



Australian Government




Forests for the Future

May 2007



Tasmanian Community Forest Agreement

Second Anniversary Implementation Update



The Tasmanian Community Forest Agreement (TCFA) was signed on 13 May 2005. Many milestones have been reached in the two years since the Australian and Tasmanian governments announced joint funding of \$250 million to implement this landmark agreement.

The Australian and Tasmanian governments are proud of their commitment to ecologically sustainable forest management, that is, the management of our forest resource in a way that provides for the protection of ecosystems as well as jobs and a vibrant economy.

The TCFA has provided certainty for the Tasmanian forestry sector and, practical assistance to help the industry modernise and adjust to a changing, younger timber resource as a result of conserving almost 140 000 additional hectares of native forest.

The TCFA builds on the *Tasmanian Regional Forest Agreement* (1997) to provide a comprehensive, adequate and representative reserve system of the state's forest ecosystems while delivering on commitments from both governments to deliver resource and job security.

This progress report takes stock of and celebrates the achievements of the Agreement, and looks at what will be achieved in the coming year.

When all elements of the Agreement are completed more than 1 million hectares of old-growth will be reserved forever. This will mean that over 80 per cent of the total area of Tasmania's old-growth forest will be in reserves or unavailable for harvest. This is an enormous conservation achievement while protecting the jobs of timber workers.

To date the TCFA has added 139 500 hectares of public forest to conservation reserves—exceeding the commitment of 125 700 hectares by 13 800 hectares, including 700 hectares more of old-growth forest than originally pledged.

More than \$34.5 million has been allocated to assist Tasmania's hardwood, softwood and country sawmills to adjust to this change. Almost \$21.5 million is still to be allocated over the coming year.

Much has been achieved in the two years since the TCFA was signed.

Forestry in Tasmania is sustainable, renewable and environmentally friendly.

Continued implementation of the TCFA over the coming year will see the future of this world-class industry secured.



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Minister for the Environment
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PAUL LENNON

Premier of Tasmania



The Tasmanian Community Forest Agreement (TCFA) was signed by the Prime Minister John Howard and the Premier Paul Lennon on 13 May 2005. In signing the TCFA, the Australian Government has been able to deliver on their 2004 forests election policy. The Agreement is the corner-stone for securing the future of Tasmania's forest industry and for providing increased protection for its forests.

The TCFA has seen the area of forest reserved in Tasmania increase to nearly 1.5 million hectares—or 47 per cent of Tasmania's forests. In addition, the area of old-growth forest reserved or unavailable for harvest is now over 970 000 hectares or 79 per cent of all old-growth forests. Through the Forest Conservation Fund (FCF), additional areas of old-growth forest will be reserved, bringing the total area of old-growth reserved to over 1 million hectares.

As well as increasing the area of permanently protected forest, the Australian and Tasmanian governments have committed \$250 million to revitalise and secure the forest industry and to deliver improved conservation outcomes. Both governments are jointly managing 17 programmes to deliver on the Agreement's commitments. The programmes include:

- support for the hardwood timber industry, country sawmills and the softwood timber industry, and
- measures, including research, to support reductions in old-growth clearfelling,
- intensive forest management,
- private forests (the Forest Conservation Fund),
- alternatives to 1080,
- Tarkine bush walk,
- tourism and recreation,
- saving the Tasmanian devil,
- special species timber, leatherwood beekeeping, support for NW special species mills,
- industry infrastructure,
- TCFA communications,
- river catchment water quality auditing,
- road infrastructure, and
- skills and training.





Tasmanian Forest Industry Development Programme

The Australian Government has committed \$42 million over three years to assist the continued development of the state's native timber industry. There is a particular focus on helping industry adjust to changes in future log supplies brought about by increased forest conservation under the Agreement.

Supplementary grants are being used to improve the safety and efficiency of harvesting operations, add value to Tasmanian timbers, and protect jobs.

More than 100 applications have been received and grants totalling nearly \$29.6 million for 38 projects have been approved.

case study

Ta Ann Tasmania Pty Ltd

Ta Ann Tasmania Pty Ltd has taken advantage of \$7.9 million in funding to help build a rotary veneer plant at Circular Head, near Smithton, to add value to small logs from regrowth forests and plantations. The logs would otherwise be used mostly for pulpwood. The new plant will complement the company's Newood facility in the Huon Valley and bring to 110 the number of new jobs created at the two plants.

