
The Parliament of the Commonwealth of Australia

Seeing the forest through the trees

Inquiry into the future of the Australian Forestry Industry

**House of Representatives
Standing Committee on Agriculture, Resources, Fisheries and Forestry**

November 2011
CANBERRA

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ISBN 978-0-642-79602-8 (Printed version)

ISBN 978-0-642-79603-5 (HTML version)

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Photo credits (bottom of front cover) - Ben Marden.

The report title comes from the proverbial saying 'You can't see the forest for the trees', meaning you are focussing on details too much and can't see the 'big picture'.



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Foreword

“Plant trees. They give us two of the most crucial elements for our survival:
oxygen and books!”

-A Whitney Brown
Writer and Comedian

From the earliest times, trees have been the focus of religious life for many peoples around the world. As the largest plant on earth, the tree has been a major source of stimulation to the mythic imagination. Trees have been invested in all cultures with a dignity unique to their own nature, and tree cults, in which a single tree or a grove of trees is worshipped, have flourished at different times almost everywhere. We have the tree of life and the tree of knowledge in our own culture now.

Trees have also featured in our every day life, in design and in structure across this continent. Both indigenous and European peoples have valued the tree for its qualities, its strengths and its influence on a landscape. It is after all the most amazing scientific structure that has occurred in nature. We could never have invented such an entity with its ability to soar to the clouds and yet have the structural integrity to deal with storm, flood and fire, all part of a tree's essence.

So it is not surprising that people feel that trees are “sacred” and shouldn't be touched. However, like all living entities, trees have a life cycle, they seed, they grow and they die, in longer or shorter time scales depending on the species. By managing them through their life cycles, we can improve them, can strengthen their scientific features and in the future develop alternative energy and fuels.

Products that are so much part of our living that if we did not have them any more, we would lose a huge part of our cultures. By growing and harvesting trees, and then replanting, we have the most sustainable way of developing a product that we can use as part of our lives for ever.

Sure we have to keep samples of the various species which make up our natural areas – and I believe Australia has understood this so well through the development of the National Forest Policy Statement and the various RFAs. We need to keep reviewing our agreements and ensuring that we keep our forests sustainable.

But the idea of keeping an individual tree because it represents “bio diversity” or is a “home for animals” is wrong. The tree will die, and if there is nothing coming on to replace it to ensure that its species is continued, then there is no future for that species, nor for its inhabitants.

To help the future of the planet, we will need to have wood replace other materials which embodies much more energy than non renewables, such as steel or plastic.

This inquiry ranged far and wide and took in many different points of view. But we were seeking a future for forestry. We did not want to dwell in the past. So the recommendations have been carefully couched to give hope to our forest workers, our contractors, sawmillers, pulp and papermakers and our craft and woodworkers. Australia wants a sustainable industry in all its facets and we want to ensure that our landscape still reflects the power of the trees.

I believe the Committee has worked hard to do this. I would like to thank all my committee members, particularly my Deputy Chair Alby Schulz, for their diligence and their help in seeking out the best processes in the business and looking forward to the future.

Thank you too to the Committee Secretariat for their hard work in putting this all together.

Lastly, I would like to thank all those contributors who submitted to the inquiry from all areas of forestry or who had an interest in the future of forestry. Without your help, your time given freely to attend consultations and your hospitality, this report could not have been written.

Hon Dick Adams MP

Committee Chair

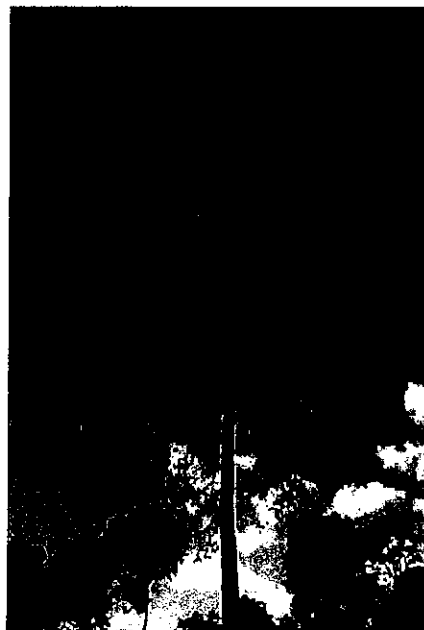
What do we plant?

