Submission to the Inquiry into the Australian Forest Industry House Standing Committee on Agriculture, Resources, Fisheries and Forestry

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Submission from Cr Ian Howard.

Introduction:

It would be hard for anyone to argue that the Tasmanian timber industry has been has been managed in a *financially* sustainable manner, let alone socially or environmentally. The area of land dedicated to forestry activity has grown rapidly and consistently for many years, while the number of people employed in the timber industry has declined. The notion that the timber industry is all about jobs, is clearly not borne out in reality. Even with regulatory, financial and investment assistance the industry has been driven to the brink of collapse through a lack of market competition and ongoing and determined failure to respond to changes in market and community expectations. It does not have to be like this and I welcome the opportunity to submit to this timely inquiry.

Response to terms of reference:

- Opportunities for and constraints upon production;

  Australia has a finite land mass and priority for the arable areas of that land should be given to the production of food for it's population. That should be the over arching constraint on any activity seeking access to arable land.

- Opportunities for diversification, value adding and product innovation;

  Given that Tasmania, and I assume Australia, does very little in the way of value adding to it's timber products, I would think that the opportunities would be endless. The greatest of which would be the development of innovative timber construction products. They don't even need to be innovative. People have been building houses out of timber for thousands of years. Some of them are still standing and still holding on to their carbon. In an age of energy and resource efficiency it seems a no brainer that timber should be promoted as renewable and sustainable- if it is done well- building material of choice. If your aim is to sequester carbon for long periods of time, timber for construction again seems the logical choice. The innovation comes in the adaptation of timber products to a broader suite of construction applications.

  Whilst on the subject of innovation, timber for paper production should be phased out as soon as possible in favour hemp, a crop that can provide a range of products, from pulp for paper to bio fuel, cosmetics and food. This flexibility would would add great resilience to the agricultural sector allowing rapid response to market demands from a single crop. In stark contrast, plantation timber in Tasmania is very specifically bred for pulp production, giving the industry very little opportunity to respond to changing demand. Future plantations need to be grown with a view to being suitable for a range of end uses.

- Environmental impacts of forestry, including:
  - impacts of plantations upon land and water availability for agriculture;

    Eucalypt plantations are used as a tool to lower the water table in salinity affected areas. It would, therefore, in the absence of any ability on the part of the eucalypt to actively control this behaviour, be safe to assume that they will lower the water table wherever they are planted thus having a clear potential to impact on water availability for surrounding agriculture.

    The TFGA have referred to timber plantations as "crops with long turn around and relatively low yield". There is a world of difference between an annual agricultural crop and a timber plantation that has a harvesting cycle of 12 to 15 years, 30 if you want anything more useful than wood chips. Timber plantations should not be defined as agriculture and should not be competing with food crops for access to agricultural land of any class without some mechanism to control plantation densities within a region. Too many plantations in a region can make traditional and essential agriculture unviable within that region. and,

  - the development of win-win outcomes in balancing environmental costs with economic opportunities;

    Monoculture plantations are highly dependant on pesticides to survive. Mixed species plantations, that mirror native forests of the location, develop their own pest control mechanisms without energy intensive spray regimes. This type of forest could be managed for timber and pulp production on a selective basis without the clear fell, replant shocks to the ecosystem. To those that argue this system would be unviable because it is too labour intensive I would say, lots of jobs is a good thing.

- Creating a better business environment for forest industries, including:
  - investment models for saw log production;
    Incentive should be given for farmers to establish saw log plantations as part of a diversified farm management plan. As plantations reach 30 years they have hit their peak carbon capture and could begin being selectively harvested for saw log production. Focus for the end use of the timber should be in housing construction, ensuring that the carbon stored in the wood remains there for potentially hundreds of years. This would be far more beneficial use of stored carbon than simply leaving it in a plantation for 100 years. The selective harvesting and regeneration means that the average age of the plantation could be managed for maximum carbon capture and timber production. Win, win.
  - new business and investment models for plantation production;
    Any economist will tell you that a small player in any market should be chasing the highest possible quality with it's produce. Tasmania, a small player on the world stage, has been doing the exact opposite with it's timber resource and is now wondering why the industry is on it's knees. New business and investment models should encourage high quality end products that stimulate local industry and meaningful employment not the high volume, low value, low employment extractive industry we have today. Timber is a valuable resource and every possible dollar should be squeezed out of every tree for the benefit of the communities in which it was grown. and,
  - superannuation investment in plantations;

    If it can be used to deliver the desired outcomes listed above, then great.

- Social and economic benefits of forestry production;

  The greatest social and economic benefit you can offer is meaningful, sustainable employment. The model outlined above under investment models for saw log production, would provide this. The volume of saw logs produced by a number of neighbouring farms would, after the initial establishment period, provide feed stock for a local saw mill. Timber produced would provide low embodied energy, renewable building materials for housing. Government recognition, by financial incentives, of the carbon capture and storage benefits, would give security to the model.

- Potential energy production from the forestry sector, including:

  - biofuels;
  - biomass;
  - biochar;
  - cogeneration;

    With all of these, strict controls need to be established to ensure that only the parts of the tree unsuitable for timber production are used. Without controls, as was the case with wood chips, you would soon find that whole plantations are mown down and fed to cogeneration furnaces as this provides the fastest returns on investment with the lowest labour inputs, the opposite of what should be aims for a valuable resource.

    and,
  - carbon sequestration;

    See investment models for saw log production, above.

- 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.

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Once again I thank you for the opportunity to submit to this review. I trust the content of this submission will be given due consideration.

Regards,
Cr Ian Howard.