Tasmanian Country Sawmills Assistance Programme

Country sawmills play a unique and significant role in Tasmania's forest industry. To assist in reducing their reliance on old-growth forests and to encourage use of smaller regrowth and plantation logs, the Australian Government has provided \$4 million over three years for the Tasmanian Country Sawmills Assistance Programme.

Thirty-three applications have been received so far and grants totalling \$2 million for 16 projects have been approved.

case study

Stronach Timber Industries

Stronach Timber Industries, of Scottsdale in Tasmania's north, will use its \$245 000 grant for new sawmilling equipment to add value to Tasmanian timbers. The mill will mainly process hardwoods, but also some softwood. The upgrade will enable Stronach to produce sawn timber from small logs and will allow the company to employ another three people, taking its workforce to 16.



Tasmanian Softwood Industry Development Programme

The Australian Government has committed \$10 million over three years under the TCFA to help softwood sawmillers, harvesting companies and other industry participants to retool mills, purchase new timber harvesting equipment and undertake other projects that will add value to Tasmanian softwoods or make forestry and timber processing operations more efficient.

Twenty-two applications have been received so far and grants totalling \$2.9 million for eight projects have been approved.

Four of the seven approved grants are to help the softwood sector invest in new timber processing equipment to add value to Tasmanian softwoods. Three of the grants are for new mechanical harvesting equipment, which will have significant health and safety benefits for forest workers and also reduce the environmental impact of timber harvesting.

Branxholm Sawmill

Branxholm Sawmill will use its grant of \$179 000 to upgrade its softwood sawmill at Branxholm in the state's north-east. The mill produces pallets, packing cases for fruit and vegetables, and other packaging products. It employs more than 20 people and is a significant source of employment and economic activity in the town. The upgraded mill will be able to process small logs and logs with bad defects that were previously outside the mill's specifications.

Norske Skog's Boyer Mill

Norske Skog's Boyer Mill has been allocated a \$1.5 million grant to upgrade its bleaching plant so that it can produce glossy magazine papers for advertising catalogues and other uses. Most paper of this quality is now imported, so the grant will help reduce Australia's balance-of-trade deficit in forest products.

Reducing Reliance on Clear-Felling in Old-growth Forests

The Tasmanian Government has invested \$11.1 million for research, training and support for harvesting contractors to assist in reducing the reliance on clear felling in old-growth forests.

The Australian Government has added \$2 million for research into alternatives to clearfelling, to increase forest yield and provide further sustainable forest jobs.

By 2010, with the phasing in of non clear-felling techniques, no more than 20 per cent of the small area (2 200 hectares) of old-growth forest harvested each year in Tasmanian state forests will be clear-felled. This will strengthen the sustainable management of old-growth forests, in line with advice from leading conservation biologists and silviculturists.

Partial harvesting, in which a variable portion of the forest is left standing to provide shelter habitat and seed sources, is already used in most harvesting operations in dry eucalypt forest, high altitude forests and rainforests. This programme will extend variable retention harvesting to the wet eucalypt forests in the state's public forests.

Recent research commissioned under this programme includes studies of worker safety in variable retention silviculture, biodiversity, and more effective post-harvest burning of variable retention coupes.

**This Agreement has conserved 13,800ha
more forest than pledged, including 700ha
more old-growth forest**

	Election commitment	Final TCFA reserve	Total Tasmanian reserve	Notes
Total reserves (including non-forest)	171,300ha	201,800ha (+30,500ha)	~2,950,000ha - 44% of Tasmania	These figures include the FCF
Total forest reserved	125,700ha (+FCF)	139,500ha (+FCF) (+13,800ha)	1,446,500ha (+FCF) 47% of native forest	
old-growth forest	120,490ha (+FCF)	121,200ha (+FCF) (+700ha)	973,000ha (+FCF) 79% of old-growth	Over 1 million hectares once FCF finalised.
Florentine/Styx Valley	18,700ha	6,460ha* (-12,240ha)	53% of the Styx 90% of Upper Florentine (unavailable for harvesting)	90% of Upper Florentine is in either reserves or unavailable for timber production**
Weld Valley	“Immediate protection of an additional 76,100 hectares of rainforest in the Tarkine, southern forests (including the Huon and Weld Valleys) and North East Tasmania”	~81,980ha	82% of Weld Valley entirely within the Tasmanian World Heritage area	When additional reserves on State forest are taken into account, 87.5% of the Weld Valley is unavailable for timber production
Forest Conservation Fund and Mole Creek (FCF)	45,600ha	To be determined	To be determined	The FCF is currently underway. It is expected to add up to 45 600ha to the reserve network

