

CHAPTER FOUR

Impediments to Achievement of the 2020 Vision – Environmental Issues and Social and Community Issues

Introduction

4.1 In the previous Chapter, the Committee discussed the views put to it on two categories of 'impediment'; namely, a) impediments inherent in the Principal 2020 'Vision Goals'; and, b) commercial, economic and/or regulatory impediments to Strategic Elements 1, 2 and 3.

4.2 In this Chapter, the Committee considers possible impediments to Strategic Element 4 of the revised *2020 Vision*. That Strategic Element – Social and Environmental Factors – seeks to address issues arising from the range of environmental issues resulting from plantation forestry. The Strategic Element states that:

The growth of Australia's plantation resources and timber processing industries is linked to strong community support and low environmental impacts of the industry. Rural communities are concerned about the impacts of changing land-use, and better interaction is required to build community support for the plantation sector. Where there is concern in the broader community about the sustainability of land-use, plantation forestry can be developed as a partial solution to region-specific environmental initiatives while acting as a catalyst for regional development. Furthermore, commercial tree crops can provide a long-term solution to a range of land management issues in the Australian landscape, including climate change and salinity.¹

4.3 Three actions designed to improve rural community awareness of plantation issues and manage environmental services are outlined under this strategic element. These are:

Action 13 Improve stakeholder engagement in plantation industry expansion and inform communities about the strategic role of plantations in wood and fibre supply and environmental service delivery.

Action 14 Review and promote opportunities for environmental services to enhance plantation forestry.

1 *2002 Revision, Plantations for Australia: The 2020 Vision – An Industry-Government initiative for plantation forestry in Australia*, p. 18.

Action 15 Promote the natural resource management benefits of commercially planted trees.²

4.4 During the inquiry, the Committee received a significant level of comment on both environmental and social issues and community views on plantation forestry development. These issues and the question of whether alterations are required to the Strategic Element are considered in this Chapter.

Environmental Issues

4.5 The submission made to the inquiry by Environment Australia (EA) provided the principal comment on how and why environmental issues present possible impediments to achievement of the *2020 Vision* goals. The Committee also received comment from industry, state government and others as to how, and to what degree, environmental factors and environment protection issues act as an impediment to the *2020 Vision*.

The Environment Australia (EA) View

4.6 In its submission, EA dealt with the issues it raised under the following headings:

- Alteration of surface and ground water availability;
- Clearance of native vegetation for plantation establishment³

Alteration of Water Availability

4.7 EA's central comment, on how the alteration of water availability might constitute a possible impediment to achievement of the *2020 Vision* goals, was that:

Environment Australia notes that long rotation plantations can, depending on location and management, help to significantly improve water quality. At the same time, water availability could be a potential impediment to achieving the Plantations 2020 Vision where there is competition for the resource from downstream users, including the environment.

...

In many situations, groundwater and surface water are interconnected systems. Where groundwater discharges into streams, afforestation will affect base-flow volumes as well as seasonal flow volumes of the interconnected surface water system, due to the reduced availability of the groundwater resource. The impacts of plantations on water resources will vary according to ecosystems and depend on a number of factors. These will include the physical location of the plantations, the plantation size,

2 *2002 Revision, Plantations for Australia: The 2020 Vision – An Industry-Government initiative for plantation forestry in Australia*, pp. 18-19.

3 *Submission 50*, Environment Australia, pp. 1-4.

density of the planting and species in relation to available water resources, the regional climate and plantation management and rotation length.⁴

4.8 The impact on the local environment of plantation forests and the possible alteration of water availability is further explored in Chapter Five in the context of water-related issues. The Committee also considers the recently published paper by the Forest and Wood Products Research and Development Corporation (FWPRDC), *Water Use by Australian Forest Plantations*.⁵

Clearance of Native Vegetation for Plantation Establishment

4.9 EA's submission also canvassed the clearance of native vegetation. The two principal concerns (shared by other submissions) are: broad-scale clearing, and, as a corollary, the need to provide biodiversity outcomes when designing plantations to replace existing native vegetation. The active – and increasingly legislative – discouragement and/or prohibition of large scale clearance of native vegetation in most (though not all) jurisdictions, and hence most plantation regions, was noted by EA, and led to the following comment:

