



REPORT OF THE  
STANDING COMMITTEE ON ECOLOGICALLY SUSTAINABLE  
DEVELOPMENT

IN RELATION TO

*Management of and Planning for the Use of State Forests in  
Western Australia: THE REGIONAL FOREST AGREEMENT  
PROCESS*

Presented by the Hon Dr Christine Sharp (Chair)

## **STANDING COMMITTEE ON ECOLOGICALLY SUSTAINABLE DEVELOPMENT**

### **Date first appointed:**

26 June 1997

### **Terms of Reference:**

1. A Standing Committee on Ecologically Sustainable Development is established.
2. The committee consists of 5 members.
3. The functions of the committee are to inquire into and report to the House on:
  - (a) any matter in Western Australia concerning or relating to the planning for or management, use or development of natural resources and the environment having particular regard to demographic, economic, ecological, technological and lifestyle and settlement factors and concerns; and
  - (b) any Bill or matter referred to it by the House.

### **Members at the time of this inquiry:**

Hon Dr Christine Sharp MLC (Chair)

Hon Norm Kelly MLC

Hon Ljiljana Ravlich MLC

Hon Greg Smith MLC

Hon Dexter Davies MLC (from 12 August 1998)

Hon Murray Criddle MLC (Deputy Chair) (until 29 July 1998)

### **Staff at the time of this inquiry:**

Mr Michael Coleman, Advisory/Research Officer

Ms Kelly Campbell, Committee Clerk

### **Address:**

Parliament House, Perth WA 6000, Telephone (08) 9222 7222

**ISBN 0 7309 8890 2**

## CONTENTS

GLOSSARY .....	i	
CHAPTER 1	SCOPE OF THIS REPORT .....	1
1.1	SCOPE OF THIS REPORT .....	1
1.2	TERMS OF REFERENCE OF THE INQUIRY .....	1
CHAPTER 2	EXECUTIVE SUMMARY AND RECOMMENDATIONS .....	2
2.1	EXECUTIVE SUMMARY .....	2
2.1.1	Introduction .....	2
2.1.2	Compliance with Commonwealth laws .....	2
2.1.3	Comprehensive Regional Assessment .....	3
2.1.4	Legislated resource security .....	3
2.1.5	Socio-political resource security .....	4
2.1.6	A Comprehensive, Adequate and Representative reserve system .....	4
2.1.7	Ecologically Sustainable Forest Management .....	5
2.1.8	Forest-related industries other than the timber industry .....	6
2.2	RECOMMENDATIONS .....	6
CHAPTER 3	PROCEDURE OF THE INQUIRY .....	10
3.1	PUBLIC HEARINGS IN THE SOUTH-WEST REGION .....	10
3.2	HEARINGS WITH REPRESENTATIVES OF KEY GROUPS .....	10
3.3	VISITS TO SITES IN THE SOUTH-WEST .....	10
3.4	PUBLIC SUBMISSIONS .....	11
3.5	RESEARCH .....	11
CHAPTER 4	INTRODUCTION: THE REASONS FOR THIS INQUIRY .....	12
4.1	INTERIM REPORT .....	12
4.2	CONTRIBUTION OF THIS REPORT TO THE RFA PROCESS .....	13
CHAPTER 5	INTENDED OUTCOMES OF THE REGIONAL FOREST AGREEMENT PROCESS .....	14
5.1	INTRODUCTION TO THE REGIONAL FOREST AGREEMENT PROCESS .....	14
5.2	IDENTIFYING THE INTENDED OUTCOMES OF THE RFA PROCESS .....	15
CHAPTER 6	BACKGROUND: THE RFA PROCESS IN WESTERN AUSTRALIA THUS FAR .....	18
6.1	INTRODUCTION .....	18
6.2	NATIONAL FOREST POLICY STATEMENT (1992) .....	18
6.3	DEFERRED FOREST AGREEMENT (1995) .....	19
6.4	SCOPING AGREEMENT FOR A WESTERN AUSTRALIAN REGIONAL FOREST AGREEMENT (1996) .....	21
6.5	STAKEHOLDER REFERENCE GROUP (1996-98) .....	21
6.6	JANIS CRITERIA: A COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE RESERVE SYSTEM (1997) .....	22
6.7	STEERING COMMITTEE PROJECTS (1996-98) .....	22
6.8	COMPREHENSIVE REGIONAL ASSESSMENT (1998) .....	23
6.9	THE PUBLIC CONSULTATION PAPER .....	23
6.10	COMPLETION OF THE RFA PROCESS .....	25

6.11	ASSESSMENT BY THE WA ENVIRONMENTAL PROTECTION AUTHORITY .....	25
CHAPTER 7	ANALYSIS OF THE EXTENT TO WHICH THE RFA PROCESS WILL ACHIEVE ITS INTENDED OUTCOMES .....	29
7.1	COMPLIANCE WITH THE COMMONWEALTH <i>EXPORT CONTROL (HARDWOOD WOOD CHIPS) REGULATIONS 1996</i> UNDER THE <i>EXPORT CONTROL ACT 1982</i> , AND MEETING REQUIREMENTS OF OTHER COMMONWEALTH LAWS .....	30
7.1.1	Nature of the Commonwealth Regulations .....	30
7.2	COMPREHENSIVE REGIONAL ASSESSMENT .....	32
7.2.1	What a Comprehensive Regional Assessment is .....	32
7.2.2	Apparent inaccuracies in the Comprehensive Regional Assessment .....	32
7.3	LEGISLATED RESOURCE SECURITY FOR THE TIMBER INDUSTRY .....	38
7.3.1	Timber industry's need for resource security .....	38
7.3.2	Current levels of resource security .....	39
7.3.3	What the RFA can do to promote legislative resource security .....	42
7.4	SOCIAL AND POLITICAL RESOURCE SECURITY FOR THE TIMBER INDUSTRY .....	48
7.4.1	Timber industry's need for resource security in a socio-political sense .....	48
7.4.2	The RFA public consultation process .....	51
7.4.3	Areas of community concern .....	52
7.4.4	The RFA process in Queensland .....	56
7.5	A COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE RESERVE SYSTEM .....	62
7.5.1	Criteria for a Comprehensive, Adequate and Representative reserve system .....	62
7.5.2	Is a percentage-driven reserve system appropriate? .....	64
7.5.3	Definition of "old growth" .....	67
7.5.4	Definition of "reservation": informal reserves .....	70
7.5.5	Proposals for reservation under the RFA .....	71
7.6	WILL THE RFA ENSURE ECOLOGICALLY SUSTAINABLE FOREST MANAGEMENT? .....	75
7.6.1	Introduction .....	75
7.6.2	Quantitative ESFM measure: maximum sustainable yield ..	75
7.6.3	Other ESFM indicators: ecological values and timber quality .....	81
7.7	PROMOTION OF FOREST-RELATED RESOURCE USE OPTIONS APART FROM THE NATIVE FOREST TIMBER INDUSTRY .....	85
7.7.1	Role of the RFA process in promoting forest based resource use options .....	85
7.7.2	How non-timber industries are affected by the RFA process	85

APPENDIX A:	SUBMITTORS AT HEARINGS IN THE SOUTH WEST .....	89
APPENDIX B:	SUBMITTORS AT HEARINGS IN PERTH .....	90
APPENDIX C:	PERSONS WHO MADE WRITTEN SUBMISSIONS .....	91
APPENDIX D:	EXTRACT FROM THE PUBLIC CONSULTATION PAPER: OBJECTIVES FOR THE REGIONAL FOREST AGREEMENT .....	93
APPENDIX E:	RFA STAKEHOLDER REFERENCE GROUP MEETINGS .....	96
APPENDIX F:	EXTRACT FROM THE PUBLIC CONSULTATION PAPER: THE JANIS RESERVE CRITERIA .....	97
APPENDIX G:	RFA REPORTS PUBLISHED BY THE STEERING COMMITTEE .....	98
BIBLIOGRAPHY .....		100

## GLOSSARY

ABARE	Australian Bureau of Agricultural and Resource Economics
CALM	Department of Conservation and Land Management
CALM Act	<i>Conservation and Land Management Act 1984</i>
CAR	Comprehensive, Adequate and Representative (used in relation to the reserve system under the JANIS criteria)
CRA	Comprehensive Regional Assessment
EPA	Environmental Protection Authority (State)
ESFM	Ecologically Sustainable Forest Management
FIF(WA)	Forest Industry Federation (Western Australia)
FISAP	Forest Industry Structural Adjustment Package
FPS	Forest Protection Society
JANIS	Joint Australian and New Zealand Environment and Conservation Council (ANZECC)/Ministerial Council on Forestry, Fisheries and Aquaculture (MCFFA) National Forest Policy Statement Implementation Sub-committee
JANIS criteria	Nationally Agreed Criteria for the Establishment of a Comprehensive, Adequate and Representative Reserve System for Forests
PCP or Public Consultation Paper	<i>Towards a Regional Forest Agreement for the South West Forest Region of Western Australia - a Paper to Assist Public Consultation</i> , published by the Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998)
RFA	Regional Forest Agreement
Steering Committee	Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee

---

# CHAPTER 1

## SCOPE OF THIS REPORT

---

### 1.1 SCOPE OF THIS REPORT

**This Report sets out the Committee's findings in relation to the Regional Forest Agreement process, one of the terms of reference of a broader inquiry into forest management.**

### 1.2 TERMS OF REFERENCE OF THE INQUIRY

The Committee established its inquiry into the management of and planning for the use of State forests on 22 July 1997, with the following terms of reference.

“That the Committee inquire into and report to the House on the management of and planning for the use of State forests in Western Australia. This inquiry will review:

- (a) the sustainability of current logging practices;
- (b) timber royalties;
- (c) the *Wood Chipping Industry Agreement Act 1969*;
- (d) the Regional Forest Agreement process;**
- (e) protection of high conservation value forests;
- (f) substitution by plantation resources; and
- (g) employment opportunities and long term forest-related industry planning.”

The Committee intends to report its findings in relation to the remaining terms of reference in due course.

---

## CHAPTER 2

# EXECUTIVE SUMMARY AND RECOMMENDATIONS

---

## 2.1 EXECUTIVE SUMMARY

### 2.1.1 Introduction

The Regional Forest Agreement or RFA will be a 20 year agreement between the Western Australian Government and the Federal Government about management of Western Australia's south-west forests.

In May 1998 the Joint Commonwealth and Western Australian Regional Forest Agreement Steering Committee released the Public Consultation Paper for the RFA process, titled "*Towards a Regional Forest Agreement for the South West Forest Region of Western Australia - a Paper to Assist Public Consultation*". At that time this Committee determined to report on the RFA process as soon as practical.

The Committee sees its primary task as assessing how effective the RFA process has been to date in achieving the outcomes intended by the Western Australian Government.

There is some inconsistency within RFA documentation about whether a draft RFA will require assessment by Western Australia's Environmental Protection Authority. The Committee proposes that the Western Australian Minister for the Environment ensure that the intention of the 1995 Scoping Agreement for the RFA be carried out, by release of a draft RFA for public comment and assessment by the State Environmental Protection Authority.

### 2.1.2 Compliance with Commonwealth laws

When an RFA is signed, the Commonwealth's legal requirements in respect of native forest woodchip exports will be met. This will remove a degree of uncertainty faced by Western Australia's sole native chip exporter, West Australian Chip and Pulp Co Pty Ltd.

If the Commonwealth's *Regional Forest Agreements Bill 1998* becomes law, other potential Commonwealth powers over Western Australia's forest region will no longer apply.



### **2.1.3 Comprehensive Regional Assessment**

Much of the conflict and mistrust surrounding the RFA process stems from the lack of acceptance of the generally agreed definitions for terms used in the RFA process. It is essential to the success of the RFA process that the process establish credible, repeatable baseline data and commonly agreed, consistently used definitions. The Comprehensive Regional Assessment conducted for the RFA is ideally placed to achieve this outcome.

The work done to prepare the Comprehensive Regional Assessment is clearly valuable, regardless of what shape the RFA takes.

However the opportunity offered by the RFA process for the Governments to produce credible, repeatable baseline data using commonly agreed, consistently used definitions may not have been utilised to the full.

This shortcoming does not mean that the RFA process has not produced a valid Comprehensive Regional Assessment, but that work remains to be done so that the full benefits of the Comprehensive Regional Assessment may emerge. The Committee sees two means by which this intended outcome of the RFA can be promoted.

First, information produced in the remainder of the RFA process should be clearly presented and explained so that interested members of the public can come to an understanding of how the information relates to current forest management.

Second, the baseline data established in the Comprehensive Regional Assessment should be adopted for all forest-related materials and information produced by the Western Australian Government in future, particularly the Forest Management Plan which will follow the RFA.

### **2.1.4 Legislated resource security**

As the degree of security available to industry in a legal sense is already high, there is limited scope for it to be improved by the RFA.

The major achievement of the RFA in offering increased certainty is therefore not a change in the law but simply the length over which it is intended to operate. The RFA is offering industry guaranteed levels of access for 20 years.

The Committee supports the proposed RFA outcome of improving the timber industry's resource security by implementing a 20 year Forest Management Plan, to promote better forest management, long term industry planning and investment and workforce security in timber-related industry.

If there were an independent body empowered to review and regulate forest management, there would likely be less concern about instituting a 20 year plan and greater public confidence in forest management.

The Committee therefore takes the view that the Government should introduce legislation to allow for the independent scrutiny and regulation of:

- forest management; and
- the formulation, implementation, assessment and review of Forest Management Plans.

### **2.1.5 Socio-political resource security**

The RFA process is falling short of delivering resource security to industry in a social and political sense.

It is critical that the Government should seek to enhance acceptance of the RFA process and thereby to promote resource security in a political and social sense for native forest-based timber industries. The Committee believes that achieving social and political acceptance for native forest-based timber industries is possible.

The Committee proposes two steps to promote public acceptance of the RFA process and thereby enhance resource security.