* Indicates a figure less than original election commitment for this specific area. To meet the original commitment would have had significant negative economic and social ramifications. However, with a reconfiguration of the new reserves, the total area of old-growth forest protected exceeds the original commitment by 700 hectares, which does not include any old-growth that will be reserved through the Forest Conservation Fund.

** These areas include formal and informal reserves plus further areas protected under Forest Practices Codes.

53 Tasmanian workplaces have received assistance to adjust to the changing nature of forestry in the state

1 Lower Longley

TCSAP - wood processing - \$42k
TFIDP - minor forest products - \$7k

2 Branxholm

TSIDP - 2 x wood processing - \$270k

3 Hobart

TFIDP - harvesting - \$290k
TFIDP - 4 x wood processing - \$3.6m
TFIDP - forest management - \$7k

4 Dunalley

TCSAP - wood processing - \$236k

5 Forcett

TCSAP - 2 x wood processing - \$107k

6 Penna

TFIDP - harvesting - \$271k

7 Brighton

TFIDP - forest management - \$10k

8 Geeveston

TFIDP, TCSAP - wood processing - \$10k

9 Lachlan

TFIDP - harvesting - \$429k

10 Boyer

TSIDP - wood processing - \$1.47m

11 Ellendale

TCSAP - wood processing - \$25k

12 Scottsdale

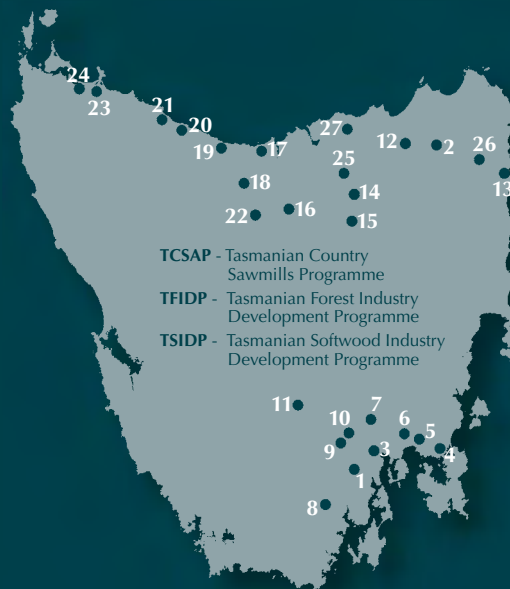
TSIDP - 3 x harvesting - \$970k
TCSAP - wood processing - \$245k

13 St Helens

TCSAP - wood processing - \$559k

14 Launceston

TFIDP - 8 x harvesting - \$2.35m
TFIDP, TCSAP -
6 x wood processing - \$1.14m
TFIDP - haulage - \$5m



