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The impact of the proposed transition out of public native forest management and harvesting in Tasmania

Thank you for the opportunity for TCA to provide evidence to this very important inquiry. As you will be aware TCA is a signatory to the forestry SOP process.

The purpose and aim of our involvement is based upon a desire to reach a destination of final long-term certainty for timber families throughout Tasmania.

We don't know whether this can be achieved via this present journey, but using the old adage *nothing ventured nothing gained* we are continuing with this journey but this continuation does not commit us to any final destination, the destination we are looking for is one that will put Tasmanian timber families in a better position than they are today.

(For your information I table two documents that outline our position to the forest SOP process.)

To people outside of our industry transition can be viewed as an easily done exercise. Timbers families see this as very much the opposite,

I will now introduce a diverse range of family representatives from our membership that will convey their views and experiences relevant to your terms of reference.

Barry Chipman
Tasmanian State Manager

Order of presentation

Watson family, Huon Valley Timber Glen Huon (Tas natural timbers sawmilling family)

John Hollis, Oakdale Industries Mornington, (Tas natural timbers value adding processor)

Turner family, Turners Blackwood Furniture Launceston, (Fine furniture makers & marketers)

Robert Armstrong Mayor Huon Valley Council

Bill family Private land owners Bruny Island,

Rodney Stagg, Meander, generational dependence upon working natural forests

Statement of Position in respect of the Tasmanian Forest Industry restructuring negotiations for inclusion in the facilitators interim report to the State and Federal Governments.

TCA supports the following intentions of the negotiations; (our commitments):

- To ensure that long term compensate-able contracts for the supply of adequate volumes and grades of logs to all remaining current participants in the native forests processing sector are delivered.
- To achieve the construction of a pulp mill at Bell Bay.
- To ensure that forests containing independently determined High Conservation Values are appropriately managed.
- That to the extent that it is driven by the determination of HCVF, any further transition from native forests to plantations occurs only when the substitute resource in the required volumes and quality and at the required locations is available.

TCA's positions in respect of the talks (our conditions) remain as outlined in TCA Board letter to the Premier dated 8th Oct 2010 and include:

1. Any decision to put additional forest areas into reserves must be supported by verification of the conservation values within those areas. This requirement is consistent with the intentions of the "verification" document attached to the Principles as negotiated by TCA. No area should be permanently reserved until such verification has been independently determined.
2. There must be a comprehensive and sophisticated assessment of the regional social and economic impacts of any outcome of the negotiations.
3. There must be comprehensive and sophisticated packages designed, funded and implemented to manage and mitigate the impacts of any adverse outcome of the negotiations.
4. The durability of any outcome to the negotiations must be ensured through;
 - No party having their outcomes "front-ended", that is all agreements are to be implemented only when full agreement is reached, no early implementation.
 - All parties having "structured" incentives to see the whole process through in order to achieve their outcomes.
 - A comprehensive package of complementary State and Federal legislation to secure the outcomes, including formal review mechanisms, resource security and meaningful penalties for breaches of either.

Notes; (our suggestions):

TCA considers that negotiations around areas and volumes should include;

- consideration of a wide range of options including alternate silvicultural management systems,
- certification impacts,
- appropriate productive management options in areas of lesser conservation value within existing and new reserves,
- options for improving access to areas of marginal management viability, for the duration of any transition period
- the use of improved optimisation options in available areas.
- maintenance of economically viable options for utilisation of harvesting and processing residues, including wood biomass



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8th October, 2010

Hon David Bartlett
Premier
Minister for Innovation,
Science and Technology
11th Floor, Executive Building,
15 Murray Street,
Hobart, 7000

Dear Premier,

As you know for some time TCA has been one of the parties engaged in a series of discussions seeking to arrive at a position through which a potential restructuring of the Tasmanian forest industries with wide community support could occur.

Firstly we would like to thank you and your government for its recognition of the importance of these discussions and the potential for them to deliver that wide community support for a restructured future industry.

It is our pleasure to write to you at this time to inform you and your government that TCA has consulted widely with its Tasmanian members, supporters and other industry stakeholders and believes that it is now able to put a position which it anticipates will allow government to take the restructuring process forward with wide community support of the outcomes that may arise.

As you know a negotiated set of Principles to act as a framework for a negotiation process has been a key focus of the discussions to date.

While TCA and other parties are still not fully comfortable with all aspects of the principles, at a meeting of all of the industry groups and a number of industry participants held on the 6th October, it was agreed by all that it is indeed time to move the discussions on to the negotiation phase where they can occur in an open, transparent, consultative and structured manner.

As such it was agreed that all parties would seek approval to sign the current set of negotiated principles and that where areas of difficulty still existed the parties would ask Government to note, and where appropriate address, these as areas of concern as a condition of sign off being provided.

In accordance with this agreement, TCA in good faith attaches a copy of the negotiated principles duly signed by our Chairman, on behalf of our Board, members, supporters and stakeholders.

In submitting this document TCA wishes to stress that it does so primarily to allow these critical talks to progress to the negotiation stage and in doing so wishes to note that sign off on the document and TCA's continued involvement in the process is conditional on Government and parties to the agreement noting and where appropriate ensuring the following:

1. The determination of any additional areas of forest estate to be added to reserves must be done through an open, objective and transparent process including wide stakeholder engagement. TCA notes that a document on data verification has already been partially developed and would like to see it finalized and formally adopted.
2. That any Transition should occur only to the extent that it is driven by the determination of additional areas of reservation consistent with item 1. above and/or by agreement between the parties, and subject to there being plantation resource of adequate quality, quantity and location.
3. That the clause on bio-mass be removed as such matters should, as is appropriate, be determined through the appropriate legislative processes in the Federal parliament.
4. That TCA's support is contingent on the opportunity for a pulpmill project to proceed being delivered in full by other parties to the agreement.
5. That those contractors remaining in the sector through the restructure be provided with appropriate contractual arrangements.
6. That the remaining sawmills, rotary veneer mills and specialty timber users be provided with viable resource supply arrangements.

Please note that these matters are consistent with the resolutions attached which were carried at TCA's Tasmanian State conference on the 2nd October, 2010.

We would like to draw your attention to the items in the principles which go to the provision of certainty and durability of the outcomes of the negotiations, and those around the meaningful management of the potential social implications also of any outcomes.

TCA looks forward to working with your government through the negotiation period to ensure that these impact mitigation measures and durability issues are addressed in full.

As the signing of the principles document by TCA is conditional on issues and concerns raised by its members being noted or addressed, TCA seeks feedback on the processes whereby the government considers it will be able to address the matters raised by TCA on behalf of its members.

Finally, TCA notes the immediate critical circumstances of the forest contracting sector and applauds the work of your government in this regard to date, TCA offers its support to ensure that this matter progresses as quickly as possible to allow additional funds as well as those already committed during the State and Federal elections to be brought forward as soon as possible for the assistance of those persons.

Yours sincerely

Trevor Richardson
Chairman
Timber Communities Australia.

Attachment:

Resolutions of the TCA Tasmanian State Conference, 2nd October, 2010

Resolution moved by Rodney Stagg

Resolution from the TCA Tasmanian State Conference 2nd October 2010 to the TCA Board,
CEO Jim Adams and State Manager Barry Chipman,

We support;

- 1 The Tasmanian Regional Forest Agreement. Carried unanimously
- 2 The construction of a pulp mill as approved. Carried unanimously
- 3 No new forests to be added to the reserve system until these forests have been independently, scientifically assessed and verified for their high conservation values and an appropriate management plan determined through a comprehensive community stakeholder process. Carried with one vote in the negative.