

Tasmanian
TIMBER INDUSTRY JOBS

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Abstract

This paper was compiled in order to ascertain the magnitude of job losses in the Tasmanian timber industry in the last decade, to investigate the causes of the job losses and to map out a framework to enable Tasmania's timber industry to become innovative, environmentally sound and rich in jobs.

Research into total job numbers in Tasmania's timber industry is not conclusive. Although the figure of 8,250 sourced from an ABARE (Australian Bureau of Agricultural and Resource Economics) study has been widely quoted recently, the authors of the study cite significant relative sampling error in the statistics and comment that it is likely that some employees were counted twice. Hence it is believed that there are less than 8,000 employees in Tasmania's timber industry.

ABS (Australian Bureau of Statistics) figures show falls in almost all Tasmanian timber industry employment categories since 1990. Jobs in manufacturing timber products have fallen by 4,020 jobs (from 7,450 to 3,430) since 1990. Much of the attrition in jobs has occurred in the pulp and paper industry to the tune of 1,875 jobs. The Regional Forest Agreement has also failed on jobs despite the assurances of politicians to the contrary. Since the first full year of operation after the implementation of the RFA (1998-99), employment in the major forestry sectors has fallen by 1,240 (from 6,650 to 5,410).

It is argued that while the Tasmanian state government seems to believe that, in allowing large industry to control our natural resources, it provides job security for those now employed in the timber industry, this is not the case. Neither is resource security provided for the small timber industries, which have managed to survive in spite of the challenges of technological change and the corporate dominance of the political economy of Tasmania. This problem is exemplified by the current rush to convert the remaining old growth forests in the timber production areas, which contains both mature eucalypts and diverse rainforest under-storey, into eucalypt re-growth, destined chiefly for woodchip or fuel production. The Regional Forest Agreement of 1997 acknowledged this problem to the extent of confirming the establishment of Special Timber Management Units in the north-west and south-east of Tasmania. However the contentious nature of these areas, the fact that the detail of their contents are unknown and the complexity of the arguments about their management in the present political climate give little cause for optimism. If present practice continues for another decade, there will be further falls in employment because the many small industries that depend on mature mixed native forest resources will be deprived of a large part of their resource, very large quantities of special species timber will be wasted and future opportunities will be lost. This will in turn have an adverse impact on the tourist industry, and on the success of the recently established idea of a Tasmanian "brand", which is the basis of the fastest growing sectors of the Tasmanian economy.

If we are to continue harvesting timber from mature native forests, we must shift to local value adding and downstream processing using small volumes of our world-class timber. This is the best chance of creating jobs from native forests on a sustainable basis. The improved benefit to the local community, together with the cessation of clear-felling in old-growth forests, might entitle Tasmanian timber to certification by the ecologically reputable and internationally recognised, Forest Stewardship Council. This would open up new export markets for Tasmanian timber products, which would be ethical, profitable and sustainable.

Ending clear-felling of old-growth forests will require the restructuring of approximately 325 jobs. Some of these can be diverted into transporting logs from regenerated coupes. Others could be employed in selective logging of specialty timber, which is more labour intensive. Alternatively people immediately affected by restructuring may be offered re-training packages in developing wood-skills industries such as boat building and furniture making and in development of alternative forest management practices. Such people would be well placed to capitalise on positions in new wood skills centres that use certified timber and focus on output of high quality distinctly Tasmanian products targeting niche markets.

Resources required for initial industry restructuring are envisaged to be in the order of \$40 million, \$30 million for retraining schemes and \$10 million for machinery and timber license buy-back schemes. This amount of money is a small price to pay given the funds (\$71M) already allocated to Tasmania under the State's Regional Forest Agreement.

Following industry restructuring, a legitimate international reputation would soon be established for Tasmania as a centre of excellence in forest management, quality timbers and wood-skills centres. These are fundamental aspects in creating the building blocks of regional communities, new opportunity, economic self-reliance and sustainable population.

Acknowledgements

In compiling this report I acknowledge the extensive input from members of Timber Workers for Forests who cumulatively have decades of practical experience in the use of Tasmanian timbers and a commitment to improving forest management practices in the State for the benefit of all Tasmanians.

1. Introduction

Tasmania is an island blessed with a magnificent forest heritage from the tallest flowering plants on earth (swamp gum - *Eucalyptus regnans*), relics from the ancient super-continent of Gondwana (including myrtle - *Nothofagus cunninghamii*) to unique conifers found nowhere else on earth (including Huon pine – *Lagarostrobus franklinii* and king billy and pencil pine - *Athrotaxis* spp. and Celery Top Pine – *Phyllocladus asplenifolius*). Tasmania is characterised by significant regional climatic and geological variability and hence has a great diversity of vegetation communities and species.

Since the early days of European settlement two centuries ago, Tasmanians have exploited the forests of this island to foster both its own development and to generate an export income. In the early days of the colony the timber industry supported a significant proportion of the colony's work-force and it was not uncommon to have dozens of men employed on each log to cut, split, broadaxe and adze the raw material into a host of products.

By the end of the last century Tasmania had built a worldwide reputation based on its fine timbers such as Huon pine, myrtle, blackwood, celery-top pine, sassafrass and local Eucalypt species, sometimes marketed as “Tasmanian Oak”. Some of these fine timbers are now increasingly rare because of past over-cutting and the current management strategy of clear felling the mature mixed forests of the timber production areas, and then using “re-generation burning” and aerial sowing in order to replace the original forest, which contains both rain forest and Eucalypt species, with a forest consisting, for *commercial purposes*, of a narrow range of Eucalypts. Timber Workers for Forests (TWFF) emphasises that although some regeneration of rain-forest species may occur, the commercial imperative will ensure that in regenerated areas these species will never be allowed to reach maturity, because the regenerated forest will be harvested once again in a maximum of 90 years.

Since the 1970s, this threat to Tasmania's unique rain forest timbers has increased dramatically as Tasmania joined the voracious global wood chip market. In 1997, the Regional Forest Agreement with the Commonwealth, was signed by the Tasmanian Government. The effect was to remove limits on woodchip quotas¹ and the greatest ever rate of destruction of old-growth forests was heralded.

Today, despite the greatest cutting rate in history, timber industry employment is, in relative terms, at an all time low and remains in decline. This paper was compiled to highlight concerns regarding continued job losses in the timber industry in Tasmania. Perceived reasons for the job losses are presented together with the best available statistics demonstrating the job decline trend.

1. Tasmanian Regional Forest Agreement, p 8.

Despite the current era of excessive destruction and waste of present and future resources in Tasmania's forests, there is still an opportunity to re-design a future based upon responsible forest stewardship, which could form the basis for quality jobs using quality products, resulting in a dramatic improvement in the social and economic benefits to the community. This paper provides some positive suggestions for a new way forward that is needed in the timber industry.

2. Current situation

2.1 Concern over resource depletion

The corporations involved in clear-felling Tasmania's native forests, predominantly for the woodchip market, are simplifying both the ecology of the forests and the economies of the communities which depend on them. These communities are witnessing the destruction of their *local* forest heritage, which was based on detailed and specialized knowledge of all the resources of the forest, and the best use of the timbers they contained. The resource base of *local* culture is thus being stripped. In the rush to convert tall Eucalypt forests and their rain forest understoreys into wood chips and fuel, ecologically significant, slow-growing, valuable timbers, such as Myrtle, Leatherwood, Blackwood, Celery Top Pine and Sassafrass, become a casualty. The immediate consequence of this is to reduce the range of forest-based employment both now, and for all future generations. It also means the elimination of mature, accessible native forest within the next two decades, at present rates of cutting. When that point is reached, there will be another fall in employment, because the small industries that depend on mature native forest resources, such as bee-keeping, solid wood furniture making, wood craft and wooden boatbuilding, will be deprived of a large part of their resource. This will in turn have a dramatic impact on the tourist industry, and on the success of the recently established idea of a Tasmanian "brand", which is the basis of the fastest growing sectors of the Tasmanian economy.²

There are currently about 40,000 ha of native forest logged in Tasmania each year³, over 90% of which ends up as woodchips⁴. Approximately 50% of the native forest logged each year is clear-felled and 15,000 ha per annum are currently being converted to plantations⁵.

