

The Institute of Foresters of Australia

ABN 48 083 197 586



The Secretary
Legislative Council Select Committee on the Tasmanian Forests Agreement Bill
Parliament of Tasmania
Parliament House
HOBART TAS 7000

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By email tfacommittee@parliament.tas.gov.au

Dear Committee members

Thank you for the opportunity to submit to the Legislative Council Select Committee on the Tasmanian Forests Agreement Bill 2012 (the Agreement Bill).

The Institute of Foresters of Australia (IFA) is a professional organisation whose members are engaged in all branches of forest management, including conservation, forest growing and wood processing, academia, research and sustainable natural resource management in Australia and overseas. Our members have professional expertise in forest ecosystem management and services, environmental protection, conservation, sustainable harvesting and utilisation of forest goods and services, including the planning, management and protection of production and reserved forest lands.

The IFA believes Australian and Tasmanian native forest types are now well represented in reserves and National Parks thanks to the extensive research that was applied to the Regional Forest Agreements of the 1990s and State decisions since then.

In summary the IFA is deeply concerned about the Tasmanian Forests Agreement Bill 2012 which is based on limited and non-transparent consultation which ignored a proven and agreed national process to determine the use of public native forests.

The Institute also believes that while the conservation gains are questionable or marginal at best the negative social and economic impact could be extremely significant. Compounding this is the potential decline in bushfire management and control capacity and perverse outcomes such as de-valuing private native forest and an increase in the importation of forest products potentially from unsustainably managed forests in south-east Asia. In our opinion the Agreement Bill has very few economic, social and environmentally redeeming features.

The following submission expands on these points and the IFA would be happy to discuss in person with the Committee outlines our concerns.

Poor process and lack of consultation

The IFA supports conservation and sustainable use of Australia's forests and welcomes transparent public debate about their future use. However, this Agreement Bill is the accumulation of an exclusive, secretive and narrowly focused process which we believe has alienated the wider Tasmanian community, has failed to incorporate science and best practices, and, if fully implemented, may undermine the economic and social fabric of many Tasmanian communities without delivering substantial environmental gains.



The IFA believe that the process is flawed in that:

- it fails to consider that a change to public land tenure will not by itself maintain, expand or enhance forest conservation values and to promote such an approach is simplistic and at odds with contemporary forest science;
- it was undertaken without sufficient consultation or engagement with key stakeholders in contravention of Clause 4 of the Terms of Reference (ToR) of the Independent Verification group to “*Put in place appropriate arrangements for ongoing consultation*” with groups that included the IFA as noted in Attachment A of the ToR; and
- assessments which underpinned the Agreement were constrained by a narrow ToR and additional work is required to provide integrity of the process.

Unlike the RFA process, little credibility and undue haste has been given to the new law as illustrated by the Tasmanian Government whole-of-Government submission and the substantial attached amendments to the Bill (Attachment 3). The paucity of information in the public domain about the basis of the agreement does not allow stakeholders to make considered evaluations of the outcomes of the agreement and its impacts.

During this entire process land or forest managers have not generally been directly involved or represented yet the success of the Agreement is based on specific forest management objectives being implemented on both public and private land. While the government is fully endorsing the agreement, private forest managers (both plantation and native) are under no such obligation. There is no guarantee that plantation managers will change management strategies simply because this Agreement Bill requires them to do so. There are also no guarantees that private native forests will be managed to provide conservation or timber outcomes, especially where such forests are viewed as a liability and no longer an asset to protect.

The community has not been actively engaged or consulted in this process. Despite political guarantees, no comprehensive or credible socio-economic impact study has been undertaken and the assessment into conservation claims was flawed at best. In addition, the tabling of new laws requires regulatory impact assessments; which has not been undertaken in the haste to adopt the Agreement.

A more transparent and engaging process could have achieved a broad, rational and balanced outcome that reflects contemporary forest management science which could have delivered enhanced biodiversity and conservation outcomes that incorporated wealth creation and community engagement strategies.

The Agreement and subsequent actions by the Tasmanian Government has delivered what senior IFA members believe to be the worst piece of public forest policy they have seen in the last 35 years. In essence, the Agreement Bill and response fails to meet Tasmanian and Australian governments’ Intergovernmental Agreement (IGA) objectives and fails to achieve a balanced, science based and consultative outcome.



