

Introduction

The course of the inquiry

- 1.1 On 7 February 2011 the Minister for Agriculture, Fisheries and Forestry asked the Committee to undertake an inquiry into the Australian forestry industry.
- 1.2 The Committee received 121 submissions over the course of the inquiry, listed at Appendix A. All public submissions are available on the Committee's website.¹ The Committee also received 23 exhibits during the inquiry, which are listed at Appendix B.
- 1.3 The Committee travelled to New Norfolk (Tasmania), Melbourne and Grafton (NSW) to hold public hearings with local communities about the forestry industry in each region. The Committee also held numerous public hearings in Canberra over the course of the inquiry. All hearings and witnesses are detailed in Appendix C.
- 1.4 The Committee extends its thanks to every individual and organisation that made a submission and that gave evidence at hearings, as well as those who attended the public gallery during hearings.

The scope of the inquiry

- 1.5 The terms of reference for the inquiry are relatively broad, but in general the Committee is directed to 'inquire into and report on the current and future prospects of the Australian forestry industry.' The Committee has

1 <<http://www.apf.gov.au/arff>>

focussed its attention on the opportunities for forestry both today and in the future. However, the Committee has also discussed elements of the history of Australian forestry where appropriate.

- 1.6 The terms of reference for the inquiry direct the Committee to consider the environmental impacts of forestry, and the Committee has done so. Where submissions have made constructive contributions to understanding and improving the environmental management of forestry, the Committee has included these views. However, submissions that have simply criticised the industry and called for an end to particular kinds of forestry have not been included in the report. The Committee is firmly of the belief that all forestry sectors will continue to be fundamental to the industry, and environmental considerations must be seen in this context.
- 1.7 The Committee is mindful of the different jurisdictions exercising powers and responsibilities for forestry. Whilst the Australian Government must drive national policy, it is usually state, territory and local governments that are responsible for policy relating to individual forestry operations. In addition to this complexity, a considerable part of the forest estate in Australia is publicly owned. This complexity need not be a barrier to good forestry outcomes, but the Committee has taken care to address its recommendations to the Australian Government, often calling for it to pursue policy goals through intergovernmental processes.

Structure of the report

- 1.8 In chapter 2, the report provides a historical overview of forestry in Australia, covering the softwood agreements of the 1960s, the 1992 National Forestry Agreement and the subsequent development of Regional Forest Agreements (RFAs). The more recent Tasmanian Statement of Principles is also discussed.
- 1.9 The future role of forestry and forest products is considered in chapter 3. Anticipated demand and consumption trends present significant opportunities for the forestry industry. At the same time, the effects of climate change present risks to some forests. The chapter finally considers the potential for the Carbon Farming Initiative to support forestry.
- 1.10 Chapter 4 examines native forestry. Native forests are considered in various ways, and the Committee discusses the best way to provide wood supply security to native forest harvesters. The interplay between different

kinds of forest management is considered, as well as producing high-value timber and wood products.

- 1.11 Chapter 5 addresses plantation forestry. The chapter considers the impacts of plantations on land and water competition, as well as the best way to encourage greater investment in long-rotation plantations. Finally, the chapter considers products and innovation.
- 1.12 Chapter 6 deals with Farm forestry, which involves integrating trees into existing farmland. This is an emerging means for farmers to diversify their land uses, and to improve land management. The Committee identifies some barriers to great farm forestry expansion, and has considered various ways to reduce these barriers.
- 1.13 Chapter 7 focuses on forestry biomass, and the multitude of possible uses for forest products and by-product that may provide alternate and diverse sources of income for the industry. The chapter considers how to ensure that waste products can be utilised to create renewable energy, as well as the role of forestry in producing biochar for agricultural use.
- 1.14 The final chapter considers the possible future of forestry, and the opportunities that will present themselves. It then reiterates the necessary policy initiatives to enable the industry to take advantage of these opportunities, as well as discussing additional support needed for the future strength of the industry.



Committee members with Ms Janelle Saffin MP (Member for Page) and Mr Spiro Notaras in Grafton.