

GPO Box 4320
Melbourne VIC 3001
p 03 9611 9000
e info@vafi.org.au
www.vafi.org.au



SUBMISSION

Victorian Environmental Assessment Council Statewide Assessment of Public Land

November 2016



Executive summary

The Victorian Association of Forest Industries (VAFI) appreciates the opportunity to provide comment on the draft proposals of the Statewide Assessment of Public Land.

The Discussion Paper contains rigorous data collection and analysis and VAFI recognises its considerable value as a reference document. We therefore raise several clarifications and points of fact regarding: the conservation value of forest management; the net area of native forest available for harvest; and the total economic value of the Victorian forest and wood products industry. We request that VEAC consider adding these points to future online and printed editions of the Discussion Paper.

VAFI supports the broad aims of the assessment to catalogue the existing uses of and reservation status of public land and to propose methods of clarifying and simplifying classifications. We also support the aim of modernising information systems and improving public access to land data.

VAFI makes the following comments regarding the draft recommendations:

- **Draft Recommendation 6**
It is crucial to avoid any changes to currently permitted land uses. Therefore, VAFI recommends the process to fully reserve state forest under the Forests Act should be undertaken in collaboration with experienced forest managers. VAFI also proposes an alternate wording to remove potential ambiguity regarding permitted land uses.
- **Draft Recommendation 11**
Any future assessment of the potential conservation value of public land should reflect input from all relevant stakeholders and recognise the capacity for sustainable silviculture and harvesting to contribute to ecosystem health and mitigate fire risk. Assessments should consider options to meet CAR principles without reducing productive services from public land.
- **Draft Recommendation 13**
The rationale is unclear and the recommendation represents a disproportionate focus on forestry activity. VAFI's position is that this recommendation should be removed from the final Proposals Paper.



About the Victorian forest and wood products industry

The forest and wood products industry is a vital industry for Victoria and a key contributor to the state's economy. The industry is a major driver of economic activity and jobs in Victoria, generating \$7 billion in sales and service income annually.¹ Much of the income generated by the industry remains in local communities, particularly so in rural and regional Victoria.

Throughout the State, the industry directly employs approximately 21,000 people. Around 90% of these directly employed workers are in primary and secondary processing roles; essentially timber manufacturing applications, such as appearance product manufacturers, furniture manufacturers, and frame and truss fabricators.

Indirectly, the industry also supports a further 40,000 to 50,000 jobs through flow on economic activity. This includes value-adding roles, such as the nearly 10,000 people who work making timber furniture, cabinetry and in joinery manufacturing.²

For Victoria to best position itself to meet future demand, both nationally and internationally, there is the immediate need to stabilise policy settings, both at the local and state level. Forestry is a long-term business and needs the security of a long-term vision to be a strong, viable and sustainable industry. Security of resource is paramount for a successful industry in future.

About VAFI

VAFI is the peak employer representative body for the Victorian forest and wood products industry. VAFI represents the entire lifecycle of forestry and wood products, including forest growers, harvest and haul businesses, wood and paper processors, and associated businesses across both the native forest and plantations sectors. We support and encourage best practice in industry and forest management.

The long-term vision for the forest and wood products industry in Victoria is that of growth, stability and sustainability. The forest and wood products industry is a 21st century employer and wealth generator. It is a sunrise, not a sunset industry. What the industry needs from all levels of government – national, state and local - is clarity in policy positions and decisions that support the future of the forest and wood products industry.

¹ ABS (2016) 8155.0 Australian Industry, 2014-15

² Schirmer, J (2010) *Socio-economic characteristics of Victoria's forestry industries*

DISCUSSION PAPER

VAFI acknowledges the rigorous data collection and analysis that form the basis of the Discussion Paper and its considerable value as a reference document. With that potential use in mind we request that VEAC consider making the following clarifications and changes to points of fact for future online and printed editions of the Discussion Paper.

Conservation activity by the forest and wood products industry

The description of consultation process undertaken by VEAC over the course of the assessment contains the statement “*extraction of natural resources and conservation are incompatible*” (p13, *Values of public land*). VAFI understands that this not the not the formal position of VEAC and opinions quoted by anonymous stakeholders demonstrate the breadth of consultation input. We also note that the importance of forestry was recognised by other stakeholders quoted in this section. However, we will take the opportunity to outline conservation and resource extraction are compatible in the case of sustainable timber harvesting.

Wood is a renewable and sustainable product with a lower environmental impact than many alternative products (such as steel or concrete). Moreover, the use of locally produced wood products sourced from sustainably managed forests reduces demand pressure on hardwood forests in countries where harvesting can have a much more severe environmental impact. Management for the services and benefits provided by timber harvesting can complement and enhance the broad environmental benefits provided by Victoria’s forests.

In Victoria, forest managers are legally obliged to protect ecosystem structures and functions. Commercial forestry in Victoria is undertaken in compliance with the Code of Practice for Timber Production (the Code of Practice). The Code of Practice contains a suite of mandatory actions to maintain environmental values and minimise impacts of cultural values and the visual landscape. These actions include:

- Managing harvested forest to perpetuate biodiversity values;
- Regenerating harvested areas using seed sources with provenance to the area;
- Maintaining species composition and representative gene pools;
- Monitoring and maintaining forest health (e.g. weed and pest control);
- Measures to protect all unharvested areas from the impacts of unplanned fires;
- Protecting waterways and riparian habitat using buffers and filter strips;
- Minimising water pollution; and
- Maintaining the productive capacity of soils.