- That the Department of Premier and Cabinet be given lead agency status for the remaining stages of the RFA process, to overcome the perceived conflict of interest that CALM is both the key agency affected by the outcome of the RFA process and also the lead agency in the RFA process.
- That the Minister for the Environment establish and adequately fund an accord process to assist in the Minister's review of the RFA process thus far and in the preparation of the Agreement itself.

### **2.1.6 A Comprehensive, Adequate and Representative reserve system**

No model for determining which areas should be reserved can satisfy all the demands for use and management of forests. Broadly speaking, the JANIS reserve criteria provide an appropriate, objectively verifiable benchmark.

Greater consideration should be given, in the course of the RFA process, to the impact that decisions about reservation will have on local communities and on particular forest areas. The flexibility provisions in the JANIS criteria could be used to promote local conservation and recreation needs and to improve the distribution of reserved areas.

As part of the accord process, the question of what areas qualify as "old growth" and "reserved" under the JANIS criteria should be determined in a way that is accurate, objective and generally acceptable to the Western Australian community.

The Committee is of the view that the RFA should deliver to Western Australia a Comprehensive, Adequate and Representative reserve system, taking into account

the recommendations in this report, and in accordance with the flexible targets for reservation forming the JANIS reservation criteria.

### **2.1.7 Ecologically Sustainable Forest Management**

Remaining below maximum sustainable yield is a critical element in achieving ecologically sustainable forest management. Most industries reliant on renewable resources have accepted the need to remain within sustainable yield, for the reason that in the long term it benefits the industry.

It is disappointing that the Approaches in the Public Consultation Paper do not propose levels for jarrah first and second grade sawlog harvest which are in the vicinity of CALM's estimated level of 300,000 m<sup>3</sup>/yr.

The accord process should consider how first and second grade jarrah sawlog volumes harvested should be taken into account in the final RFA, if the RFA outcome of achieving ESFM is to be achieved.

The accord process should consider options for minimising the impact on businesses and workers likely to be affected by the achievement of sustainable yield, and to promote new industry value adding through structural adjustment provisions and other measures. Options which could be considered are:

- whether the lowering of cut should be phased in over a number of years so that sustainable yield of first and second grade jarrah sawlogs is achieved in, say, 2004, with stepped cuts in the intervening years;
- applying the Commonwealth's Forest Industry Structural Adjustment Package; and
- encouragement of other timber-related industries such as plantations, downstream processing and other value adding measures in both native forest and plantation sectors, and the proposed pulp mill, so as to create jobs in those areas to replace any jobs lost in the sector of the industry reliant on the jarrah resource.

In the long term the issue of achieving ESFM is probably more important than the other intended outcomes of the RFA process, both for industry and conservation. Given that achievement of ESFM has been consistently put forward as one of the key goals of the RFA process, it is somewhat disappointing that so little attention is paid to ESFM indicators in the Comprehensive Regional Assessment and in the Public Consultation Paper.

The Committee is impressed with the commitment of the Institute of Foresters to adopting the Montreal process for assessing ESFM.

### 2.1.8 Forest-related industries other than the timber industry

The Committee is concerned that although the RFA is nominally intended to offer improved resource security to and promote the development of forest-related industries generally, the Public Consultation Paper does not consider the possible effects of the RFA on any sector other than the native forest timber industry.

The RFA process should consider employment and investment in all forest-related industries, including but not limited to tourism, downstream timber processing, agriculture, plantation timber industry, bee-keeping and wildflower picking.

## 2.2 RECOMMENDATIONS

Recommendations are grouped as they appear in the text.

Page 28:

**Recommendation 1: that the WA Minister for the Environment ensure that the intention of the “Scoping Agreement for a Western Australian Regional Forest Agreement”, Attachment 1, Paragraph 5, be carried out by release of a draft RFA for public comment and assessment by the State Environmental Protection Authority.**

Page 37:

**Recommendation 2: That the Minister for the Environment note that much of the conflict and mistrust surrounding the RFA process stems from the lack of acceptance of generally agreed definitions for terms used in the RFA process.**

**Recommendation 3: That the RFA process establish credible, repeatable baseline data and generally agreed, consistently used definitions.**

**Recommendation 4: That information produced in the remainder of the RFA process be clearly presented and explained so that interested members of the public can come to an understanding of how the information relates to current forest management.**

**Recommendation 5: That the baseline data established in the Comprehensive Regional Assessment be adopted for all forest-related materials and information produced by the Western Australian Government in future, particularly the Forest Management Plan which will follow the RFA.**

Page 47:

**Recommendation 6:** That the Government support the proposed RFA outcome of improving the timber industry's resource security by implementing a 20 year Forest Management Plan, to promote better forest management, long term industry planning and investment and workforce security in timber-related industry.

**Recommendation 7:** That in conjunction with Recommendation 6, the Government introduce legislation to allow for independent scrutiny and regulation of:

- forest management; and
- the formulation, implementation, assessment and review of Forest Management Plans.

Page 59:

**Recommendation 8:** That the Government seek to enhance acceptance of the RFA process and thereby to promote resource security in a political and social sense for native forest-based timber industry.

Page 61:

**Recommendation 9:** That the Government ensure that the Department of Premier and Cabinet is given lead agency status for the remaining stages of the RFA process, to overcome the perceived conflict of interest that CALM is both the key agency affected by the outcome of the RFA process and also the lead agency in the RFA process.

**Recommendation 10:** That the Minister for the Environment seek to enhance acceptance of the RFA process by establishing and adequately funding an accord process to assist in the Minister's review of the RFA process thus far and in preparation of the Agreement itself.

**Recommendation 11:** That the accord process include representatives from at least the timber industry, the Australian Workers' Union, the conservation movement, indigenous people, the Institute of Foresters, the Forest Protection Society, the Department of CALM, local government, the tourism industry and non-timber forest-based industry.

**Recommendation 12:** That the outcomes of the accord process be transparent and publicly available.

Page 67:

**Recommendation 13:** That the flexibility provisions in the JANIS criteria be used to promote local conservation and recreation needs and to improve the distribution of reserved areas, particularly in areas where little old growth is identified by the Comprehensive Regional Assessment.

**Recommendation 14:** That the Minister for the Environment recognise community support for more reservation of interim heritage listed karri forest of the ecosystem type “karri main belt”.

Page 70:

**Recommendation 15:** That the question of what areas qualify as “old growth” under the JANIS criteria be determined by the accord process in a way that is accurate, objective and generally acceptable to the Western Australian community.

Page 71:

**Recommendation 16:** That the question of what areas qualify as “reserved” under the JANIS criteria be determined by the accord process in a way that is accurate, objective and generally acceptable to the Western Australian community.

Page 74:

**Recommendation 17:** That the RFA deliver to Western Australia a Comprehensive, Adequate and Representative reserve system, taking into account the recommendations in this report, and in accordance with the flexible targets for reservation under the JANIS criteria.

Page 80:

**Recommendation 18: That the accord process consider:**

- (a) how the projected long-term non-declining level of first and second grade jarrah sawlog harvest is to be achieved in a manner consistent with the principles of ecologically sustainable forest management; and
- (b) what steps might be taken to minimise the impact, if any, maintaining such a level would have on the timber industry and timber workers.

**Recommendation 19: That the accord process consider what initiatives might be adopted to promote new industry value adding through the use of structural adjustment provisions.**

Page 84:

**Recommendation 20: That the RFA allow timber harvesting levels to be such as to promote maintenance of the quality of timber harvested in accordance with the principles of ecologically sustainable forest management.**

**Recommendation 21: That as part of the RFA process a representative range of baseline ESFM indicators as set out in the Montreal process be established.**

Page 88:

**Recommendation 22: The accord process should consider the extent to which the RFA will impact on employment and investment in forest-related sectors other than the native forest timber industry, including but not limited to tourism, downstream timber processing, agriculture, plantation timber industry, bee-keeping and wildflower picking.**

## CHAPTER 3

# PROCEDURE OF THE INQUIRY

---

The Committee obtained information in a number of ways for the purposes of the inquiry.

### **3.1 PUBLIC HEARINGS IN THE SOUTH-WEST REGION**

The Committee conducted public hearings in the south-west region between 27 and 30 October 1997, at Denmark, Pemberton, Bridgetown, Manjimup and Collie. The hearings were advertised in local newspapers. At each meeting persons who wished to make a submission appeared before the Committee for around 10 to 15 minutes each, to present their views to the Committee and answer follow-up questions. A list of persons who made submissions at these hearings is set out at Appendix A.

### **3.2 HEARINGS WITH REPRESENTATIVES OF KEY GROUPS**

The Committee conducted a number of hearings in Perth with representatives of key groups and others involved in debate about management and use of forests in Western Australia. Hearings with CALM, the Australian Workers' Union, the Forest Industries Federation (WA), the Forest Protection Society and the WA Forest Alliance related specifically to the RFA process. A list of persons who made submissions at these hearings is set out at Appendix B.

The Committee visited the offices being used by CALM personnel working on the RFA in Hayman Road, Como, in order to receive a briefing on the RFA process and view the technology being used.

The Committee thanks each of the representatives and their key groups for making their time and expertise available to the Committee.

### **3.3 VISITS TO SITES IN THE SOUTH-WEST**

In the course of the inquiry the Committee travelled twice to the south west forest region and visited a number of sites to obtain a better understanding of forest management and the timber industry.

The second of these trips was hosted by Mr Alan Walker, the Manager of the RFA for CALM, and included briefings from a number of CALM personnel. The trip was undertaken for the purposes of the inquiry as a whole and was not directed specifically at obtaining information concerning the RFA. The Committee thanks Mr Walker for his efforts in organising the trip.



### **3.4 PUBLIC SUBMISSIONS**

The Committee sought written submissions on the inquiry through advertisements in the West Australian and a number of regional newspapers. A list of persons who made written submissions is set out at Appendix C.

### **3.5 RESEARCH**

The Committee obtained information from a number of sources and is grateful to all those people who met what were often difficult requests for information.

In particular, the Committee thanks the Minister for the Environment, Dr Syd Shea and Mr Alan Walker of CALM, Ms Beth Schultz and Mr Peter Robertson of the Conservation Council (WA), Mr Ron Adams of Bunnings Timber Products, the Institute of Foresters (both the WA branch and the Southern Branch) and Mr Cam Kneen of the Forest Industry Federation (WA) for the provision of information which might not otherwise have been available.

---

## CHAPTER 4

# INTRODUCTION: THE REASONS FOR THIS INQUIRY

---

### 4.1 INTERIM REPORT

The Committee commenced its inquiry into forest management in Western Australia in July 1997 with the initial aim of producing a single report covering all 7 terms of reference.

The Regional Forest Agreement process, however, differs from the other terms of reference in operating to a time-frame. The Committee takes the view that it is important for it to report on the RFA process before the RFA is signed by the Western Australian Government. Accordingly, once the Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee released the public consultation paper, titled *“Towards a Regional Forest Agreement for the South West Forest Region of Western Australia - a Paper to Assist Public Consultation”*, the Committee determined to report on the RFA process as soon as practical. The paper is referred to in this report as the “Public Consultation Paper”.

The RFA public consultation period was initially proposed as 6 weeks, ending on 10 July 1998. This was later extended to 31 July 1998.

One reason for the urgency of this Report is the shortness of the period during which the Public Consultation Paper was open for public consultation, ie the end of May to 31 July 1998. The Public Consultation Paper is in itself a very technical document packed with information critical to the RFA process. However it is based on a large number of other volumes relating to the various projects conducted over the course of the RFA, many of which became available to interested parties only around or after the time the Public Consultation Paper was released. Clearly it may have been difficult for interested individuals and groups to prepare a full response to the materials in a 9 week consultation period.

The difficulty of preparing an adequate response was particularly acute for peak bodies such as the Western Australian Municipal Association. Any peak body which wishes to seek input from its member bodies in order to formulate a response is faced with the task of asking member bodies to come up with a position to put to the peak body, after which the peak body itself has to coordinate the various member body comments and prepare a final response. This task is difficult if not impossible to achieve in such a short time frame. The addition of 3 weeks to the public consultation period would not necessarily have been of assistance to such bodies because their decisions about process may have been made prior to the announcement of the extension.

## 4.2 CONTRIBUTION OF THIS REPORT TO THE RFA PROCESS

The Committee's terms of reference require it to report to the Legislative Council on matters relating to the planning for or management, use or development of natural resources and the environment in Western Australia. Other States and the Commonwealth have similar Committees, reflecting the importance accorded by Australian Parliaments to natural resources, the environment and planning.

The role of the Committee in the RFA process is somewhat unique. It is independent from the Government and is therefore able to scrutinise Government policy and action. At the time of this report the Committee consists of one member of each of the five political parties represented in the Legislative Council.

The Committee is not made up of experts on forestry matters and this report does not focus on forestry as such. It rather looks at how information relating to the RFA region is used and how decisions are made in the course of the RFA process.

The Committee has not developed its own view of what the RFA process should achieve. The Committee's points of reference, or performance criteria, for the effectiveness of the RFA process are the outcomes which the Western Australian Government has identified.

The Committee sees its primary task as assessing how effective the RFA process has been to date in achieving these intended outcomes. These are identified in Chapter 5 of this report. Chapter 6 sets out a brief history of the RFA process. Chapter 7 looks at a number of intended outcomes in turn.

This report to the Legislative Council and, through the Council, to the Western Australian public, is an overview of the RFA process in this State to the date of reporting. In addition to the hearings and research conducted for the inquiry generally, the Committee has taken evidence specifically on the RFA process from the Department of CALM, timber industry groups, the union representing timber workers and the conservation movement. This report sets out the Committee's conclusions as to the effectiveness of the RFA process, taking into account all these sources of information.

The Committee believes that this report offers an informed and independent overview of the RFA process. The Committee has identified some problems with the RFA process, primarily where the process appears not to be achieving its intended outcomes. Where a problem is identified the Committee has attempted in all cases to offer a solution which looks forward to the timely and satisfactory completion of the process.

