

## **Submission to the Legislative Council Select Committee examining the Tasmanian Forests Agreement Bill 2012**

By Roderic O'Connor, Connorville Station, Cressy

I would like to make myself available to the committee, primarily for it to question me if it so wishes, on the practicalities of:

- carbon trading
- perpetual covenants
- tree farming.

It may assist the committee's deliberations on the carbon value of reserved forests.

Connorville is one of the biggest carbon investors in the state. It probably has more land in perpetual covenants than any other property.

We did this for an economic outcome and one that was better for our forests.

### **Connorville forestry operations**

Connorville covers 18,000 ha. The property has 9000 ha of commercial forests, bush-run country and native grasslands.

Of the 9000 ha:

- 1500 ha is working forest, lower quality, harvestable trees and shelter country
- 4000 ha is in perpetual covenants for conservation and is managed for that
- 3500 ha is protected for its carbon value as trees in the ground, for which it is managed and for which Connorville receives carbon credits

Connorville's carbon trading agreement enables the property to sell carbon credits assigned to it dependent on the volume of timber it could have harvested and intended to harvest.

The revenue on credits equates what it would have received by logging.

The agreement stipulates that trees cannot be harvested on that 3500 ha for 25 years.

Theoretically, the agreement can be renewed after 25 years or we can resume logging.

It's a commercial, pragmatic and practical solution to environmental problems with tree farming.

## **Outcomes of the Tasmanian Forests Agreement**

The 504,000 ha will be entered into formal reserves, which means that effectively they will be locked up. I argue that it is not in the interests of a long-term conservation outcome. The management costs will be high, likely beyond the budget available to our parks service.

There are a number of alternative ways to manage reserve areas:

- carbon sequestration and trading the credits
- long rotation forestry, e.g., 100 years
- setting aside areas for future timber production, but limiting the volumes to be taken, the timing of harvests and setting aside areas for biofuel production.

Value adding is the key. To my mind, this makes sense. You keep your options open. You don't lock yourself into a situation that you will regret when market changes occur, as they inevitably do.

I argue that we have to achieve an economic outcome from reserved forests. Generating income, albeit small, from our reserves is essential for economic and social wellbeing.

It is a subject that Peter Downie has canvassed with you. We are of a similar mind.

I would welcome the opportunity to discuss it with the committee.

Roderic O'Connor

Connorville

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