American author, Henry Abbey (1842-1911)

What do we plant when we plant the tree?
We plant the ship, which will cross the sea.
We plant the mast to carry the sails;
We plant the planks to withstand the gales --
The keel, the keelson, and the beam and knee;
We plant the ship when we plant the tree.

What do we plant when we plant the tree?
We plant the houses for you and me.
We plant the rafters, the shingles, the floors.
We plant the studding, the lath, the doors,
The beams, and siding, all parts that be;
We plant the house when we plant the tree.

What do we plant when we plant the tree?
A thousand things that we daily see;
We plant the spire that out-towers the crag,
We plant the staff for our country's flag,
We plant the shade, from the hot sun free;
We plant all these when we plant the tree.





Membership of the Committee

Chair Hon Dick Adams MP

Deputy Chair Mr Alby Schultz MP

Members Mr Darren Cheeseman MP

Mr Geoff Lyons MP

Mr George Christensen MP

Mr Rob Mitchell MP

Mr Tony Crook MP

Mr Dan Tehan MP

Committee Secretariat

Secretary	Mr Russell Chafer (until 2 February 2011) Mr David Brunoro (from 3 February 2011)
Inquiry Secretary	Dr Bill Pender (until 25 July 2011) Mr Thomas Gregory (from 8 August 2011)
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Terms of reference

The Committee is to inquire into the current and future prospects of the Australian forestry industry, particularly in regards to:

- Opportunities for and constraints upon production;
- Opportunities for diversification, value adding and product innovation;
- Environmental impacts of forestry, including:
 - ⇒ Impacts of plantations upon land and water availability for agriculture; and
 - ⇒ The development of win-win outcomes in balancing environmental costs with economic opportunities;
- Creating a better business environment for forest industries, including:
 - ⇒ Investment models for saw log production;
 - ⇒ New business and investment models for plantation production; and
 - ⇒ Superannuation investment in plantations;
- Social and economic benefits of forestry production;
- Potential energy production from the forestry sector, including:
 - ⇒ Biofuels;
 - ⇒ Biomass;
 - ⇒ Biochar;
 - ⇒ Cogeneration; and
 - ⇒ Carbon sequestration;
- Land use competition between the forestry and agriculture sectors:
 - ⇒ Implications of competing land uses for the cost and availability of timber, food and fibre;
 - ⇒ Harmonising competing interests; and
 - ⇒ Opportunities for farm forestry.

List of abbreviations

A3P	Australian Plantation Products and Paper Industry Council
ACF	Australian Conservation Foundation
AFG	Australian Forest Growers
AFPA	Australian Forest Products Association
AFSL	Australian Forestry Standard Limited
CEC	Clarence Environment Centre
DAFF	Department of Agriculture, Fisheries and Forestry
ET	Environment Tasmania
FFIC	Forest and Forest Industry Council of Tasmania
FFORNE	Farmed Forests of the North East
FSC	Forest Stewardship Council
IFA	Institute of Foresters of Australia
MTG	Australian Master TreeGrower Program
NAFI	National Association of Forest Industries
NEFA	North East Forest Alliance
NUFG	Northern United Forestry Group
OAN	Otway Agroforestry Network

PFT	Private Forests Tasmania
SCU	Southern Cross University
TCA	Timber Communities Australia
TWS	The Wilderness Society
VAFI	Victorian Association of Forest Industries



List of recommendations

3 Future role for forestry and forest products

Recommendation 1

The Committee recommends the Australian Government, through the COAG Standing Council on Primary Industries, lead a process to assess and publicly report on likely wood demand and supply scenarios over the longer term (at least the next forty years). This should be completed within twelve months.

Recommendation 2

The Committee recommends the Australian Government, through the COAG Standing Council on Primary Industries, lead a process to consider and publicly report on whether Australia should aim for wood supply 'self-sufficiency'.

