

Green Triangle Regional Plantation Committee Inc.

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COMMENTS FOR PROPOSED TIMBER INDUSTRY STRATEGY GREEN TRIANGLE REGIONAL PLANTATION COMMITTEE INC.

Who is the Green Triangle Regional Plantation Committee

The Green Triangle Regional Plantation Committee (GTRPC) was formed in July 1996 as a co-ordinating body of the major interest groups associated with forest growing, farm forestry, processing, education and training and natural resource management in the Green Triangle region of South East South Australia and South West Victoria. Funded until June 2008 by the Federal, South Australian and Victorian Governments, the GTRPC employs a full time executive officer based at 19 Penola Road, Mt Gambier.

The GTRPC has a vision:

A sustainable forestry sector providing long-term economic, environmental and social benefits to the Green Triangle region.

And a mission:

To provide a forum for cooperation between all stakeholders in order to promote and facilitate sustainable development of forestry and its associated industries in the Green Triangle region

What does the Green Triangle RPC do?

The GTRPC brings together a range of stakeholders and interested parties (growers, processors, State and local government, natural resource managers, farm foresters, consultants, etc.) in the plantation sector from across the region, to work on issues addressing planning, infrastructure, education, training and promotion of forest-based industries and associated enterprises.

There are benefits from the communication and networking between local, State and National Governments, the industry sector and its associations, the farm forestry community and the general community. The GTRPC facilitates communication flows within the sector and with other interested organisations and individuals. The GTRPC also has an active program for promoting the importance and the image of the sector to the wider community. This program includes funding projects with related natural resource management organizations, educational institutions and environmental non-government organisations.

Membership

The GTRPC membership includes Auspine, Australian Forest Growers, Department of Primary Industries (Victoria), CSIRO, ForestrySA, Glenelg Hopkins Catchment Management Authority, Glenelg Shire, Green Triangle Forest Products, Great Southern Limited, Greening Australia, Green Triangle Plantation Forest Company, HVP Plantations, Integrated Tree Cropping, Midway Pty. Ltd., Plantation Timbers, Primary Industries and Resources South

Australia (PIRSA) Forestry, Southern Cross University, Timbercorp, MCA Afforestation, Macquarie Forestry Services Pty. Ltd., Arbour Dynamics Pty. Ltd., Macquarie Forestry Services, South West Fibre Pty. Ltd., private forest growers, farm foresters and community members.

The Significance of the forest Industry in the Green Triangle Region

Radiata Pine was first planted in the Mount Gambier area in the 1870s. Since that time over 174,000 hectares of plantations have been established and the pine industry has a well established presence with infrastructure and processing facilities in place handling approx. 4-4.6 M cubic metres annually. The area of pine is relatively stable with the replanting of harvested areas and some new plantations established annually. Much of the expansion of the pine plantation area occurred in the 1960s and 1970s as the result of Commonwealth and State Government incentives to establish a national self sufficiency in softwoods, and to replace softwood imports.

The hardwood industry is relatively new. The principle species is Tasmanian Blue Gum (*Eucalyptus globulus*), a species which was also identified and a commercial fast growing species many years ago, but was not developed as hardwood was available formerly from native forests. While there are a number of private Blue Gum growers, the bulk of the 164,000 hectares have been established by Managed Investment Funds under the Plantations for Australia: The 2020 Vision released by the Federal and State Governments in 1996.

The Blue Gum plantations have been established on cleared agricultural land, making them eligible for carbon accounting under the Kyoto Protocol to alleviate climate change and global warming.

The Blue Gum will initially be grown to produce wood chip suitable for processing into pulp and paper. While initially assumed that the annual production 3-4 million tonnes of wood chip would be exported via the Port of Portland, a 1.5 million tonne capacity chemical-thermo-mechanical pulp mill has been approved for Penola (SA). If built, this would increase economic and social benefits for the Green Triangle region via on-shore value adding.

The economic contribution (Gross Regional Product) of the forest industry in the Green Triangle Region for 2003/04 was about \$778 million, in a total economy of \$4.9 billion. The forest industry's direct and indirect contribution represents 30% of total primary industries GRP and 23% of employment, coming off a land base of about 10% for the region. Direct employment represents about 830 and the wood and paper processing employed about 3,350 and these jobs lead to about 4,500 indirect jobs in the region.

TIMBER INDUSTRY STRATEGY 2008

The following comments are provided for consideration during the development of the new Timber Industry Strategy. Many of the points were made at the Stakeholders meeting on 30th April, 2008.

As a Whole of Government approach is being used, many of the comments likely relate to areas beyond the TIS.

Context

The TIS must endorse scientifically and environmentally sustainable natural resource management including ecologically sustainable forest management. The plantation estate has a role in protecting and enhancing the existing biodiversity and has a role in further expanding and enhancing those assets under sustainable practices. Thus plantations offer a more direct contribution to the triple bottom line (sustainable economic, environmental and social) attributes than do many other forms land management.

Planning

The planning arrangements were modified some years ago to encourage the further development of plantations on cleared agricultural land. Since that time Councils have devised various mechanisms to slow or prevent development. The TIS and the Government need to further strengthen the planning arrangements to confirm the Government's commitment to plantations. One approach would be to remove special reference to forestry and consider it simply as one form of agriculture. This would remove the need to make application for land use change and confirm the licence to operate.

It would also be appropriate to revisit the VCEC recommendations with respect to plantations.

