

Australian Government

Department of the Environment and Energy

Finn Pratt AO PSM Secretary

Ref: EC18-001170

Ms Christine McDonald Secretary Senate, Environment and Communications References Committee PO Box 6100, Parliament House Canberra ACT 2600

By email: ec.sen@aph.gov.au

Dear Ms McDonald

I refer to your letter of 19 November 2018, regarding evidence provided by Mr Dean Knudson and Ms Monica Collins at the recent public hearing for the inquiry into Australia's faunal extinction crisis.

The Department of the Environment and Energy takes its responsibilities to the Parliament seriously. I have reviewed the evidence provided by Mr Knudson and Ms Collins and can confirm that it is accurate and meets the guidelines provided to public officials in relation to providing evidence to Parliamentary Committees.

I take this opportunity to provide the below commentary and context in relation to the evidence provided by Mr Knudson and Ms Collins.

Rates of forest clearing and regrowth

Mr Knudson's remarks on forest clearing and regrowth accurately reflect the Department's publicly reported figures, both nationally and for Queensland. The national dataset shows that clearing of primary and secondary forest has declined since 2004-05. Over the last ten years, the area of land under emerging forest regrowth has been on average 486,000 hectares a year- which is in excess of the average rate of clearing. As a result, during this period the area under forest increased on average by 26,000 hectares a year.

The estimates underpinning Mr Knudson's remarks are released by the Department as part of its annual compilation of Australia's National Greenhouse Accounts. These estimates are prepared in accordance with international (IPCC) guidelines and are reviewed each year by panels of international experts assembled by the secretariat of the UN Framework Convention on Climate Change. Further information is provided at <u>Attachment A.</u>

Commonwealth jurisdiction over land clearing

Ms Collins accurately noted that regulation of land-clearing is primarily the responsibility of state and territory governments. The Australian Government's involvement is limited to those actions which are likely to have a significant impact on a matter of national environmental significance under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

Not all land clearing events will result in a <u>significant</u> impact to a matter of national environmental significance and require approval. The assertion that the EPBC Act must authorise <u>any</u> impact on a matter of national environmental significance is incorrect. It is also worth noting that the compliance and enforcement provisions of the EPBC Act, as they relate to land clearing, are considered on a case-by-case basis; they do not apply to state-wide settings and trends.

The Department's compliance and enforcement activities are undertaken in accordance with its compliance and enforcement policy – available on the Department's website – which outlines the risk-based approach that we take to prioritising investigations.

I trust that this information will be of assistance in the Committee's deliberations.

Yours sincerely

Finn Pratt 19 November 2018

Attachment A: Forest Clearing and Regrowth

The Department's national dataset

The Department's national dataset on forest clearing and regrowth was published in April 2018 as part of the Department's National Greenhouse Accounts release. This dataset relates to the period until 2015-16.

The national dataset shows that clearing of primary forest across Australia has declined by 79 per cent since 2004-05. The rate of primary forest clearing in 2004-05 was 283,000 hectares. In 2015-16 it was 60,000 hectares, which is close to the lowest rate of clearing of primary forest observed (57,000 hectares in 2011-12). These latter two estimates are effectively equivalent after allowing for uncertainty.

Over the last ten years, the average rate of clearing of primary forest was 89,000 hectares a year- also significantly less than the rate in 2004-05. Most clearing (87 per cent in 2015-16) is a re-clearing activity of relatively young, secondary forests on land previously cleared and, essentially, reflects the action of graziers to maintain their pasture in the face of woody encroachment.

Clearing of secondary forests has also declined since 2004-05, although the trend is much less pronounced than for clearing of primary forest. The rate of secondary forest clearing in 2015-16 was 395,000 hectares, down from the 530,000 hectares observed in 2004-05. Over the last ten years, secondary forest clearing has averaged 371,000 hectares a year – which is also less than the rate in 2004-05.

Regrowth of forest on lands previously cleared is significant. Over the last ten years, the area of land under emerging forest regrowth has been on average 486,000 hectares a year– which is in excess of the average rate of clearing.

As a consequence, over the same period, the cleared area decreased on average by 26,000 hectares a year. Equivalently, the area under forest in these systems increased on average by 26,000 hectares a year.

The Department's national dataset for the state of Queensland

The Department's national dataset shows that clearing of primary forest across Queensland has declined by 84 per cent since 2004-05.

The rate of primary forest clearing in 2004-05 was 228,000 hectares. In 2015-16 it was 36,000 hectares, which is also close to the lowest rate of clearing of primary forest observed - 35,000 hectares in 2014-15. These latter two estimates are effectively equivalent after allowing for uncertainty.

Over the last ten years, the average rate of clearing of primary forest was 60,000 hectares a year- significantly less than the rate in 2004-05. Most clearing (88 per cent in 2015-16) is a re-clearing activity of relatively young secondary forests on previously cleared lands and, essentially, reflects the actions of graziers to maintain their pasture in the face of woody encroachment.