15 Longford

TFIDP, TCSAP, TSIDP -
3 x wood processing - \$331k

16 Deloraine

TCSAP - wood processing - \$50k

17 Wesley Vale

TFIDP - wood processing - \$975k

18 Sheffield

TCSAP - wood processing - \$97k

19 Gawler

TFIDP - harvesting - \$42k

20 Burnie

TFIDP - 4 x harvesting - \$598k

21 Wynyard

TFIDP - harvesting - \$70k

22 Mole Creek

TCSAP - 2 x wood processing - \$116k

23 Forest

TFIDP - harvesting - \$141k

24 Smithton

TFIDP - 2 x wood processing - \$8.5m
TFIDP - harvesting - \$330k

25 Dilston

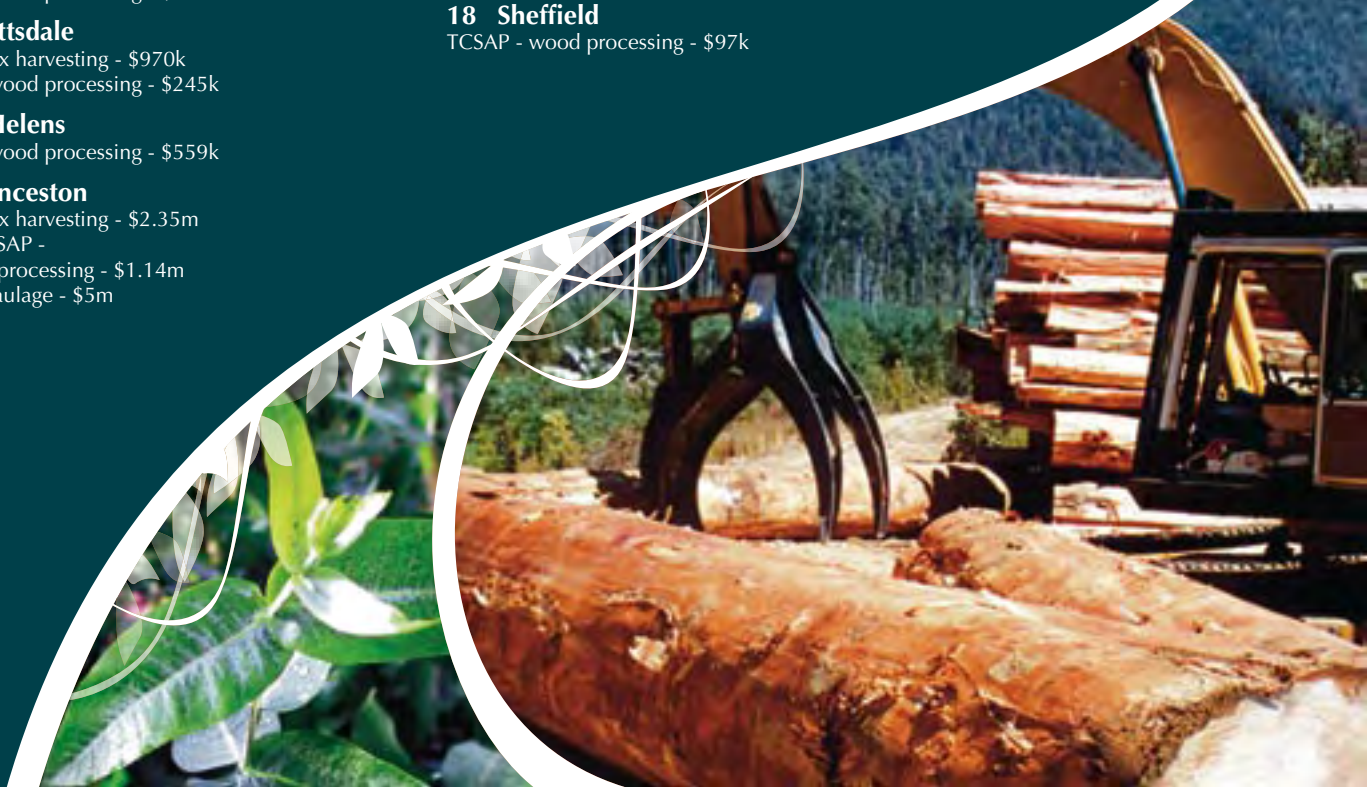
TFIDP - 1 x harvesting - \$587m

26 Gould's Country

TCSAP - wood processing - \$25k

27 Bell Bay

TFIDP - wood processing - \$5.6m
TSIDP - wood processing - \$0.2m



Forest Conservation Fund

The Forest Conservation Fund, funded by the Australian Government, offers a unique opportunity to recognise Tasmanian landowners for protecting old-growth and under-reserved forests on their land.

The Fund aims to protect up to 45 600 hectares of private forested land, and targets under-reserved forest and a minimum of 25 000 hectares of old-growth forest. Since the Fund's opening on 3 March this year, there have been more than 500 enquiries.

Evaluations of applications for the first round of funding will be completed by the middle of 2007 and announcements will be made regarding successful applicants shortly thereafter. The Fund runs until June 2009.

Mole Creek

The Australian Government has directly invited Mole Creek landowners to voluntarily conserve up to 2 400 hectares of forest on private land to protect karst values.

