

Australian Forest Products Association – Questions on Notice – Environment Protection and Biodiversity Conservation Amendment (Regional Forest Agreements) Bill 2020 inquiry - Senator McKenzie

Answer to Questions on Notice to the Australian Forest Products Association

1. Have any species been declared extinct since the EPBC Act came into force on the Australian mainland and if so, were these extinctions caused by any forest activities?

Timber harvesting has not been a “major threat factor” in the extinction of any Australian mammal since European settlement, according to a major Australian study published in 2015.¹ Feral animals, bushfires and disease pose the biggest threat to Australia’s threatened species and ecosystems.

This is not surprising given how little forest is available for timber harvesting, and the tiny area of that forest that is harvested annually and then re-generated, resulting in no net loss in forest area.

Australia has a vast forest estate of 132 million hectares², making it the world’s 7th most forested nation. Only around 5.5 million hectares of multiple-use public native forests and 2 million hectares of plantations are available for wood production. Fewer than 100,000 hectares of the native forest area in Australia is harvested for timber annually – less than 0.06 per cent of Australia’s total native forests, or the equivalent of just 6 trees in every 10,000. All native forest harvested is sustainably regenerated.

To put this in perspective, the 2019-20 Black Summer bushfires burnt around 24 million hectares of land – an area the equivalent of 240 years’ worth of timber harvesting. According to the report of the Royal Commission into National Natural Disaster Arrangements:

“Over 330 threatened species and 37 threatened ecological communities protected under the EPBC Act were in the path of the bushfires,¹⁴ and we heard estimates that the number of animals killed ‘greatly exceeded’ one billion.”³

2. Is any old growth forest harvested on the Australian mainland?

There is no old growth forest harvested on the Australian mainland. Australia’s native hardwood timber industries almost exclusively in regrowth forests. That is, forests that have been designated for timber production for generations and which have already previously been harvested or are regrowth from a bushfire.

¹ *Ongoing unraveling of a continental fauna: Decline and extinction of Australian mammals since European settlement*, John C. Z. Woinarski, Andrew A. Burbidge, and Peter L. Harrison, 2015

² ABARES (2019), Australia’s State of the Forests Report 2018

³ <https://naturaldisaster.royalcommission.gov.au/system/files/2020-11/Royal%20Commission%20into%20National%20Natural%20Disaster%20Arrangements%20-%20Report%20%20%5Baccessible%5D.pdf> p. 354

In fact, the industry is so sustainable, and operates on such a small footprint each year, that timber harvesting only occurs in areas that were harvested and regenerated decades ago, resulting in no net loss of forest area.

3. The Wilderness Society witness spoke about deforestation in Australia. Does the forestry industry in Australia contribute to deforestation?

During the hearing, The Wilderness Society wrongly suggested that forestry operations in Australia contributed to deforestation. In doing so, she conflated land clearing and other change of land use activities with Australia's sustainably managed forestry operations.

There is no credible, internationally-recognised definition of deforestation that includes sustainable forest management. Sustainable, regenerative forest management, as is practiced in Australia, is when the forest is regenerated after harvest to ensure no net loss of forest area over time.

The Food and Agriculture Organization of the United Nations (FAO) defines 'deforestation' as:

The conversion of forest to another land use or the long-term reduction of the tree canopy cover below the minimum 10 percent threshold.

Explanatory note:

1. Deforestation implies the long-term or permanent loss of forest cover and implies transformation into another land use. Such a loss can only be caused and maintained by a continued human-induced or natural perturbation.

2. It includes areas of forest converted to agriculture, pasture, water reservoirs and urban areas.

3. The term specifically excludes areas where the trees have been removed as a result of harvesting or logging, and where the forest is expected to regenerate naturally or with the aid of silvicultural measures.⁴

4. Does forestry in other countries that Australia imports hardwood timber from result in deforestation?

Australia currently imports more than \$5 billion of wood products from overseas. A significant amount of the hardwood timber Australia imports comes from the tropical forests of developing nations.

All state-owned Australian native hardwood timber harvesting operations (which make up most of the native hardwood forestry estate) are certified under the PEFC international forest certification standard, operating as Responsible Wood in Australia. Along with other major certification standards such as FSC, PEFC is widely accepted internationally as an indication of sustainable forest management.