It is hoped that this report will be of use as a management tool to promote improvements in the RFA process and ultimately contribute to a good outcome for Western Australia.

---

## CHAPTER 5

# INTENDED OUTCOMES OF THE REGIONAL FOREST AGREEMENT PROCESS

---

### 5.1 INTRODUCTION TO THE REGIONAL FOREST AGREEMENT PROCESS

The RFA will be an agreement between the Western Australian Government and the Federal Government about management of Western Australia's south-west forests. The RFA is a product of the National Forest Policy Statement entered into by Australian State and Federal Governments in 1992, a key goal of which is to provide a structured framework for forest management around the country.<sup>1</sup>

The RFA will be entered into by the State Government, not by CALM or the Minister chiefly responsible for forest management, the Minister for the Environment. However CALM has been the instrumentality managing the RFA process for the State government and many of the Committee's remarks will relate to the role of CALM rather than the State Government *per se*.

The Commonwealth's 1995 report titled "*Deferred Forest Areas: Western Australia*" stated that the RFA would:

*“ . . . give industries the certainty necessary to make the investment decisions which will underpin sustainable industry development, besides providing a firm basis for the management of conservation through COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE . . . reserves and complementary off-reserve management.”*<sup>2</sup>

Mr Alan Walker, CALM's RFA Manager, describes the genesis and purpose of the RFA process in more detail:

*“Regional Forest Agreements were not mentioned in the National Forest Policy Statement. They were first proposed by the Commonwealth in 1995. State and Territory Governments have agreed to participate in not only the regional assessments, but also further negotiations towards a Regional Forest Agreement. By doing that, it would allow the Commonwealth Government to be able to sign off on its statutory obligations on forests.*

*The aim would be to allow those involved in the comprehensive assessments to make informed decisions about the development of a comprehensive,*

---

<sup>1</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.3

<sup>2</sup> Commonwealth (1995), Executive Summary, p.1

*adequate and representative forest reserve system and ecologically sustainable forest management, thereby providing certainty to industries that rely on access to forests for their resources, and also to communities in matters such as reservation of forest in a national reserve system.*

*It is envisaged that Governments will sign an agreement, which would have a life of 20 years, and that during that 20 year period reviews of performance against undertakings made in the Regional Forest Agreement would be held at approximately five yearly intervals.”<sup>3</sup>*

## 5.2 IDENTIFYING THE INTENDED OUTCOMES OF THE RFA PROCESS

One of the confusing aspects of the RFA process is the enormous range of expectations as to what it is intended to achieve. In a narrow legal sense the RFA is a bilateral agreement between State and Commonwealth which, as Mr Walker says, “*would allow the Commonwealth Government to be able to sign off on its statutory obligations on forests*”.

However, it is clear from Mr Walker’s statement above and other information before the Committee that the Western Australian Government views the RFA as reaching well beyond the two governments involved, to potentially offer benefits to industry, community and conservation groups. This more inclusive view accords with the general tenor of the 1992 National Forest Policy Statement.

The National Forest Policy Statement sets out a broad vision for forest management. Not all of the elements of the vision are evident in more recent documents relating to the RFA process. For instance, the National Forest Policy Statement includes statements about plantation development, private native forests, workforce education and training, tourism and international responsibilities, none of which features significantly in the Public Consultation Paper.

As an example, in relation to plantation development the National Forest Policy Statement sets out a number of goals:

*“The Governments have several objectives in relation to Australia’s plantation resource: to increase commercial plantation development on cleared agricultural land and, where possible, to integrate plantation enterprises with other agricultural land uses; to improve the productivity of existing plantation areas by means of improved technology, breeding of genetically improved stock, and selection of species; and to continue to encourage industrial growers, and where appropriate public forestry agencies, to expand their plantation base to satisfy specific requirements.”<sup>4</sup>*

None of these objectives is discussed in the Approaches in the Public Consultation Paper.

---

<sup>3</sup> Mr Alan Walker, 27/7/97, transcript of evidence to the Committee, p.1  
<sup>4</sup> Commonwealth (1992), p.28

In July 1996 the Commonwealth and Western Australian Governments signed a Scoping Agreement which set out a wide range of agreed proposals and outcomes for the RFA process.

Chapter 2 of the Public Consultation Paper is headed "Objectives for the Regional Forest Agreement" and is reproduced in full at Appendix D of this report. The objectives for the RFA identified in that Chapter are said to be drawn from the Scoping Agreement<sup>5</sup>.

Further objectives are discussed in Chapters 1 and 4 of the Public Consultation Paper.

In parallel with these general discussions of intended outcomes, the general objectives of the Scoping Agreement were refined by the RFA Steering Committee to produce a set of "Refined Objectives for the Western Australia RFA Agreed by the Steering Committee"<sup>6</sup> (see Appendix D).

In the course of the RFA process consultants BIS Shrapnel prepared a report for CALM and the Australian Bureau of Agricultural and Resource Economics ("ABARE") entitled *Review of Value Adding Development Opportunities for the Western Australian Hardwood Industry*. The report is referred to but not discussed in detail in *The Public Consultation Paper*. The Committee regards it as a key document in that it deals with development opportunities in timber-related industry.

Mr Alan Walker, CALM's Manager, Regional Forest Agreement has also discussed the intended outcomes of the RFA process with the Committee at several hearings.

Drawing on all these sources, there is a wide range of possible outcomes which have been canvassed at some stage of the RFA process. However, the Committee has determined to concentrate on a number of outcomes which have been advanced in Western Australia as central to the process, rather than seek to cover the entire range of possible outcomes.

The intended outcomes which the Committee discusses in this report are the following.

- Compliance with the Commonwealth *Export Control (Hardwood Wood Chips) Regulations 1996* under the *Export Control Act 1982* to enable export of woodchips from WA's native forests to continue after 2000, and meeting the requirements of other Commonwealth laws<sup>7</sup>.

---

<sup>5</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.11

<sup>6</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.13

<sup>7</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.11

- A Comprehensive Regional Assessment of forest-related matters in the RFA region, based on information gathered in a series of studies of biodiversity, economic and social issues, silviculture, water, different forest types and so on<sup>8</sup>.
- Resource security for the timber industry, to be achieved by defining those forest areas available for securing sustainable commercial use of forests for the 20 year life of the RFA<sup>9</sup>.
- Social and political resource security for the timber industry, in the form of community acceptance of the RFA process<sup>10</sup>.
- Legislated conservation security in the form of a Comprehensive, Adequate and Representative reserve system meeting the JANIS criteria<sup>11</sup>.
- Ecologically sustainable forest management practices<sup>12</sup>.
- Promotion of forest-related resource use options in areas additional to the native forest timber industry, such as the timber industry (including development of downstream timber processing), mining, tourism, apiary, wildflower picking, fuelwood and seed collecting<sup>13</sup>.

Chapter 7 reviews how effectively the RFA process has to date achieved each of these intended outcomes.

---

<sup>8</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a)

<sup>9</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.11

<sup>10</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p 13, 25

<sup>11</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.25

<sup>12</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.25

<sup>13</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.13

## CHAPTER 6

# BACKGROUND: THE RFA PROCESS IN WESTERN AUSTRALIA THUS FAR

---

### 6.1 INTRODUCTION

In this Chapter the Committee sets out by way of background some key milestones in the development of the RFA to assist in understanding how the RFA process has operated thus far. The Chapter is included principally for information and does not contain any findings or recommendations, other than in relation to one outstanding matter of procedure.

### 6.2 NATIONAL FOREST POLICY STATEMENT (1992)

The RFA process has its genesis in the National Forest Policy Statement agreed by State and Federal Governments in 1992. The RFA is not formally required to implement the National Forest Policy Statement and in fact has a far narrower set of goals, perhaps not surprisingly given the broad scope of the National Forest Policy Statement. However, references to the National Forest Policy Statement are frequent in RFA materials. It is clear that the RFA process is affected by the National Forest Policy Statement, albeit the process does not purport to implement it in toto.

The central feature of the National Forest Policy Statement is the Governments' vision for forest management in Australia, which is as follows.<sup>14</sup>

#### *“The Vision*

*The Governments share a vision of ecologically sustainable management of sustainable forests. This vision has a number of important characteristics:*

- *The unique character of the Australian forested landscape and the integrity and biological diversity of its associated environment is retained.*
- *The total area of forest is increased.*
- *There is a “holistic” approach to managing forests for all their values and uses so as to optimise benefits to the community.*
- *Private forests are managed in an ecologically sustainable manner and in close co-operation with public forest managers, to*

---

<sup>14</sup> Commonwealth (1992), p.3



*complement the conservation and commercial objectives of public forest.*

- *A range of sustainable forest-based industries, founded on excellence and innovation, will be expanding to contribute further to regional and national economic and employment growth.*
- *Forests and their resources are used in an efficient, environmentally sensitive and sustainable manner.*
- *Forest management is effective and responsive to the community.*
- *The Australian community will have a sound understanding of the values of forests and sustainable forest management, and will participate in decision making processes relating to forest use and management.”*

### **6.3 DEFERRED FOREST AGREEMENT (1995)**

Following the decision to commence work on an RFA, the Western Australian and Commonwealth Governments set about a preliminary determination of what areas might eventually be required for the reserve system under the RFA. As in other States, these “deferred forest areas” were intended to be protected from logging by an interim agreement called a “Deferred Forest Agreement” or “DFA” during the time the RFA was under preparation.

In December 1995 the Commonwealth Government produced a report titled *Deferred Forest Areas: Western Australia*. This report set out the Commonwealth’s proposals for areas to be protected under a Deferred Forest Agreement. It was intended that the Deferred Forest Agreement would “*identify, on a regional basis, those forest areas in current wood production tenures that may need to be set aside for logging so as not to foreclose options for their possible inclusion in a Comprehensive, Adequate and Representative reserve system.*”<sup>15</sup>

To this end, the Commonwealth’s 1995 report states that “[t]he *Deferred Forest Areas (DFAs) identified in this report are those that the Commonwealth believes should be set aside to enable a COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE reserve system. . . . Careful consideration was also given to the preservation of reserve design options and the impact on National Estate listed areas.*”<sup>16</sup>

An interesting point made in the Commonwealth’s 1995 report relates to the lack of information available in relation to the JANIS criteria at this early stage of the RFA process. Assessment of each of these areas was said to be hampered by lack of information. The most accurate source of forest information at the time of the Commonwealth’s 1995 report was aerial photos from 1956-1966, which form the basis for CALM’s Forest Management Information System database. The database

---

<sup>15</sup> Commonwealth (1995), p.1

<sup>16</sup> Commonwealth (1995), Executive Summary, p.1

is concerned only with trees, not with fauna or smaller flora, and records a tree species only where it forms at least 20% of forest cover.<sup>17</sup> The methodology proposed by the Commonwealth and used in the Victorian RFA could not be used in WA because “[t]here is no broadscale mapping of forest growth stages in Western Australian forests and no mapped datasets which could be used as a surrogate for old growth stage.”<sup>18</sup> One significant achievement of the RFA is to improve the quality and detail of information about Western Australia’s forests, through the Comprehensive Regional Assessment process discussed below.

The Commonwealth proposed in its 1995 report that the areas identified as Deferred Forest Areas should be excluded from logging for at least 2 years from the inception of the Deferred Forest Agreement.

The Deferred Forest Agreement for Western Australia was signed by the Governments in June 1996. The final form of the Deferred Forest Agreement differs significantly from the proposals put forward in the Commonwealth’s 1995 report, indicating some areas of disagreement between the Governments at that stage of the RFA process.

For example, the Commonwealth sought WA agreement to adopting the RFA preferred benchmark of reserving 100% of rare old growth forest. This issue was of particular urgency as all of the old growth areas in the Bell and Bednall forest blocks were scheduled to be logged by CALM in 1996 and 1997. CALM did not accept that it was feasible to alter the logging schedule, citing additional planning and roading costs and the impact on the Yarloop sawmill, which had been expected to process the logs.<sup>19</sup>

Similarly, the Commonwealth proposed in its 1995 Report that areas listed on the Register or Interim List of the National Estate should not be logged in 1996 or 1997 (or until the RFA is completed, whichever comes earlier).<sup>20</sup> The major impact of this proposal was in the southern forests region, which had been assessed by the Australian Heritage Commission and CALM for heritage values during 1992. The Western Australian Government agreed in the Deferred Forest Agreement not to harvest in 1996 any such areas. W.A. did not, however, agree to halt logging in national estate areas for 1997 and in 1997 some national estate areas were opened up for logging,<sup>21</sup> including parts of Jane, Giblett and Sharp Blocks, which were specifically referred to in the Commonwealth’s 1995 report as requiring protection.<sup>22</sup>

---

17 Commonwealth (1995), p.15

18 Commonwealth (1995), p.26

19 Commonwealth (1995), p.38

20 Commonwealth (1995), Executive Summary, p.5

21 CALM (1996b), p.2

22 Commonwealth (1995), Executive Summary, p.5

#### 6.4 SCOPING AGREEMENT FOR A WESTERN AUSTRALIAN REGIONAL FOREST AGREEMENT (1996)

In July 1996 the W.A. and Commonwealth governments entered into a “*Scoping Agreement for a Western Australian Regional Forest Agreement*” designed to set out the processes through which the Governments would work towards an RFA for W.A.

Under the Scoping Agreement, the key group running the RFA process is the **Steering Committee**, which consists of representatives from State and Commonwealth Government Departments. The lead agency on the Steering Committee for Western Australia is CALM, while the lead agency for the Commonwealth is the Department of Prime Minister and Cabinet.

#### 6.5 STAKEHOLDER REFERENCE GROUP (1996-98)

Interested groups and individuals are able to contribute to the RFA process through meetings of the Stakeholder Reference Group, at which representatives of the Steering Committee have a forum to explain the RFA process to involved groups and individuals, known as “stakeholders”, who in turn are able to put their views to representatives of the Steering Committee.