Significant adverse impacts from small increases in conservation area

If the Agreement is implemented 504,012 hectares of public native forests, primarily from State forests, will be transferred into the Tasmanian reserve system. This translates to a total of 1,676,000 hectares of nature conservation reserves. Multiple-use State forest areas will be reduced to 469,000 hectares, of which the Institute estimates (based on proportional reduction) only about 270,000 hectares will be available for wood production (about 12% of the whole).

Implementation of the Agreement is estimated to result in around 88% of Tasmanian public native forests being unavailable for wood production. This will result in a significant impact to the State economy, reduced opportunities for a sustainable native forest industry in Tasmania, and will likely lead to perverse outcomes for private native forest management, ecological sustainable development, and the sustainable livelihood and well-being of rural communities in Tasmania.

Based on this outcome, significant concerns have been raised within the IFA around the future of forest management, forest conservation, forest industries and ecological sustainable development in Tasmania. Further, there is uncertainty as to the ongoing resilience of rural communities in Tasmania that are currently supported through the sustainable use of forest resources and associated industries. These communities contain many families who have lived there for generations who will lose their sense of place and community belonging if they are forced to leave and find other sources of employment.

The IFA is particularly concerned that an assessment of the full economic and social impact to the Tasmanian economy and community of implementing the Agreement has not been undertaken. Unlike the Regional Forest Agreement processes there is little documented evidence to demonstrate implementation and achievability of what has been agreed to under the Agreement. In particular, detail is lacking around the impacts and outcomes of forest management, environmental, social and economic changes that will result from the agreement.

The economic and social impacts of implementing the Agreement will be high and these impacts have not been rigorously evaluated and publicly reported before the commencement of implementation and approving legislative instruments. The Institute is concerned about government haste in implementing an agreement that has been developed by a small select group of stakeholders whose Agreement covers a public asset where the short and long term impacts are unknown or are left to be worked out afterwards.

Ecological sustainable development and ecological sustainable forest management are the responsibility of government leaders not a select group of stakeholders or vested interests. The IFA believes that the signatories have reached a compromise agreement without looking at the holistic issues of ecological sustainable development and ecological sustainable forest management for the benefit of society; in this case Tasmanian society.

As professional forest managers, members of the IFA work in some of the poorest countries on earth. However, despite the daily challenges faced by their people and governments, their forest policies are more progressive than this Agreement. Contemporary global forest policy recognizes and integrates development and livelihood aspirations alongside conservation goals. The 21st century approach to forest management is about balance. The Agreement reflects a 20th century preservation approach, not a contemporary or holistic one.



Consequently, it is questionable whether the Agreement will deliver any real long term conservation outcomes. Benefits will also be difficult to measure as the majority of forest science, conservation and biodiversity research has been traditionally carried out by professional foresters and funded by the forest industry. This knowledge and expertise is being lost as funding declines and many scientists and researchers leave the State, or have found employment outside the sector.

To arrest this loss, the IFA support initiatives 22 to 27 under the Agreement Bill. However, it is noted that neither the proposed legislation, nor statements by Ministers address this need yet such initiatives underpin the Agreement Bill. Without any commitment to invest the potential to achieve the Agreement Bill's goal is questionable.

Increased fire risk

The IFA is greatly concerned about the impacts associated with a change in land management objectives and their impacts on fire management.

Fires occur when four factors exist: sufficient fuel, appropriate weather conditions (heat and wind), oxygen and an ignition source (lightning, arson or carelessness). Fuel is the only variable that human activity can reliably influence - reducing the available fuel load and modifying its distribution in the landscape and you reduce the severity of a bushfire event.

Fires occur through natural events or human activity. All begin small, and increase in intensity and area where adequate fuel, oxygen and weather conditions exist. Many fires do not threaten life or property as they naturally extinguish, or are quickly contained and extinguished by professional fire fighting personnel. However, the reality is that all fires have the capacity to become uncontrolled events. The risk of such is reduced where suitable detection, trained personnel, particularly forest managers and suppression capacity exists.

