

Parliament of Australia

House of Representatives

Submission to House Standing Committee

on

***INQUIRY INTO THE AUSTRALIAN FORESTRY
INDUSTRY***

Submitted by:

Organization	Ex-public forest manager
Principal contact	Barrie Dexter
Position	Concerned private citizen

SUBMISSION FOR:

"Inquiry into the Australian forestry industry".

AUTHOR.

Barrie Dexter

MScFor(Melb), BScFor(Melb), DipFor(Cres), has over 50 years experience in natural resource management including research and development in the silvics and silviculture of native and exotic forests, factors affecting bushfire behaviour, the planned use of fire, and the management of plantations and native forest on public land and national and other parks.

SUBMISSION OVERVIEW.

This submission concentrates on just some aspects of the Committee's Terms of Reference, viz.:

- * *Opportunities for and constraints upon production;*
- * *Environmental impacts of forestry, including:*
 - o *The development of win-win outcomes in balancing environmental costs with economic opportunities;*
- * *Social and economic benefits of forestry production:*
- * **[Public] Land use competition between the forestry and [environmental conservation] agricultural sectors:**
 - o *Implications of competing [public] land uses for the cost and availability of timber, food and fibre;*
 - o *Harmonizing competing interests.*

It concentrates on that section of the Victorian forestry industry drawing its raw materials from the States' public native forests.

PREFACE.

Mr Justice Stewart, Chairperson, Resource Assessment Commission recorded in the final report¹, March 1992: [The emphasis on sections of text is mine.]

"On the 26 November 1989 the former Prime Minister [The Hon P.J. Keating MP] issued the terms of reference for the Forest and Timber Inquiry ... basically, the inquiry was required to conduct an inquiry into options for the use of Australia's forest and timber resources ...

We have endeavoured to deal with what most participants and the Inquiry itself saw as the important issues: pulp mills; the woodchip industry; the sawmilling industry; various aspects of other forest product industries; forest management; old growth forest logging in native forests; the adequacy of conservation reserves in forests; biodiversity; ecologically sustainable development; sustainable yield; the forest estate – past, present and future; plantations; resource security; and others too numerous to mention ...

The mere presentation of this report upon the conclusions of the inquiry will not magically solve all problems connected with Australia's timber resources...

One thing is clear: there is no universal remedy for the problems connected with Australia's forest and timber resources and conflict will continue. I believe however, it can be reduced substantially and this report is to a large extent about how to achieve this end."

¹ Resource Assessment Commission. Forest and Timber Inquiry. Final Report. March 1992. Australian Government Publishing Service. © Commonwealth of Australia 1992. ISBN 0 644 24489 5 Volume 1.

These are prophetic words. Regrettably, rather than being reduced, conflict has escalated over the two decades since the Inquiry despite a massive increase in park and reserve declarations which have substantially reduced industry access to the public forests and correspondingly reduced the annual native wood harvest, particularly in the mainland states. That conflict has escalated (rather than declined) as conservation outcomes have dramatically improved says far more about social demographics and the rise of career activism than anything else.

There should be no argument that the nation needs a comprehensive reserve system to conserve² [among other things] its native forests. This was recognized from the late nineteenth century with Lands, and soon in their own right, Forest Departments set up to manage dedicated forests but not unoccupied Crown Land. The Victorian Forests Commission had oversight of timber extraction and was responsible for fire protection of all forested public land from 1917 until the early 1980s.

In 1956, the only National Parks in Victoria exceeding 4,000 hectares were Wilsons Promontory [40,950 ha declared 1898], Mt Buffalo [10,900ha declared 1898], Wyperfeld [55,900ha declared 1921] and Kinglake [5,600ha declared 1928]. In total, 14 National Parks, some 125,400 hectares, were administered under Boards of Management³.