It is at this level that industry, conservation and community groups were invited to become involved. The offer was declined by most conservation groups, in what has been described as the “conservationist boycott” of the RFA process.

Mr Alan Walker of CALM heads the Western Australian team on the Steering Committee. He describes Stakeholder Reference Group meetings as follows:

*“[T]he Stakeholder Reference Group has continued to meet on a monthly basis approximately. For the last two stakeholder meetings, we have effectively turned the meeting over; namely, we put the meetings into the hands of the stakeholders. We asked them to tell us why they thought the forests were important. They were invited to present a position statement for their representative group. We wanted to hear that view, and to share it with other stakeholders. Eight or nine stakeholder groups made representations at a meeting in Manjimup, and another seven or eight groups made presentations at a meeting held in Perth.”<sup>23</sup>*

Dr Syd Shea, the Executive Director of CALM, has informed the Committee that the Stakeholder Reference Group has met on 9 occasions, as detailed in Appendix E.<sup>24</sup>

---

<sup>23</sup> Mr Alan Walker, 24/11/97, transcript of evidence to the Committee, p.17

<sup>24</sup> Dr Syd Shea, 30/7/1998, letter to the Committee

## 6.6 JANIS CRITERIA: A COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE RESERVE SYSTEM (1997)

To give substance to the concept of the Comprehensive, Adequate and Representative reserve system, all governments involved in RFA processes sought to establish criteria which would determine the key issue of how much forest should be included in conservation reserves and managed so as to exclude timber production and other high impact uses. A set of “*Nationally Agreed Criteria for the Establishment of a Comprehensive, Adequate and Representative Reserve System for Forests in Australia*” was developed by an intergovernmental committee known as JANIS. The criteria are referred to as the “JANIS criteria”.

The JANIS criteria include a set of percentage targets for reservation of different classes of forest, such as “old growth” and “vulnerable” forest, for each individual forest ecosystem. At the same time, the JANIS criteria state that flexibility in the application of reserve criteria is needed because of differing regional circumstances. The criteria are considered to be guidelines rather than mandatory targets.<sup>25</sup>

The Comprehensive, Adequate and Representative reserve system is discussed in detail in Chapter 7.5. The summary of the JANIS criteria given by the Steering Committee in the Public Consultation Paper is set out in full at Appendix F.

## 6.7 STEERING COMMITTEE PROJECTS (1996-98)

The Steering Committee has commissioned a number of projects relating to particular aspects of forest management, social and economic factors, sustainable yield, flora and fauna, forest ecosystems and so on. Mr Walker informed this Committee that these have been largely carried out by independent scientists. This approach may go some way to alleviating concerns heard by this Committee from a number of sources that CALM historically has tended to be poor at communicating with scientists and does not encourage independent scientific review of aspects of forest management.

One important project, for example, is the Ecologically Sustainable Forest Management project undertaken by the Ecologically Sustainable Forest Management panel set up under the Steering Committee. Mr Walker describes the work of the panel as follows:

*“The ecologically sustainable forest management panel . . . comprises independent experts with knowledge in heritage, wildlife, flora and fauna, soils and systems management.*

*We have involved independent scientists in a review of the methodology for some of the fire projects and economic methods projects. We have asked independent scientists and academic institutions for information on their*

---

<sup>25</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.5

*databases that we can incorporate into a regional forest agreement database for flora and fauna information. Many academic institutions have provided us with valuable data for these assessments.”<sup>26</sup>*

## 6.8 COMPREHENSIVE REGIONAL ASSESSMENT (1998)

The Steering Committee has published a number of documents setting out the results of the various Steering Committee projects commissioned for the RFA. The key document is the **Comprehensive Regional Assessment**, which summarises the information gathered in the course of the various projects. The Comprehensive Regional Assessment is intended among other things to form the information base for the determination of the Comprehensive, Adequate and Representative reserve system under the JANIS criteria.

A list, provided by Mr Walker, of documents produced in the course of the RFA process is set out at Appendix G. The Comprehensive Regional Assessment is discussed in detail at Chapter 7.2.

A clear benefit of the RFA is the amount and quality of information that has emerged from the Comprehensive Regional Assessment and associated projects. In particular, the forest ecosystem categories<sup>27</sup> and vegetation mapping systems<sup>28</sup> developed for the RFA give Western Australia sophisticated forest management tools which will be of great benefit to forest management in the State.

## 6.9 THE PUBLIC CONSULTATION PAPER

In late May 1998 the Steering Committee published a Public Consultation Paper called *“Towards a Regional Forest Agreement for the South-West Forest Region of Western Australia: A Paper to Support Public Consultation”*.

The Public Consultation Paper describes the RFA process thus far, sets out a summary of the Comprehensive Regional Assessment and offers three “Approaches” which could be taken towards the RFA. The Approaches are in fairly broad terms and do not give any indication, for example, of which areas might be reserved to form part of the conservation estate indicated by the JANIS criteria.

Mr Walker emphasised to the Committee that the Approaches are not intended to be the definitive range of options for the final RFA but are presented as models for consideration:

*“The [Public Consultation] Paper sought to develop three Approaches, which were labelled A, B and C. The aim was to inform the public about the way in which the objectives of the RFA could be addressed. Two of the*

---

<sup>26</sup> Mr Alan Walker, 24/11/97, transcript of evidence to the Committee, p.21

<sup>27</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.124-126

<sup>28</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998b), eg Map 12, Map 13, Map 14

*outcomes that resulted from those three Approaches with regard to the environment and heritage objectives, and the social and economic objectives, were then outlined in detail.*

*The three Approaches were not meant to be options from which people could or should choose, but were designed to assist people to understand the basis on which the analysis of reservation for the RFA is carried out and the way in which reports on impacts, both environment and heritage, and economic and social, are prepared.”<sup>29</sup>*

Mr Walker explained to the Committee that the fundamental incompatibility of a number of the values associated with forests makes some compromise inevitable. The Approaches are intended to provide a range of proposals for management, some of which would involve more reservation of forest than others, while attempting to avoid labelling as, say, the “pro-conservation option”, “the pro-forestry option”, or “the pro-mining option”. Early in the Committee’s inquiry, Mr Walker gave the following summary:

*“Hon M.J. CRIDDLE: What is the aim of the options paper that you are putting forward?*

*Mr WALKER: Each option will be evaluated to assess how well it addresses the reserve criteria and the impact the option has on forest based industries and the communities that rely on those industries. Therefore, one would be able to project the impact on timber and mineral values, on direct and indirect employment and on the rural communities that rely on that employment for their social wellbeing.*

*For each option there will be a comprehensive listing of forest ecosystems and how well each of those reserve criteria are being addressed. We can also project that information into the economic and social dimension, so that we can see what impacts might be likely to flow. Equally, an industry enhancement option might be to say, "The timber industry or the minerals industry has the capacity to improve the economic wellbeing of the south west to such an extent we want to enhance those industries." In order to do that there may be impacts on the reserve system we are trying to develop. We could look at it from the perspective of what an industry enhancement or development option might do to the environment and heritage criteria which we want to protect.”<sup>30</sup>*

The Public Consultation Paper is subtitled “a paper to assist public consultation” and the public is accordingly invited to make written submissions on the document. Mr Mark Jenkins of Environment Australia, who is undertaking the task of collating the submissions on behalf of the Commonwealth Forests Taskforce, informed the Committee on 20 August 1998 that about 25,000 submissions had been received.

---

<sup>29</sup> Mr Alan Walker, 27/7/97, transcript of evidence to the Committee, p.1

<sup>30</sup> Mr Alan Walker, 24/11/97, transcript of evidence to the Committee, p.19

The submissions are to be analysed as to whether they support one or more of 80 “themes”. It is not clear how the submissions and the analysis of themes will be used from this point.

The Steering Committee promises that “*opportunities for discussion between the Steering Committee and interested parties will be made available throughout the South-West Forest Region to provide further information on the RFA process and the documents released to date.*”<sup>31</sup>

## 6.10 COMPLETION OF THE RFA PROCESS

Following the end of the public consultation period on 31 July 1998, key steps in completion of the RFA are:

- consideration of submissions from the public. Initial assessment is being undertaken by Environment Australia. It is not clear who will undertake the task of analysing the submissions and determining what is to be the preferred approach for the final RFA. This task might be undertaken by the Steering Committee, or Western Australia might be represented by someone else such as the office of the Minister for the Environment or the Ministry of Premier and Cabinet;
- preparation of an agreement to be signed by the Prime Minister and the Premier. The Committee understands that the final version of the Agreement will be prepared by the respective Ministers for the Environment;
- signing the RFA;
- drafting whatever legislation is required at State level to implement the RFA. The legislation will then have to be passed by Parliament; and
- implementing the policy of the RFA. The instrument most likely to require amendment under the RFA is the Forest Management Plan 1994-2003, which currently determines matters such as the level of allowable cut and the areas reserved from cutting. Any change proposed by the RFA to these matters will not be able to be implemented until the Forest Management Plan is suitably amended following appropriate Ministerial approval of allowable cut.

## 6.11 ASSESSMENT BY THE WA ENVIRONMENTAL PROTECTION AUTHORITY

There is inconsistency within RFA documentation about whether a draft RFA will require assessment by the Western Australian Environmental Protection Authority. Paragraph 5 of Attachment 1 to the “*Scoping Agreement for a Western Australian*

---

<sup>31</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.1

*Regional Forest Agreement*” entered into by the Commonwealth and Western Australia in 1995 reads as follows:

- “5. *The decision of the Commonwealth to engage in a process leading to a RFA with Western Australia will require an environmental impact assessment under the Administrative Procedures of the Commonwealth’s Environmental Protection (Impact of Proposals) Act 1974 and Western Australia’s Environmental Protection Act 1986. The Commonwealth and Western Australia agree to define a joint or cooperative environmental impact assessment of the draft RFA(s) which is in accordance with the principles of the draft national agreement on environmental impact assessment and meets the statutory requirements of both Governments.*”

It is reasonable to conclude that the intention of the Governments in 1995 was that a draft RFA would be prepared and subjected to review by the EPA. However it should be noted that the Scoping Agreement is not enforceable by any person, including the Governments (under Paragraph 1A of the Preamble).

Hon Norm Kelly MLC asked the Minister for Finance representing the Minister for the Environment a question on this point, to which the following response was given<sup>32</sup>:

***[Question]***

*According to point 5 of the “Scoping Agreement for a Western Australian Regional Forest Agreement”, there is to be an environmental impact assessment made of the draft RFA.*

- (1) *When is this assessment due to commence?*

...

***Answer***

- (1) *The Scoping Agreement for the WA RFA outlines the process for a cooperative environment impact assessment of the RFA by the Commonwealth and Western Australia which meets the statutory requirements of both governments. The Minister for the Environment has indicated to the EPA that the State’s environmental assessment is made on the Forest Management Plan. In that regard the RFA itself is not formally assessed by the EPA. The EPA is however, being fully briefed on the RFA process and is working cooperatively with the Commonwealth EPA. The Commonwealth Government is conducting an assessment in line*

---

<sup>32</sup> Legislative Council of Western Australia, 12/8/1998, Question No 16



*with the requirements of the Commonwealth Environment Protection (Impact of Proposals) Act 1974.*

*The Commonwealth's assessment has commenced and is ongoing."*

The proposal that only the new Forest Management Plan be subject to EPA assessment accords with Mr Walker's evidence to the Committee:

*"The Department of Environmental Protection has been invited to participate in the process as a key stakeholder. The Environmental Protection Authority has had briefings from both State and Commonwealth officials regarding the Regional Forest Agreement. Technically, there is no requirement for the RFA to be assessed under the State's EPA legislation. However, almost certainly, the RFA will lead to either a major amendment to the current forest management plan or, more likely, a new draft forest management plan, which would then have to go through the State EPA process, which is customary for forest management plans."*<sup>33</sup>

These are the arguments that the requirements for assessment under Western Australia's *Environmental Protection Act 1986* will be met if the course proposed by the Minister and Mr Walker - that is, assessment only of the Forest Management Plan, not of the draft RFA - is followed.<sup>34</sup>

Nevertheless, the course proposed is clearly inconsistent with the intention of the Governments as evinced by the Scoping Agreement.

---

## COMMITTEE FINDINGS

To avoid further conflict, the Committee considers it essential that the intent of the Scoping Agreement be honoured by the State Government.

A further consideration favouring early review by the EPA is that if the draft RFA is not assessed by the EPA, the RFA itself will have to be made subject to EPA assessment and any resulting conditions. It would appear preferable to promote certainty by conducting EPA review prior to entering into the RFA itself.

The Committee also has some concern that if the EPA is only asked to review the Forest Management Plan at a later stage, that review will be constrained because the proposal under

---

<sup>33</sup> Mr Alan Walker, 27/7/1997, transcript of evidence to the Committee, p.2

<sup>34</sup> The requirements for assessment under the *Environmental Protection Act 1986* are complex. It may be that legal recourse is available if the EPA does not at least consider the proposal to implement the RFA at some stage. However it is doubtful whether the proposal **must** be considered at the draft RFA stage.

review will already be supported by a State-Commonwealth agreement. There is also concern about possible compensation liabilities.

If the draft RFA is to be reviewed by the EPA, the draft RFA should be open to public comment as part of the review process.

On the basis of these findings, the Committee proposes that the intention evinced by the Scoping Agreement, Attachment 1, Paragraph 5, be carried out by release of a draft RFA for public comment and assessment by the State Environmental Protection Authority.

**Recommendation 1: that the WA Minister for the Environment ensure that the intention of the “Scoping Agreement for a Western Australian Regional Forest Agreement”, Attachment 1, Paragraph 5, be carried out by release of a draft RFA for public comment and assessment by the State Environmental Protection Authority.**

## **CHAPTER 7**

# **ANALYSIS OF THE EXTENT TO WHICH THE RFA PROCESS WILL ACHIEVE ITS INTENDED OUTCOMES**

---

This Chapter discusses the intended outcomes of the RFA listed in 5.2 above and reviews the extent to which the RFA process is meeting those outcomes.

