

29 April 2021

Mr Stephen Palethorpe  
Secretary  
Senate Environment and Communications  
Legislation Committee

*Via email: ec.sen@aph.gov.au*

Dear Mr Palethorpe

**Inquiry into Environment Protection and Biodiversity Conservation  
Amendment (Regional Forest Agreements) Bill 2020**

I advise that I have no amendments to my testimony as recorded in the proof of Hansard.

Please find attached responses additional written questions on notice from Senator McKenzie.

Further, Senator Rice's question in relation to Victorian native forestry employment data was taken on notice. The latest socio-economic data published by Forest & Wood Products Australia is based on 2015-16 data and shows that the total employment across the Victoria economy from native forestry is in the order of 4800 FTEs (University of Canberra and Econsearch, 2018). It should be noted that this socio-economic impact report does not capture the full value chain and all the associated employment generated in the regions. Therefore, the above employment numbers should be considered conservative.

Yours sincerely

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VFPA represents forest growers, harvesters, and manufacturers of timber and paper products.



1. Who were the members of the Victorian Forest Industry Taskforce?

Jane Calvert – CFMEU; Tim Johnston – Victorian Association of Forest Industries (VAFI); Amelia Young – The Wilderness Society; Jess Abrahams – Australian Conservation Foundation; Vince Hurley – Australian Sustainable Hardwoods; Julian Mathers/Peter Williams – Australian Paper; John McConachy – representing harvest and haulage contractors; Alex Millar/Travis Wacey/Anthony Pavey – CFMEU; Sarah Rees – MyEnvironment; Matt Ruchel – Victorian National Parks Association

- a. Can you confirm what agreements, if any, were reached by the Taskforce?
- b. What outcomes were agreed by the Taskforce?
- c. Were there other findings of the Taskforce? If so, what were these findings?

The Victorian Government response (embedded link below) to the Parliamentary Inquiry into VicForests' Operations April 2018 states that the Taskforce failed to provide final recommendations about how the government might address the challenges facing the forest, fibre and wood products industries including a lack of employment growth and impact of change on industry, workers, and regional communities.

The Inquiry Report can be found at [EIC\\_58-11\\_Text\\_WEB.pdf \(parliament.vic.gov.au\)](https://www.parliament.vic.gov.au/images/stories/committees/SCEI/VicForests/Government_response_to_EIC_s_Inquiry_into_VicForests.pdf).

Victorian Government response:

[https://www.parliament.vic.gov.au/images/stories/committees/SCEI/VicForests/Government\\_response\\_to\\_EIC\\_s\\_Inquiry\\_into\\_VicForests.pdf](https://www.parliament.vic.gov.au/images/stories/committees/SCEI/VicForests/Government_response_to_EIC_s_Inquiry_into_VicForests.pdf).

Further questions in relation to the VFIT are best directed towards the Taskforce or the Victorian Government.

2. Is the hardwood timber industry in Victoria “subsidised”?

No

3. Is demand for Victorian hardwood timber declining?

Anecdotally demand is very strong. Any number of news reports point to the current timber shortage<sup>1</sup>, driven by COVID home renovation and significantly oversubscribed Government programs driving a building boom. This operating environment is exacerbated by the current global shortage, which has impacted import volumes.

4. What factors are limiting hardwood timber production in Victoria?

The supply of the raw timber resources as well as the regulatory and legal environment. A significant number of native forestry harvest coupes are injunctioned and/or subject to activist activity that obstructs the safe harvest of timber (and creates unsafe work environments for both activists and harvesters).

Resource security across all timber sources (i.e. softwood and hardwood plantations and native hardwood – and as proposed by the Victorian Government, the proposed native hardwood plantation estate) is an ongoing concern for the forest products industry.

5. Is 87 per cent of native forest timber in Victoria used for woodchip and paper pulp?

According to the VicForests 2020 Annual Report<sup>2</sup>, its 2019-20 annual timber sales were:

<sup>1</sup> For example [Coronavirus: Australia facing timber shortage amid home-renovation boom \(9news.com.au\)](https://www.9news.com.au/news/2020/03/23/coronavirus-australia-facing-timber-shortage-amid-home-renovation-boom)

<sup>2</sup> [vf-annual-report-2020-lowres-v2-1-wfaqfcwlydu.pdf \(vicforests.com.au\)](https://www.vicforests.com.au/files/2020/12/vf-annual-report-2020-lowres-v2-1-wfaqfcwlydu.pdf)

- Saw logs 363851 m<sup>3</sup> or 38%
- Pulp logs 544279 m<sup>3</sup> or 57%, and
- Other 48559 m<sup>3</sup> or 5%. This category is predominated by firewood of 24,433m<sup>3</sup> or half the category volume along with fencing timbers, poles, and woodchop logs.

The question implies that woodchip and paper pulp is a “lower value use” of native timber. In fact the opposite is true. Timber directed to the pulp and wood chip supply chain is not suited to sawn log products. This timber is processed into highly value-added products such as sanitary items, clothing, and food additives.

6. Is there any other evidence provided by witnesses during the public hearing that you seek to correct?