In 1970 the Victorian Government set up the Land Conservation Council [LCC] an advisory body that progressively examined 17 regions in the State which led to an extensive reserve system. LCC recommendations were mostly accepted by Government and, although not without some conflict and robust discussion in the making were generally practical and equitable. However, the implementation of the Parliament's decisions invariably fell short of expectations in some sectors of the community, mostly in metropolises largely unaffected by the social and economic upheaval inflicted on rural communities. Notwithstanding a rapid evolution in the sophistication of forest management supported by much increased multi-disciplinary research and development from the 1950s; Timber Industry Strategy 1986; Flora and Fauna Guarantee Act 1988; Code of Forest Practices for Timber Production 1988; Resource Assessment Commission Forest and Timber Inquiry 1992 [Commonwealth]; and numerous other investigations, a preservation⁴ conscious and highly articulate sector of the community have never accepted the "umpire's" decisions and successfully demanded more and more National and other parks and reserves. These groups have been able to set the social and political agenda by repeatedly dictating the mantra that forest harvesting is permanently destructive of ecological and intrinsic values and the only land tenure that can ensure the complete preservation of forests is National Park status.

It has long been the formal policy of the major 'green' groups such as the Wilderness Society and the ACF and their affiliates to have timber harvesting removed from not just old growth forests but all public native forests. This has generally found strong support from academia throughout Australia. So far, these groups have been spectacularly successful in their quest despite the hopes of Mr Justice Stewart in 1992 for an equitable resolution of conflict.

The 1992 RESOURCE ASSESSMENT COMMISSION'S FOREST & TIMBER INQUIRY.

Just a few of the 1992 Inquiry's recommendations pertinent to this submission are reproduced below.

² "Conserve" is chosen to represent: wise use, ecologically sustainable use requiring active management to achieve objectives as distinct from "preserve" - see below.

³ The Australian Encyclopaedia, Angus & Robertson Ltd. 1958.

⁴ "Preserve" which in a land/natural resource management context is typified by passive management.

OLD-GROWTH FORESTS.

The inquiry recommends that use of the term 'old growth' be reserved for forests that are both negligibly disturbed and ecologically mature and high conservation and intangible values.

Options for use:

It is not feasible to log old-growth forests, as defined by the Inquiry, and yet retain their full complement of old-growth attributes and values.

Logging of old-growth forest potentially violates the precautionary principle of sustainable development in that an irreplaceable resource is being destroyed: although the ecological attributes of old growth may be regenerated in the long term [a century or more] the values associated with the pristine attributes cannot be replaced.

In the Inquiry's view there are available to governments two justifiable options for dealing with the areas identified as old-growth forests by a proposed comprehensive survey.

The first option is to require a rapid cessation of all logging operations within these forests.

The second option is for forest management agencies to prepare comprehensive management plans that identify and rank old-growth forests in terms of their full range of values. Under this option it may be decided that after adequate protection of examples of old-growth forests some old growth may be available for logging.

ENVIRONMENTAL IMPACTS OF WOOD PRODUCTION IN NATIVE FORESTS.

At present there are relatively few published and unpublished Australian papers containing original data on the impacts of forest use. Consequently, there is insufficient information available to support claims about whether impacts resulting from forest uses, including wood production, are benign or deleterious to environmental values in Australia.

*After taking the precautionary principle and intergenerational equity into account the Inquiry concluded that the cessation of wood production activities in native forests is not justified on the basis of evidence before it. However, the Inquiry strongly emphasizes that there are inherent uncertainties about long term effects and therefore the precautionary principle must form the basis for all future policies and practices relating to the management of forests and wood production and for minimizing the impacts of this activity. **This is particularly important given the current trends towards increasing intensity of wood production regimes.** (My emphasis)*

The Inquiry concludes that the current levels of monitoring impacts are inadequate... recommends independent audits of the adequacy of forest codes of practices and their enforcement. (My emphasis)

CONSERVATION MANAGEMENT.

A national strategy to ensure the biological conservation of Australia's forests must be developed and implemented as part of the National forest Strategy.

A reserve system that conserves viable representative samples of the biological diversity of natural ecosystems in Australia is an essential component of any strategy to maintain the permanent forest estate. Further, biological conservation outside reserves is an essential component of such a strategy.