The Southern Forests

The 'Southern Forests' provide an illustration of the fore-going discussion. They lie within Forestry Tasmania's Huon District. Total production State Forest in this district is ~115,000 ha⁶. Remaining old-growth forest in the Southern Forests is outlined in **Table 1**.

² Castles, G, "The Choice", Island, No.87, Spring, 2001, pp.108-115.

³ Forest Practices Board Annual Report 2000-01, p 13.

⁴ Forestry Tasmania Annual Report 2000-01 (84.1% of wood extracted from State Forest goes directly to the woodchip mills). The Ryan Report, p 61 detailed the fact that 45-75% sawlogs end up as woodchips. Ryan, T. (1999). A review of log segregation and utilisation in Tasmania – commissioned by FFIC Tasmania.

⁵ Forest Practices Board Annual Report 2000-01, p 13.

⁶ Gouck, R., Forestry Tasmania, Warra Tour, 18/11/01

Table 1: Location and areas of remaining old-growth forest in the Southern Forests

<i>Location</i>	<i>Hectares</i>
Production forest	5,000
Warra long term ecological research site	2,000
Special timber management units (STMUs) ⁷	7,900

Source of figures: S. Davis of Forestry Tasmania to John Young, January 2001

The current harvesting rate of old-growth forest in the Southern Forests is 200-400 ha per annum⁸. Hence, the worst case scenario is that all old growth will be logged from the production forests in 12 years, by 2013.

The choice of clear-felling as a harvesting method in mixed, wet forests enables the maximum quantity of Eucalypt timber to be removed in the shortest possible time. But from the point of view of ecologically sustainable forest management, clear-felling has a number of negative consequences, both short and long term. Firstly, it results in enormous waste of special species timbers that can form 50% of the standing timber of the coupe that is clear-felled⁹. These timbers are often awkward to handle and are often seen as an obstruction from the point of view of contractors, whose living and re-payment of debt depends on the speed with which they can load and deliver a consignment of Eucalypt logs. Secondly, the fact that harvesting plans are designed primarily to meet the requirements of the dominant wood chip market means that there is not likely to be an immediate market for all the special species timber that has been felled. There is often a glut, because the quantity of material felled is far larger than the local market can absorb. Only the best special species saw logs can be immediately marketed, but the majority of the harvest will be commercially, immature, especially Celery Top Pine, which takes 400 years to reach its optimum value as timber. A small proportion of Celery Top is marketed as craftwood or building poles, but the majority of this material is currently bulldozed and burnt in coupe regeneration burns.¹⁰

Thirdly, clear felling permanently reduces the available area of production forest that is capable of providing supplies of special species timber in the future. Current management plans for these areas, outside the Special Timbers Management Units (see Appendix 1), envisage rotations of 90 years at best. This management scenario will ensure that no *mature* special timbers will be included in future harvests of these areas.

2.2 Few local opportunities

Under the current harvesting regime, there are few opportunities for local value adding and job creation within Tasmania's local communities¹¹, many of which have already seen their local native forests destroyed or replaced by plantations and their sawmills closed. The timber industry can no longer claim that it is the champion of local communities and jobs when its track record demonstrates just the opposite.

The replacement of high quality native mixed forest with a majority of fast growing pulp species creates a future solely for mechanised harvesting with one major product – low value woodchips

⁷ See Appendix 1 for a discussion of STMUs.

⁸ P. Pepper, Forestry Tasmania to J. Young, pers comm. 18/11/01 (200 hectares); R. Gouck, Forestry Tasmania, pers. comm., Warra tour, 18/11/01, (up to 400 hectares).

⁹ Green, G. "Logging Coupe Inventory Esperance 74D (EP074D)". Timber Workers for Forests, Hobart, April 2002, p.8.

¹⁰ *Ibid.*

¹¹ See Section 5.1 of this paper for a discussion of the Southwood Resources – Huon proposal.

and associated job minimisation. In their natural state, native mixed forests are far more useful to a wider range of people. At present, these forests are serving the needs of a very small minority who are exploiting them for short-term economic gain at the expense of ecological and community values. We need to ensure that future generations have the same choices as we have by maintaining a balance of species in our remaining natural production forests. Future security is vested in diversity of ecosystems and diversity of opportunity, not in putting all our eggs into the woodchipping basket.

It is naïve and short-sighted to assume Tasmania's future in forestry lies in maximising the volume of pulpwood and second grade saw-logs to the direct disadvantage of smaller volume but far higher value timber products. Current forestry practices in Tasmania squander the opportunity for maximum local job creation, maximum value adding and meaningful work, now and into the future. Tasmania was, and still could be, in a position to be a world leader in quality timbers if the present focus was not on the replacement of high quality mature mixed forests with eucalypt regrowth and plantations. It is unacceptable that a State with some of the world's finest timbers cannot support a viable, wealthy, and innovative industry.

Now that the area of mature mixed wet forest remaining in the production areas of the Southern forests has been reduced to 15,000 hectares (**Table 1**), their further conversion to eucalypt regrowth and plantations will give future generations poorer quality eucalypt and greatly reduced access to world-class special species timbers. Current management is robbing opportunity from future generations. It is also reducing employment.

3. Employment

3.1 Total job numbers

Determining total job numbers in the Tasmanian timber industry is a difficult task and several groups have put forward figures that differ by many thousands of jobs. ABS statistics for 1999-2000 indicate that the figure is around 5,400 whilst an ABARE (Australian Bureau of Agricultural and Resource Economics) study undertaken by Grist *et al.* (2000) showed that there are an estimated 8,259 workers employed with 5,430 full time, 1,662 contractors, 924 casual and 242 part time (**Table 2**). The authors of the study cite a relative sampling error of 12% for the total number given and comment that the total employment number should be treated with caution as some employees are likely to be counted more than once by being represented in more than one category¹². Given the acknowledged errors in the ABARE study and the fact that tourist operators have been included in the numbers, it is believed that timber industry job figure in Tasmania is less than 8,000.

¹² Grist, P., Tran, Q., & Ball, A. (2000). Survey of the value of investment in forest industries in Tasmania – sustainability indicator 6.3a. Report by ABARE for AFFA and the Montreal Process Implementation Group for Australia, p 9.

Table 2: Employment in the Tasmanian forest sector 1999-2000 (sourced from Grist *et al.*, 2000)

Category	Full time	Part time	Casual	Contractor	Total
Harvesting & plantation establishment contractors	2 142	68	366	213	2 789
Forest growers	1 115	29	81	1 267	2 492
Sawmills	1 544	50	50	107	1 751
Forest management	114	27	300	76	517
Pulp, paper & panel manufacturers	203		12		215
Secondary processors	152		26		178
Tourism & recreation operators	79	18	62		159
Craftwood industries	58				58
Other forest contact industries	24	50	29		103
Total	5,431	242	926	1,663	8,262*

* Relative error of 12% and double counting in the survey suggest that this number is over-stated.

In 2000 total wood and paper products employment formed just 1.8% of total employment in Tasmania (198,800 jobs), which is down from 2% of total employment in 1995-96¹³.

3.2 Job decline trend

In terms of determining a trend in Tasmanian timber industry jobs, the Australian Bureau of Statistics publishes jobs statistics under the categories of 'forestry and logging' and 'wood and paper products'. Figures since 1989 are presented in **Table 3**.

Table 3: Tasmanian timber industry jobs

Year	Forestry & logging	Wood & paper products	Total
1989-90	1,730	7,450	9,180
1990-91	1,780	5,830	7,610
1991-92	1,680	5,230	6,910
1992-93	1,980	4,750	6,730
1993-94	2,000	5,150	7,150
1994-95	2,830	4,400	7,230
1995-96	2,480	4,030	6,510
1996-97	1,780	4,530	6,310
1997-98	2,000	3,600	5,600
1998-99	2,600	4,050	6,650
1999-2000	1,980	3,430	5,410

Source: Australian Bureau of Statistics labour survey, Catalogue No. 8221.6

The timber industry job numbers in **Table 3** demonstrate that since 1990, there has been a substantial fall (4,020 jobs) from 7,450 to 3,430 in downstream processing employment and an increase in jobs involved in logging (250 jobs).