Recommendation 3

The Committee recommends the Australian Government run public information campaigns to promote timber and wood products as replacements for more energy-intensive materials.

Recommendation 4

The Committee recommends the Australian Government develop robust national standards quantifying the carbon stored in different products made from harvested trees, including the duration of storage and policy implications of those standards.

Recommendation 5

The Committee recommends the Australian Government, as it develops a mature Carbon Farming Initiative regime, consider:

- the capacity for 'additionality' to recognise the diversity of plantations and farm forestry applications, rather than relying on generalised inclusions and exclusions;
- the capacity for 'permanence' to include the sustainable harvesting and replanting of plantations and farm forestry; and
- other ways for the CFI to support the forestry industry generally.

4 Native forestry

Recommendation 6

The Committee recommends the Australian Government initiate a process to renew existing Regional Forest Agreements, incorporating the principles of review, consultation, evergreen extension and concrete timelines.

Recommendation 7

The Committee recommends the Australian Government, subject to the agreement of the relevant State Government, ensure that a renewed RFA is in place within three years of the expiry of each existing RFA. Renewed RFAs should incorporate the principles outlined above.

Recommendation 8

The Committee recommends the Australian Government, in negotiation with State Governments, develop, agree and implement a new regime within all renewed RFAs to provide for ongoing monitoring and periodic assessment. The new regime should provide for the periodic assessment of each RFA on an individual basis, at regular intervals, and at arm's-length from all interested parties.

Recommendation 9

The Committee recommends the Australian Government direct the Department of Agriculture, Fisheries and Forestry to consider and evaluate the 'stewardship' proposal outlined above, and that relevant Minister report to Parliament on its findings within twelve months.

5 Plantations

Recommendation 10

The Committee recommends the Australian Government lead a process through COAG to create a national plan for plantations, to ensure that:

- plantations of appropriate species are planted in appropriate locations; and
- appropriate regional infrastructure exists or is planned and funded.

Recommendation 11

The Committee recommends the Australian Government:

- decide whether the encouragement of long-rotation plantations is an appropriate objective of policy;
- establish whether it is necessary and appropriate for government to provide an incentive to meet that objective;
- if it is, set out a clear plan to meet that objective, according to the national plan for plantations;
- assess whether MIS as a mechanism can meet that objective;
- if MIS can meet that objective, determine whether it needs to be altered to make it more effective; and
- if MIS cannot meet that objective, determine whether other mechanisms could do so.

6 Farm forestry

Recommendation 12

The Committee recommends the Australian Government, through COAG, lead a process to agree a national plan for the provision of, and access to, enabling infrastructure for farm forestry.

Recommendation 13

The Committee recommends that the Australian Government, in concert with state and local governments, provide immediate and ongoing financial support to local organisations that provide extension services for farm forestry, particularly through the Caring for our Country initiative.

Recommendation 14

The Committee recommends that the Australian Government explicitly state that Caring for our Country funding is available for farm forestry activities, and actively promote this fact to the broader community through an extensive information campaign.

7 Using forestry biomass**Recommendation 15**

The Committee recommends that, under any version of the RET (or similar scheme), bioenergy sourced from native forest biomass should continue to qualify as renewable energy, where it is a true waste product and it does not become a driver for the harvesting of native forests.

Recommendation 16

The Committee recommends that, if the above principles are adhered to, legislation or regulation direct the Minister to grant an individual exemption from native forest biomass exclusion.

Recommendation 17

The Committee recommends that, under any system of exemption from the native forest biomass exclusion, provision be made for reporting on biomass volumes used, energy used and income generated, to ensure that the biomass used is a true waste product.

8 Forestry into the future**Recommendation 18**

The Committee recommends that the Australian Government provide funding to FSC Australia to support the development of the proposed FSC national standard, with the expectation that the FSC national standard will replace the interim standard within five years.

Recommendation 19

The Committee recommends the Australian Government lead a process of discussions with all state and territory governments, to consider national approaches to:

- Forestry and climate change;
- Farm forestry; and
- Future wood product demand and supply.