## 7.1 COMPLIANCE WITH THE COMMONWEALTH *EXPORT CONTROL (HARDWOOD WOOD CHIPS) REGULATIONS 1996* UNDER THE *EXPORT CONTROL ACT 1982*, AND MEETING REQUIREMENTS OF OTHER COMMONWEALTH LAWS

### 7.1.1 Nature of the Commonwealth Regulations

One key outcome of the RFA process is intended to be to satisfy the Commonwealth that an adequate forest management structure is in place. Once the Commonwealth is satisfied with the parameters set by the RFA, as evidenced by its entry into the RFA, the need for environmental approvals by the Commonwealth in relation to particular proposals will be minimised.<sup>35</sup> It is intended that any actions within the RFA parameters will be accepted by the Commonwealth as complying with Commonwealth environmental standards.

The Commonwealth's most significant power in relation to forest management is its power over exports. It has used this power to enact the *Export Control (Hardwood Wood Chips) Regulations 1996* under the *Export Control Act 1982*. The Regulations' relevant purpose is described in Regulation 2 as follows:

- “2. *The purpose of these Regulations is to provide a system for the granting of licences to export hardwood wood chips that:*
- (a) *ensures that, from 1 January 2000, hardwood wood chips that are derived from native hardwood forests are permitted to be exported only if they are derived from a region to which a Regional Forest Agreement applies;”*

It can be seen why it is important to the woodchipping industry that a Regional Forest Agreement is in place by the year 2000 for areas from which woodchips are to be sourced.

The RFA is also intended to satisfy Commonwealth laws requiring assessment of impact of proposals on the environment.<sup>36</sup> The *Regional Forest Agreements Bill 1998* was introduced into the Commonwealth Parliament earlier this year. The Bill provides among other things that forestry operations in a region covered by an RFA must be disregarded for the purposes of a number of laws which would otherwise give the Commonwealth certain powers over State forestry operations:

- section 30 of the *Australian Heritage Commission Act 1975*;
- approved procedures under section 6 of the *Environment Protection (Impact of Proposals) Act 1974*;
- section 11 of the *Environment Protection (Impact of Proposals) Act 1974*; and

---

<sup>35</sup> Commonwealth (1992), p.24-25

<sup>36</sup> Mr Alan Walker, 27/71997, transcript of evidence to the Committee, p.2

- section 6 of the *World Heritage Properties Conservation Act 1983*.

The Commonwealth laws cited give the Commonwealth some powers over the environment but these have been of little practical effect in the Western Australian forest context. For instance, a joint project by the Australian Heritage Commission and CALM to identify interim heritage areas in CALM's southern forest region was undertaken in 1992 and resulted in an agreement between CALM and the Heritage Commission, but the agreement is of merely persuasive force when CALM makes forest harvesting decisions.

The other significant provision of the Commonwealth *Regional Forest Agreements Bill 1998* is section 7, which establishes liability on the part of the Commonwealth to pay compensation as required under the final RFA. The Committee has not seen any information indicating what compensation requirements might be agreed by the two Governments.

---

## COMMITTEE FINDINGS

When an RFA is signed, the Commonwealth's legal requirements in respect of native forest woodchip exports will be met. This will remove a degree of uncertainty faced by Western Australia's sole native chip exporter, West Australian Chip and Pulp Co Pty Ltd.

If in addition the Commonwealth's *Regional Forest Agreements Bill 1998* becomes law, other potential Commonwealth powers over Western Australia's forest region will no longer apply. The application of Commonwealth powers appears limited, meaning that the removal of those powers is not of great significance.

## 7.2 COMPREHENSIVE REGIONAL ASSESSMENT

### 7.2.1 What a Comprehensive Regional Assessment is

The Comprehensive Regional Assessment produced for the RFA in January 1998 is the culmination of a large number of projects on matters as diverse as distribution of forest types, social and economic impacts of the timber industry and distribution of rare species. It is described as being “[p]repared by officials to support the Western Australian South-West Forest Regional Forest Agreement process”.

The Comprehensive Regional Assessment document contains chapters on the following main areas of activity<sup>37</sup>:

- timber production and timber industry;
- plantations;
- tourism and recreation;
- water and catchments;
- mining and mineral processing;
- other forest products: apiculture, floriculture, seeds industry, biotechnology;
- economic and social assessments; and
- biodiversity, old growth, wilderness and national estate.

The Comprehensive Regional Assessment is not intended to indicate outcomes for the RFA process but to provide background information appropriate for preparation and consideration of options and the final RFA.

### 7.2.2 Apparent inaccuracies in the Comprehensive Regional Assessment

One of the key factors leading to confusion, disagreement and resentment in the forest debate in Western Australia has been the inability of the participants in the debate to settle on common figures on which debate can be based. The real issues in the debate are about appropriate forest use and management. However much of the argument which occurs is bogged down on what should be easily resolvable matters such as what proportion of jarrah is reserved. A pre-requisite for arriving at good solutions about use and management is that figures about existing areas of forest, production forest and reserve forest are available and are accurately and objectively compiled.

The Comprehensive Regional Assessment is ideally placed to perform this function. It is well resourced, it is being carried out jointly by State and Commonwealth agencies and it is central to planning both for the RFA process and, presumably,

---

<sup>37</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.(v)

forest management over the next few decades. Its scope and level of detail on matters such as distribution of each of the 27 forest ecosystems are impressive.

The key figures for the RFA process are, for each forest ecosystem, the total area of the forest type, the area qualifying as old growth and the area reserved from timber production. Any significant inaccuracies in these figures will raise critical doubts about the RFA's decision making processes and lead to inaccurate outcomes with respect to meeting the targets for reservation.

The Committee noted that a number of critical figures in the Comprehensive Regional Assessment are markedly different from what appear at face value to be comparable figures in the Forest Management Plan 1994-2003, the key document governing forest management over that ten year period.

Two examples will suffice to illustrate why the Committee had concerns of this nature. Figures are rounded to the nearest 1,000 ha.

- The Forest Management Plan (on page 46) shows the “*total area of forest (all CALM managed land)*”, set out “*by primary forest type*”, taking into account the “*new forest reserve system*”, and including “*existing or proposed tenure*”, as **1.74 million hectares**.

The Comprehensive Regional Assessment on page 41 refers to “*the total area of approximately 2.45 million hectares of public native forest managed by CALM*”.

This is an apparent discrepancy of **710,000 hectares**, or 41%.

- The Forest Management Plan on page 46 shows the area of riparian zones, travel route zones and mature forest patches in primary forest types (collectively often described as “*informal reserves*”) as **156,000 hectares**.

The Comprehensive Regional Assessment on page 25 shows the area of informal reserves within State forest as **315,000 hectares**.

This is an apparent discrepancy of **159,000 hectares**, or just over 100%.

In response to a parliamentary question from the Chair of this Committee concerning these apparent discrepancies, the Minister for Finance representing the Minister for the Environment stated:

*“The Comprehensive Regional Assessment report applies to a different region boundary than the 1994 Forest Management Plan. More importantly Table 6 on page 46 of the Forest Management Plan refers only to “jarrah forest” and “karri forest” types. Other forest and non forest types are not included in the area statement in this table. The figure in the*

*Comprehensive Regional Assessment report includes all forest and non forest types.”<sup>38</sup>*

The Committee also asked Dr Syd Shea to respond to its concerns<sup>39</sup> and conducted a hearing on the issue with Mr Alan Walker, CALM’s RFA Manager.<sup>40</sup> In each case the responses were similar to that of the Minister. Essentially the two points made in all three responses are that:

- the Forest Management Plan region boundary is different from the RFA region boundary; and
- Forest Management Plan information relates only to areas of jarrah forest and karri forest types while RFA information relates to “the total area of public estate managed by CALM” and includes “all forest and non-forest types”<sup>41</sup>.

Looking at the first (and less significant) point, it appears that the difference between the boundaries hinders rather than assists the search for an explanation for the apparent discrepancies. The area within the Forest Management Plan region is actually significantly **larger** than the area within the Comprehensive Regional Assessment region, as demonstrated by a map provided to the Committee by Dr Shea<sup>42</sup>. If this is taken into account as suggested, it becomes more difficult to see how the areas listed in the Forest Management Plan could be significantly **smaller** than those in the Comprehensive Regional Assessment.

The second point provides a more relevant and plausible explanation for the apparent discrepancies. The apparent increases in area of forest and areas of formally and informally reserved forest in the Comprehensive Regional Assessment are due to the fact that not only jarrah and karri forest ecosystems but also other forest and non-forest ecosystems under CALM management are included in the figures. The non-forest ecosystems listed by Dr Shea are shrub, sedge, heath and herb communities, swamps and rock outcrops.<sup>43</sup> It is credible that these account for a large portion of the CALM managed estate.

However, the explanation does not remove the Committee’s concern that the Comprehensive Regional Assessment does not adequately communicate the basis on which its baseline data has been prepared. The major point of confusion is that page 41 of the Comprehensive Regional Assessment refers to “*the total area of approximately 2.45 million hectares of **native forest** managed by CALM*” (emphasis added). As explained to the Committee, the figures make sense if the words “native

---

<sup>38</sup> Legislative Council of Western Australia, 9/6/1998, Question No. 404

<sup>39</sup> Dr Syd Shea, 30/7/1998, letter to the Committee

<sup>40</sup> Mr Alan Walker, 27/7/1998, transcript of evidence to the Committee

<sup>41</sup> Dr Syd Shea, 30/7/1998, letter to the Committee, p.3

<sup>42</sup> Dr Syd Shea, 30/7/1998, letter to the Committee

<sup>43</sup> Dr Syd Shea, 30/7/1998, letter to the Committee, p.8



forest” are replaced by “all forest and non-forest types”. They are, however, somewhat misleading at face value.

The task of interpreting the Comprehensive Regional Assessment is possibly made more difficult by the fact that the Comprehensive Regional Assessment’s focus on “all forest and non-forest types” rather than “native forest” means that the Comprehensive Regional Assessment does not actually give figures for total forest area, area of forest formally reserved or area of forest informally reserved. The Committee asked Mr Walker why this was the case:

*“[T]he reason for that is very clear and fundamental; that is, that we were required to do our analysis on the basis of forest ecosystems. You probably recall the controversy that existed during the deferred forest assessment process when it was said that the analysis that was done of jarrah and karri as the two primary forest types was inadequate: It was too broad an assessment, those two forest types had to be broken down and there had to be a subdivision of those two forest types for it to be a valid assessment. Had we aggregated those and made statements about the aggregated jarrah and karri types, we would have been justly criticised as having tried to generalise rather than make it specific to forest ecosystems.”<sup>44</sup>*

The Committee agrees that there are valid scientific and management reasons for adopting this approach. However the approach raises two potential difficulties for the reader. First, the approach differs markedly from the approach taken in the Forest Management Plan, making it difficult to work out how the Comprehensive Regional Assessment relates to current forest management. Secondly, in the absence of a clear explanation to the contrary, the reader could reasonably expect that the Regional Forests Agreement would be primarily concerned with forest rather than heathland, sand dunes and other non-forest ecosystems. Even though the approach taken is justifiable, it needs to be clearly communicated before the reader can evaluate the data.

---

## COMMITTEE FINDINGS

Much of the conflict and mistrust surrounding the RFA process stems from the lack of acceptance of the generally agreed definitions for terms used in the RFA process.

In the Committee’s view it is essential to the success of the RFA process that the process establish credible, repeatable baseline data and commonly agreed, consistently used definitions. The Comprehensive Regional Assessment is ideally placed to achieve this outcome.

---

<sup>44</sup> Mr Alan Walker, 27/7/1998, transcript of evidence to the Committee, p.22

The work done to prepare the Comprehensive Regional Assessment is clearly valuable, regardless of what shape the RFA takes. The availability of information about forest ecosystems in particular of the sophistication and detail the Committee has seen will undoubtedly be of great benefit to forest management in this State.

The Committee is satisfied with the detailed explanations given by Mr Walker as to why the figures on such fundamental matters as area of forest, area formally reserved and area informally reserved differ so much between the Forest Management Plan and the Comprehensive Regional Assessment.

However, the need for a detailed explanation, involving some critical qualifications to the text of the Comprehensive Regional Assessment, illustrates how difficult it is for the reader to understand and accept the Comprehensive Regional Assessment figures at face value, without the benefit of such a specific explanation.

The difficulties the Committee perceives with the Comprehensive Regional Assessment are that:

- although the scientific baseline data used in preparation of the Comprehensive Regional Assessment process appears to be of high quality, it is not well presented or explained;
- the Comprehensive Regional Assessment uses different concepts and definitions to the Forest Management Plan and other current Government forest information, making it difficult to work out how the Comprehensive Regional Assessment relates to current forest management; and
- these problems are compounded when the reader of the Comprehensive Regional Assessment seeks to compare the Comprehensive Regional Assessment with the Forest Management Plan. The Comprehensive Regional Assessment is not intended to be used in this way, but this is not made clear in the document.

The Committee's conclusion is that the opportunity offered by the RFA process for the Governments to produce credible, repeatable baseline data using commonly agreed, consistently used definitions may not have been utilised to the full.

This shortcoming does not mean that the RFA process has not produced a valid Comprehensive Regional Assessment, but that work remains to be done so that the full benefits of the Comprehensive Regional Assessment may emerge. The Committee sees two means by which this intended outcome of the RFA can be promoted.

First, information produced in the remainder of the RFA process should be clearly presented and explained so that interested members of the public can come to an understanding of how the information relates to current forest management.

Second, the baseline data established in the Comprehensive Regional Assessment should be adopted for all forest-related materials and information produced by the Western Australian Government in future, particularly the Forest Management Plan which will follow the RFA.

