## CHERYL ARNOL PO BOX 54 ORFORD TASMANIA 7190 Phone 0419 533 615

## Submission to the Legislative Council Select Committee into the Tasmanian Forest Agreement Bill 2012

I believe that the outcome from this Select Committee should be

- a mechanism that provides certainty that there will no longer be any forest protests, and that forest workers will be able to pursue legitimate harvesting of the forests without disruption.
- that there will be provision of enforceable methods of stopping illegal protests at legitimate forest harvesting sites
- a comprehensive investigation into the effect that this legislation will have on management of Tasmanian public native forests including strategies for fire management and fire risk mitigation.
- that local government areas and regional communities that have relied heavily on the public native forest industry form part of a socio-economic study to determine the effect that the agreement and subsequent legislation has had and will have into the future on those communities.
- assurance that regional development funds will flow to those communities that are now suffering as a result of the shut-down of the public native forest industry to ensure employment in those areas.

Whilst these are the outcomes that I would like to see and I would urge the Honourable Members to seriously consider the strategies to achieve them, I wish to focus my submission on the inadequate industry community consultation that took place during the previous 18 months or so that the Agreement was being negotiated between industry and the Environmental Non-Governmental Organisations (ENGO's).

This Bill has supposedly evolved from community consultation and negotiations with the ENGO's. I went along in blissful ignorance in relation to that believing in my heart and soul that the industry people sitting around the table were independent and representing various sectors. I trusted the people who were negotiating and I did not do any research into the organisations until very late in the process.

It appears that FIAT has approximately 9 members. AFPA has approximately 33 members. Tasmanian members of AFPA are FIAT, FT, AFCA and Norske Skog who just happens to be a member of FIAT too. I don't have any details on who the members of TCA are but my best guess is that Ta Ann (FIAT members), FIAT's CEO (as an individual I think not as FIAT but a member nonetheless), McKay Timber (a member of FIAT) and there's probably others. Then we have the Tasmanian Forest Contractors Association

and Australian Forest Contractors Association. One would assume (and it is dangerous to do that I know) that TFCA is a member of AFCA who just happen to be a member of AFPA. Oh what a tangled web we weave!

It does get a bit more complex than this when you look at the websites and see just who sits on the various Boards so it begs the question; 'How wide was the representation and how much consultation actually took place". I understand that not too many of the organisations actually had Board meetings to decide whether to sign. Then, of course, you have the Timber Communities Australia situation where the members voted overwhelmingly not to sign the agreement and the Board did just the opposite. So much for representing their timber communities!

Towards the end of the process, TCA's CEO provided the group known as the TCA Presidents with a confidential agreement that was produced by the CFMEU and stated it was 'merely an end point of the negotiations'. It probably didn't come as too much of a surprise that exactly one week later the document was signed by 10 of the 11 signatories (TCA being the one not signing). That document bore a very strong resemblance to the draft. At some point this document was emailed to the Prime Minister and the Premier but the date was conveniently omitted from the email that I received. It begs the question as to how many of the industry groups had agreed with the CFMEU to sign the document before it was put up as a confidential draft?

The Presidents were told by TCA's CEO that the ENGO's had not agreed to it either. We should have seen it coming in the wording as their demanded 500,000+ hectares was enshrined in the document for reserve. They got what they wanted from this so-called 'end point' document because the industry bowed down and relinquished more of Tasmania again. What I find absolutely astounding is that in less than a week all the parties, with the exception of TCA, had come to an agreement and signed the document.

By the industry's own admission (media release on AFPA's website) locking up an additional 500,000+ hectares was not a good deal for our industry or our State so I want to know why TFCA, AFCA, FIAT, AFPA, and TSA buckled, signed it and sold us out? I would have expected nothing less from the CFMEU though....this is the same union that gave more than a \$1 million to Get Up!

AFPA on their website stated the large areas proposed by the ENGOs as warranting harvesting exclusion for conservation (in excess of 500 000 hectares) were incompatible with meeting the industry's need for future wood supply. Detailed modelling showed that such large reserve claims would not be able to meet the minimum wood volumes required to sustain the local industry, which comprises small to medium sized sawmills and other value adding operations such as the Ta Ann wood peeler facilities. The ENGOs, in the end, were unprepared to compromise.

As has been the case over the past 30 years or so the ENGO's didn't have to compromise. The industry negotiators gave them exactly what they wanted – more than 500,000 hectares. As has happened so often during the course of history, the industry conceded on resource and/or an area of Tasmania to be locked up.

