



*Timber recycles carbon*



## **TIMBER QUEENSLAND MEDIA RELEASE**

23<sup>rd</sup> October 2008

**For immediate release**

### **SLOWING ECONOMY CUTS TIMBER JOBS**

Job losses attributed to the fall out of the world economic crises have already hit Queensland's \$2.4 billion per annum timber industry and more are likely if the Queensland Government doesn't take action warns peak industry body Timber Queensland.

Timber Queensland CEO Rod McInnes said the robust demand for timber experienced over the last 12 months or so, particularly from the building and construction sector, has slowed considerably.

"Market demand has dropped by up to 20% in some areas and as a result producers are matching production with demand," said Rod McInnes.

"Casual jobs have been dropped and further reductions could occur if the market falls further," he said.

"Industry is hoping the Federal Government's welcome initiative to stimulate the economy and particularly the housing sector will kick in and see an upturn in demand.

"However, this is unlikely to have any real impact until well into the New Year."

Rod McInnes said that declining production combined with rising log prices, which are set by the State Government, could be the beginning of a downward spiral for Queensland timber industry.

"Industry is concerned the activities of Government owned plantation grower Forestry Plantations Queensland (FPQ) who have used their monopoly supply power to ramp up royalties (price) over the last 12 months. FPQ has been sitting on a royalty review for structural pine log timber, despite the price review being due on 1st July this year," said Rod McInnes

"If FPQ follows its current form and Government is unwilling to direct it otherwise, a price rise in this structural pine product could well be the straw that broke the camels back and put the entire industry and its 20,000 dependent jobs at risk," he said.

"The activities of FPQ could well bite the Bligh Government hard politically if FPQ is allowed to continue in its current form."

**ENDS**

**For further information contact:**

Rod McInnes CEO Timber Queensland: (07) 3254 1989 / 0419 704 028

**Timber Queensland Ltd**  
500 Brunswick Street, Fortitude Valley, QLD 4006  
PO Box 2014, Fortitude Valley BC, QLD 4006  
Ph: (07) 3254 1989 Fax: (07) 3254 1964  
Email: [admin@timberqueensland.com.au](mailto:admin@timberqueensland.com.au)  
Website: [www.timberqueensland.com.au](http://www.timberqueensland.com.au)