⁴ <http://www.fao.org/3/y0900e/y0900e11.htm>

In contrast, more than 80 per cent of the world's timber-producing forests are not certified at all and at high risk of illegal logging, poor working conditions and contributing to deforestation (as they are not replanted and regenerated).

5. What would the impact be on Australia's hardwood imports if native timber harvesting stopped in Australia?

With strong demand in Australia and globally for hardwood products for applications such as floorboards, staircases and furniture, if we were to cease native forestry altogether it would significantly increase imports from countries with weaker environmental regulations, including those where tropical rainforests are logged unsustainably and illegally.

6. Can Australia's existing hardwood timber mills readily switch to processing plantation grown timber? If not, why not?

The native hardwood timber and plantation timber industries in Australia are complementary industries but are not readily interchangeable. While plantations play an important role in the broader timber and wood products industry, the current plantation estate in Australia is not suitable for high-quality timber products that the native hardwood timber industry supplies, and cannot be processed in hardwood timber mills.

Hardwood timber from our native forests is sustainably harvested typically after more than 60 years, giving it time to develop the strength and appearance properties required.

Approximately 90% of Australia's hardwood plantations are harvested on short rotations (10-15 years) specifically for woodchips. As a result, this wood does not develop the same size, strength and visual properties as timber from our native forests and cannot be used by sawmills. Sawmills also operate with highly specialised equipment that is custom-made to process particular types of logs and cannot readily be adapted to process logs of different size or density.

In any case, the sawlog that is produced by our plantation estate, almost entirely "softwood" (pine) trees for the timber framing market, is fully allocated to the existing softwood processing sector.

Furthermore, the national plantation estate has not increased in the past decade, and is in fact shrinking. Identifying and securing suitable land and managing environmental and land use issues to establish new plantations are complex and costly. In short, there is no truth to the claim that the hardwood timber industry can readily transition to plantations and it should not be given any credence by this inquiry.

7. What evidence is there that ENGOs plan to launch further legal challenges to RFAs based on Justice Mortimer's decision in Friends of Leadbeater's Possum v VicForests?

Following the court decision in FoLP v VicForests, several anti-forestry activist groups celebrated the decision as having set a “legal precedent”, and announced they intended to rely on this precedent to challenge other RFAs around Australia.

For example, below is how Environmental Justice Australia responded to the Mortimer decision on their website:

*This landmark decision sets an important legal precedent applying federal threatened species protection law to the logging industry, which has operated under a special exemption from federal environment law for more than 20 years. It will have national implications for species threatened by logging under Regional Forest Agreements across the country which will now face much greater scrutiny.*⁵

Also, a story in The Guardian⁶ after the decision quoted The Wilderness Society’s Amelia Young: “We definitely think this has very significant implications for logging under RFAs everywhere”.

The Guardian story also said: “The former Greens leader Bob Brown, an environmental campaigner since the 1970s, said groups in each state covered by RFAs – Victoria, Tasmania, NSW and Western Australia – would be examining the case.”

8. How would further legal challenges to RFAs impact the native timber industry in Australia?

Vexatious or opportunistic litigation is a common tactic used by activist groups to delay and hamper timber harvesting operations. It is common for judges to agree to injunctions that stop planned harvesting operations until a legal proceeding concludes.

In the FoLP v VicForests case, for example, the injunctions against harvesting of dozens of coupes in the Central Highlands of Victoria have been in place since 2017. These ‘lawfare’ tactics have a devastating impact on Australia’s forest industries, particularly on forest contractors who are often stood down while the injunctions are in place, resulting in significant loss of income.

These tactics are not only applied to forestry. According to analysis from the Institute of Public Affairs last year, legal activism using the federal EPBC Act has put \$65 billion of investment at risk, with delays totalling more than 28 years in court.

The IPA’s analysis examined the tactics of activist groups in delaying 28 projects between 2000 and 2019, with an estimated value of over \$65 billion.

According to a report in The Australian newspaper, “The projects include six coal and iron ore mine projects, two dam construction projects, two dredging projects, forest and pest

⁵ <https://www.envirojustice.org.au/our-work/nature/forests/possums-case/>

⁶ <https://www.theguardian.com/environment/2020/jun/04/calls-for-review-of-forestry-exemption-laws-after-vicforests-conservation-breaches>

management, a tourism development, multiple road construction projects, the construction of a pulp mill, a desalination plant and a marine supply base.”⁷

9. Is there any other evidence provided by witnesses during the public hearing or in their written submissions that you seek to correct?

