



# Forestry Policy

Forestry is an important part of New Zealand's economy, employing over 26,000 people and bringing more than \$5 billion in exports into our economy each year, making it one of our largest export industries. National is committed to a robust commercial forestry industry, strong logging and local wood processing industries.

We have capacity to further develop both domestic and international markets for our sawn timber, pulp, paper, panels and other forestry products and National is committed to this goal. Improving processing technology, increasing consumer demand and the growing awareness of the environmental performance of products, will only further boost our local processing markets in the coming years.

Forestry also has an important role to play in achieving our net-zero 2050 climate change target, but we need to be careful to ensure that our policies encourage a range of emissions-reducing activities and do not unduly influence land-use decisions.

## National will:

- Support Te Uru Rākau to work with the sector to explore new and innovative forestry products, particularly for seismic design.
- Encourage investment in significant new plant, equipment and machinery by allowing businesses to instantly deduct new capital investments worth up to \$150,000, and to double the rate of depreciation for investments worth more than \$150,000.
- Remove the exemption that streamlines the process for forestry applications in the Overseas Investment Office test.
- Re-examine the suitability and limits around access to forestry offsets by carbon dioxide emitters.
- Review the treatment of forestry in the Emissions Trading Scheme.

- Encourage the integration of trees on our farms and diversification in our landscapes to support both environmental and economic outcomes.
- Maintain the existing Direct Landowner Grants scheme and the Partnership Grants scheme.
- Support the Forestry Strategy that prioritises innovation and seeks to build on the harvested value of wood.