Plantations can provide good biodiversity conservation outcomes where they are designed as a mosaic consisting of plantation stands and remnant native vegetation. This can avoid monocultures of lower biodiversity value. Importantly, links between native vegetation remnant along vegetated gullies and streamlines appear to be critically important for many native species surviving in a plantation-modified agricultural environment, and these remnants should be a priority for conservation. Away from streams, the plantations matrix could provide vital cover for the movement of native species across the landscape, providing the native vegetation remnant patches remain intact.⁶

4.10 EA officers told the Committee that the gradual, but significant, changes in practices involving broad-scale clearing were now having an impact in all states that observed the terms of the National Framework for the Management and Monitoring of Australia's Native Vegetation issued by EA.⁷

4.11 During the inquiry the Committee has perceived a growing awareness of, and at times concern for, environmental issues within the communities that have plantation forestry developments. This perception has been supported by evidence to the inquiry and relates to the other aspect of Strategic Element 4.

4 *Submission 50*, Environment Australia, p. 2.

5 *Water Use by Australian Forest Plantations*, Forest and Wood Products Research and Development Corporation, Victoria, Australia, April 2004.

6 *Submission 50*, Environment Australia, pp. 3-4.

7 *Evidence*, Dr Rhondda Dickson, Environment Australia, RRA & T, 20 February 2003, p. 277.

Social and Community Views on Plantation Forestry Development

4.12 In its submission, the Bureau of Rural Sciences (BRS) "addresses socio-economic aspects of plantations" and "draws from the findings of recent socio-economic studies examining the Australian plantation sector".⁸

4.13 BRS noted that socio-economic factors were clearly identified as impediments to achieving the *2020 Vision*:

Recent socio-economic studies have identified negative perceptions of plantation expansion in several regions where this expansion is currently occurring. These perceptions are of sufficient scale and intensity to affect the future development of tree plantations. Clearly, community views that plantations have negative impacts are an impediment to achieving the aims of the *2020 Vision*. Perceived negative impacts include:

- Reduced population in rural communities, and associated loss of services and sense of community;
- Declining quantity and/or quality of available employment;
- Impacts on the environment (not reviewed further here as this submission focuses on socio-economic issues);
- Impacts on neighbouring landholders such as fencing issues, shading and other plantation management practices;
- Use of chemicals thought to be potentially harmful to the health of residents in local communities;
- Impacts on rural roads requiring upgrading/maintenance for which funding has not been provided, and road safety concerns for other road users; and
- Impacts on other businesses in the region, such as tourism.⁹

4.14 The BRS submission, in drawing attention to these categories of possible difficulties, also stressed the more positive feedback from an established plantation community in NSW. However, such findings may not show negative impacts in the wider geographical area of the town involved:

To date, only one regional study has adequately assessed the social and/or economic impacts of plantations (for example, whether plantation expansion has been directly responsible for population decline). Dwyer Leslie *et al.* (1995) examined employment and population impacts of plantations, particularly plantation processing development, in Oberon, NSW. This study found that plantations had mostly positive impacts,

8 *Submission 86*, Bureau of Rural Sciences, p. 1 (the Bureau of Rural Sciences' submission supplements the DAFF submission; see BRS submission, p. 1, para. 2).

9 *Submission 86*, Bureau of Rural Sciences, pp. 1-2.

particularly in terms of expanding employment and population associated with establishment of processing infrastructure in the town.¹⁰

4.15 Clearly, community views can and do act as an impedient or obstacle to the growth of a plantation forestry industry, and therefore the achievement of the *2020 Vision*. The consensus of findings to date on community opposition to plantations indicates that opposition groups are regionalised, with little or no interaction with other groups in the wider area. Objections are voiced through "public meetings, writing letters to media and politicians, and using available regulatory and planning mechanisms."¹¹

4.16 Further, this study confirms evidence to the Committee from a number of community sources that community attitudes in regions affected by plantation development may oppose either individual plantation schemes, or plantation development in general, and that conflict arises between opponents and supporters:

Advocates of plantation forestry commonly felt the concerns raised by individuals objecting to plantation forestry were not legitimate. Where concerns were considered as being potentially valid, both objectors to and advocates of plantation forestry reported a lack of independent scientific information with which to evaluate the possible impacts of plantation forestry at local and regional levels.¹²

4.17 The BRS submission pointed to another study conducted by the same researcher that suggests a way to address this problem:

Schirmer (2002, 2003) found in Western Australia that community concerns were resolved by improving communication between plantation companies and local communities, and by increased willingness by plantation companies to change some of their practices to address community concerns. In particular, consulting neighbouring landholders before undertaking planned activities, and making changes to lessen the potential for negative impacts, has improved relations. Discussions about appropriate road use practices with local community members, coupled with changes to road use in some cases, have also defused conflict.¹³

4.18 A review of studies of the socio-economic impact of forest industries – including plantation forestry – identified a number of areas that have also been the focus of submissions to the Committee, namely:

10 *Submission 86*, Bureau of Rural Sciences, p. 3.

