



ENVIRONMENT TASMANIA INC

30 July, 2008

The Secretary,
Senate Standing Committee on Rural and regional Affairs and Transport
PO BOX 6100
Parliament House
CANBERRA ACT 2600

Submission: Senate Inquiry into Legislation Underpinning Carbon Sink Forests

Dear Sir / Madam,

Thank you for the opportunity to make a submission to the 'Inquiry into the Implementation, Operation and Administration of the Legislation Underpinning Carbon Sink Forests'.

As the world embarks on a global effort to mitigate the effects of dangerous, anthropogenic climate change it is absolutely essential that any shortcomings in legislation regarding the establishment of trees for the purposes of carbon sequestration are addressed. It is Environment Tasmania's position that the Act as it currently stands is fundamentally flawed and should not be implemented until it is amended.

I am writing this submission on behalf of Environment Tasmania Inc (ET). I am the secretary and office manager of the organisation. ET is Tasmania's conservation council. ET was formally launched in December 2006 and we represent over 25 conservation and community groups from right across Tasmania – collectively representing more than 6000 Tasmanians. The organisation is not-for-profit and is structured to ensure its clear independence and apolitical nature, its fair decision-making processes, its accountability to its member conservation groups, and its adherence to the goals of the protection, conservation and rehabilitation of Tasmania's natural environment.

Due to the short timeframe for the period for public comment on this Act, this submission may not give due justice to all the issues associated with such legislation.

Background Information:

Scientific studies from many countries around the world have established that mature native forests are the most effective at storing carbon. It is global scientific consensus that natural systems capture and store much larger amounts of carbon than mono-culture tree plantations. Diverse eco-systems are also much more resilient to environmental change and factors such as bushfire.

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Australia contains some of the most carbon-dense forest eco-systems in the world - our mature native forests can contain over 1200 tonnes of carbon per hectare.¹ Australian research has also shown that re-growth forest managed on 80 year rotations stores only two thirds the amount of carbon of an old growth forest.² It is also well established that conversion of mature forest to younger forest results in massive carbon losses to the atmosphere.³

Logging is still occurring in primary forests in Tasmania, Victoria and South-East NSW – these forests and other native vegetation are already established carbon sinks and should be protected immediately. Protecting and restoring native vegetation will also have a beneficial effect on our temperature, rainfall and water supplies.

Australia is a drought affected country, where water is a scarce and precious commodity - especially in rural Australia. Tree plantations are already drying up water catchments and destroying town water supplies all over rural and regional Australia. Tasmanian towns such as St Helens, Wynyard and Smithton are already struggling to cope with the effects of a water supply heavily strained by tree plantations.

Across the country the forest industry has been displacing prime agricultural land because of incentives being offered through tax deductibility schemes. Regional communities across Tasmania are being torn apart by plantation companies taking advantage of the tax benefits of Managed Investment Schemes. In Northern Tasmania the rural town of Preolenna has been destroyed by tree plantations displacing dairy farms, driving out farmers, local business, local industry, service providers and social infrastructure.

Suggested Amendments to the Legislation:

The Act should be amended to focus on restoring and protecting our existing natural carbon sinks - native forests, woodlands, savannahs and other native vegetation types.

The Act should include a tax deduction for protecting the standing carbon stores in our native forests and vegetation.

The Act must require that trees planted under this scheme stay in the ground for the long term – to be effective, trees planted as carbon sinks must reach maturity and beyond (this would

¹ Dean, C. et al. Growth Modeling of *E. regnans* for Carbon Accounting at the Landscape Scale. CRC for Greenhouse Accounting - Australian National University. 2003.

² Dean, C. et al. 2003

³ Harmon, M. et al. Effects on Carbon Storage of Conversion of Old-Growth Forests to Young Forests. Science, Vol. 247. 9 February, 1990. pp. 699-701, Schulze E. et al. Managing Forests After Kyoto. Science. Vol 289. 22 September, 2000. pp. 2058-2059.

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also be more consistent with the Government's Green Paper encouraging permanent tree planting).

The Act must require that for a person to be eligible to receive the tax deduction for planting trees as carbon sinks then the resulting forest must be a well planned, bio-diverse system made up of different species of native trees and other native vegetation.

The Act must ensure that forests established under this scheme are required to continue standing if the trees change ownership and the tax benefit refunded if forests are logged or cleared.

The Act must require rigorous hydrological assessment of any area where these carbon sinks are to be planted.

The Act should state that big emitters such as the coal, energy or aluminium industries are not eligible to receive this tax benefit.

Conclusion

An amended Act could become an effective tool in the effort to mitigate the effects of anthropogenic climate change. By focusing on the protection and restoration of our existing carbon stores and requiring new sinks be bio-diverse, permanent and well planned the legislation would ensure long term carbon sequestration benefits.

An amended Act would ensure some protection for our rural communities by prohibiting large corporations from establishing more tree plantations on agricultural land.

Environment Tasmania would be happy to elaborate on any of the points raised in this submission. Thank you again for the opportunity to comment, we look forward to hearing your response to the concerns we have raised in this submission.

Sincerely,

Jess Wright

Secretary / Office Manager

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