Availability of forest resource

The Discussion Paper reports that the total area of state forest suitable for harvesting is approximately 900,000 hectares (p108, *The native forest resource*). The Discussion Paper notes that this net productive area is decreased by a suite of measures that conserve environmental and



social benefits provided by forest areas (e.g. stream buffers, biodiversity values, recreational use, cultural values etc.), but no final area is given. VAFI stresses that these measures have a non-trivial influence on planning decisions meaning the figure provided is misleading. The net area of forest potentially available for harvest by VicForests is 494,000 hectares,³ roughly 55% of the figure reported in the Discussion Paper. Furthermore, total area of publicly owned forest in Victoria (state forests, national parks and other reserves) is 7.1 million hectares,⁴ meaning that only approximately 7% of all forest in the state is potentially available for harvest and regeneration. VAFI requests that this clarification is included in future online and printed editions of the Discussion Paper.

VAFI wishes to clarify that the decreases in value and harvesting of wood in Victoria (p108, *Harvesting levels*) has been driven directly by increasing resource constraints due to reclassification of state forest as parks or conservation reserves. While this information is presented in the Discussion Paper, VAFI wishes to make explicit the link between the two, to counter any perception that the Victorian forest and wood product industry is in decline due to decreasing consumer demand.

Value of the forest and wood products industry

Section 5.4.1 reports the value of the forest and wood products industry at 6.7 billion in sales and service. This figure was drawn from the Industry Review 2014-15, compiled by VAFI using data published by ABARES. VAFI draws your attention to a recent revision by the Australian Bureau of Statistics which calculates the value of Victorian industry at \$7.011 billion for the year 2014-15.⁵ We request that if this updated figure is used in future online and printed editions of the Discussion Paper.

³ VicForests (2014) *Sustainability Report 2013-14*

⁴ VicForests Area Statement 2014. <http://www.vicforests.com.au/planning-1/area-statement>

⁵ Australian Bureau of Statistics (2016) *8155.0 Australian Industry, 2014-15*

DRAFT PROPOSALS PAPER

Draft Recommendations 1-10

Draft Recommendation 3 proposes to consolidate land use categories and simplify governing legislation while maintaining existing permitted uses. However, the proposed plan for reclassification implies the possibility for potential to change permitted land uses – for example reclassifying state park as national park may reduce opportunities for recreational uses or other uses, such as firewood collection. Provisions should be included in implementation planning to maintain existing uses.

VAFI supports the principle of a move to a simplified classification system that brings all state forest under the Forests Act and we stress that there should be no change to current permitted land use. Given the high proportion (57%) of state forest that is currently unreserved under the Forests Act, there may be potential for unintended changes to permitted land use to occur during implementation. VAFI recommends therefore that this process, where it pertains to state forest, should be undertaken with substantial input from experienced forest managers. This should include on-ground assessment and verification of all affected forests currently available for harvesting and regeneration. VAFI recommends that there should be a formal role for VicForests in any amendment process.

The phrasing used in Draft Recommendation 6: “...reserved under a single land tenure with provisions **similar** to those currently applying to reserved forest”, implies the possibility for changes to permitted land use under any amended Act.

VAFI recommends that this draft recommendation should unambiguously state that land uses will be unchanged. To that end, we propose the following wording as a preferred alternative:

“The Land Act and Forests Act be amended to provide for all state forest to be administered under one Act and be reserved under a single land tenure with provisions that maintain the permitted land uses currently applying to reserved forests.”

Draft Recommendations 11-15

Draft Recommendation 11

VAFI acknowledges the rationale given in the Discussion Paper for assessing and quantifying potential shortfalls in a Comprehensive, Adequate and Representative (CAR) reserve system. However, we draw attention to the significant social and economic impacts that would result from reclassification of state forest as parks and reserves. VAFI recommends that any further assessment should:

- Assess the values drawn from recreational use and sustainable silviculture in state forests;
- Reflect input from all relevant stakeholders;
- Recognise the capacity for sustainable silviculture and harvesting to contribute to ecosystem health and mitigate fire risk;

VAFI recommends that the final scope of this recommendation should be expanded to consider options for satisfying any CAR shortfalls with no reduction in productive services provided from public land. In the case of state forests, this could include an assessment of forests currently in National Parks or other reserves that have low conservation value and could be reclassified as mixed-use state forest. Any assessment of Victoria's reserve system should also be linked to an assessment of state forest zones that are suitable to be reserved for dedicated timber production purposes. These measures could potentially increase protected areas in line with CAR principles while maintaining a guaranteed long-term supply of fibre from mixed-use state forests.

Draft Recommendation 13

Unlike the other draft recommendations, the rationale for Draft Recommendation 13 is not well supported by analysis in the Discussion Paper or the Draft Proposals Paper. As presented, the recommendation focuses on areas of state forest where timber production is permitted but is not currently undertaken by VicForests. However, specific regions or types of forest are not defined and potential circumstances for the cessation of harvesting are not outlined.

If, for example, the intended focus is on regions that are not currently deemed commercial by VicForests, VAFI notes that this status may change in the future, driven by changing markets, processing methods, silviculture or other management approaches.

The rationale for Draft Recommendation 13 appears to be based on the assumption that commercial harvesting will be incompatible with other values and land uses. VAFI stresses that this assumption is incorrect and that future silvicultural management for timber harvesting can contribute to landscape-scale conservation goals. There are currently several pilot projects underway in Victoria assessing how low-intensity silvicultural approaches can improve forest health and provide commercially viable wood fibre extraction.

Draft Recommendations 11 and 13, were they to be accepted by Government, both function as potential precursors to the reclassification of state forest to a category that does not permit sustainable timber harvesting. It is VAFI's position that Draft Recommendation 13 represents a disproportionate focus on forestry activity.

VAFI recommends, therefore, that Draft Recommendation 13 be removed from the final of proposals submitted to Government.

Draft Recommendations 16-19

VAFI supports the improvement of all information systems for recording public land the development of high-quality data products derived from them.