¹³ RPDC (2002). Inquiry on the progress with implementation of the Tasmanian Regional Forest Agreement (1997) – Background Report. Sustainability indicators for Tasmanian forests. Tasmanian Resource Planning and Development Commission, p 79.

Since the first full year of operation after the implementation of the RFA i.e. 1998-99, employment in the major forestry sectors has fallen by 1,240 from 6,650 to 5,410 (**Table 3**) and during this time woodchipping in Tasmania has increased from 3.9 million to 5.3 million tonnes annually in 2000-01¹⁴. In effect, with the focus on increasing woodchipping, jobs are being exported offshore despite a significant increase in the volume of timber harvested.

The job decline in Tasmania’s timber industry demonstrated by the ABS figures is not surprising given the focus the woodchipping industry has on mechanisation, clearfelling and high volume flow of timber. Typically, an 80 ha native forest coupe takes up to 3-4 months to log and employs as few as 8 people during the logging operation¹⁵. Following regeneration there is very little employment generated by the coupe until the next logging rotation (up to 90 years).

The decline in Tasmanian timber industry jobs has come despite assurances to the contrary. The Forest and Forest Industry Strategy (FFIS) (1991) promised the forestry industry a ‘secure future for forests and people’¹⁶. Since 1989-1990, the industry has shed jobs continuously. This has occurred despite claims that the RFA would provide job stability, job opportunity¹⁷ and protect jobs within the timber industry. Politicians claimed that the RFA would provide ‘550 direct jobs’ with ‘another 400-500 to flow automatically’¹⁸

Timber industry spokespeople argue that the current focus on clearfelling and expanding woodchip production cannot be changed because jobs and social values are too important. The statistics demonstrate that we are currently compromising both jobs and our quality native forests in a lose-lose situation for Tasmania.

Pulp, paper and paper products

Much of the attrition in jobs in downstream processing has occurred in the pulp and paper industry to the tune of 1,875 jobs in the ten-year period 1991-2001, refer to Table 4.

Table 4: Tasmanian pulp and paper manufacturing jobs

Year	Jobs
1991*	3,023
1992*	2,791
1995*	1,635
1996**	1,393
1997**	1,373
1998**	1,370
1999**	1,107
2001	1,148

Source: *Banks & Clark (1997), **ABS Catalogue Number 8221.6

There have been major technological changes at pulp and paper mills particularly replacement of old paper machines with newer, more efficient, more labour saving machines. This has resulted in the loss of many jobs at APPM in Burnie (together with the cessation of pulping due to replacement with imported pulp). Given the capital intensive nature of the industry, it is

¹⁴ Australian Bureau of Statistics, Tasmanian Statistical Indicators.

¹⁵ Dave Robson, Forestry Tasmania, Warra Tour, 18/11/01.

¹⁶ FFIS (1991). Secure future for forests and people. Forests and Forest Industry Strategy, Sept. 1991.mission statement, p 17.

¹⁷ Tasmanian Regional Forest Agreement, p 1.

¹⁸ J. Howard, 1997. Media release from the office of the Prime Minister on the Tasmanian RFA, 8/11/97.

inevitable that there are going to be more job losses. Major employers in the pulp and paper industry are shown in Table 5

Table 5: Major pulp and paper employers in Tasmania

Site	Jobs	Wood use
Boyer newsprint mill	435	60% pine, 30% regrowth hardwood, 10% recycled ¹⁹
Wesley Vale paper mill	290	100% plantation based
Burnie paper mill	232	Imported pulp

(Job numbers obtained by direct inquiry, March-June 2002)

Sawmilling

In Tasmania there has been a significant decline in the sawmilling industry due to past mismanagement, including past over-cutting, a result of poorly regulated selective logging, present over-cutting, a result of clear felling, and the increasing dominance of woodchipping. Distinctions between saw logs and chip logs depend on the fluctuating market, with the result that some timber of saw log quality is being woodchipped. In addition, the emphasis on volume means that immature eucalypts which if left would become saw logs, are also chipped. Many small sawmills have closed and there has been centralisation of production, technological change and concentrated ownership in the hands of a few large saw-millers, resulting in significant job losses.

According to ABS statistics, there were at last count, 1,350 full and part-time jobs in sawmilling and timber dressing in Tasmania, a fall of 355 jobs since 1995 (**Table 6**). Some of the major saw millers in Tasmania are shown in **Table 7**.

Table 6: Jobs in saw milling and timber dressing

Year	Jobs
1995-96*	1,705
1996-97*	1,704
1997-98*	1,716
1998-99*	1,570
1999-2000**	1,750
2000-2001	1,350

Source: *ABS Catalogue Number 8221.6; **Grist *et al.* (2000)

Table 7: Employment at Tasmania's major sawmills

Site	Jobs	Wood use
Gunns timber	900	Native forests
French pine	147	Pine
Auspine	140	Pine
Starwood (Bell Bay particle board)	105	100% plantation

(Job numbers obtained by direct inquiry, March-June 2002)

¹⁹ Norske Skog Paper, Environmental Management Plan, 2002.

Woodchipping

Today the woodchipping industry constitutes by far the greatest volume of wood use in Tasmania. At last count there were 362 jobs in woodchipping, (**Table 8**) which consumes over 90% of the wood harvested in the State²⁰. The Hampshire woodchip mill in Tasmania's north-west is one of four woodchip mills in the State. It provides 12 jobs and consumes up to 1.5 million tonnes per annum depending upon demand²¹.

Table 8: Jobs in woodchipping in Tasmania

Year	Jobs
1995-96	287
1996-97	368
1998-99	344
1999-00	362

Source: ABS Catalogue Number 8221.6

Bureaucracy/administration

Jobs at Forestry Tasmania are listed in Table 9.

Table 9: Jobs at Forestry Tasmania

Year	Jobs
1991	780
1998-1999	616
1999-2000	586
2000-2001	596

Source: Forestry Tasmania annual reports

3.3 Which forests are the jobs in?

An analysis of Tasmanian timber industry jobs is presented in **Table 10** and their dependence upon particular forest categories. The figures show that:

- there are nearly as many jobs in plantation timber as in native forest timber despite a significantly lower harvest (between 10-20% of the total harvest);
- there are very few jobs reliant on old-growth logging (an estimated 325).

²⁰ Forestry Tasmania Annual Report 2000-01 (84.1% of wood extracted from State Forest goes directly to the woodchip mills). The Ryan Report (1999), op.cit. p 61 detailed the fact that 45-75% sawlogs end up as woodchips.

²¹ (Job numbers obtained by direct inquiry, March-June 2002)

Table 10: Tasmanian timber industry jobs and forest categories in 2001

Category	Total jobs (full & part-time)	Native forest jobs	Old-growth jobs	Plantation jobs	Other
Forestry & logging*	2,250	1,635	205	410	
Saw milling & timber dressing	1,350	790	100	460	
Other product manufacturing	800	180	20	600	
Paper & products manufacturing	1,148	156		662	330**
Totals	5,548	2,761	325	2,132	330

* includes cartage and woodchipping; ** based on imported pulp and recycled paper

The statistics in **Table 10** are derived from several sources:

- Survey of paper mills and their timber sources (Norske Skog, 2002).
- Information provided in Banks & Clarke (1997).
- ABS Catalogue Number 8221.6
- Proportional analysis of jobs in each category versus forest categories.