Thirty landowners have registered interest and negotiations are underway. The Government expects to reach agreement with landowners to ensure that forest areas will either be covenanted (fixed term or in perpetuity) or sold for inclusion in the Tasmanian conservation estate.

Alternatives to the use of 1080

In December 2005 the Tasmanian Government completely ceased the use of 1080 poison on public lands for control of native browsing animals.

Currently less than 5 kilograms of 1080 per year is used in Tasmania—which is only 2.4 percent of Australia's total annual use.

For many private landowners, however, a total phase-out of 1080 would have been economically disastrous, as there is no ready-made, effective alternative to protect against browsing animals in pasture, agriculture and tree crops.





Under the TCFA, the Australian Government is providing \$4 million to allow for the fast-tracking of research, trials and adoption of alternatives to 1080 use on private land. A \$2 million grant has been initiated to research alternatives, with grants of \$1.4 million for 12 projects approved.

Browsing Damage Research

A research team led by Professor Tony Norton, of the Tasmanian Institute of Agricultural Research, will use its \$250 000 grant to investigate and quantify the impact of browsing damage on agricultural land. The research will give landholders more accurate and objective information about the level of browsing damage on their property and allow them to make more informed decisions to control browsing animals.

Tasmanian Forest Tourism Initiative

The Australian Government has provided \$3 million for Tasmanian Forest Tourism which aims to improve visitor access and experience of the state's unique forests by funding the development of environmentally sensitive tourism infrastructure.

The initiative incorporates two related programmes. The first is the Tasmanian Forest Tourism Development Programme, for which \$2 million is being provided to help develop the forest-based tourism infrastructure, especially in the new reserves created as part of the TCFA.

The second is the \$1 million Tarkine Bushwalk Programme, to help develop bushwalking and related infrastructure in the Tarkine region.

Applications for the Tasmanian Forest Tourism Initiative are currently being evaluated.

Saving the Tasmanian Devil

Tasmanian Devil Facial Tumour Disease is a fatal cancer first detected in the mid 1990s. It has spread rapidly and has now affected large parts of mainland Tasmania. Under the TCFA the Australian Government initially committed \$2 million to accelerate research into the disease.

In addition to the TCFA funding commitment, the Australian and Tasmanian governments have committed over \$5.8 million to continue supporting this effort.

Support for Special Species Timber

The Tasmanian Government has allocated \$11.4 million between 2005–08 for the support of special species management in recognition of the contribution that special species timbers make to the State's forest products industries, and the value of these specialty timbers to Tasmania.

The package includes support for beekeeping industries and the north-west mills using special species.

The reservation under the Agreement of large areas of special species-rich forest in the "Tarkine" significantly affected the future sawlog resource of two sawmilling companies in the northwest. The Tasmanian Government provided funding to help these companies adjust to a different resource mix so that they could remain in business.



The Tasmanian Government will build up to 70 kilometres of new roads over three summer periods to improve access to special timbers management areas. In 2005-06 the Government built 14 kilometres and prepared plans to complete another 30 kilometres in 2006-07.

The Government has prepared a business plan to improve the marketing, recovery and value adding for special timbers, and is building a website to improve customer access to recovered special timbers. The website, www.islandsspecialtytimbers.com.au, will provide for online sales of a wide range of special timber products by mid-2007.

A programme for training and skilling harvesting contractors is being prepared and will be delivered in the first half of 2007-08.

Further access roads in the south and north-west will be completed in 2007-08.

Special Species Timber Infrastructure Assistance

Grants to Britton Bros (Smithton) and Corinna Sawmills (Somerset) have been provided to help them retool and upgrade their mills to use different timber. Upgrading work has been completed.

A new recovery yard to be built as part of the Wood Centre in the north-west will be incorporated into the log-merchandising facility and operational in 2008. Improvements to the processing capability of the recovery yard at Geeveston will improve customer access to a range of value-added products.

Industry Infrastructure

The Tasmanian Government has committed \$9.5 million to industry infrastructure to better manage harvest residue and build additional infrastructure. This is needed to support the introduction of changed harvesting programmes to introduce the new silviculture in old-growth forest.

