

CONNORVILLE STATION PTY LTD

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Submission No. 77

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The Honorable Dick Adams MP
Committee Chair
House of Representatives Standing Committee on Agriculture, Resources, Fisheries & Forestry
Inquiry into the Australian Forestry Industry
Parliament House
CANBERRA ACT 2600

Email: arff.reps@aph.gov.au

Submission to the Inquiry into Australian Forest Industry

Dear Mr Adams,

I am making this submission as my company is a large non industrial private forester consisting of some 4,000ha of managed native forests.

The following submission addresses the terms of reference of the inquiry, and provides information which will address many of the questions.

Farmers rely on a diversity of activities to sustain commercial viability in a competitive environment. Individual farm enterprises must be able to access the widest possible range of land use options to maximize profitability including forest production – native or plantation harvesting.

Farmers are supportive of the active and sustainable management of this resource, i.e. not a lock up and leave approach that will allow not just harvesting of the wood products but also their use in terms of bio energy and bio fuels into the future.

Active management of our native forest requires a lot of labour, offering the opportunity of maintaining the diversified demographic in the State, offering the opportunity of worthwhile jobs directly and indirectly for a significant number of people who want to work out-of-doors and in the industry.

Recognise that in Tasmania we have a distinct natural advantage – we can grow trees very well – and native forest management and utilisation is the most environmentally benign method of growing trees that can produce a wide range of truly sustainable products for our community while providing employment opportunities and sound environmental outcomes.

Recognise that active forest management provides opportunities to maintain, and on occasions enhance, the ecological diversity and regeneration capacity of native forests.

Accept that there is a need to update our forestry industry operating model and acknowledge that the old model is out of date and needs updating and rejuvenating but that this must be done without destroying the opportunities that the sustainable, commercial management of our native forest estate can continue to realise for Tasmania.

The current situation of an ever increasing subjective Forest practices plan requirements, and the inequities of the Forest practices tribunal process needs to be radically overhauled. These processes are simply excessive, unfair and inequitable and have gone on for far too long. They are also limitless in their restrictiveness on the private forest grower. This situation must be halted and then unwound to a fairer and more acceptable level.

Acknowledge the fact that Private forest growers have well exceeded any of the duty of care boundaries that have been generally accepted in State Legislation and in the Regional Forest Agreement.

Compensation has been acknowledged and provided for under the agreements mentioned above, but in reality, no payments have ever been made. The solution is simple; if the community desires reservations or alterations to or ceasing harvesting altogether, they must be prepared to pay. And if not, there should be no impediment to the Private Forester proceeding with their harvesting plan.

Farmers should not be expected to manage their assets for community outcomes, unless the community contributes. There is a clear indication that most forest owners can only afford to maintain biodiversity values within forests that also provide some level of commercial return.

The development of productive on-farm forests may provide opportunities for farmers to offset carbon produced through other activities. The expansion of either on-farm plantations, which farmers are considering as a strategic tool or improved management of existing native forests may become an option. This will provide benefits for the whole industry by increasing the value and volume of commercial forests resources.

In relation to benefiting the industry, I question the capacity of Forestry Tasmania to set prices particularly in export and new markets. There have been a number of circumstances where private foresters have set export prices well above royalty rates only to find that Forestry Tasmania then discounts the price to the same market thus undermining and devaluing the real value of the timber. Nobody wins. There should be another body, independent of Forestry Tasmania which values export prices and collaborates such pricing with all timber sellers to maximise the outcome for all.

Yours Faithfully

Roderic O'Connor
Connorville Station Pty Ltd

FINE FURNITURE MANUFACTURERS – LAUNCESTON SURVEY 2011

BUSINESS NAME	TIMBER SPECIES	SUPPLIERS	MARKET	EMPLOYEES
CLIFTON FURNITURE	Blackwood Myrtle Tas Oak	Britton Brothers Tas Timber Specialists	30% Local market 70% Canberra, Sydney	15
TALL TIMBER FURNITURE	Blackwood Tas Oak Celery Top Pine Myrtle Sassafras Silver Wattle	Britton Brother Blue Tier Pughs Gunn's Tas Timber Specialists	60% Local market 40 % Melbourne, Canberra	9
SP FURNITURE	Tas Oak Radiata Pine	Morgans Various	Local orders only	7
DESIGNS IN TIMBER	Blackwood Tas Oak	Britton Brothers Morgans	60% Local market 40% Melbourne, Sydney	7
TASMANIAN FINE FURNITURE	Handmade furniture	1 off designs special orders	Local, National and International	1
TOLEDO FURNITURE	Blackwood Myrtle Sassafras Tas Oak	Britton Brothers Tas Timber Specialists Terry Groves Morgans Various	60% local market 40% Melbourne, Sydney and Canberra	15
<i>\$1.4 million sales per annum (\$560,000 interstate market)</i>				

BUSINESS NAME	TIMBER SPECIES	SUPPLIERS	MARKET	EMPLOYEES
TURNER BLACKWOOD FURNITURE	Blackwood 95% Myrtle Tas Oak Celery Top Pine	Britton Brothers Timber Land Pughs	90% local market 10% International Europe	13 Plus 1 wood turner Plus 1 upholsterer 2 days per week
\$1.5 million investment at the industrial complex Western Junction (in last 12 months) \$960,000 per annum (\$96,000 international market)				
CLASSIC DOORS Doors	Tas Oak Myrtle Blackwood Celery Top Pine Wattle	Pughs Morgans Birtton Brothers Vanden Berg Blue Tier Tas Timber Specialists	100% local market	4 permanent 5 casual as required
Flooring and Lining	Tas Oak Myrtle Blackwood Wattle			
Doors supplied to cabinet makers and joiners for kitchen units, vanity units, built in robes, internal and external doors Flooring and lining for the domestic and commercial market \$425,000 per annum on doors only Over 50 businesses in the Launceston area are supplied by Classic Doors				

TIMBER MERCHANT - LAUNCESTON

KA & VP PUGH	Blackwood Myrtle Tas Oak Silver Wattle	Gillespies Sawmill Walkers Sawmill Shane Rice Sawmill Neil Walters Sawmill Blue Tier Sawmill	30% local 70% National	6
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Total number of employees = 78

EMPLOYMENT FIGURES FOR FURNITURE MANUFACTURERS AND THEIR ASSOCIATED INDUSTRIES IN THE LAUNCESTON AREA

Total number of employees for Business = 78 (from previous page)

However numbers need to be added to incorporate the employees from the sawmills which supply these businesses

13 sawmills with a conservative estimate of 7 employees per mill = 91 employees

Factor in businesses listed in the Launceston 2011 Yellow Pages Directory

26 Joinery
30 Kitchen, Bathroom and Bedroom Unit Manufacturers
8 Cabinet Makers

Making a total of 64 business

With a conservative estimate of 7 employees per business = 448 employees

Therefore total employee number in the Launceston area is 627

No included in this figure is:-

- the delivery to the sawmill
- the deliver from the sawmill to the timber merchant
- the delivery from the timber merchant to the manufacturer
- the delivery from the manufacturer to the retailer

If 627 employees are in Launceston, how many employees would there be when combined with Hobart Devonport and Burnie?