3.4 Industry shut-downs/rationalizations

Large-scale industrial operations promise plenty of jobs but often fail to deliver in the long run. When industry shuts-down, restructures, rationalises or upgrades infrastructure, job losses are often severe, for example:

- Burnie paper mill – pulp is now imported for paper making at this site – 280 jobs were lost in 1998 (11 months after the Tasmanian RFA was signed) when pulping operations ceased. This paper mill once employed about 2,000 people there are now 232²².
- Boyer newsprint mill has seen a slow attrition from around 2,000 twenty years ago to 435 now. 600 jobs were shed in the late 1980s and early 1990s²³.
- When Boral took over Forest Resources, Tasmanian Board Mills and Risbys in 1992, the resulting ‘rationalisation’ of jobs cost 120 jobs²⁴.
- Closure (finally) of Australian Paper Manufacturers Port Huon Pulp Mill cost 115 jobs, July 1991.²⁵

Specific job losses since the signing of the Tasmanian RFA are listed in **Table 11**.

²² (Job numbers obtained by direct inquiry, March-June 2002)

²³ Ibid.

²⁴ Ibid.

²⁵ Sunday Tasmanian, 28th July, 1991, p 8.

Table 11: Timber industry job losses since the signing of the Tasmanian RFA in 1997.

<i>Date</i>	<i>Event/industry</i>	<i>Jobs lost</i>
1998	Amcor closes Burnie pulp mill	280
3/2/99	North reduces contractors	50
	Boral workforce reduced	9
21/5/99	North sacks senior management positions	10
5/99	North further scales down its workforce	31
25/4/01	Starwood MDF plant down sizes its workforce	24
16/6/01	Forest Enterprises slashes workforce	20
11/01	Losses at Gunns	30

(The figures in this table are sourced from Tasmanian newspaper articles.)

3.5 Export of jobs offshore

Most of the timber harvested in Tasmania is exported offshore without any local processing. More than 75% of Tasmania's native forest timber is exported unprocessed, mostly as woodchips, although export of logs for rotary peeling is increasing²⁶. Approximately one million m³ of hardwood timber is processed locally, mostly as sawn timber and for paper production. Additionally, 34% of wood harvested from plantations is exported unprocessed while approximately 0.7 million m³ is processed locally²⁷.

The Tasmanian situation is reflected nationally where there is an unhealthy economic deficit in forest products to the tune of around \$2 billion annually (**Table 12**).

Table 12: Australian forest products imports and exports 1998-2001 (\$million)

PRODUCT	IMPORTS			EXPORTS		
	1998-99	1999-2000	2000-01	1998-99	1999-2000	2000-01
Round wood	1.4	0.8	0.9	48.8	69.8	66.8
Sawn wood	416.7	548.1	427.7	42.8	51.2	58.9
Misc. forest products	396.3	475.9	461.5	65.6	61.6	71.2
Wood-based panels	142.4	189.3	151.6	100.9	143.2	205.4
Paper & paperboard	1,756.2	1,997.7	2,088.0	355.4	490.6	528.8
Paper manufactures	348.0	356.2	377.5	61.7	65.9	83.8
Wastepaper	6.2	7.4	8.8	25.1	39.9	39.7
Pulp	193.1	219.8	316.6	0.9	1.6	4.6
Woodchips	1.6	1.6	1.4	585.9	646.1	743.8
Total	3,261.9	3,796.8	3,834	1,287.1	1,569.9	1,803
% unprocessed	0.09%	0.06%	0.06%	49%	46%	45%

Source: ABARE statistics published in Way & McCallum 2002, pp 54-57.

Aside from the significant economic imbalance in forest product trade in Australia, the figures in **Table 12** demonstrate that 45% of exported Australian forest product is unprocessed as either whole logs or woodchips, whereas less than 0.1% of imported forest products are unprocessed. The current structure of the Tasmanian and Australian forest industries is contributing to a significant social and economic deficit at both a State and national level. There is also a

²⁶ Banks & Clarke (1997). Tasmania's plantation processing industry. Job opportunities now and in the future. Report prepared for Senator Bob Brown.

²⁷ *Ibid.*

considerable risk that Tasmanian forest products will attract negative publicity as a result of present policies.

4. The myth of resource security

4.1 Who is losing out?

Forest management is not an isolated technical issue. It is a crucial aspect of resource management that affects the whole community, including those whose livelihood depends on forest resources, those who live in rural communities and those who work in forest dependent industries.

With the clear-felling regime entrenched in this State, potential future saw logs from a coupe are liquidated in one operation. Trees as small as 100 mm in diameter, destined to be saw logs in around 50 years, are either woodchipped or discarded. Coupes with as little as 5% eucalypt are clear felled, with the target trees predominantly woodchipped. Much valuable timber is wasted in the process. As little as 26% of the timber may be removed from such coupes with the remaining timber, predominantly rainforest species such as myrtle, celery-top pine and sassafrass, often bulldozed into “windrows” or piles, which makes it difficult for small operators to extract valuable timber before it is burned²⁸.

For Tasmania’s small sawmillers and the majority of craftspeople “resource security” is non-existent. Nearly one third of the land area is under corporate or state control²⁹. The agenda of the State Government is to increase the control of large industry over these resources, even though this means a willingness to accept increasingly low royalties and to export ever- larger volumes of woodchips. The result is that the rate of clear-felling of mature mixed forest, on which small timber businesses depend, continues to increase. While big business is assisted by the State Government, infrastructure is provided and markets are guaranteed from the public purse, small timber dependent operators invest in their businesses at their own personal risk, with no guarantees regarding specifications, price or supply. At the time of writing, big industry is guaranteed supply of hardwood for the next 90 years³⁰ while no audit of either the Special Timbers Management Units or of other remaining old growth forests in the timber production areas, has yet been carried out. For small operators, these problems tend to be self-perpetuating. Craft workers do not progress beyond part-time self-employment because they lack security. Their understandable reluctance to risk investment means that their contribution to the economy is under valued.

People affected by the disappearance of the native mixed forests include sawmillers, users of minor species, bee-keepers, people involved in emerging industries such as bush foods, native oils, medicinal plants and those who work in Tasmania’s fastest growing industry and the one which provides and will provide both the highest number of jobs and the greatest job multiplier effect, namely, tourism³¹.

The recent hearings of the Resource Development and Planning Commission into the planning amendment required for the Southwood development to proceed, provided good evidence of the

²⁸ Green, G. *op.cit.*, p 8.

²⁹ 1.5 million ha is State Forest, controlled by Forestry Tasmania. Forestry Tasmania Annual Report 2001, p.59.

³⁰ *Saturday Mercury*, 8 June 2002, “Forest report boosts industry”, p.9.

³¹ Tasmanian Visitor Survey, 2000, Tourism Tasmania; “Tourism 21: The Conversion Challenge. Strategic Business Plan for Tourism 2001-4”, State Government of Tasmania, 2000, Hobart, p.4; Huon Valley/Kingborough Tourism Development Strategy, 1996, p.4; Australian Tourism Forecast, 2001, Australian Tourism Commission.

identity of those who believe they will be disadvantaged, not merely by the industrial development itself, but by the forest management regime of which it is the expression. A large number of representors validated their concerns about forest management by referring to the objectives of the Land Use, Planning and Approvals Act, and the definition of “sustainability” which it contains.

We are living in a false economy in Tasmania, in which we refuse to recognize our natural advantages and unique resources. Instead, we compete in markets in which our small size and remoteness are disadvantages. We remove the resources that make us unique and give us an advantage. Instead of replacing our natural forests with man-made ones which will be increasingly costly to maintain in both money and reputation, we should respect and care for those with which we are naturally endowed. This would enable us to gain certification for the *ecological* credentials of our furniture, boats, craft, honey and other products, and sell more of them to an increasingly knowledgeable and discerning market. If we don't do this, it is only a matter of time before any product made from a rain forest species, sourced from old growth forests, will be boycotted with further job losses in these already threatened industries.

Sawmillers

Sawmillers have already seen their industry rationalised significantly in recent years. Aside from the closure of some small sawmills and loss of jobs, people in regional communities are inconvenienced through having to travel to larger centres for their timber needs whilst seeing their local forests disappear. The operations of remaining small sawmillers are likely to be marginalized through reduced availability of quality timber and increased competition from the major players such as Gunns Timber.