Proposals are being developed to build a biomass energy plant in Tasmania to eliminate the continued burning of residues in native forest after harvesting. Doing so will provide a renewable and carbon dioxide neutral source of energy. The project includes research into the sustainable volume of available residue and its quality and moisture content, so that it meets the economic requirements of the investment.

Huon Wood Centre

Newwood Holdings Pty Ltd—a joint venture between Forestry Tasmania and John Holland Investments Ltd—has developed greenfields wood centre sites in Tasmania. TCFA funding has helped with the cost of infrastructure, such as roadworks, sewerage, water and power, at the Huon Wood Centre in southern Tasmania.

Stage 2 of the Centre is nearing completion and some work has started on Stage 3 to prepare for the power station. A regrowth sawmill is already on the site, and by 31 May 2007 the rotary peeled veneer mill and a merchandising yard should be operational.



River Catchment Water Quality Initiative

The Australian Government has committed \$1 million to study catchment water quality in Tasmania. The focus of the work is on river catchment auditing and monitoring to improve understanding of water quality management needs. The study will assess the effect of chemical use on water quality in river catchments.

CSIRO Pesticide Rating Index (PIRI) Project

The first trial version of PIRI has been produced and will continue to be modified as new data comes to hand.

Pesticide Usage Project

This project involves surveying a sub-sample of the state's fruit growers and should be completed by June 2007. Most of the surveys of agronomists have been completed.

Historic Water Quality Monitoring Data Project

The first set of data from this project has already been sent to CSIRO for evaluation.

Pesticide Behaviour in Tasmania Research Trials

Preliminary field data will be used to determine the half-life of the six target chemicals commonly used in the agricultural and forestry industries.

Road Infrastructure

The Tasmanian Government has committed \$20 million over four years to road infrastructure.

With the additional forest reserves created under the TCFA, more roads are required to access state forest land, and implement logging strategies that meet the commitments to variable retention and reducing clear-felling while ensuring worker safety.

Forestry Tasmania has incorporated the road-building task into its capital works programme and has spent \$8 million over the past two financial years to meet this objective.

A further \$4 million will be invested annually over the three financial years, from 2006–2009, to complete the task.



Progress Report

Measure	Australian Government commitment (\$m)	Tasmanian Government commitment (\$m)	Total funds committed (\$m)	Funds to be committed (\$m)
Support for the hardwood timber industry	42		29.6	12.4
Support for country sawmills	4		2	2
Softwood industry	10		3.0	7.0
Measures to support reductions in old-growth clearfelling, including research	2	11.1	2.5 ^a	10.6
Intensive forest management	66	49	51.5 ^a	63.5
Private forests (the Forest Conservation Fund)	.b		.b	.b
Mole Creek	3.6		0	3.6
Alternatives to 1080	4		4	0
Tarkine bush walk	1		0	1
Tourism and recreation	2	2	0	4
Saving the Tasmanian Devil	2		1.92	.08
Special species timber, leatherwood beekeeping, support for NW special species mills		11.4	3.8 ^a	7.6
Industry Infrastructure		9.5	5 ^a	4.5
TCFA Communications	2.2		0.7	1.5
River catchment water quality auditing	1		0.5	0.5
Road Infrastructure		20	8	12
Skills and training	4		1.5	2.5

^a As of 31 December 2006

^b The Australian Government has made provision for a market-based programme.

Some images supplied courtesy of Forestry Tasmania

Fast Forest Facts

Tasmanian forest industry turnover	\$1.3 billion per annum
Number of people employed in forestry in Tasmania	10,700
Area of Tasmania	6.8 million hectares
Area of Tasmania in reserves	2.9 million hectares (44%)
Area of native forest in Tasmania	3.1 million hectares
Area of native forest in reserves*	1.4 million hectares (47%)
Area of old-growth forest in Tasmania	1.2 million hectares
Area of old-growth forest in reserves	970 000 hectares (79%)
Area of old-growth harvested annually	approximately 2,500 hectares
% of public native forest harvested each year	1%
Area of plantations in Tasmania	200 000 hectares (2.9% of Tasmania)
Total 1080 used in Australia	approximately 200kg
Total 1080 used in Tasmania in 2005/06	4.9 kg (2.4% of National usage)

* Excludes 45,000 hectares in new reserves aimed to be established on private land