Conservation and forest management agencies should place greater emphasis on developing strategies for active management of ecological processes in forests to maintain the values and benefits of the forest estate. (My emphasis)

SUSTAINED YIELD.

... the inquiry called for information demonstrating that forests are being managed for sustained yield. ... **The Inquiry is satisfied that currently the agencies have in place sustained yield management strategies for wood production.** (My emphasis) *The evidence before the Inquiry is that these strategies are appropriate. The agencies' yield projections are supported by the Inquiry's own analysis of the data the agencies have provided.* (My emphasis)

RESOURCE SECURITY.

... the inquiry's preferred approach to resource security is to strengthen and revise agreements between forest management agencies and industry, particularly through the development of enforceable contracts with clear provisions for compensation.

ADAPTIVE MANAGEMENT.

The Inquiry recommends that future management of forests be considered in the context of the entire forest estate and that an adaptive management approach be adopted (My emphasis)

In recommending the use of an adaptive management approach the Inquiry is not suggesting that longer term strategies of regulatory instruments such as codes of practice for forest management be abandoned. Such strategies and instruments will continue to play an important role in operational aspects of management but they should not be regarded as immutable. In moving towards adaptive management practices, forest management agencies will need to review and revise codes of practice in light of improved knowledge, preferably with community consultation.

STATE AND TERRITORY INSTITUTIONAL ARRANGEMENTS.

Integrated management:

*Some criticisms are made of existing management arrangements, particularly those that split the conservation function between agencies with responsibilities for reserve management and agencies with responsibilities for wood production. **No amount of inter-agency consultation can substitute for an institution with responsibilities for integrated forest management.*** (My emphasis)

At state and territory level an integrated body responsible for conservation. Land and forest management, both within and outside reserves, is the best way of insuring the conservation goals are met in all forest tenures. (My emphasis)

Separate land use allocation from forest management:

The problems of land use planning and the establishment of conservation reserves in forest areas are a matter that all states and territories should confront with urgency.

Each state and territory that has not already done so should establish a forest land use advisory body equipped to reappraise both the forest resource and the conservation reserve system. These bodies should be separate from the integrated forest management agencies."

FORESTRY INDUSTRY RESOURCE BASE IN VICTORIA.

The demand for forest products in Australia is forecast to increase in coming decades, yet the public native forest resource base continues to decline largely through political decisions while the trade deficit in forest products [- \$2.2 bn]⁵ continues to rise.

Hardwood plantations are seen as complementary to but not a total substitute for sourcing the wide range of timber products available from native forests. Currently, hardwood plantations are mostly managed for fibre on 15-20 year rotations. It will be several decades [35-50 years] before this sector could contribute significant quantities of solid timber products assuming that there is a large enough land base suitable and available that can competitively produce a timber crop. Technological advances will result in a wider range of composite wood products including for a range of large structural components that could be derived from plantations but also from native forests.

In 1990⁶ the net area of Victorian State Forest and other Crown land available for long term sustainable timber production was 1.3 million hectares [42% of the multiple-use gross area], while 1.24 million hectares were in conservation reserves.

It should be noted that some 58 percent of the gross area of native forest classified for multiple-use is not used for timber harvesting. Some areas are unsuitable for harvesting [generally about 15-30 percent] while a substantial additional proportion [25-30 percent] is excluded under the Codes of Practice for environmental protection.

By 2008⁷ the net area available for harvesting had been reduced to about 750,000 hectares. In 2011 this is down to about 600,000 hectares a 46 percent reduction since 1990. In any one year less than 1 % of this area is harvested under strict operational regulations governed by a Code of Practice. This reduction reflects the large increase in area of National Parks and increased exclusions for environmental protection within designated multiple-use forests.

In these parks and reserves commercial uses are greatly restricted and timber harvesting is excluded. Most are under passive management. Significantly, there is no independent evaluation that conservation values are being met in conservation reserves. In strong contrast, timber is harvested under strict codes of practice. Compliance with regulatory provisions is independently assessed and penalties apply for non-compliance.