Due to the current focus on woodchipping there will be much less quality timber available to process even in the short-term. Despite significant increases in timber woodchipped in Tasmania since 1997, the delivery of logs to sawmills has decreased and sawmilling output has decreased (refer **Section 4.2**). Timber delivered to sawmills today is often in poor condition due to rough handling in the bush by heavy equipment. When forest workers are conscious that the majority of the logs they handle are going to be chipped, and speed of delivery is their escape route from debt, there is little incentive for the exercise of care and judgement in handling and debarking. It is volume rather than quality that is the primary consideration.

Eucalypts need at least 120 years to be mature enough and stable enough to cut for best quality. In regenerated forests established after clear-felling, trees are only ever on a maximum 90-year rotation³². Celery-top pine needs to be at least 250 years old and if sawn any younger its potential value as timber is essentially wasted³³. Forestry Tasmania research shows that 400 years is required for celery-top pine to reach its optimum timber value, with a breast height diameter of 600 mm³⁴.

In 1999-2000, 92% of all timber felled in Tasmania was woodchipped³⁵. When one considers that 50% or more of timber that leaves the forest could be milled in any reasonable attempt to

³² Whiteley, S. (1999). Calculating the sustainable yield of Tasmania's State Forests. *Tasforests* Volume 11, Dec. 1999, p 7.

³³ Davis, Richard, “Boatbuilder – the *Norfolk*”, in Gee, H., *For the Forests: A History of the Tasmanian Forest Campaigns*, Wilderness Society, Hobart, 2001, p 273.

³⁴ Horne, R. and Hickey, J. “Review: Ecological Sensitivity of Australian Rainforests to selective Logging”, *Australian Journal of Ecology*, (16), 1991, p 122.

³⁵ Forestry Tasmania Annual Report 1999-2000 (83.7% of wood extracted from State Forest went directly to woodchip mills). The Ryan Report (1999), op.cit. p 61 detailed the fact that 45-75% sawlogs end up as woodchips.

maximise efficiency, and that sawn timber is worth from 5-20 times as much as woodchips, an idea of the enormous waste can be appreciated. The minimal labour, time, and processing required for woodchipping, combined with enormous volumes of trees obtained for virtually nothing, means woodchipping holds sway over other potential uses of timber.

Furniture designers/makers

A hundred years ago, Tasmania supplied all its own furniture needs and exported its surplus. In 2002, it is a net importer, in spite of the fact that its forests contain some of the best furniture making tree species in the world.³⁶ Furniture designers and makers require small volumes of special Tasmanian timbers and produce unique and distinctly Tasmanian products that can command premium prices in niche markets. The furniture designers and makers have no edge at the quality end of the market using wood from a plantation forest or immature re-growth timber. Plantation timbers provide bland wood: it's the lowest common denominator as noted furniture designer K. Perkins says "*with plantation timber quality does not come into the equation*"³⁷

Timber Workers for Forests consists of experienced users of wood whose livelihoods depend on the quality of their products. Their collective experience over many years has convinced them that there is a significant difference in the quality of timber grown slowly over a long period, compared to rapidly grown eucalypt re-growth and plantation timber, which the current management practices are aimed at producing. Members unanimously maintain that old-growth timber is stronger, more durable, more stable, richer in colour and more attractive to the eye than the re-growth product of the present management regime.

Craft workers

It is safe to say that the impact of craft workers on the forest is negligible compared to the woodchipping industry and also compared to mainstream saw milling because they are essentially gleaners of the clear-felling process. However, an estimated \$20 million per annum comes to the state as a result of tourists purchasing the products of their work³⁸. Top of the list of discretionary expenditure by tourists, after the necessary expenses on food, accommodation and transport is to purchase an item of "Tasmanian wood craft"³⁹. This personal "word of mouth" expression of the Tasmania "brand" is the least expensive and arguably the most effective advertisement for the state as a tourist destination because wood-craft is a tangible link between the Tasmanian community, the tourist and the forest.

Timber splitters

Timber splitters, although common in the early days of European settlement in Tasmania, are now few and far between. Timber splitting is a unique art that is in demand for heritage projects such as restoring buildings with shingle roofs, split palings, slabs or post and rail fences. Timber splitters are masters of selective harvesting. They develop an eye for the correct tree, remove it with minimal disturbance and develop a rapport with the forest environment through working almost entirely with simple hand tools. A single tree can provide employment for several people for many months. Today, timber splitters do not fit into the industrialised scale of forest management and before too long, will be casualties of the rush to seize the land under the existing natural forests for the establishment of re-growth or pulp-wood plantations, at the expense of the availability of appropriate splitting timber.

³⁶ Harris, George, "Forestry Forum", Republic Bar, Hobart, 26/3/02.

³⁷ Perkins, K. "Furniture Designer", in Gee, H. *op.cit.* p.274

³⁸ Harris, George, "Forestry Forum", Republic Bar, Hobart, 26/3/02.

³⁹ Industry Audit, Furniture Designers Association, (G. Harris, pers. com.).

Wooden boat builders

*"The role of wooden boat builders in the ecosystem is a fairly humble one. They intervene just sufficiently in the ongoing cycle of growth and decay for one maybe two generations of our species to satisfy their creative talents, enrich their lives, and have some good sailing."*⁴⁰

The revival of wooden boatbuilding is a worldwide phenomenon that began in North America in the 1970s and is now clearly here to stay. The early emphasis was based on the development of modern epoxy adhesives which had the effect of encouraging amateur boat building, using plywood, strip planking and cold moulding. The next development was a growing interest in North America, Japan, and Europe, in traditional construction, using solid wood, just as world supplies of durable timbers were becoming seriously depleted. Tasmania is one of the few places in the world able to take advantage of this turn of events, but will not be for much longer if present practices continue. As huon pine is so slow growing that it is for practical purposes a non-renewable resource, celery-top pine is increasingly important, as it is slow growing and stable and still forms a substantial component of production forests, which could be managed to provide a perpetual, if small supply. This would be a great advantage to Tasmania, because 3 cubic metres of celery top pine is all that is required to plank the hull of a vessel worth about \$150,000 on the international market.

This is potentially a very large market that Tasmanian boatbuilders have only just begun to enter. *WoodenBoat* magazine, based in the United States, published a reader survey in 1997 which showed 107,500 readers with an average household income of \$US 96,420 per year. Twenty four percent of them intended to purchase a new wooden boat within the next twelve months.⁴¹ Other similar publications include *Classic Boat*, *Watercraft* (UK), *Chasse Maree* (France) and *Maritime Life and Traditions* (USA/France), all of which demonstrate a strong reader interest in traditional solid wood construction of a range of craft from replicas of large historic vessels to new yachts of classic construction and design to small traditional clinker sailing and rowing dinghies.

This is the global context in which Tasmanian old growth forests are being cut so rapidly that there is a glut on the market of high quality, potentially very valuable timber. The market for celery-top pine poles is a local and limited one, but the clear-felling process which floods the market with them results in *all the celery-top pine in a given coupe being felled, regardless of age, at the same time.*⁴² This means that relatively young trees, less than 200 years old will always be in the majority of the trees that are felled. It is only after this age is reached, when the lower branches have fallen off and the knots close to the heart have become occluded that the clear timber begins to grow all around the tree. This is the high class material, which boatbuilders and furniture makers need to maintain Tasmania's reputation. Immature trees are best left standing.

4.2 Woodchippers the winners

People working with solid timber products in Tasmania are the losers and woodchipping companies and their shareholders, the majority of whom are not Tasmanians, the winners. Woodchipping companies do very well because they obtain the raw material at royalty rates, reportedly often around \$7 per tonne, and in one step, by chipping it, value add about ten-fold,

⁴⁰ Young, J. *Wooden boat building in the 21st century*. Published in *Signals* 1999.

⁴¹ *WoodenBoat* Reader Survey, May 1997, *WoodenBoat* publications, Brooklin, Maine.