11 See *Plantation Forestry Disputes: Case Studies on Concerns, Causes, Processes and Paths Toward Resolution*, J. Schirmer, Australian National University Cooperative Research Centre for Sustainable Production Forestry, Canberra, 2002. p. 2.

12 See *Plantation Forestry Disputes: Case Studies on Concerns, Causes, Processes and Paths Toward Resolution*, J. Schirmer, Australian National University Cooperative Research Centre for Sustainable Production Forestry, Canberra, 2002, p. 2.

13 *Submission 86*, Bureau of Rural Sciences, p. 2.

- That regional communities dependent on native forests were deeply concerned with resource security and the high level of risk associated with future investments;
- The forest industry is interlinked with the rest of the economy. Its non-timber inputs represent the outputs of other industries, and its timber outputs represent the inputs of arrange of industries;
- ...
- The role of plantations as a major contributor to regional and community development through social, economic and environmental benefits is now widely recognised. However, in addition to a range of positive outcomes, the changes that new industry activities provide have brought their own level of uncertainty; and
- The recent investment in hardwood plantation development has taken place across a number of regions, against a backdrop of the long-term social trends in real communities. Trends include ageing populations, diminishing interest in family members remaining on farms, and a significant increase in the size of farms.¹⁴

4.19 These studies and the submissions made by BRS are reflected in the submissions made by the plantation industry, and those interested in the importance of community acceptance and support for plantation development.

4.20 In its submission, NAFI, when addressing the issue of "the changing nature of Australia's forest resources and rural communities", noted that:

Substantive changes in the native forest and plantation resources available for harvesting have had numerous effects on Australia's timber communities. In some cases, there have been job losses as native forest access was withdrawn and mills closed down. In other areas, jobs have been created to support the recent growth in Australia's plantation estate.¹⁵

4.21 NAFI continued by acknowledging that the increased investment in the plantation forest industry has coincided with changes to local communities. Further, the viability of the industry has led to it being "concentrated in those areas, which also happen to be relatively productive farming land, with good soils and moderate to high annual rainfall". However, it commented that:

Unfortunately, the changes to regional communities resulting from the new investment in plantations has been extremely difficult to differentiate from the long-term and underlying trends of change in rural Australia.

14 *Review of Studies of the Socio-Economic Impact of Forest Industries in Australia*, Forest and Wood Products Research and Development Corporation, Victoria, 2003, pp. 1-2.

15 *Submission 32*, National Association of Forest Industries, p. 7.

A common concern raised in regards to the expansion of plantation forestry is that the new investment has led to an accelerated decline of many smaller communities.

....

While it is difficult to determine whether the changes in any one rural community are the result of the underlying trend or the growth of a visible new industry, other factors need to be taken into account when determining if plantation forestry is beneficial for Australia's rural communities.¹⁶

4.22 The difficulties which are causing concern about large scale plantation development, particularly in rural and regional communities are becoming increasingly well recognised. The Committee's inquiry, for example, has shown that a number of communities are concerned, not only with the issues highlighted above but also with wider issues such as reduction in water catchment flows, or a relatively sudden and apparently irrevocable alteration of an agricultural community to a plantation community.¹⁷ It is these concerns that, if not addressed, will act as impediments to the growth of the plantation forest industry. Community views have the potential to act as both as obstacles and restraints. For example, local communities can act to ensure that more rigorous and possibly 'anti-plantation' planning requirements are enacted or enforced.

Alterations to Strategic Element 4

4.23 The Committee notes that Strategic Element 4 has been cast so that such concerns can be considered. Action 13, in particular, is formulated to address the major element in these concerns, principally the involvement of 'stakeholders' (which the Committee considers should include the widest group possible) and communities in the strategic role of plantations in wood and fibre supply and environmental service delivery. This community consultation will be vital to any achievements to be made under the *2020 Vision* strategy. The Committee believes that the consultation should be transparent and be able to deliver recognisable results to all involved. Without such results the rural communities may ultimately withdraw their participation in the process.