**Recommendation 2: That the Minister for the Environment note that much of the conflict and mistrust surrounding the RFA process stems from the lack of acceptance of generally agreed definitions for terms used in the RFA process.**

**Recommendation 3: That the RFA process establish credible, repeatable baseline data and generally agreed, consistently used definitions.**

**Recommendation 4: That information produced in the remainder of the RFA process be clearly presented and explained so that interested members of the public can come to an understanding of how the information relates to current forest management.**

**Recommendation 5: That the baseline data established in the Comprehensive Regional Assessment be adopted for all forest-related materials and information produced by the Western Australian Government in future, particularly the Forest Management Plan which will follow the RFA.**

### 7.3 LEGISLATED RESOURCE SECURITY FOR THE TIMBER INDUSTRY

#### 7.3.1 Timber industry's need for resource security

Mr Alan Walker is of the view that a major benefit to come out of the RFA process will be resource security for both sides of the debate:

*“Hon M.J. CRIDDLE: A point that has been made to us on quite a few occasions relates to where the line should be drawn and how much it will shift over a period. In other words, if logging needs to increase will we go over the line and will that line keep shifting? We have interim listings that are in the throes of being logged. That is the reason for the uncertainty and doubt about the process.*

*Mr WALKER: From my point of view, that is the great strength of the process. I speak passionately about that, because the Regional Forest Agreement enables us to identify the area needed for the reserve system and to lock that in. The Western Australian Government would make an undertaking to commit to those areas being reserved and protected in various ways. That locks in conservation for that 20 year period.*

*At the same time, industries - whether minerals, timber or other industries - know the areas that are available to them and where they can operate. The Commonwealth will sign off on national estate listing and world heritage listing and its environmental protection legislation. It will say categorically in the agreement that for the purposes of the national estate, the Commonwealth considers that this RFA will not need to revise that matter over the next 20 years. This process will provide a sign off and the sort of certainty that some forest users are seeking. It gives certainty for conservation and industry interests in that both will get a clear understanding of where their values will be protected.”<sup>45</sup>*

Resource security is emphasised by all submitters from the timber industry as central to the ongoing viability of their industry. The Forest Protection Society submits that:

*“Over the last decade there has been a major move by timber producers to value add their products and many have installed expensive equipment to facilitate this. The full advantages of these moves are yet to come. The potential for further investment and employment opportunities is great but it is easily discouraged by continued uncertainty about whether access to the resource will be guaranteed.*

*Just as it is essential to have a certain proportion of the forest types in reserves to act as ecological benchmarks it is equally important for the*

---

<sup>45</sup> Mr Alan Walker, 24/11/97, transcript of evidence to the Committee, p.25

*timber industry to prosper to have confidence that the areas available for logging will not change from day to day.”<sup>46</sup>*

The Forest Industries Federation (WA) believes that the RFA is an appropriate process to achieve certainty:

*“The key issue facing our industry is competitive access to timber resources. We are constantly working to achieve secure tenure of an affordable and reliable resource, and to that end we are participating in the regional forest agreement process. We see this as the next step in a long process of policy development nationally in forest management and forest industry development. We hope it will yield some good, durable results.”<sup>47</sup>*

### **7.3.2 Current levels of resource security**

The first thing which is apparent in considering the degree of resource security available to the timber industry is that in a legal sense the industry has at least a reasonable degree of resource security, contrary to the impression which might be gained from the quotes included above. The Committee notes the following features of contracts for supply to the timber industry.

- CALM figures show that over 99% of timber is currently sold by the Executive Director of CALM pursuant to long term contractual obligation (as opposed to, say, sale at the Executive Director’s option, or by auction or tender).<sup>48</sup>
- Contracts between the Executive Director and timber purchasers generally have a 10 year term.
- Contracts do not allow the Executive Director to lower the volume of timber to be delivered each year.
- The resource relied on by the timber industry is publicly owned, but under the CALM Act it is in part required to be dedicated to production of timber.

Taken together these factors present the timber industry as a whole with a strong degree of resource security.

It might be added that the evident lack of scope for the Government as timber seller to adapt sales of timber to changing circumstances is, as the Committee understands it, somewhat unusual in a contract to provide a primary product. This could be regarded as giving timber purchasers a high degree of security of supply by comparison to other purchasers of primary product. At the same time, the fact that contracts between CALM and timber purchasers require or give incentives to the

---

<sup>46</sup> Forest Protection Society, Submission #13

<sup>47</sup> Mr Cam Kneen, 29/11/1997, transcript of evidence to the Committee, p.2

<sup>48</sup> Dr Syd Shea, 17/3/1998, Responses to Standing Committee questions following the field trip to south west forests (Attachment to letter to the Committee)

purchaser to continue to purchase fixed volumes, regardless of whether the purchaser wishes to do so, can cause difficulties for the purchaser.

One witness with forestry expertise notes that security of supply (whereby contracts must be fulfilled regardless of timber availability from a silvicultural perspective) may not be ideal:

*“From an operational perspective the most difficult factor to deal with to achieve improvements in planning and utilisation is security of supply. Coupled with the high rate of cut, security of supply causes many problematic issues which are not able to be solved by forest managers. No matter what happens, in terms of available forest, seasonal variations, changes in market, changes in ecological knowledge, different community expectations etc, at the end of the day, contracts to supply and for sale have to be satisfied.”*<sup>49</sup>

This implies that contracts must have a degree of flexibility to reflect such uncertainties.

A greater degree of resource security is provided to industry where the State enacts legislation which requires sale of forest produce to timber purchasers. The only native forest product contract which has such legislative sanction at this time is the woodchipping supply contract between the State and West Australian Chip & Pulp Co Pty Ltd. If this approach were to be extended across the entire forest products industry, new legislation would be required, which would give the opportunity for fresh public debate on the issue.

However, it does not appear that this approach is being seriously mooted. Leaving aside consideration of how well the current Forest Management Plan works, most parties appear to accept that generally speaking having a Forest Management Plan, rather than legislation, entrenching harvest levels and so on, is appropriate.

Consistent with this, Mr Trevor Richardson of the Forest Protection Society does not seek entrenchment of harvesting levels in legislation, but rather points to the frequent intervals at which the Forest Management Plan is reviewed as the major factor contributing to resource insecurity:

*“It is a long term industry; it is not a short term industry. One does not spend \$20m, \$30m, \$40m, \$50m, \$100m and get it back next year. Usually it is spent on a 10 year program. The current contracts in Western Australia have never lasted 10 years for the simple reason that we have had to sit in front of people like you at roughly 12 month intervals.*

*In each case the management plan has never gone the full 10 years; it has been pulled back. Last time it was pulled back by the Lawrence Government because it became a political issue prior to the last election.*

---

<sup>49</sup>

Submission #56

*Until we get that resource security for industry - we hope that is what will come out of the Regional Forest Agreement, which is a 20 year contract - the industry cannot go any further forward than it has. . . The potential has not even looked like being reached. That will not occur until the industry has some form of security. Currently it has never looked further forward than roughly five years.”<sup>50</sup>*

As a matter of commercial common sense, it is clear that frequent review has the potential to pose real difficulties for industry. However, in practice this argument is not as clear cut as industry might like to suggest, as both the reviews of 1992 and the current RFA process in fact offer clear benefits for industry:

- the 1992 review led to the 1994-2003 Forest Management Plan, under which there is a substantial increase in the volume of jarrah sawlog available to the industry compared to the volume which would have been available over those ten years had the 1987 Timber Strategy continued to operate. Had the review not taken place the level of allowable jarrah sawlog harvest would in 1997 have been somewhere between 351,000 m<sup>3</sup> and 399,000 m<sup>3</sup> per year.<sup>51</sup> However, as a result of the review, under the Forest Management Plan 1994-2003 the level of allowable jarrah sawlog harvest in 1997 is 490,000 m<sup>3</sup> per year; and
- the RFA appears likely to require further amendment to the Forest Management Plan, again about half way through its ten year lifetime. Contrary to what might be expected from Mr Richardson’s statement quoted above, the RFA has been welcomed by the FPS as likely to offer greater resource security.

The Industry Commission’s 1993 report on value adding in forest industries concludes that the magnitude of the risk to supply is overstated by industry and that under the standard medium to long term contracts applying in the timber industry, supply is in fact more certain than in most other primary industries. The only demonstrated risk to supply identified by the Commission is the Commonwealth’s power to impose export limits for woodchips.<sup>52</sup> The RFA will remove this risk, as discussed at [7.1] above.

The Industry Commission goes on to discuss, without coming to any clear conclusion, why there is such a strong perception within industry that resource security is lacking. The Commission, however, accepts that the industry **perception** of lack of security is damaging to investor confidence.

The only measure the Commission proposes to remedy the perceived difficulty is the implementation of the National Forest Policy Statement. The RFA process is

---

<sup>50</sup> Mr Trevor Richardson, 22/10/1997, transcript of evidence to the Committee, p.5

<sup>51</sup> The range of figures is because the log grades in terms of which the allowable harvest is set out in Part 6 of the 1987 Timber Strategy, “The Allowable Cut” are different to the log grades in the Forest Management Plan, making direct comparison problematic.

<sup>52</sup> Industry Commission (1993), p.110-112

intended to go some way towards achieving this, but does not seek to implement the National Forest Policy Statement in full as recommended. The Industry Commission report does not record any other concrete suggestions for reform made to the Commission's inquiry.<sup>53</sup>

This Committee's experience is similar to that of the Industry Commission. Industry representatives seek resource security but do not point to particular provisions of the laws applying to their industry which should be amended to achieve resource security. As the Industry Commission concluded, the industry already has secure supply from a legal point of view.

In summary, the industry's access to resource is backed by a series of guarantees, the net result of which is that timber purchasers are largely immune from the kinds of disruptions to supply which affect other primary industries.

### 7.3.3 What the RFA can do to promote legislative resource security

As the degree of security available to industry in a legal sense is already high, there is limited scope for it to be improved by the RFA. The only area which the Industry Commission identifies as posing a threat to security, the ability of the Commonwealth to impose export restrictions, is dealt with by the RFA as discussed at [7.1] above.

The major achievement of the RFA in offering increased certainty is therefore not a change in the law but simply the length over which it is intended to operate. The RFA is offering industry guaranteed levels of access for 20 years.

To achieve this length of guarantee, changes will be required to statutory instruments currently governing forest management. The Public Consultation Paper gives no detail about how the RFA will actually affect current State legislation and the Forest Management Plan, stating only that:

*“Within the scope of [existing legislation] new wood supply proposals that arise during the currency of the RFA will not require assessment unless they are beyond the scope of the Agreement.*

*Where existing legislation and management plans require changes under the RFA to ensure certainty, this will be pursued by both Governments.”<sup>54</sup>*

The ability of the RFA process itself to promote resource security in a legal sense is limited in two key ways.

- The RFA is not a State law but a State-Commonwealth agreement. It has no legislative effect in itself and will not avoid requirements for

---

<sup>53</sup> Industry Commission (1993), p.110-112

<sup>54</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee, p.25



assessments of forest harvesting levels under the CALM Act and the *Environmental Protection Act 1986*. Current forest harvesting levels are approved under those Acts until the end of the Forest Management Plan 1994-2003. To entrench harvest levels for 20 years (ie about 15 years from the expiration of the current Forest Management Plan) a new Forest Management Plan will be required. This will be subject to the usual procedures of Ministerial approval and EPA review under those two Acts, discussed at [6.11] above.

The important point in considering the issue of certainty is that the RFA can only provide **policy backing** and indicate **Government support** for fixing harvest levels for 20 years. **It cannot in itself guarantee** harvest levels for 20 years.

- The present Government cannot prevent a future Government changing the law. This rule does not have particular application to the timber industry: it is a factor that applies to any industry to the extent it is affected by legislation. It does however affect the timber industry more than most industries because the timber industry relies so heavily on a publicly owned and managed resource.

The industry avoids this difficulty to the extent that it relies on plantations as a resource. The plantation resource is subject to public opinion and government controls only to a similar degree as other agricultural industries. To some extent a shift in industry focus towards reliance on a plantation resource is occurring. However, the National Forest Policy Statement emphasis on development of plantation industry is not reflected in the Public Consultation Paper, which does not discuss plantations in any significant degree. The Committee feels there is scope for further development in this direction and will report on this in future.

From an investor's point of view, the fact that the native forest industry is reliant on a public resource (and therefore vulnerable to political decision-making) is presumably taken into account in decision-making. This factor will continue to prove troublesome for the industry to the extent that it continues to rely on public resources. It cannot be removed by the RFA process.

Claims that the RFA will itself provide watertight security for industry are therefore something of a simplification. This is not a shortcoming of the RFA but a product of the political system operating in the State.

The findings of the Independent Expert Advisory Group review of forest management undertaken for the RFA, published in December 1997 as "*Assessment of Ecologically Sustainable Forest Management in the South-West Forest Region of Western Australia*", require brief consideration. The Advisory Group makes the following recommendation:

*“The Government of Western Australia should review the Conservation and Land Management Act to:*

- *enable licences for the sale of wood to extend beyond the period of the management plan;*
- *make some or all long-term licences renewable as well as transferable; and*
- *introduce a declining ratchet provision in the volumes to be sold beyond the initial ten years of any longer term licence.”<sup>55</sup>*

The first proposal read by itself appears broadly in keeping with the industry’s need for ongoing security of supply but requires some modification to work in practice. If contracts for sale of timber could be entered into regardless of whether a management plan exists for the period of sale of timber under the contract, the management plan becomes redundant. All sides of the debate appear to accept that some form of meaningful management planning is needed.

It should also be noted that the second and third of these proposals are already in place under sections 88 and 91 of the CALM Act. These provide for contracts to last for up to 15 years, renewable for a further 5 years. Under section 88 (1) (b), the Executive Director can enter into such contracts on such terms as he thinks fit, meaning there is nothing to prevent a declining ratchet provision or any similar provision varying the volume of timber to be sold. The proposals therefore appear to require a change in the Executive Director’s contracting policies, not amendments to the CALM Act as suggested.