History demonstrates that active forest management is more likely to result in reduced adverse impacts on life, community assets and forest values than fires which occur under a regime of passive land management. Successful fire management incorporates strategies for prevention of, preparedness for, suppression of, and recovery from wildfires. The 2009 Victorian bushfires highlighted how the accumulation of fuel, resulting from passive management, reduced prescribed burning (often related to smoke management concerns), and conservation philosophies combined with increased urbanisation to result in an intensification of fire extent and severity.

Based on past history, Tasmania can expect, on average, a devastating regional scale fire every 40 years or so. Megafires¹ occurred in 1898, 1934 and 1967. Tasmania has had devastating fires this year and the lessened impact of this year's fires is testimony to the ability of fire and land management agencies including Forestry Tasmania, which have generally had the resources and capacity to judiciously manage fire within forested landscapes.

The Agreement Bill is likely to affect the future management of public forest land. The Agreement and legislative response fails to consider the effects of fire and fire frequency on threats associated with:

¹Mega-fires are fires that exceed all efforts at control, regardless of the type, kind, or number of firefighting resources deployed. These fires represent only 0.1% of all forest fires, yet account for 95% of the area burnt and 85% of the total fire suppression costs. They often burn into the urban interface zone s. Bartlett et al, 2007, The Mega-Fire Phenomenon: Some Australian Perspectives. IFA 2007 Conference Proceedings.



- life and property;
- the integrity of conservation, biodiversity, soil, and water values; and
- implications (including budgetary) for the long term maintenance of forest values, especially where public land tenure and management philosophy changes.

To mitigate or manage these impacts, agencies must be adequately resourced and personnel thoroughly trained to become competent

The capacity of agencies to respond to fires in the Tasmanian landscape must be considered when assessing impacts. However, it is important to note that irrespective of the outcomes of this process, and even with the best management systems in place, major and potentially catastrophic wildfires will occur in Tasmania, as will proportionally smaller, but still damaging, unmanaged fires. The extent to which the present and foreseeable loss of experienced forestry management and contracting staff and equipment will undermine the State's ability to respond to a major fire cannot be accurately predicted. The effect of these losses will only become evident after the event, and will reflect the intensity, extent and duration of the fire.

The capacity of the state to respond to large scale forest fire threats is also being lost. Volunteers will never replace the professional skills, knowledge and experience of foresters. Consequently, the risk to communities from forest fire events will escalate unless additional resources are committed to fill the gap created by the loss of capacity across and within the forest industry. Unfortunately, it is only when Tasmania's urban areas suffer a similar fate to that of the ACT and Victorian communities will the loss in capacity be realized.

The ongoing application of effective fire management strategies will also depend on effective, integrated and well maintained infrastructure (access roads and bridges, water access, emergency meeting points, etc.); targeted prescribed burning regimes; and the availability of competent, highly-trained and experienced personnel with local knowledge.

It should also be noted that while technological advances have been made in fire suppression techniques (such as the use of foam or aircraft) and in the monitoring and prediction of weather and fire behaviour, fires can only be effectively contained by the efforts of trained people "on the ground" or following significant moderation in the severity of weather conditions.

Worsened trade balance and forest destruction in other countries

It is a reality that, globally and domestically, demand for timber and forest products continues to grow. Australia is a net importer of forest products and is heading for a significant timber supply shortage. Most house building and internal fitting depends on a ready supply of timber at reasonable cost. Australia's population is expected to increase from 21 million in 2011 to at least 30 million by 2035.

Unless urgent action is taken to develop domestic supplies of timber for this increasing population Australia will import an increasing proportion of its timber consumption. Imported timber will be at higher prices due to transport costs and competition from emerging economies, particularly in China and South East Asia.



Internationally, native timbers are seen as part of a natural system that meet people's needs and by providing value, people recognize the need to maintain forest health and biodiversity values. Where people receive no value, forests become liabilities and conservation or biodiversity value is lost.

Overly restrictive native forest policies have contributed to perverse regional social, land use and economic outcomes associated with trade 'leakage'. This is where a reduction or cessation of native forest harvesting in one country simply place pressure on other regional forest resources.