⁴² Green, G., *op.cit* : "an estimated 400 tonnes of immature celery-top pine was recently cut from a coupe to be sold for building poles or to be burnt."

and sell the woodchips at around ~\$72 per tonne⁴³. The woodchipping companies are also heavily subsidised by the Tasmanian tax payers who foot the bill for opening up public land to clear-felling, for heavily engineered roads and bridges and the environmental consequences of clear-felling.

The woodchipping companies also do well out of administrative arrangements in which the industry has been given virtually total self-regulation, often combined with exemptions from some planning and environmental legislation⁴⁴.

With record and escalating woodchipping, there is also untold impact upon the social well-being of Tasmanians with roads dominated by log trucks, smoke from forest burns, loss of landscape values, use of herbicides, pesticides such as 1080, loss of wildlife and forest diversity, and proposed bulldozing of houses for new roads.

Wood Chip Production breaks records

Australian Bureau of Statistics (ABS) figures indicate an increase in woodchip production in recent years (**Table 13**). Woodchip production levels broke records in seven consecutive quarters from March 1999 through to September 2000. At the same time saw milling output has decreased, down 7.5% in 2000-2001 to 338,000 cubic metres.⁴⁵

Table 13: Woodchip production in Tasmania

Year	Chipped and Ground wood Production in tonnes (green weight)
1997-1998	4,440,100
1998-1999	3,929,900
1999-2000	5,145,300
2000-2001	5,300,300
	Statistics are no longer available on business confidentiality grounds.

Source: Australian Bureau of Statistics, Tasmanian Statistical Indicators

Aside from the huge tonnages of native forest timber woodchipped, there is evidence that even more is burnt on the forest floor each year. One recent study has shown that an estimated 100,000 tonnes of timber was left and windrowed for burning, in a single 127 ha old-growth coupe⁴⁶.

5. Alternatives

If we are to continue harvesting timber from native forests, we must shift to local value adding and downstream processing using small volumes of world-class timber. This is the best chance of creating jobs from native forests on a sustainable basis. Local wooden boatbuilding, furniture making, the craft wood industry, bee-keepers and other small operators would see their future secured as the Tasmanian reputation for excellence in high quality production was reinforced

⁴³ Gunns Annual Report, 2001.

⁴⁴ For example, Threatened Species Protection Act, 1995, Threatened Species Amendment Bill, 2001 and Land Use Planning and Approvals Act, 1993.

⁴⁵ ABS - Tasmanian Statistical Indicators.

⁴⁶ Green, G., op.cit p 7.

and extended. Such workers contribute greatly to Tasmanian society, culture and economy. We need to promote alternative native forest management options that will foster long-term growth in the industry whilst sustaining the environment on which it relies. In this way, we will create industries that will fit with the Tasmanian “brand” of a clean, green and clever community. In turn, this strategy will enhance the growth of a sustainable tourist industry, catering for the discerning and intelligent visitor and traveller.

5.1 Southwood Resources Huon: the industrial alternative

Forest industry groups have been increasingly aware of the problems demonstrated above, but instead of considering alternatives that maximize community benefits while minimizing environmental impact and dependence on overseas investment, they have proposed a succession of ambitious schemes with high capital investment, high environmental impact and high social cost such as the present Southwood project.

Southwood Resources – Huon, and similar projects that have recently been proposed in Tasmania, offer no real alternative. These projects simply offer more of the same under the guise of down-stream processing and job creation. Planned timber consumption for Southwood is 838,000 tonnes of “native forest” per annum. The major output from Southwood is 74% woodchips, while 36% (300,000 tonnes) of the timber coming to the Southwood site is to be used to fuel the proposed site power station⁴⁷. Until 2013, “35-40%” of the total of the timber harvested in the southern forests will be “mature wood”,⁴⁸ and it is clear that a significant proportion of it will go to Southwood⁴⁹ and that some of it will go to fuel the proposed Southwood power station⁵⁰. After 2013, there is unlikely to be any old growth forest left in the production areas outside the Special Timber Management Units.

If the Southwood project was, as its proponents claimed, “all about” adding value to younger regrowth wood⁵¹, and if it also included skill based value adding to solid timber, as well as automated, volume production of pseudo-wood products, it would achieve a much higher ratio of employment to investment. The improved benefit to the local community, together with the cessation of clear felling in old growth forests, might entitle the Huon district and the Southwood project to certification by the ecologically reputable and internationally recognized, Forest Stewardship Council. This would open up new export markets for Tasmanian timber products, which would be ethical, profitable and sustainable.

As it is, the Southwood project offers the Huon Valley community a second rate alternative. There has been no independent cost-benefit study or analysis of the Southwood project to determine the social and economic benefits to the local region. Many local residents find the proposal to route a large number of heavy vehicles *via* a new highway through the middle of a uniquely tranquil and beautiful village totally incomprehensible, and it will be strenuously opposed. It is likely that the loss of property values, beauty, amenity and community integrity will outweigh any benefits by a considerable margin.

⁴⁷ “The Wood Centre –Southwood Resources – Huon. Development Proposal and Environmental Management Plan, August 2001, Forestry Tasmania, SEMF Holdings, Hobart, p.vii

⁴⁸ Tomat, D. (Forestry Tasmania) to Weist, I. (Southern Forests Community Group), correspondence 21/4/01

⁴⁹ “The Wood Centre –Southwood Resources – Huon. Development Proposal and Environmental Management Plan, August 2001, Forestry Tasmania, SEMF Holdings, Hobart, piii, p.x,

⁵⁰ *Ibid*, p.231 referring to the “fuelwood processor” notes, “Special species timbers with a craft or sawlog value will be diverted from the infeed deck to a stockpile”. By implication, special species timber cut immature as a result of clear felling, will not be diverted from the infeed deck, and will be converted to fuel wood.

⁵¹ Huon News, 1/8/01.

The first priority, to enable more ecologically sustainable and socially beneficial alternatives to be introduced, is for a moratorium on clear-felling in old growth forests to begin immediately, especially in contentious areas with high conservation values forests. This will enable harvesting priorities to be re-focussed and sustainable local industries and communities to establish themselves. Big industry now has an adequate resource for its needs from re-growth and plantation forests. If, as the proponents of the Southwood project claim, its success is dependent on re-growth and plantation forests alone, there is little justification for clear-felling the remaining old growth forests in the timber production areas, and the removal of the irreplaceable resource they represent.

5.2 Ecologically sustainable alternatives : Re-focus harvesting priorities

There needs to be a moratorium on clear-felling of old growth and mature re-growth forests, particularly the contentious areas with high conservation value, such as the Styx Valley, Weld River Valley, east Picton, upper Huon, the north-west forests (Tarkine) and the Great Western Tiers. Unprotected forests of high conservation value which have been listed on the Register of the National Estate and have documented World Heritage value should not be touched.

There needs to be a greater focus on re-clearing of failed regeneration areas and areas of degraded or poor quality forest. These should be the first areas to be harvested rather than the last. Harvesting effort needs to be focused in areas previously logged or disturbed and should lie close to an existing network of roads. In Tasmania's south, stands of native forest containing celery-top pine, sassafras, leatherwood, myrtle and other specialty timbers, including eucalypt, can be made available from the catchments of the Arve, Esperence, Russell and Lune Rivers, under a selective logging regime without affecting wilderness, rainforests or endangered species, by including all the remaining old growth forests in the timber production areas in the Special Timbers Management Units, and further refining the ways in which they must be managed. All timbers extracted must be processed in Tasmania, preferably within the local region.

5.3 Ecologically sustainable Forest management concepts

Regional forest concept

The Regional Forest Concept was developed by the Southern Forests Community Group as an alternative way to manage Tasmania's Southern Forests to be managed by a board of management inclusive of all stakeholders.