The Committee does not propose to make any findings or recommendations in relation to the proposals of the Independent Expert Advisory Group, for the reason that they relate to executive decision making rather than the RFA process. However the Committee notes its preliminary view that the Independent Expert Advisory Group’s recommendations have considerable merit. It appears a realistic proposal to have contracts for supply of timber last beyond the term of a Forest Management Plan. A designated level of supply would apply during the life of the then current Forest Management Plan, with ongoing guarantee of a lower level of supply following the expiry of the Forest Management Plan.

If such an approach were taken by the Executive Director, care would have to be taken that the ongoing guarantee of supply did not compromise the ability of the Minister to assess timber harvest levels so as to achieve ecologically sustainable forest management for each new Forest Management Plan. In other words, the industry’s need for security has to be balanced against the Government’s environmental obligations.

---

<sup>55</sup> Independent Expert Advisory Group (1997), p.24

Over the course of this inquiry a number of witnesses have raised objections to the structure of forest management in the State. The criticism made by conservationists and others is that CALM already has conflicting responsibilities as the manager of forestry and also the regulator of forest activities in the State. It is claimed that the RFA process exacerbates the conflict, by giving CALM the role as lead agency and therefore adviser to the Western Australian Government on the RFA, despite the fact that CALM has a significant interest, financial and otherwise, in its outcome.

The 36th Report of the Legislative Council's Standing Committee on Government Agencies<sup>56</sup>, an important reference for this Committee, tends to support this concern. The 36th Report proposes that, where practical, the advisory, regulatory and operational functions of a given field of government activity be given to different agencies.

The criticism is not a criticism of CALM's competence. On the contrary, CALM is the most significant repository of forest knowledge in the State and it is therefore appropriate that it has had the major role in providing information for the purposes of the RFA.

---

## COMMITTEE FINDINGS

Summarising the discussion above, it appears that the most effective practical way to offer industry an increase in resource security is by determining forest harvesting levels for 20 years rather than, as at present, approving a 10 year Plan which in practice lasts only 5 years or so before being replaced. This appears likely to be achieved as part of the RFA process, not by the RFA itself, but by implementing a 20 year Forest Management Plan following the RFA (or introducing legislation which would have a similar effect).

All the other legislative and contractual elements which could reasonably be required to achieve resource security are in place and cannot be improved. The only other conceivable addition to resource security would be legislation obliging the Government to sell particular levels of product every year. Such legislation would be highly unusual, would require serious scrutiny and does not appear to be under consideration in the course of the RFA process.

The Committee is not aware of widespread concern about the proposal that a Forest Management Plan should last 20 years. Rather, concerns voiced by conservationists and some sectors of the tourism industry, local government and the community are directed at ensuring that the 20 year plan is put in place by an adequate, inclusive process. These concerns, and the threat they pose to achieving resource security, are discussed in full in the following Chapter.

---

<sup>56</sup> The 36th Report is titled "State Agencies: Their Nature and Function"

The Committee supports, and recommends that the Government support, the proposed RFA outcome of improving the timber industry's resource security by implementing a 20 year Forest Management Plan, to promote better forest management, long term industry planning and investment and workforce security in timber-related industry.

At the same time, the Committee notes that the 20 year plan will not be produced by the RFA but will require implementation or approval by the EPA, the Minister and possibly Parliament, depending on what steps are proposed to implement the RFA. The Committee considers that review of the RFA process by these bodies is appropriate and the RFA should not propose any measures which avoid such scrutiny.

There are good arguments that in addition to such initial review processes, ongoing implementation of the Forest Management Plan and other aspects of forest management should be subject to independent scrutiny. Principles of good government discussed in the 36th Report of the Government Agencies Committee suggest that the management and regulatory functions of government should be carried out by separate agencies.

This principle has been applied in industries such as water and telecommunications and appears generally applicable to forestry. If there were an independent body empowered to review and regulate forest management, there would likely be less concern about instituting a 20 year plan and greater public confidence in forest management.

The Committee therefore takes the view that the Government should introduce legislation to allow for the independent scrutiny and regulation of:

- forest management; and
- the formulation, implementation, assessment and review of Forest Management Plans.

The other key qualification to the security offered by the 20 year plan is that a future Government could change the laws relating to forests to diminish the availability of resource to industry. This factor is endemic to any industry relying on public resources and therefore political goodwill. It is not surprising or controversial that it affects the timber industry. It is wrong to suggest that the RFA somehow can or should seek to negate the right of the public through Parliament to exercise control over public resources.

**Recommendation 6: That the Government support the proposed RFA outcome of improving the timber industry's resource security by implementing a 20 year Forest Management Plan, to promote better forest management, long term industry planning and investment and workforce security in timber-related industry.**

**Recommendation 7: That in conjunction with Recommendation 6, the Government introduce legislation to allow for independent scrutiny and regulation of:**

- **forest management; and**
- **the formulation, implementation, assessment and review of Forest Management Plans.**

## 7.4 SOCIAL AND POLITICAL RESOURCE SECURITY FOR THE TIMBER INDUSTRY

### 7.4.1 Timber industry's need for resource security in a socio-political sense

Closely related to the RFA process aim of achieving resource security in a legal sense is the aim of doing so in a social and political sense. The two factors are usually spoken of as a single issue, but are discussed separately in this Report for the following reason.

The timber industry's key concern throughout the Committee's inquiry has been resource security, or security of supply. To the outsider reviewing forest management policies and practices, this degree of concern is at first surprising. As discussed in section [7.3] and as concluded by the Industry Commission, the industry has almost unshakeable resource security in a legal sense. It is also strongly supported by both major political parties and there is no reason to think that this is likely to change.

The obvious question, then, is why the industry regards itself as being constantly in danger of losing access to the native forest resource on which it relies.

It appears that the industry's real concern stems not from legal or contractual considerations but from the pressure applied to government about forest policy by conservationists, some local governments, some tourism representatives, some politicians and sections of the public. The industry may regard itself as under siege because it has not achieved the degree of social and political acceptance it would like and which it believes is deserved. It is aware that while its position at law is secure at present, it is in the long term vulnerable to the possibility that the strong opposition to current forest management could be translated into political change.

The Comprehensive Regional Assessment sets out an analysis of the "social values associated with forested land within the population of the Western Australian RFA region". One of the findings is that "*within the regional population, high levels of concern were expressed in relation to the management of native forests.*"<sup>57</sup> This comment is based on figures indicating that 66% of people in the region are "*not confident that native forests are being well managed in Western Australia*".<sup>58</sup>

The study also suggests that 57% of people in the region believe there is a degree of conflict between the need for jobs and the need to preserve native forests in Western Australia.<sup>59</sup>

---

<sup>57</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.114

<sup>58</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.115

<sup>59</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.115

The industry's vulnerability to popular opinion will never entirely disappear for the simple reason that the native forest timber industry relies almost entirely on access to a public resource. This sets it apart from, for example, timber plantation operators and other agricultural/primary producers.

However, it seems evident that the position of industry will become more socially and politically secure as it gains greater public support. Recent marketing campaigns funded by the industry to encourage acceptance of logging and timber production are testimony to the industry's awareness of the importance of community opinion.

The Southern Branch of the Institute of Foresters of Australia noted that in talking of resource security, industry is concerned not so much with legislative protection as with reducing the degree of scrutiny and debate about forest management:

*“The tree based industries must have some certainty of availability of resource to allow them to continue to invest and develop.*

*Until we take those uncertainties out of the process, a damaging and often emotive debate about what we are doing will continue. At some stage or other, we need to dissipate as much of that emotion as we can, come back to as much of the science as we can, and from that make a reasonable compromise on how we will manage in the future.”<sup>60</sup>*

The clearest example of the pressure being brought to bear on industry is the strong opposition to current forest management practices which has been voiced by shire councils in Bridgetown and Denmark, traditionally towns supportive of logging. The councils' opposition has little or no substantive legal effect, as CALM is not subject to local government controls. Nevertheless it is keenly felt by industry in those places. The Committee gained the impression from its hearing at Bridgetown and other meetings with industry representatives that the industry, from workers to management, feels itself to be very much under siege because of the local opposition to their activities, clearly articulated by the large group of Councillors at the Bridgetown hearing.

The timber industry and timber worker representatives argue that their constituencies have more at stake - livelihood, career, security - in the logging debate than the supporters of the Bridgetown and Denmark Councils' position. Good decision-making in these circumstances should give considerable weight to how important logging is to those who support it, regardless of the fact that they appear to no longer form a majority in the region.

The Public Consultation Paper sets out the results of the RFA social assessment, an RFA project intended to find how sensitive different communities in the RFA region are to change in the timber industry<sup>61</sup>. One of the findings is that:

---

<sup>60</sup> Mr Robert Hagan, 28/10/1997, transcript of evidence to the Committee, p.16

<sup>61</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.35, 71

*“The research indicated that those communities most sensitive to change exhibit many of the following characteristics:*

- *small populations;*
- *limited economic diversity;*
- *limited population growth;*
- *low mobility;*
- *low levels of home ownership;*
- *limited service provision;*
- *lower median income;*
- *a high percentage employed in the timber industry.”*<sup>62</sup>

The relative political strengths of timber workers as opposed to other sectors in forest regions need to be borne in mind when assessing the importance of local council opposition to the timber industry. It might be that local council is a forum in which timber workers are not likely to have a great impact. To balance this, it certainly cannot be said that overall the timber industry lacks public and political representation, as evidenced by the industry’s publicity campaign mentioned above, strong bipartisan Government support for industry and the considerable presence in forest debate of the Forest Industries Federation (WA) and the Forest Protection Society.

It appears that the industry cannot credibly rely on the often used argument that logging is vital to the health of the south-west communities where it occurs. Making forest available for logging does indeed benefit those who gain from the logging operations, but the majority view of submitters to this inquiry in Bridgetown and Denmark appears to be that overall, from the community viewpoint, the disadvantages outweigh the benefits.

The Committee notes the recent election to the Bridgetown-Greenbushes Shire Council of Mr Robert Jenkins, the manager of Whitakers, a large sawmill in the area. Since Mr Jenkins’ election an accord process has been established within the Shire, with the aim of reaching agreement on how to balance the needs of timber industry and timber workers with the needs of other members of the community for recreation, tourism and conservation of local forest.

The groups involved in the Accord process are the following (with number of representatives in brackets)<sup>63</sup>:

- plantation industry (1)
- tourism industry (2)
- timber industry (3)
- mining industry (1)
- Shire of Bridgetown-Greenbushes (2)

---

<sup>62</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.35

<sup>63</sup> Shire of Bridgetown - Greenbushes Accord (1998)



- community (2)
- conservation (3)
- agriculture (1).

The Bridgetown-Greenbushes Accord group submission to the RFA public consultation process sets out an appraisal of how the Accord has operated in the context of the RFA process:

*“The RFA process has highlighted disharmony in many communities within Western Australia including rallies for and against the logging of forests, “city” versus “rural” on opinions to do with logging and associated issues. The Accord set up by the Shire of Bridgetown - Greenbushes has been unique in as much as diverse groups / organisations have worked together to arrive at developing some policy agreement on future directions in our Shire.*

*. . . this community has now proven it can come together to discuss contentious issues and find consensus on how to proceed for the benefit of the whole community. All delegates of the Accord have shown consideration to the views and needs of the various other community groups and organisations.”<sup>64</sup>*

The Committee notes the value of opening channels of communication between the various parties with an interest in forest issues.

#### **7.4.2 The RFA public consultation process**

Some tension is evident in the approach taken to the RFA process by the Governments, between the desire to retain Government control over what is essentially an agreement between the Governments, and the desire to achieve community acceptance of the outcomes of the process.

Most intergovernmental agreements are negotiated between the Governments without significant input from the broader community which the Governments represent. The Western Australian RFA process follows this pattern to the extent that the Steering Committee consists solely of representatives of the Governments, and in that only the Governments will be party to the RFA. The intended legal outcomes of the RFA process (such as removal of export limits on native forest woodchips, achievement of a Comprehensive, Adequate and Representative reserve system and a proposal for a new Forest Management Plan or equivalent) do not require community involvement or acceptance for their implementation.

At the same time the Steering Committee has put in a huge amount of effort to inform the community about what the RFA entails and to seek community involvement in a variety of forums. These efforts have included the establishment of a stakeholder group consisting of community organisations which has met a

---

<sup>64</sup> Shire of Bridgetown - Greenbushes Accord (1998)

number of times, commissioning of research from independent consultants on a range of matters, establishment of an internet site and two sets of briefings to local communities in the south-west.

The Public Consultation Paper does not give details about the role which groups other than Governments are able to play in the RFA process from this point, or how their views might affect the RFA, if at all. The only indication of what the Governments hope to achieve by the consultation process is the following:

*“The Steering Committee recognises that difficulties will arise in seeking to meet a number of these objectives [of the RFA] concurrently. It is also recognised that the objectives themselves do not identify the appropriate balance between environment, heritage, social and economic values. This report puts forward a range of possible approaches to meeting the various objectives. These approaches are not meant to represent the full range of options for addressing the RFA objectives, but rather have been designed to promote discussion and feedback as to the most appropriate way to implement a RFA in the South-West Forest Region.”<sup>65</sup>*

#### **7.4.3 Areas of community concern**

The most significant stumbling block to achieving representative community involvement in the RFA process has been the virtual boycott of the Stakeholder Group by the conservation movement (from peak bodies such as Wilderness Society, Conservation Council and West Australian Forests Alliance, to most local conservation groups), some tourism groups, and some local community groups. Some local groups have been involved in stakeholder meetings, along with some conservation-minded local councils.