Not long ago Tasmania was the only State which was a net exporter of forest products. The State was effectively self-sufficient and could meet timber needs locally. The future will now be different.

Under this Agreement Bill, Tasmania will increasingly rely on imported timber products – many from regions where conservation and biodiversity values are under threat. History demonstrates that local preservation policies can undermine sustainability objectives and leads to greater loss of biodiversity values at the global scale. Given the size of Tasmania's forest resources and the level of its economic and social development it should provide leadership in the sustainable supply of forest products by being self-sufficient rather than relying on supplies from countries that are not as well off or advanced in their forest management and protection.

Professional foresters are concerned that Australia is increasingly reliant on imported timbers to meet our domestic market requirements. Due to strong demand, Australian suppliers are increasingly sourcing forest products from overseas. Analysis of ABS trade import statistics indicate that Australia's total imports of forest products is valued at over \$6.7 billion, and since 1994 imports from Asian and Pacific nations has increased by 32% to \$3.6 billion.

Analysing 16 years of ABS trade data estimates, and combining this information with forest productivity knowledge, it was estimated that an equivalent area of up to 2.7 million hectares of Asian and Pacific forests were cleared to produce the range of forest products imported into Australia – an area half the size of Tasmania and equal to clearing 10 football fields every hour. This area may have included at least 100,000 hectares of high conservation tropical forests that were once prime habitat for orang-utans, Asian elephants and other critically endangered species².

The correct balance of conservation and sustainable management of Australian and Tasmanian forests is important. Preserving our forests and being reliant on imported product results in a perverse outcome, resulting in the destruction of regional forests overseas. We continue to import wood from countries whose management practices are contributing to a loss of forest and biodiversity values at a global level. We are contributing to global deforestation, mainly the conversion of tropical forests to agricultural land, which averaged 14.5 million hectares a year between 1990 and 2005.

Plantations will not meet supply shortfalls in the near future

Under the Agreement Bill Tasmania's domestic hardwood timber supply is decreasing and expected to continue to decline as State forests are transferred to National Parks or reserves. There is no national resource substitute for the loss of production capacity.

²Based on ANU Masters research undertaken by Aidan Flanagan in 2011



Australian domestic softwood timber supply is expected to remain relatively static for the next decade and beyond, based on current policies, due to the areas of plantation which produce timber for housing having increased by only around 10% over the past 15 years. Established hardwood plantations are mainly focused on paper fibre production and management regimes make these timbers unsuitable for structural purposes.

Sawn timber from plantations (both hardwood and softwood) takes at least 25 years to grow. New plantations need funding and suitable land, neither are they easy to find

Poor economic outcome

While the IFA is not an industry organization, its members believe that this Agreement Bill will result in the loss of competitiveness within the Tasmanian processing industry. It is not a growth strategy, and will prevent future expansion as resource availability is constricted – both under the Agreement Bill and through future Code of Practice and certification standards, as well as possible anti industry campaigning.

Under this Agreement, local forest product processors will not be able to remain competitive when resources become more expensive to harvest and deliver (geographically dispersed and difficult to access), will be a lower quality (smaller diameter and less stable) and available in lower volumes. This situation will increase costs, and undermine efficiencies and competitiveness.

The IFA believe the Agreement Bill has lost an opportunity to deliver value to the Tasmanian community, and in doing so create a long term commitment to actively managing a resource to meet the current and future needs of people while enhancing sustainable forest management, forest conservation and biodiversity values.

The process did not follow the Regional Forest Agreement process which provides a sound and accepted basis for forest use planning that includes environmental, social and economic outcomes.

Recommendations

Using the Regional Forest Agreement forest estate and arrangements as a basis of comparison, the IFA calls for the following 7 recommendations to be reviewed and publicly reported by the Australian and Tasmanian Governments before legislative implementation of the Tasmanian Forest Agreement 2012:

1. All Tasmania's public forests are assessed for significant conservation value against a nationally agreed set of criteria that incorporates social and economic principles. Included in this should be a retrospective examination of up to 200-years of forest management in current multi-use forests and the implications for existing conservation values.
2. A comprehensive assessment of the economic, social and environmental impact and consequences of implementing the new agreement with a focus on the Tasmanian economy, rural community well-being, and impacts on local governments, private native forest owners and other rural industry sectors. This should incorporate 'tipping point' analysis to determine the resilience of businesses which rely on forest-industry trade.



