

GIPPSLAND FORESTRY HUB: INNOVATION & INFRASTRUCTURE REPORT SUMMARY



The Gippsland forestry sector is approaching a critical transition period following the Victorian Government's decision to end native forest harvesting by 2030. This policy shift is projected to trigger a 35% drop in fibre availability, decreasing from 2.3 million m^3/year to 1.5 million m^3/year . Because new plantations require decades to mature, the sector does not anticipate a full recovery of supply until approximately 2055.

Key Findings

- **Fibre Security:** This remains the most urgent challenge, as current plantation growth cannot immediately offset the loss of native forest supply.
- **Innovation Landscape:** While innovation is occurring at the individual enterprise level, there is a significant lack of cross-sectoral collaboration to drive industry-wide advancement.
- **Infrastructure Gaps:** Growth is currently hindered by limitations in telecommunications, energy supply, and intermodal transport (rail and ports).
- **Sector Requirements:** Future stability depends on diversification, improved fibre recovery, and strategic investment in both “hard” and “soft” infrastructure.

Strategic Recommendations

COLLABORATIVE GROWTH & MANUFACTURING

- **Cross-Sector Network:** Establish a formal network to address planning, regulation and circular economy opportunities while improving the industry's social licence.
- **Manufacturing Hub:** Investigate a Gippsland-based hub focused on product recycling, supply chain cost reduction, and cross-sector integration.

INNOVATION & DIGITAL TRANSFORMATION

- **National Innovation Centre:** Position Gippsland as a national leader in forestry innovation through a dedicated study focusing on advanced manufacturing, digital technologies, and logistics.
- **Digital Evolution:** Identify and remove telecommunications barriers to prepare the sector for full digital transformation.

RESOURCE DIVERSIFICATION:

- **Agroforestry:** Develop a strategy to integrate forestry with farming systems, drawing on successful international models from New Zealand and Scandinavia.
- **Alternative Fibre:** Assess the commercial and regulatory feasibility of importing fibre resources from outside the Gippsland region.

Conclusion

To navigate the challenges of the 2030 harvesting transition, Gippsland must evolve into a national leader in forestry innovation. Success will be defined by the industry's ability to secure investment in digital readiness and foster deep cross-sector collaboration.