CONSEQUENCES OF LARGE REDUCTIONS IN RESOURCE BASE.

Over the past 25 years progressive increases in the area of conservation reserves from 1.24 million hectares to 3.5 million hectares at the expense of the area of multiple-use forest were initially justified to the industry by government pledging to largely maintain timber allocations and minimize job losses. This is particularly important as it set the trend towards reducing harvest rotation length and increasing intensity of wood production regimes.

In addition to areas within multiple-use forest excluded from timber harvesting for environmental protection, 'green' activists, who generally did not abide by the provisions of Regional Forest Agreements [RFA] developed with community consultation and signed off by the Commonwealth and the relevant States, were highly successful in further reducing areas approved for harvesting through campaigning and political lobbying.

⁵ Australia's forests at a glance 2010 [data to 2009]. Australian Government. Department of Agriculture, Fisheries and Forestry – Bureau of Rural Sciences.

⁶ Resource Assessment Commission 1992.

⁷ Australia's forests at a glance 2010 [data to 2009]. Australian Government. Department of Agriculture, Fisheries and Forestry – Bureau of Rural Sciences.

Well rehearsed tactics include discovering flora and fauna that were said to be not sufficiently protected nor represented elsewhere. Significantly, there were no scientific surveys taken in conservation reserves to establish whether this was fact or not, a serious omission by the responsible Department.

In addition, areas of forest previously negotiated to allow timber harvesting were blockaded and injunctions sought to prevent timber harvesting. Invariably, government bowed to pressure and harvesting was stopped. Alternative coupes with the requisite resource to meet licensed timber quantities were often not available. Regrettably, there were occasions when harvesting equipment was sabotaged.

The continual withdrawal of resources resulted in a large reduction in sustainable yield statewide forcing further downsizing of the native forest timber industry which adversely impacted on the social and economic well-being of timber-based rural communities.

The significant questions are:

- * Does the nation want viable forestry industries based on its own resources? If so:
- * Does harvesting a proportion of native forests, under specified and enforced ecologically sustainable development principles, have a role? If so:
- * What represents an equitable balance of multiple-use forest and forest in conservation reserves in the national interest?
- * Are the two land use tenures mutually exclusive or are there any options for active management to supply some timber from conservation reserves?

HISTORY IS INSTRUCTIVE – WHERE TO FROM HERE?

In 1971⁸ Judith Frankenberg, a highly respected conservationist wrote: *"There are many areas in Victoria rich in wildlife which have already been partly settled or for which there are valid objections to their conversion to national parks of the American type. The British have solved this problem by creating multiple use national parks. In these, scenic values and the needs of nature conservation are met by a system of control which does not preclude farming, forestry, village development or tourism and recreation"*.

Frankenberg was greatly concerned that flora and fauna conservation was entirely inadequate and that the classification of reserves and methods of reserve management needed amendment. It was proposed that reserve management should be brought under one controlling authority and that with a multiple-use policy even larger areas could be included to advantage with more parks on the American and English pattern.

As clearly demonstrated over the intervening years the multiple-use approach never gathered traction. Green activists' divisive attitudes and tactics hardened and were utterly ruthless and totally uncompromising in their execution with the resultant massive expansion of National Parks in accordance with a 'lock-up-and-leave' nature preservation philosophy. There is no independent assessment of goals, or accountability on management for non-achievement. In contrast, the small amount of annual timber harvesting in multiple-use reserves is tightly regulated to achieve a high level of environment protection, independently verified, and the manager held publicly accountable.

A revision of policy and practice on the management of conservation reserves is long overdue. It was highlighted by the devastation caused by landscape-scale fires in 2003, 2005/06, and 2009, in large part as a result of poor policy and the failure of passive management associated with the expansion of parks and reserves.

There is no question that there is a need for representative areas of public forested land to be contained in National Parks, but it is plain to see that passive management of most conservation reserves leads to environmental degradation. There should be no dispute that these reserves require active management if conservation outcomes are to be optimised.