One of the outcomes that we need from this legislation is certainty that forest protests will not continue in coupes that are being operated legally. This was another issue AFPA dealt with on their website -

AFPA - Second, the capacity of such an agreement to constrain the direct actions of extreme social activist groups such as Markets for Change was inadequate. Without a broad ranging agreement that took into account the more extreme elements of the environmental movement there can be no long lasting 'peace in the forests'. This issue is clearly evident through the direct targeting of Japanese consumers of veneer products produced by Ta-Ann throughout 2012, despite the ongoing inter-governmental agreement and negotiations between the Signatories. These attacks continue today. In a bizarre twist which shows how fickle these groups are, GetUp! which has been relentlessly targeting Harvey Norman for the last two years is now seeking support from that very retailer in its latest campaign to 'protect the forests'! Delivering the ENGOs to any agreed action proved impossible.

This lack of goodwill has also been shown by the Greens Party which has continued to denigrate the industry and promote their anti-forestry positions during the negotiation process. These ongoing campaigns and the direct interference by some ENGOs in the markets of Tasmanian companies have left the industry with no confidence that a long term peace deal can be achieved for Tasmania within the wider environmental movement.

If AFPA seriously believed this then why did they sign the Agreement? With some of the industry signatories also being a member of AFPA, once they agreed to sign then the rest would follow. How could AFPA's member bodies not sign a document that they agreed to sign?

The industry negotiators agreed that they had a responsibility to small regional businesses and communities and that locking up excessively large areas of State forest would have decimated those areas.

In the space of three weeks, the industry did a total about face and agreed to lock up an additional 504,000 hectares. I am still at a loss to work out how on the  $1^{\rm st}$  of November 'locking up excessively large areas of State forest would decimate communities' and 21 days later when the Agreement was signed they agreed to a lock up of 500,000+ hectares.

There does not appear to be a solution for the re-opening of the Triabunna woodchip mill; a once vital piece of infrastructure for the sawmilling industry and in fact was built by a consortium of sawmillers in the 1970's. The closure of it has caused untold heartache and distress for many members of our community. The powers that be suggest that Triabunna has to move on but move on to what? The mill is currently in the hands of two of Australia's most ardent environmentalists and is not likely to open whilst the Manager is a former Director of the Wilderness Society with a very firm view on just what timber will be 'allowed' through the gate. Over and above that what makes this Government think that a few lines in an agreement (as was in the IGA) or perhaps legislation will make private owners of an export woodchip facility open it up again but the industry and the town desperately needs it open again.

There has been some criticism of the Opposition and others for wanting to 'tear up the agreement'. The following is from an email I sent to a number of people -

I think the point of 'tear up the agreement' has been missed. I believe the bone of contention for TCA people and their communities is the locking up of the additional 500,000 ha (I know that is the case on the east coast). At one point we (TCA people) believed that the industry would not accept less than what was in the Intergovernmental Agreement dated 7th August 2011 for the industry resource and no more reserves. The IGA states - At least 155,000 thousand cubic metres per year of high quality sawlog, 265,000 metres per year of peeler billets and a Speciality Timber supply

noting that the industry claim is 12,500 cubic metres per year, subject to verification and now in the Tasmanian Forest Agreement 2012 dated 22nd November the figures are - At least 137,000 cubic metres per year ongoing of high quality sawlog across the State, including volumes required at Regional level. This volume to be included in legislation as a minimum supply requirement. b. Peeler wood supply to meet re-negotiated contracts arising out of this agreement (which I understand is now about 100,000 cu. m less than the original agreement) c. A yield of specialty timber to meet the need for special species timber supply. I should point out that 155,000 thousand cubic metres is not a typographical error on my part; that is what the IGA actually says! Whilst it does say as a minimum supply requirement for the sawlog resource, there does not appear to be much room for expansion with the additional lock up.

The environmental groups did not have to concede one little bit to get this so-called peace deal. The industry representatives did that yet again, seemingly without consideration for the overall effect on communities reliant on the forest industry right across Tasmania; not just a select few.

Some aspects of the legislation could be beneficial to the whole industry e.g. the agreement by the ENGO's to support our products in international markets is one example but this should not be done at the expense of more of Tasmania being locked up and therein lies the problem. There are many of us who believe that no more of Tasmania should be locked up. On the other hand, the ENGO's do not believe they have enough. Some of the proposed legislation may well give peace in the forests a chance and re-establish international markets for companies like Ta Ann and probably to some extent Artec. If it is possible to legislate to tie the environmental signatories to their promise somehow then that would seem to be a good outcome but it doesn't address the issue of the non-signatories. They will still be out there actively denigrating our forest industry.

Hopefully we can achieve legislation that will ensure the future of the public native forest industry and the survival of the many small communities that rely on this proud industry.

**CHERYL ARNOL**