Infrastructure

Expansion of harvesting of the 164,000 ha of Blue Gum plantations commences in Green Triangle Region from 2009. Currently about 200,000 tonnes of wood chips are being export through the Port of Portland and our projections are that over the period 2009-2014 an average annual volume of 3-3.7 millions tonnes will pass through the Port. There will no doubt be some challenges in terms of maintaining and improving transport infrastructure and additional funding will be required. A new TIS needs to recognise these expanding opportunities and assist in improving infrastructure in terms of the road network, port access and traffic management. If 3,000,000 tonnes was to be delivered to the Port in 25 tonnes trucks, there would over 650 truck movements into and out of the Port, or a truck passing by every 131 seconds. Alternative truck formations may need to be consider and advocated with the introduction of higher productivity vehicles as used in Western Australia.

Forest Certification

The TIS needs to endorse scientifically and environmentally sustainable forest management and to endorse recognised forest certification processes without selecting any particular process.

The TIS should also recognise the contribution the total plantation estate makes to biodiversity by protecting and enhancing remnant native vegetation and the revegetation of those areas not suitable for commercial wood production. Our work indicates that 11% of the plantation estate can contribute to regional biodiversity.

Biodiversity and environmental values

Across the Green Triangle Region the gross plantation estate occupies about 400,000 ha, of which about 11% is not suitable for commercial wood production nor is it part of plantation infrastructure. These areas are either remnant native vegetation or areas suitable for revegetation and represent a considerable contribution to regional biodiversity. Even with minimal management these areas, once free of grazing domestic animals, begin to regenerate naturally. Consideration in the TIS and the Biodiversity strategy should be given to encourage a more proactive management and enhancement of these areas through such mechanisms as biodiversity or environmental credits or financial assistance to continue the protection of these valuable areas.

Water management

The TIS needs to be clear on the impacts of plantations of surface and groundwater resources. It should not adopt an intellectually and scientifically weak approach proposed by the South East Natural Resource Management Board for the South East of South Australia. In this instance, a questionable resource management approach has continued to endorse extraction allocations well in excess of sustainable volumes and has knowingly proposed further increases in extraction allocations beyond current levels without justification. The result is a

proposal the tax rainfall applied only to plantations rather than withdrawing or reducing extraction licenses to achieve sustainable resource use.

Climate Change

Forestry plantations offer an opportunity to endorse the role of forests in sequestering carbon using nature as the driver. There is potential when the national emissions trading system (ETS) is introduced to encourage the continuance and expansion, where appropriate, of plantations to maintain and expand existing carbon sinks. The ETS needs to be fair and equitable, without giving advantage to energy intensive export exposed industries. Such a system should in fact favour the use of wood products in building and construction. The TIS should encourage such actions and engage a whole of Government approach to using wood products as being carbon stores, rather than other building products which come with an imbedded carbon debit. The TIS needs to advocate the long term storage of carbon in solid and manufactured wood products by encouraging life cycle analysis of these products.

The TIS should also support the use of biofuels from forest wastes as a substitute for fossil fuels in energy production, keeping in mind that there will be some trade offs. The biomass suitable for biofuels would currently serve as an organic fertiliser and its replacement may in fact require application of fertilisers, often manufactured from fossil fuels.

While energy generated by biofuels may be used in wood processing and manufacture, a whole of Government approach is also needed to encourage the transmission of excess energy into the public transmission networks. At this time these mechanisms are cumbersome and not necessarily encouraged.

Workforce, skills, training and education

Factors common in most rural and regional areas of Australia show the population declining and affecting ageing demographics associated with the movement to cities, urban fringes and the coastal strip. These movements have a potential impact on new developments and investments in rural areas.

Recent surveys undertaken by the Forest Industry Training Network in the Green Triangle Region have identified a potential requirement for an additional 1,000 employees in the forest industry in the next few years.

This is predominantly due to the Blue Gum plantations nearing their first harvest increasing the demand for a trained and qualified workforce in the forest industry in the Green Triangle Region. It is predicted that the demands in the forest industry will require an additional workforce of the order 891 to 1007 across the following sectors:

- Forest growing and management, 72,
- Harvesting and haulage, 300 to 416 (depending on average annual harvest),
- Sawmilling and processing, 341,
- Maintenance, 112,
- Pulp and Paper, 20,
- Timber Sales, 22,
- Wood Panels, 16, and
- Engineered Wood Products, 8.

The TIS needs to identify the employment and economic benefits of the plantation sector, not only in Victorian but in adjoining States and that the industry as a whole has a considerable demand for skills and the training capacity to support regional growth of the forest industry.

This should also include the development of suitable training, education and skills centres.

It should also be noted that the expansion of the plantation industry will also have impacts in other sectors such as on local government, education, infrastructure and community services.

Conclusion

The GTRPC acknowledges the opportunity to contribute to the development of a new Timber Industry Strategy for Victoria in 2008. The TIS is an opportunity to confirm the relevance and importance of the forest plantation industry in the rural landscape unencumbered by potentially obtuse local government planning interpretations.

The TIS also provides an opportunity for the Victorian Government to develop and implement a visionary forest policy using scientifically based evidence using the international principles of ecologically sustainable forest management. As we are now living in an increasingly carbon constrained economy, forestry offers a relatively simple means to contributing to the offsetting the climate change through the sequestration of carbon in the form of plantations and wood and timber products while protecting the environment and enhancing biodiversity.

Prepared by

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