There is now a significant proportion of forested public land in conservation reserves and a large imbalance between the areas effectively available for timber harvesting within multiple-use reserves and the area in conservation reserves; particularly when taking into account the high level of closely regulated environmental protection on those multiple-use area available for timber harvesting.

It is in the national interest to have a viable Australian forestry industry drawing on its own resources including from public forested land. This is now in serious jeopardy due to the lack of available resource. Options must be developed for redressing the large imbalance that has arisen since the Stewart Inquiry in 1992. Any such options should:

- * Increase opportunities and reduce constraints upon sustainable timber production by providing resource security to the industry;
- * Create economic opportunities by actively managing public forested land including conservation reserves to offset/balance costs of environmental protection;
- * Consider an integrated land management model based on the principles of 'ecologically sustainable development' [ESD];
- * Give equal weight to social, economic and environmental requirements under ESD.

⁸ "Nature Conservation in Victoria – A Survey". Judith Frankenberg [1971]; edited by John S Turner MA, Ph.D., FAA, Professor of Botany, The University of Melbourne, published by the Victorian National Parks Association.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT (ESD).

This is a defined concept which strongly integrates the conservation of biodiversity with economic development and community well-being and welfare.

ESD includes the sustainable use of renewable resources [such as water, wildlife, wood, forage] and the sustainability of activities [such as recreational pursuits and tourism]. The principles can be applied to all public land categories [and private land use] viz: National Park, State Park, other conservation reserves and multiple-use reserves.

The Stewart Inquiry [1992]⁹ page 106 noted: ...*"it is clear to the Inquiry that there is general community and industry support for the concept of ecologically sustainable development ... Part of the difficulty the Inquiry experienced in considering the issue of ecologically sustainable development is that different emphasis may be given to different elements and goals explicit in the concept. Some Inquiry participants emphasized ecological issues, and others placed emphasis on social issues. In short, the concept can mean different things to different people ..."*

The inquiry supports economic development of Australia's forests that is ecologically and socially sustainable." (My emphasis)

Similarly, in currently developing a Plan for the Murray Darling Basin, the MDB Authority is using ESD principles set out in the Commonwealth Water Act 2007, page 19, Definition, viz:

- (2) *The following principles are **principles of ecologically sustainable development**:*
- (a) *decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations;*
 - (b) *if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation;*
 - (c) *the principle of inter-generational equity—that the present generation should ensure that the health, biodiversity and productivity of the environment is maintained or enhanced for the benefit of future generations;*
 - (d) *the conservation of biodiversity and ecological integrity should be a fundamental consideration in decision-making;*
 - (e) *improved valuation, pricing and incentive mechanisms should be promoted.*

This definition does not ensure full equity nor the means of achieving it. While Clause 2(a) appears to be explicit about effectively integrating economic, environmental, social and equitable considerations, 2(d) names only conservation of biodiversity and ecological integrity [that] should be a fundamental consideration.

It appears that the ESDP definition in the Water Act 2007 is based on some clauses from the Victorian Commissioner for Sustainability Act 2003 [Act. No. 15/2003] but has omitted some key sections of the Victorian Act which are essential to actually achieving economic, environmental and social equity including human well-being and welfare, viz:

- (1) *Ecologically sustainable development is development that improves the total quality of life, both now and in the future, in a way that maintains ecological processes on which life depends.*
- (2) *The objectives of ecologically sustainable development are –*
 - (a) *to enhance individual and community well-being and welfare by following a path of economic development that safeguards the welfare of future generations;*
 - (b) *to provide for equity within and between generations;*

⁹ Resource Assessment Commission. Forest and Timber Inquiry. Final Report. March 1992. Australian Government Publishing Service. © Commonwealth of Australia 1992. ISBN 0 644 24489 5 Volume 1.