The concept emphasised the need for a change of emphasis from the current concentration on harvesting plans to the development of detailed and comprehensive forest management plans for each small and distinctive area of a regional forest. A comprehensive marketing strategy for the high quality wood and non-wood products of the regional forest, with an emphasis on local value adding was to be developed from the start. Certification of ecologically sustainable timber products would result in a ready export market and premium prices for the products of the local forest based industries. This management strategy would support the establishment of a Woodskills Institute in Geeveston. Together with the creation of 100 new and permanent jobs in the Huon there would be exponential job creation potential through downstream processing in high value adding local industries resulting from the combination of local resource security and locally focussed training opportunities.⁵²

⁵² SFCG (1995). The Regional Forest Concept – a discussion paper to inform southern forests land-use strategy. Prepared by Southern Forests Community Group.

Industries producing high quality timber products would be intensive employers and create many new jobs. Long-term guarantees of supply (real resource security) and quality are prerequisites for the establishment of new industries.

Ecoforestry

Ecoforestry is a long-term ecologically sustainable and economically sound alternative to current conventional forest management. Its basis is maintaining the ‘natural capital’ of the forest ecosystem, while allowing a wide range of values and benefits to be derived from the ‘interest’ of the forest.

Nature knows best how to manage forests. By working within the limits of natural processes, timber needs can be sustained in perpetuity. Ecoforestry strives to conserve the structure, function and composition of the forest.

Self-sufficient and stable human communities can grow strong from a sense of place, recognition of interdependence and respect for the forest. Some key values of ecoforestry are ecological integrity, community vitality and economic opportunity. Its methods are specific to bioregions and forest ecosystems and are evolving as we learn more. Ecoforestry favours value-added manufacturing and *local* jobs by providing a continuing, diverse and *local* supply of forest products.

Ecoforestry is a low-impact approach to forest management that maintains a fully functioning forest within the natural historic range of spatial and temporal variability. Its practices favour native tree and plant species, which provide for the needs of wildlife and their habitats. Examples of the basic ecoforestry principles and practices are:

- observing the structure, function, composition and natural changes of forest ecosystems, learning from these and using management practices that mimic them;
- preserving the natural diversity of ages, heights and species of trees;
- Protecting wildlife and their habitats;
- managing for logs as just one possible product among many non-timber forest products;
- focusing on what should be left after harvesting (in order to keep the ecosystem functioning) rather than focusing on what one takes;
- the volume of trees removed is less than the forests growth rate, in each coupe or harvested area, not on a “landscape” basis in which the conservation of some areas is used to justify the ecological destruction of other areas;
- using low-impact logging systems;
- promoting natural regeneration;
- appreciating all the other forest values (aesthetic, spiritual, genetic, recreational, protective) at least as much as the monetary value of marketable products;
- the precautionary principle: when in doubt, as to whether a potential action in the forest may be harmful to the ecosystem or not, don’t do it!⁵³

⁵³ www.ecoforestry.ca

5.4 Better use of timber

Several suggestions have been made in the past for value-adding developments, based on the promise, which arose from the Lemonthyme and Southern Forests Inquiry, November 1988, for the establishment of a “woodskills centre”.⁵⁴ These were ignored, but would have achieved high rates of employment and involved relatively low levels of investment.

Tasmania would be far better placed in terms of downstream processing if small sawmills were able to process timber that is currently being woodchipped. There are markets currently available for ‘Tas oak’ framing grade timber on the mainland that would pay \$800 - \$1,400 m³ for the wood⁵⁵. Currently at big automated sawmills there is only 22-28% sawn timber recovery from category 1 & 3 hardwood saw logs and just 8-18% recovery from category 2 & 8 logs⁵⁶, the rest is woodchipped. If the sawmills used even the category 8 woodchip logs and milled them using a slightly different system, like the old style breast bench type of mill, logs could actually be cut to advantage and projected into a different market, where experiments show a yield of over 40% furniture grade boards from what would have been a woodchip log⁵⁷.

5.5 Certification of native forest timber

If a truly sustainable yield was achieved from Tasmania’s forests, the products from the forests could obtain certification by the International **Forest Stewardship Council** (FSC) (see below). With that internationally recognised, prestigious labelling, Tasmanian timber products would attract a market premium. The demand from an increasingly discerning international market would create opportunities for the development of industries that produce world class products from some of the finest timber in the world. Such products would achieve very high added value from relatively low volumes of timber. Tasmanian timber products have already been subjected to boycotts and pickets overseas, as the reputation of Forestry Tasmania’s unsustainable practices in old growth forests becomes more widely known. While such practices continue, it will be impossible for special species users to obtain “ecologically sustainable” certification from the Forest Stewardship Council, now the most credible and influential international certification body.

FSC certification is not to be confused with the fledgling **Australian Forestry Standard** (AFS), which is industry, is headed by a senior manager of Forestry Tasmania⁵⁸, and has an agenda to form an eco-label for the clear felling of old-growth forests. It is significant that while on one hand, Forestry Tasmania claims that its practices are already sustainable, it also supports the development of a standard that, it claims, will “support continued improvement towards sustainable forest management”⁵⁹. The essential qualifying word, “ecologically” is increasingly absent from sustainability rhetoric for obvious reasons.

Forestry Tasmania have recently received **ISO 14001** certification which is the international standard for environmental management through Quality Assurance Services. This standard has been developed to measure the effectiveness of environmental management systems and verify

⁵⁴ Perkins, K, “Huon Woodskills Centre”, 1989; Gregory, M, “Huon Woodskills Centre Discussion Paper, October 1991; Young, J. and Tierney, T., “Wood Skills Training Centre Proposal”, Huon Valley Chamber of Commerce, September 1992. There were also several proposals for Summer Schools e.g. Tatton, M., “Picton Forest Summer School”, July 1992; Tatton, M. and Perkins, K., “Bush Culture Summer School, South West Forests”, January 1993.

⁵⁵ G. Manning, sawmiller, pers. comm., 1/2002.

⁵⁶ Ryan Report, 1999, *op.cit.*, p 61.

⁵⁷ Booth, Kim, “Local Sawmiller”, in Gee, H. *op.cit.* p.293

⁵⁸ Timbertrader News, May 2002, p 8.

⁵⁹ *Ibid.*

continual improvement in an organisation's environmental management systems⁶⁰. Essentially ISO 14001 is validating Forestry Tasmania's current practices of clear-felling old-growth forests, burning valuable specialty timbers, killing native wildlife with 1080 poison and establishing monoculture plantations of pulpwood trees.

Forest Stewardship Council

The Forest Stewardship Council (FSC) is currently the world's most universally recognised independent certification system. Founded in Canada in 1993, its objective is to promote environmentally responsible, socially beneficial and economically valuable management of forests worldwide. The FSC aims to promote environmental standards and timber products, which have to comply with clearly agreed and measurable environmental standards *via* ten internationally binding principles and criteria. The FSC principle demands that all stakeholders determine which forests should be protected and how forests should be managed. A growing number of consumers of timber have changed their buying habits and have switched to FSC certified timber. This ensures that: timber harvesting is ecologically sound and socially and economically beneficial to local communities; it creates market incentives for producers to responsibly manage forests and harvest timber; it gives consumers the chance to positively 'vote' for conservation when they buy certified wood products; it contributes to the preservation of forests and forest wildlife world wide.

6. Implementation of alternatives

A change to a restructured timber industry is not an easy step and will require a deal of initial upheaval and restructuring, and a staged adoption of the alternative management options mentioned above. Of greatest urgency is the cessation of clear-felling of old-growth forests, a move that will require the restructuring of approximately 325 jobs (**Section 3.3**). The majority of these jobs are probably in transport, and some of these can be diverted into transporting logs from regenerated coupes. Others could be employed in selective logging of specialty timber, which is more labour intensive and would require some re-skilling.

It is proposed that people immediately affected be offered re-training packages in developing wood-skills industries such as boat building and furniture making and in the alternative forest management practices outlined above creating an industry that emphasizes links between communities and forests and exemplifies the clean green publicity instead of contradicting it. Such people would be well placed to capitalise on positions in new wood skills centres that use certified timber and focus on output of high quality distinctly Tasmanian products targeting niche markets.