3. Identification of potential perverse outcomes (domestically and international) of implementing the new agreement on conservation and sustainable use of forest resources including application of a revised Codes of Forest Practices, sustainable yield of forest products and sustainable forest management on public and private lands.
4. Proof of capacity to manage, monitor and protect conservation values in perpetuity in an increased reserve system - in particular the capacity and capability of controlling wildfire.
5. An explanation into how implementing the new agreement will lead to better ecological sustainable development and sustainable forest management outcomes compared to the current forest estate and management arrangements of the Regional Forest Agreements.
6. A comprehensive evaluation be undertaken of any proposed change in public land tenure including the ongoing funding of National Parks, fire-fighting capability, maintenance of access roads and associated infrastructure, and permitted uses (eg. beekeeping, horse riding, deer hunting, off road vehicles).
7. Where multi-use forests are found to contain significant conservation values then management plans should consider retaining commercial activities where they do not conflict or could enhance those values.

The IFA also notes that in 2010 the Forests and Forest Industry Council of Tasmania released a growth strategy for the forest industry which was developed under a broad consultative process and endorsed by all major Australian and Tasmanian political parties. This document provides an alternative strategy for growth which incorporates broader community and environmental benefits.

Further information on issues raised is contained within previous submissions and letters. These are available online and details are provided. Committee members are encouraged to access and read these documents as they are directly relevant to the inquiry and provide a professional, objective and science based approach to issues arising from the Agreement process.

Members of the IFA are available and they request an opportunity to provide further comment on this submission or other evidence to the committee to assist their understanding of the potential impact of this Agreement Bill.

Yours sincerely

Aidan Flanagan
Chair, IFA Tasmanian Division



Background

May 2009 *The Institute of Foresters of Australia – Submission to the 2009 Victorian Bushfires Royal Commission.* <http://www.forestry.org.au/pdf/pdf-public/Submissions/Vic%20Bushfires%20RC%20submission%2018%20May%2009%20V2%20-%20page%20numbered.pdf>

Inquiry into the Australian forest industry. Submission to House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry. <http://www.forestry.org.au/pdf/pdf-public/Submissions/IFA-Submission-to-Inquiry-into-Australian-forest-industry-Final.pdf>

December 2012 letter to Premier. [http://www.forestry.org.au/news/articlefiles/2051-Tas%20Premier%20letter%20Forest%20Agreement%20Dec%202012%20\(3\).pdf](http://www.forestry.org.au/news/articlefiles/2051-Tas%20Premier%20letter%20Forest%20Agreement%20Dec%202012%20(3).pdf)

29 May 2012. Letter to the Prime Minister noting failure to meet TOR 2 of IVG's Terms of Reference and disappointment that the reports: <http://www.forestry.org.au/pdf/pdf-public/Submissions/Tasmanian-forests-IVG-critique.pdf>

28 March 2012. Letter to Professor Jonathan West noting lack of consultation and appropriate peer review of IVG work. <http://www.forestry.org.au/pdf/pdf-public/Submissions/Letter-to-Prof-West-re-IVG-report.pdf>

2 March 2011, identifying high conservation forests. <http://www.forestry.org.au/pdf/pdf-members/media/71%20-%20Identifying%20High%20Conservation%20Value%20Forests%20in%20Tasmania.pdf>

25 November 2010. Letter to PM on forest management. <http://www.forestry.org.au/pdf/pdf-members/media/Native%20Forests%20letter%20to%20Prime%20Minister%20-%20National.pdf>

4 November 2010, Letter to Tasmanian Premier. <http://www.forestry.org.au/pdf/pdf-members/media/Letter%20to%20Premier%20re%20Industry%20Negotiations%20Nov%202010.pdf>

21 September 2010, Open letter. <http://www.forestry.org.au/pdf/pdf-members/media/Statement%20by%20the%20Tasmanian%20Division%20of%20IFA%20-%20Sept%202010.pdf>