- (c) *to protect biological diversity and maintain essential ecological processes and life support systems.*
- (3) *The following are considered as guiding principles of ecologically sustainable development –*
- (a) *that decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equity considerations;*
 - (b) *if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation;*
 - (c) *the need to consider the global dimension of environmental impacts of actions and policies;*
 - (d) *the need to develop a strong, growing and diversified economy which can enhance the capacity for environmental protection;*
 - (e) *the need to maintain and enhance international competitiveness in an environmentally sound manner;*
 - (f) *the need to adopt cost-effective and flexible policy instruments such as improved valuation, pricing and incentive mechanisms;*
 - (g) *the need to facilitate community involvement in decisions and actions on issues that affect the community.*

CONCLUSIONS AND RECOMMENDATIONS.

Justice Stewart's wide-ranging Forests & Timber Inquiry [1992] comprehensively reported on options for the use of Australia's forest and timber resources including, among many other things, forest management, timber harvesting in native forests, adequacy of conservation reserves, biodiversity, ecologically sustainable development and resource security.

Justice Stewart understood the complexity of the subject and believed that the findings would lay the foundation for future viability of forestry industries and substantially reduce conflict.

Regrettably, future viability is at serious risk and, rather than being reduced, conflict, particularly over timber harvesting in public native forests has escalated. Green activists continue to demonstrate that they will not compromise on their overall goal of eliminating harvesting of native forest and the current political climate favours this outcome.

A watershed has been reached in Australian forestry and it is now necessary to comprehensively re-examine the whole mix of forested public land in multiple-use and conservation reserves, including how that land is managed in the national interest rather than pandering for second preference 'green' votes.

It seems ludicrous that Australia relies more and more on imported timber products when it has its own abundant resources that can be demonstrably managed under ecologically sustainable development principles. We are 5th in the world for per capita forest cover, and are amongst the top five per capita consumers of wood products, whilst heading towards a morally reprehensible situation where we produce nothing from our own forests. Worse, we are accepting timber products from non-sustainably managed forests elsewhere in the world.

The House of Representatives Standing Committee Inquiry into the Australian Forestry Industry is therefore welcome and timely. Its deliberations and recommendations will be crucial to deciding that it is clearly in the national interest for timber harvesting in public native forests to continue.

There is some unfinished business from the findings of the 1992 Inquiry that this Inquiry is urged to give in-depth consideration, viz:

1. With now adequate protection of old growth forests, some old growth eucalypt forests should continue to be available for timber harvesting.

Note: At present this is the only practical way of renewing these forests, which provided they are not subjected to wildfire, will start reaching their natural longevity within the next 50 or so years whereupon they will die and revert to other vegetation types. This is not a long time to plan and implement a program of renewal over such large areas before we start losing substantial areas of eucalypt forest.

2. Current levels of monitoring the management of conservation reserves to meet ecological objectives [if, indeed, such objectives have been comprehensively laid down in plans] are inadequate. The Inquiry should recommend independent audits of the adequacy and cost effectiveness of conservation reserve management.
3. While independent auditing of timber harvesting is undertaken, and Codes of Practice are enforced, the overall adequacy of environmental monitoring and adaptive management in multiple-use reserves should be examined. In particular, the application of adaptive management should not be compromised by misuse of the precautionary principle.
4. Institutional arrangements that split the conservation function between agencies with responsibilities for reserve management and with agencies responsible for wood production have failed. The Inquiry should canvas options with the States and Territories that fully integrate management of conservation and multiple-use reserves on all forested public land. Overall there should be a Conservator of Forests heading a single agency in the best interests of ensuring ecologically sustainable development principles [similar to those set out in the Victorian Commissioner for Sustainability Act 2003] are met in all land tenures on forested public land.
5. In considering, under several terms of reference, a holistic approach [integrated management] to the uses and management of public forested land, the Inquiry should evaluate the pros and cons of passive [American/Australian type] and active [British/European type] management including in existing National parks.

Note: In National Parks timber harvesting under ESD would have a bias towards obtaining ecological benefit. Timber produced would be commercially available but not necessarily as a licensed long term allocation.

Barrie D Dexter.
21 March 2011