A crucial element to a successful transition is the determination of the government and Forestry Tasmania to achieve it and to explore and develop niche markets with the same enthusiasm and commitment that is currently devoted to selling woodchips.

Marketing programs targeting eco-tourism initiatives focusing on the world's tallest hardwood trees in the Styx Valley would capitalise upon the developing sustainable and certified timber industry. Our current tourism industry is jeopardised as more people become aware of Tasmania's double standard in presenting a natural image whilst trying to cover up clear-fell and burn forest management in high quality forests.

⁶⁰ Quality Assurance Services media release 26/1/2002. www.qas.com.au

International reputation would soon be established for Tasmania as a centre of excellence in forest management, quality timbers and wood-skills centres. These are fundamental aspects in creating the building blocks of regional communities, new opportunity, economic self-reliance and sustainable population.

Resources required are envisaged to be in the order of \$40 million - \$30 million for retraining schemes and \$10 million for machinery and timber license buy-back schemes. This amount of money is a small price to pay to initiate the transition to a restructured industry, particularly given that \$80 million has been allocated for re-training of displaced timber workers in Victoria⁶¹ and that Tasmania has received \$71 million over the last three years in RFA compensation money⁶².

Alternative forest management schemes have already been successfully adopted in south-east Queensland where remaining State forest (425,000 ha) was re-gazetted as reserve, and is now managed by the Parks and Wildlife Service. Forest employees were offered a wage for retraining in park management.⁶³

7. Conclusion

It is clear that the forest industry in Tasmania currently only serves a select few. Propaganda campaigns from the industry and industry lobby groups attempt to deceive the Tasmanian community into believing that everything is under control and that all future needs will be catered for in plantations of fast growing eucalypts. It is becoming more and more obvious to the broader community that the runs are not on the board. The industry has become an alarming sink for public funds and major contributor to loss of environmental values, loss of opportunity, loss of community and social values, ever-dwindling jobs and the dissipation of community energy and skill, which could be used more productively. If change is not made soon it is obvious that Tasmania will follow in the footsteps of Victoria where it has been recently announced that the timber industry is to shed 800 - 1,500 jobs and that sawmills will close following miscalculation of timber volumes and admitted unsustainable cuts.⁶⁴

To move forward there needs to be a fundamental shift in forest management in Tasmania that takes the focus away from large harvest volume by clear-fell and burn in mature native forests, for minimal benefit to local communities. In Tasmania's southern multiple use forests, for example, most of the once extensive old growth forest will be gone within the next two decades, leaving a 500 year wait for the next crop. The urgency to act has never been so great.

A forward-looking Tasmanian government would have anticipated and by now, have begun to implement these changes before being forced to by final necessity. But there is still time to create a sustainable future for all timber users and forest communities.

This is a complex, not a simple problem and requires humility, honesty, trust and co-operation between forest managers, government, timber workers and those with expertise to pass on in the community to begin to develop a blueprint for a sensible, safe and inclusive future forest management regime. Ours will be the last generation to have this opportunity.

⁶¹ Fact sheet – Our forests, our future. Workers assistance package. Dept. Natural Resources and Environment, Victoria, 2002.

⁶² Tasmanian Regional Forest Agreement 1997, p 27.

⁶³ B. Moody, Parks & Wildlife Service, Queensland, pers. comm., 3/2002.

⁶⁴ Way & McCallum (2002). Business Review Weekly, April 4-10 2002, pp 54-57.

*Take only what you need, and do not waste what you take. Harvest with care. Honour and appreciate everything you get and everything around you. Share with others; do not hoard. Observe carefully for signs of scarcity or overuse, and if you find them, change your use patterns.*⁶⁵

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APPENDIX 1 - Special Timbers Management Units

Forestry Tasmania began the establishment of Special Timbers Management Units (STMUs) in 1995, mainly in the north-west of the island, but also in the valleys of the Huon, Picton, Weld and Arve rivers in the South-East. In most cases, the fact that they were areas that contained rain forest species, and consisted of old growth forest of high conservation value, meant that they were hard up against the boundary of the World Heritage Area, and were potentially contentious. However, in February 1996 further areas were added, with the result that there are now, (as of June 1999), 57,693 ha of Special Timber Management Units throughout Tasmania. The area in the southern forests was increased from about 2,000 ha to about 7,900 ha⁶⁶.

In 1997 the Regional Forest Agreement was signed between the Commonwealth and Tasmanian governments. This agreement set aside “Comprehensive, Adequate and Representative” reserves, thus placing “agreed” boundaries between conservation areas and timber production areas. A major priority in these areas will be the “sustainable production of special species timbers” by means of what is described as “long rotation selective harvesting”.⁶⁷

The precise meaning of these words, and how they will be reflected in harvesting practice is difficult to determine. “Rotation” is a word commonly used in relation to clearfelling of re-growth eucalypt forest, while “selective” is commonly understood as the extraction of single trees or small groups of trees. Our discussions with Forestry Tasmania staff have led to the conclusion that some clearfelling may occur within the STMUs, and that relatively little is known of the structural detail of the individual units. We have been told that the choice of harvesting method and the species targeted will be “product driven,” within the constraint of “ecological sustainability” on a coupe by coupe basis. It seems that Forestry Tasmania does not wish to commit itself to a course of action which it may be forced to abandon later on, because no audit of the contents of the STMUs has yet been done, commercial pressure for mature Eucalypt product may increase, and it does not yet have the knowledge to determine what an ecologically sustainable harvest from the STMUs would be, or the detail of how it would be achieved.

Research to find the answers to these questions is so far limited to approximate estimates of the volumes of various species, and to a single trial of single tree/small group selection logging within the Warra Long Term Ecological Research Area, which took place in 2000-2001.

Community groups were involved in the planning of this experiment, but when implementation began, the Southern Forests Community Group, which suggested it in the first place, withdrew from the process, on the grounds that their original vision of minimal impact harvesting had been lost. It was agreed that 20% of the bio-mass should be harvested, with a planned harvest interval of 20 years, resulting in this case, in the removal of 40 m³ of timber at each harvest, and that a minimum of 75% of forest cover was to be retained. However the size of the machinery used, including a 30 ton excavator, meant that the “snig track” was relatively large. A more serious problem was the decision made by the Occupational Health and Safety officer, that 14 large eucalypts within the 10 ha coupe had to be destroyed by means of explosives before harvesting commenced. This caused considerable collateral damage. Cables were then used to drag some of the timber out, without the use of snatch blocks to hold the cable away from trees left standing, which caused further damage. The use of very expensive and inappropriate

⁶⁶ Huon Forest District Management Plan February 1996

⁶⁷ Brueckner Leech, “Special Timbers Supply Chain Review”, Tasmania Department of State Development, Business Tasmania, August 1999, p.22

methods of harvesting resulted, not surprisingly, in the conclusion that the exercise had been an unprofitable one⁶⁸.

The opinion of Timber Workers For Forests is that this conclusion had been over anticipated, and that with the use of residual expertise from the local community as a starting point, research on methods used overseas, thorough market research, and a determination to discover the best possible way of doing the job, as opposed to a pessimistic prognosis based on the risks and costs associated with the technology normally used for clear felling⁶⁹, better results could have been achieved. As it is, it seems reasonable to conclude that without a new and more serious trial of single stem and small group selection and an OH&S regime specially designed for this purpose, the prospects for the use of these methods in the management of the Special Timber Management Units are not good, and that their ecological sustainability will be compromised.

⁶⁸ Hickey, J.E., Warra Silvicultural Systems Trial, Special Species Sawmillers Field Day, 25 January 02 circulated field notes.

⁶⁹ Hickey, J.E. & Neyland, M.G. (2000). "Testing silvicultural options for mixed forest (Eucalyptus-Nothofagus) regeneration in Tasmania". In: Sustainable Management of Indigenous Forest, Proceedings of a symposium at the Southern Connection Congress III, 65-73. Lincoln University, Christchurch. 16-22 January 2000 Wickliffe Press Ltd.