in value adding, there is potential to increase the Gross Value of Production of saw milling from its current level of \$18 million per year, to increase direct employment by around 30 direct jobs, and to provide a boost to the regional economy.

Specific development options that could be considered by the sawn timber industry sourcing hardwood sawlogs and residual logs from the North East include:

- increasing the proportion of sawn timber that is kiln dried;
- increased processing of residual logs through investment in plants specifically designed to process logs that are smaller and more defective than sawlogs;
- developing networks between timber processors to facilitate investment in the specialised equipment needed to produce highly processed wood products;
- strengthening links with the furniture industry; and
- continuing to identify and expand markets where the properties of the particular North East timbers (durability, appearance, strength and hardness) provide a competitive advantage.

Victorian Forest Industry Structural Adjustment Package (VicFISAP)

The Commonwealth and Victorian Governments have jointly provided \$27.6 million for Vic FISAP to assist the continued development of Victoria's hardwood timber industry and any adjustment arising from the Regional Forest Agreement process. VicFISAP assists industries to take advantage of new opportunities, to increase value adding and downstream processing, to set up new equipment and technology and expand local manufacturing.

Tourism

With its rich history, its mountains, snowfields, forests, lakes and rivers, the North East is one Victoria's most popular tourist destinations, receiving approximately 1.5 million visitors in 1995, or 10 per cent of all visitors to Victoria. In 1995-96, recreational, personal and other services employed over 5,400 people in the region, or 8.4 per cent of its total employment.

The RFA provides certainty for the industry to plan ahead and build on its natural and cultural assets.

Minerals

While there are no significant metallic mineral mines operating in the North East, about \$9.3 million was spent on exploration in 1996-97, with 31 active licences distributed among 23 companies. About \$6 million of this was to locate economic resources of feldspar in granite in the Beechworth district. The other major target for exploration was gold. Quarrying is a major activity, with 25 construction material quarries producing at least \$20.5 million of construction material in 1994-95.

Under the RFA, mineral exploration and mining will be permitted in certain parts of the CAR Reserve system but only where the identified conservation values are not incompatible with exploration and mining. Consistent with previous Victorian RFAs, mineral exploration and mining in the reserve system will be subject to the normal Victorian legislative controls. Mine rehabilitation will also be subject to Victorian legislation and will aim to achieve world best practice.

Other forest products

The RFA allows for the forests of the North East to continue to supply a range of products and benefits including forest produce such as posts and poles, other hewn timber, firewood, wood chop blocks and specialty timbers as well as honey and water. Grazing of domestic stock also occurs on public land throughout the North East.

