



Friday 3 July 2020

The Hon Sussan Ley MP
Minister for the Environment
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

Dear Minister Ley,

Re: Urgent need for certainty for Australia's Regional Forest Agreements

I am writing to express the significant concerns of Australia's native forest industries following the recent Federal Court decision regarding VicForests' operations under the Central Highlands Regional Forest Agreement, and the potential implications this ruling may have on other RFAs nationally.

As you would be aware, RFAs are required by law to be independently reviewed every five years, and all reviews conducted have found that they are meeting or exceeding all environmental objectives while providing a level of certainty to industry. However, the Court decision has created enormous challenges for the future of VicForests' operations in the Central Highlands, and created uncertainty for native forestry operations in the other RFA jurisdictions.

We believe this uncertainty could be significantly addressed if the Federal Government urgently amended section 38 of the Environment Protection Biodiversity and Conservation Act to affirm and clarify the Commonwealth's intent regarding RFAs, to make it explicitly clear that forestry operations in an RFA region are exempt from the Act, and that compliance matters are to be dealt with through the state regulatory framework and do not invalidate the RFA provisions.

Specifically, the Court decision has created an ambiguity with respect to the s38 provision in the Act, and it must be addressed before activist groups attempt to use this ruling to disrupt forestry operations in Tasmania, NSW or Western Australia.

The intent of the Commonwealth and states for the s38 provision has always been for it to be interpreted to mean "any forestry operation that happens in an RFA area". However, in the Federal Court decision, Justice Mortimer interpreted this provision to mean that forestry operations must act "in accordance with" the RFA, or else they lost their exemption. Contrary to the judge's finding, it has never been the intention of the parties to an RFA that harvesting operations would be rendered illegal under the Act in the event a forestry operation breaches state regulations.

We believe the Commonwealth must act urgently to resolve this uncertainty to ensure that the tens of thousands of jobs that depend on Australia's native forestry operations are not exposed to the sort of crisis now facing Victoria's native hardwood sector.

Bunnings' shocking announcement this week that they will immediately stop buying Victorian hardwood timber, which puts hundreds if not thousands of jobs at risk, cited the Federal Court ruling as the reason for their decision. We are very concerned that in the absence of a clear statement



from the Federal and Victorian governments that the Court's interpretation of the Act was contrary to the intent of the parties to the RFA, and that the Act and RFAs will be amended to rectify this, activist groups will continue to damage markets for Australia's sustainably-managed timber operators and put even more jobs at risk.

Australia's native forestry operations are, rightly, held to the highest environmental standards. VicForests – like all our public native forestry operations - is certified under the PEFC international forest certification standard, operating as Responsible Wood in Australia. PEFC is recognised internationally as the gold standard for sustainable forest management, on par with the FSC forest stewardship standard. In contrast, more than 80 per cent of the world's timber-producing forests are not certified at all and at high risk of illegal logging, poor working conditions and contributing to deforestation (as they are not replanted and regenerated).

AFPA will publicly support and argue the need for immediate changes to the Act to provide certainty and protect thousands of jobs in our renewable forest industries. Please contact me if you wish to discuss this matter further.

Yours sincerely,

Ross Hampton
AFPA Chief Executive Officer

Cc: Minister for Agriculture, Drought and Emergency Management, The Hon David Littleproud MP
Assistant Minister for Forestry and Fisheries, Senator the Hon Jonathon Duniam