Page 29 of the Proof Hansard records the following exchange during Professor David Lindenmayer’s evidence, under questioning from Senator Eric Abetz:

Senator ABETZ: I'm sure you've read the judgement, and that's all I was referring to: whether Justice Mortimer had explained how that study was relevant to harvesting under the regional forest agreement. I'll take that as a no. Can I have confirmed by you exceptionally quickly that you were one of the authors of the paper Green Carbon, and, if so, was that funded, or co-funded as a minimum, by the Wilderness Society in Tasmania?

Prof. Lindenmayer: That was funded by the Wilderness Society and led by Brendan Mackey. It wasn't funding to me— Senator ABETZ: Thank you. All I'm interested in is—

Prof. Lindenmayer: It was funding to Mackey, and I provided the empirical data on which that analysis was completed. Senator ABETZ: I'm not asking about who provided— Prof.

Lindenmayer: I have also received funding from VicForests and elsewhere. Senator

ABETZ: Is the answer that the Wilderness Society did help fund that paper? That's all I ask. Prof. Lindenmayer: No, they did not help fund the paper. They funded the initiative to look at carbon. That's a different issue.

Senator ABETZ: Right. So when this Green Carbon says, 'We are grateful to the Wilderness Society Australia for a research grant,' that didn't play into this paper at all? That's in the acknowledgements, at the very beginning. I would have thought you'd be able to acknowledge that. But let's move on.

It is not clear whether Senator Abetz’ question was misheard or misunderstood, but for the public record it should be noted that the *Green Carbon* paper that Senator Abetz referred to does in fact acknowledge The Wilderness Society for funding the paper:

*Mackey, B., Keith, H., Berry, S., Lindenmayer, D. 2008, Green Carbon - the Role of Native Forests in Carbon Storage - Part 1: A green carbon account of Australia’s south eastern eucalypt forests, and policy implications, ANU E-Press, p. 41: “We are grateful to The Wilderness Society Australia for a research grant that supported the analyses presented in this report.”*⁸

⁷ <https://www.theaustralian.com.au/nation/politics/green-lawfare-a-65bn-deal-hit-to-projects/news-story/37466917469e9bc75cf74f68c51121dd>

⁸ The publication is available

10. AFPA's submission (page 8) states that "tens of thousands of jobs ... depend on Australia's native forestry operations". Can you please provide evidence to back the claim that there are "tens of thousands of jobs" that depend on Australia's native forestry operations.

This statement is widely supported by several socio-economic studies, ABS and Census data and other studies by state governments, which are all publicly available.

Most of these studies also under-estimate the employment generated by the forest industries because they do not include flow-on employment that can be directly attributable to forest industry activity, such as mechanics, fuel services etc. Furthermore, different studies use slightly different methodologies, so they may not be directly comparable from one state to another, or one study to another. However, for the purposes of substantiating the statement in AFPA's submission, we can point to the following in the four RFA states:

Victoria: Around 5000 direct and indirect jobs from native forestry (Table 8, FWPA study) ⁹

NSW: More than 10,100 jobs across NSW (NSW Government report)¹⁰

Tasmania: 1786 direct and indirect jobs (Table 7, FWPA study)¹¹

Western Australia: 898 direct and indirect jobs (Table 6, FWPA study)¹²

Queensland: 1705 direct and indirect jobs (Table 7, FWPA study)¹³

Total: Approx. 20,000 jobs.

⁹ https://www.fwpa.com.au/images/OtherReports/Vic_Report_FINAL.pdf

¹⁰ <https://www.dpi.nsw.gov.au/forestry/industry-roadmap/frequently-asked-questions>

¹¹ https://www.fwpa.com.au/images/OtherReports/Socio_economic_impacts_of_the_forest_industry_TAS.pdf

¹² https://www.fwpa.com.au/images/WA_Report_Dec2017_Final.pdf

¹³ https://www.fwpa.com.au/images/2018_Project_proposals/QLD_report_Final_28March2018.pdf