4.24 Therefore, the Committee supports the clear identification of outcomes under Action 13 against specific matters. For instance, it will be important for the annual report from the Coordinator, recommended by the Committee in Chapter Nine (see paragraphs 9.24-9.26), to identify how and to what extent the expected outcomes have been achieved in each of the plantation regions, and to identify those regional, local government and community bodies that have participated in the actions envisaged in Action 13.

16 *Submission 32*, National Association of Forest Industries, pp. 7-8.

17 See for example, *Submission 87*, Mr Glen Perkins of Delegate, NSW.

4.25 The Committee suggests the following as two examples of assessment that need to be undertaken, and the information reported on, by the National Strategy Coordinator in reports on the *2020 Vision* goals. How, for example, further reviews of social and community responses to plantation development are to be set up and carried out by the BRS and others; and how the Coordinator and other bodies (such as PFDCs) work with local government and with catchment management authorities.

4.26 Further, the Committee has concerns about the continued funding of the Private Forestry Development Committees (PFDC, formerly the regional plantations committees – RPCs). The Committee notes that these bodies have:

... established links variously to the forest industry, regional development groups (e.g. agribusiness fora), regional transport infrastructure initiatives, local government and revegetation initiatives, and, in some cases, directly with landholders, the RPCs are significant players in regional investment and in delivery mechanisms. Further as conduits and facilitators for farm forestry, the RPCs will continue to be effective in promulgating the benefits of a commercial approach to revegetation and linking environmental planting with existing industry structures to promote economically viable solutions to the challenges of natural resource management.¹⁸

4.27 PFDCs are therefore important and can contribute to achieving successful outcomes under Action 13. The Committee notes that funding for the RPCs for the 2003-2004 financial year was provided under the national component of the Natural Heritage Trust. The Natural Heritage Ministerial Board (NHMB) made a decision regarding RPC funding in September 2003. The NHMB allocated \$1.235 million for the 2003-04 financial year to RPCs.¹⁹

4.28 The Committee notes that the Commonwealth is yet to determine the most appropriate funding model for RPCs in the longer term. The Committee believes that the contribution that could be made by PFDCs to the outcomes sought under Action 13 could be greater if funding to these organisations was not subject to yearly review.

Recommendation 5

4.29 The Committee therefore recommends that funding for Private Forestry Development Committees (PFDCs) be made over a 3 year period, subject to the delivery of outcomes against Action 13 of the *2020 Vision* for plantation forests.

4.30 In addition to Actions 14 and 15, the Committee believes that an assessment or report by the Coordinator should identify weak points or contradictions in achieving Strategic Element 4. This is particularly important because, in the

18 *Regional Plantation Committees: Review of Rationale and Options for Future Funding*, Private Forest Consultative Committee, Regional Plantation Committees Review Group, June 2002, p. 3.

19 *Regional Plantation Committees: Review of Rationale and Options for Future Funding*, June 2002, p. 18.

Committee's view, there are inherent contradictions within that Strategic Element. Accordingly, the Committee makes specific recommendations on these matters.

Recommendation 6

4.31 The Committee recommends that the following matters be included in any report prepared by the Coordinator:

- **Actions under Strategic Element 4 be reported against expected outcomes with regard to involvement of stakeholders in achieving the Strategic Element goals. Each report by the Coordinator should provide detail of how stakeholders have been involved in each year's goal achievement and a measure of stakeholders' satisfaction.**
- **Assessment or report on Actions – especially Action 13 under Strategic Element 4 – should give details of consultation, contact or involvement with local governments and Regional Catchment Management Authorities in achievement of expected outcomes under the Action.**
- **Details of current and proposed reviews and/or studies of social and community responses to further plantation development to be conducted by the Bureau of Rural Sciences and other bodies such as the Forest and Wood Products Research and Development Corporation.**

In addition, the Committee makes the following recommendation on the role of Strategic Element 4 in achieving the *2020 Vision* goals.

Recommendation 7

4.32 The Committee recommends that research and other studies to be carried out under Action 13 of Strategic Element 4 (which involve consultation with Catchment Management Authorities) be the subject of specific report by the Coordinator.

Conclusion

4.33 The Committee has provided an analysis of Strategic Element 4 under the *2020 Vision* required by term of reference (b). The recommendations anticipate that the Committee's recommendations in Chapter Nine will be accepted and implemented. It identifies those actions under Strategic Element 4 which will require specific detailed reporting by the Coordinator to give effect to that Strategic Element and the identified expected outcomes.

