



# Irish Timber Growers Association

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## Press Release

The Irish Timber Growers Association (ITGA) is entirely opposed to cuts in forestry funding including any cuts to the agreed premium payments to growers and the forestry support schemes. **The Association has called on all Government Departments whose policy objectives are now compromised by this proposal to ensure that the funding shortfall is sourced to reverse the damage to our National forestry programme.**

These Government Departments include:

The Department of Agriculture, Fisheries and Food who's afforestation targets will not now be achieved with all their accompanying Economic, Environmental and Social objectives.

The Department of the Environment who's National Climate Change Strategy is now compromised - as Ireland's only carbon sink, ongoing afforestation, will not now achieve its targets.

The Department of Communications, Energy and Natural Resources who's renewable energy target of achieving 40% of our energy requirements from renewables including wood energy is severely compromised well into the future as the projected wood fuel will not now come on stream due to the fall off in planting.

The Department of Finance who's economic objectives for forestry will not be met with resulting consequences for rural employment and the economic return to the State. In addition, taxpayers will have to pay for the purchase of additional carbon credits which otherwise would have been offset by our afforestation programme under Kyoto.

Forestry's budget was already under-funded and if the above stated Government policy objectives are to be met additional funding must be secured. Forestry is a unique land use with the following important attributes;

1. Forestry is not an annual or bi-annual enterprise like other farming activities. The long-term nature of forestry sets it apart from other agricultural land use activities. The legislative requirement to replant after felling trees under the 1946 Forestry Act means that forestry requires a very long term commitment from all timber growers.

2. As a consequence of its long term nature, there is a clear relationship between maintaining annual premiums and planting and, confidence in the forestry industry as a whole. The premia cuts are already having a significant impact on planting decisions by landowners. The recent announcement has severely undermined confidence in forestry as a viable land use option and, as a result, commitments to afforestation projects have been withdrawn by many landowners.
3. There is no other land use where the stated government policy is to almost double its area over a thirty year period to meet national strategic objectives in relation to climate change, renewable energy, employment and economic timber production.
4. Output from Irelands' forest industry accounts for almost 1% of our GDP and our forests will save the taxpayer €220 million over the next 5 years. Our forest industry is now playing a significant role in our nations economy in addition to employing over 16,000 people. It is our primary carbon sink and is set to play a pivotal role in our National Climate Change Strategy.
5. The Irish Timber Growers Association maintain that the State and Government made a contractual commitment to Timber Growers in relation to maintaining annual premia payments which must be fully honoured.

The total allocated expenditure for 2009 for the Department of Agriculture, Fisheries and Food is **€ 3.3 billion**. Of this, only c. €120 million will be allocated to forestry this year. In comparison to the economic and environmental contribution that forestry makes and in the context of the total agricultural budget, a realistic budget must be achieved for forestry to achieve our national policy objectives as outlined above. The Irish Timber Growers Association urgently call for a direct economic comparison of the Exchequer spend on forestry with that of other Department of Agriculture, Fisheries and Food funded activities and that an immediate cost/benefit analysis be undertaken to show the real cost effectiveness of forestry to the State.

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