Secondary forest clearing has also declined since 2004-05, although the trend is less pronounced than for clearing of primary forest. The rate of secondary forest clearing in 2004-05 was 343,000 hectares. In 2015-16, it was 263,000 hectares. Over the last ten years, secondary forest clearing has averaged 220,000 hectares a year – which is less than the rate in 2004-05.

Regrowth of forest on lands previously cleared is also significant. Over the last nine years, the average increment to the area of land observed to be under emerging forest regrowth has been 308,000 hectares a year – which is in excess of the average rate of clearing.

As a consequence, over the same period, the cleared area decreased on average by 29,000 hectares a year. Equivalently, the area under forest in these systems increased on average by 29,000 hectares a year.

Financial year	National				Queensland			
	Primary Clearing ('000 ha)	Secondary Clearing ('000 ha)	Emerging Regrowth ('000 ha)	Net change in cleared area* ('000 ha)	Primary Clearing ('000 ha)	Secondary Clearing ('000 ha)	Emerging Regrowth ('000 ha)	Net change in cleared area* ('000 ha)
2004-05	283	530	309	504	228	343	164	406
2005-06	238	517	308	447	184	296	168	312
2006-07	201	482	336	346	152	286	189	248
2007-08	139	381	442	78	103	234	273	63
2008-09	104	341	509	-64	70	186	330	-73
2009-10	82	329	451	-40	50	165	272	-57
2010-11	66	313	435	-56	40	165	254	-49
2011-12	57	325	514	-132	36	185	330	-109
2012-13	60	418	506	-28	39	264	311	-8
2013-14	60	375	569	-135	38	230	372	-104
2014-15	58	350	533	-125	35	218	353	-100
2015-16	60	395	564	-108	36	263	397	-97

Annual areas of forest clearing and emerging forest regrowth 2004-05 to 2015-16 ('000 ha)

Note: *A negative value indicates net re-emergence of forest

All data for Australia and for Queensland is drawn from National Greenhouse Accounts published activity data available at: http://ageis.climatechange.gov.au/QueryAppendixTable.aspx.

The Department's most recent data on forest clearing in the Great Barrier Reef Catchment Zone

The Department published its most recent data in relation to forest clearing and regrowth on 28 September 2018. This data is for the period including 2016-17 and relates to the Great Barrier Reef Catchment Zone. It is available at: <u>https://www.environment.gov.au/system/files/resources/63391569-7ffa-4395-b245-e53893158566/files/nggi-quarterly-update-mar-2018.pdf</u>.

The Department's new data release shows that clearing of primary forest in the Great Barrier Reef Catchment Zone has declined by over 80 per cent since 2004-05. The amount of primary forest clearing in 2004-05 was 119,000 hectares. In 2016-17 it was 12,000 hectares, which is close to the lowest amount of clearing of primary forest observed in the Zone. Over the last ten years the average rate of clearing of primary forest was 20,000 hectares a year.

Most clearing (92 per cent in 2016-17) is a re-clearing activity of secondary forests. Secondary forest clearing (re-clearing of forest) has also declined since 2004-05, but the trend is not so pronounced as for clearing of primary forest. The rate of secondary forest clearing in 2004-05 was 189,000 hectares. In 2016-17, it was 140,000 hectares (down from 164,000 hectares the previous year). Over the last ten years, secondary forest clearing has averaged 113,000 hectares a year.

Regrowth of forest on lands previously cleared is also significant. Over the last ten years, the increment to the area of land under forest regrowth has averaged 174,000 hectares a year. Overall, the balance of forest regrowth and forest clearing has led to the estimated area of forest cover on lands previously cleared to increase on average by 40,000 hectares a year over the last ten years. The impacts of new vegetation management legislation in Queensland are not captured in this time series, as the data relates to a period that precedes the passing of the new legislation in May 2018.

Use of Queensland SLATS data for comparison purposes in the 'Fact Check'

The Department notes that Queensland Government's SLATS dataset and Australian Government's National Greenhouse Accounts, from which the Department's estimates have been drawn, were designed for different purposes and vary in their technical implementation.

The Department uses detailed satellite data to track and report on the greenhouse gas emissions and removals associated with the clearing and regrowth of forests. The National Greenhouse Accounts fully complies with all the requirements under the United Nations Framework Convention on Climate Change (UNFCCC) and are

subject to annual review by a panel of international experts under UNFCCC review processes.

Differences between the Queensland SLATS land clearing data and the data presented by the Department in its National Greenhouse Accounts have been analysed at length and the results have been published, including as a 'Special Topic' chapter in the 'Quarterly Update of Australia's National Greenhouse Gas Inventory: September 2015' (published in March 2016).

The analysis presents seven main differences between the systems and concludes that it is not appropriate to directly compare the datasets without adjusting for these differences. When these differences are taken into account, the underlying vegetation losses are broadly similar between the two systems.