Tourism South West expresses its reservations about the RFA process:

*“The tourism industry is a major stakeholder in the forests of Western Australia and is already deriving significant economic benefits from their existence. The viability and outlook for the tourism industry in the south west is closely linked to the future of the forests in the region, and in particular the old growth forests. As far as the Regional Forest Assessment goes the tourism industry has expressed major concerns about the RFA process and, in particular, the representation of the Steering Committee. Those concerns still remain with the industry and it is likely that, if the current structure remains, the tourism industry will not accept the outcomes as being valid.”<sup>66</sup>*

The Wilderness Society describes its position as follows:

---

<sup>65</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.12

<sup>66</sup> Ms Pauline McLeod, 27/10/1997, transcript of evidence to the Committee, p.34

*“ . . . the joint State/Federal Regional Forest Agreement process . . . has not addressed even the most basic of pre-requisites for conservation movement participation and acceptance. As a result all forest conservation groups have chosen to boycott the process, pressing for its suspension and reformation.”*<sup>67</sup>

The South Coast Environment Group explains conservation misgivings about the process as follows:

*“ . . . the Department of Conservation and Land Management are doing their darnedest to appear to be consulting widely. They have even gone to the extent of printing our groups name on the list of Key Stakeholders, even though we have written to them on several occasions to say we cannot be a part of the process until we gain some form of representation on the Steering Committee and open access to all data being collated.”*<sup>68</sup>

The Shire of Bridgetown-Greenbushes has been attending the stakeholder meetings of the RFA but Councillor Browne expressed some misgivings:

*“I believe that this process has criteria to fulfil for its own purpose and will not be influenced greatly by the submissions made by the community. However, the situation could be changed if the Steering Committee had representation from local government, the tourist industry and the environment and conservation movement. With such representation, evidence and scientific information would be requested from other sources rather than from in-house sources which is the case at the moment.”*<sup>69</sup>

Bridgetown-Greenbushes Shire, Denmark Shire and Nedlands City Council in May 1998 proposed that all concerned Shires meet to discuss the RFA process. The municipalities assert that:

*“We are greatly concerned that Local Government is not being afforded the consideration it deserves in the evolving Regional Forest Agreement. If this situation is not immediately addressed the process may well result in a conclusion which is most unsatisfactory for the communities we represent.”*<sup>70</sup>

Essentially, these groups are concerned that public involvement has only been possible through the Stakeholder Reference Group, which is being consulted about the RFA process, not the Steering Committee which is driving the RFA process, controlling, analysing and publishing all data and preparing key documents such as the Comprehensive Regional Assessment and the Public Consultation Paper.

---

<sup>67</sup> The Wilderness Society, 16/7/1997, letter to the Committee

<sup>68</sup> South Coast Environment Group, Submission #15

<sup>69</sup> Mr Hugh Browne, 29/10/1997, transcript of evidence to the Committee, p.19

<sup>70</sup> Mr Brian Kavanagh, President of Bridgetown-Greenbushes Shire, et al, undated letter

In response CALM has consistently called for an end to the boycott of the Stakeholder Group:

*“Mr WALKER: Information provided to me suggests the conservation movement Australia-wide made a conscious decision not to participate in RFAs. I refer to some of the peak bodies Australia-wide - the Wilderness Society, the Australian Conservation Foundation and other peak groups, for example. Their reasons for that were, first, that it would be difficult for them to acknowledge all the goals of the national forest policy, which was a document that would underpin and provide a framework for the regional forest agreements; and second, that they would influence decision making more effectively by staying outside the process and through direct action. The peak bodies for conservation in Western Australia, the Conservation Council of Western Australia and the Western Australian Forest Alliance, have said similar things at various times. However, they have also provided prerequisites for their participation in the process that both State and Commonwealth Governments felt they could not meet. There are a variety of reasons for that non-participation.*

*Hon NORM KELLY: How do you think their non-involvement will affect the final outcome of the agreement?*

*Mr WALKER: Both Governments expressed the view that they would rather conservation groups participated in the process. They have tried to persuade conservation groups to join the process and to be part of the stakeholder reference group. However, to this stage that has not been successful. Some conservation groups are participating in the process at a local level. For example, members of the Walpole-Nornalup national park association, the Busselton naturalist club, the Wildflower Society of Western Australia . . . have attended the stakeholder reference group meetings on a regular basis.”<sup>71</sup>*

The opening statement of Mr Walker’s quote is somewhat at odds with information received from the Commonwealth Department of Prime Minister and Cabinet. The Department’s response to a Committee question about conservation group participation is as follows:

*“Question: Have peak conservation groups taken part in the RFA process in other States, whether as Stakeholders or otherwise?*

*NSW Yes. The State and local conservation organisation members participated in the original Steering Committee and will have places on the new Stakeholder Consultation Group when it is formed.*

---

<sup>71</sup> Mr Alan Walker, 27/8/1997, transcript of evidence to the Committee, p.4

- VIC Yes. In the East Gippsland Region conservation groups took part in the RFA consultations. Prior to the completion of the Central Highlands RFA national conservation groups formally withdrew from the RFA process though State groups remain formally involved.*
- QLD Yes. Conservation groups have 3 places on the Stakeholder Reference Panel and one of the two positions that represents the Reference Panels' members views on the Steering Committee. Of those on the Reference Panel, two represent State conservation groups, while the third represents a national conservation group.*
- TAS Yes, as participants in all relevant stakeholder consultative forums.”<sup>72</sup>*

The question for the Committee is not whether conservation groups are right or wrong in boycotting the Stakeholder Group. It is evident in any case that the boycott is only part of the problem, given that some groups which **have** participated in the stakeholder groups such as local councils and Tourism South West have reservations similar to those of conservation groups about the RFA process.

The question is whether the RFA is likely to succeed in giving the industry resource security at a social and political level. The evidence before the Committee indicates that the RFA process in Western Australia is accepted by CALM and timber industry representatives as having objective credibility, but that many other groups interested in the debate about forest management in Western Australia either have reservations about or are in outright opposition to the RFA process.

The groups which are unhappy with the RFA process in Western Australia do not appear opposed to the concept of an RFA being put in place. As Mr Walker stresses, the process is intended to provide resource security for both industry and non-industry interests. There is no reason to believe that non-industry interests do not support this outcome at a philosophical level. Conservationists and groups such as local councils and Tourism South West have approached the prospect of an RFA with a willingness to become involved. This suggests that significant gains for resource security at a social and political level could be achieved by the RFA process.

Opposition has, rather, arisen because of the manner in which the RFA process has been carried out. The opportunity to achieve resource security appears to have been missed because of the unacceptableness of the process to non-industry groups. It might be argued that it is pointless trying to achieve social and political security for the industry as there will always be opposition from some members of society. To an extent this is justified but it also appears self-evident that there are degrees of opposition, and that the RFA has not succeeded even in lessening opposition to current forest management.

72

Department of Prime Minister and Cabinet, 9/7/1998, letter to the Committee

Some submitters have raised the additional concern that CALM and the Steering Committee have gone to great lengths to appear to be consulting the public while not in any way relinquishing absolute control over the RFA process. Submitters have questioned whether it is fair to describe Stakeholder Groups and the period of public comment on the Public Consultation Paper as amounting to consultation in any meaningful sense, given that there is no indication as to how, if at all, the views of the public have been or will be taken into account.

Another factor which has caused conflict over the course of the RFA is that while the RFA process has been in train, CALM has proposed or commenced logging in a number of interim heritage listed forest blocks. Logging was deferred in some of these areas, but not all, under the 1996 Deferred Forest Agreement, despite the Commonwealth's 1995 request that logging be deferred from all interim heritage listed blocks until the completion of the RFA process or at least the end of 1997.<sup>73</sup>

#### 7.4.4 The RFA process in Queensland

It might be argued by the proponents of the RFA that conflict is endemic to the issue of native forest harvesting and cannot be reduced by the RFA process or any other proposal.

Against this, there is the positive example of the RFA negotiations in Queensland. Virginia Young, a national lobbyist for the Wilderness Society, appeared before the Committee to discuss the status of forest management in Queensland and in particular the progress of the RFA in that State. She describes the current negotiations in Queensland as follows:

*"We have had dialogue facilitated through an independent arbiter involving the timber industry and the conservation movement. Almost as soon as those talks began we discovered that, rather than having the entrenched positions and conflict attitudes that had characterised relationships between the conservation movement and timber industry elsewhere in Australia, there was a real prospect for dialogue and problem solving.*

*Generally, the Wilderness Society has not been closely involved on technical committees, reference panels and steering committees. It has been intimately involved with all those aspects in Queensland in the Regional Forest Agreement process. In no other State in Australia has it had the confidence that it could influence the outcomes of these RFA processes and see real change. That has come about because of the attitude of the industry in Queensland."*<sup>74</sup>

---

<sup>73</sup> Commonwealth (1995), Executive Summary, p.1

<sup>74</sup> Ms Virginia Young, 11/2/98, transcript of evidence to the Committee, p.1

The Queensland approach, in gaining the confidence of all interested parties, appears to have achieved resource security in the sense that there is a high level of acceptance of the outcome.

Looking at each of the States which have entered into an RFA process, the Steering Committee for the RFA process in each of Queensland, NSW and Tasmania, but not Victoria or WA, has included non-government representation. Similarly, the forest management agency is the lead agency in Victoria and WA, while in the other States either the Department of Premier and Cabinet or the Department of Urban Affairs and Planning is the lead agency.<sup>75</sup>

Ms Young's comments appear to support the contention made by a number of submitters that the RFA process would be likely to capture a wider degree of support if it were not perceived to be dominated by CALM. She outlines the differences between the processes:

*"I can understand why the conservation movement here [in W.A.] has had no confidence in the process. There was no capacity, as there was in Queensland, to be fully involved. We participate in all of the technical committees. We are on the reference panel and the Steering Committee. The Steering Committee of course becomes a rubber stamp once you are on it. The real decision making structure comes below that at the level of the reference panel, on which all stakeholders are represented."*<sup>76</sup>

A clear benefit for the timber industry emerges from this rapport:

*"We have the extraordinary situation in Queensland where there has been no public attack on the timber industry for two and a half years because we have had dialogue. We do not attack people with whom we are having dialogue."*<sup>77</sup>

The picture painted by Ms Young contrasts with the Committee's impression of the Western Australian forest debate, wherein conservationists are unhappy and aggressive about the perceived unwillingness of CALM and the industry to take conservationist views into account in the decision making process. At the same time, CALM and the industry are unhappy and defensive at being the constant target of mistrust from some sections of the community.

However, the Commonwealth Department of Prime Minister and Cabinet does not share Ms Young's view of the Queensland RFA process. The Department's response to the Committee's question about the Queensland RFA process is as follows:

**Question:** The Committee has been told that the RFA process in Queensland has been more successful than RFA processes in other States

---

<sup>75</sup> Department of Prime Minister and Cabinet, 9/7/1998, letter to the Committee

<sup>76</sup> Ms Virginia Young, 11/2/1998, transcript of evidence to the Committee, p.7

<sup>77</sup> Ms Virginia Young, 11/2/1998, transcript of evidence to the Committee, p.7

in attracting broad participation and support. Is this the case? If so, in what ways is it more successful and why did this come about?

*The question requires a subjective judgment. We are aware of only one particular stakeholder organisation which holds this view. In our view, the Queensland RFA process has not been more successful than others in attracting broad participation and support. Different forms of participation have been developed under the various RFAs in response to the existing State consultative mechanisms, different geography, number of RFA regions in the State, and interest of stakeholders.”<sup>78</sup>*

Ms Young suggests that the key goal of the RFA, resource security, has not been met in those States where dialogue has not occurred, and will not be met in Western Australia under the current RFA structure:

*“I do not think it is lost on either the Commonwealth Government or the State Government that what is happening in Queensland is historic. We really are paving the way and breaking out of the paradigm of conflict and simply having warring parties, with the need for some intermediary in the middle to make some kind of political best guess decision, which is really all that has happened so far.*

*When it boils right down to it, the Tasmanian decision, despite all of the RFA work, is just another political decision. East Gippsland is the same. They were very bad decisions because they do not do anything for anybody. They do not give the industry security or address conservation needs and community concerns. “Why did anyone bother?” you might ask. Quite frankly, you would be better off without an RFA than going down the Tasmanian and East Gippsland path.”<sup>79</sup>*

---

## COMMITTEE FINDINGS

### GENERAL FINDINGS

The Committee’s conclusion is that the RFA is falling short of delivering resource security to industry in a social and political sense. The timber industry will not be further advanced towards obtaining resource security in a social and political sense unless the RFA process increases public acceptance of forest management and the industry.

A failure to deliver public acceptance is to the detriment of industry, which will continue to face opposition from conservationists and some local councils, some tourism bodies and

---

<sup>78</sup> Department of Prime Minister and Cabinet, 9/7/1998, letter to the Committee

<sup>79</sup> Virginia Young, 11/2/1998, transcript of evidence to the Committee, p.7



sections of the community. Recent developments such as the rally against the RFA process on 5 July 1998 in Perth indicate that the RFA process may indeed have had the opposite effect to the intended outcome.

In the Committee's view it is critical that the Government should seek to enhance acceptance of the RFA process and thereby to promote resource security in a political and social sense for native forest-based timber industry. Based on the positive examples of the Bridgetown-Greenbushes Accord and the Queensland experience, the Committee finds that social and political acceptance for the timber industry is not impossible. To put it the other way, the current level of conflict is not inevitable.

**Recommendation 8: That the Government seek to enhance acceptance of the RFA process and thereby to promote resource security in a political and social sense for native forest-based timber industry.**

#### FINDINGS ON THE PUBLIC CONSULTATION PROCESS

Following a genuine public consultation process is important in achieving public acceptance. There have been a number of difficulties with the consultation process which have given rise to significant public concern about the validity of the RFA process. The Committee notes the following shortcomings in the process.

- Important documents prepared on the basis of projects undertaken for the Steering Committee have been released late in the RFA process, in some cases after the release of the Public Consultation Paper. This makes it less likely that rigorous independent scrutiny of the documents can occur. It also adversely affects the ability of members of the public who are genuinely interested in contributing to the RFA to formulate adequate responses to the Public Consultation Paper.
- The Public Consultation Paper is difficult to understand. For example, Chapter 2 of the PCP attempts to set out in 3 pages the objectives of the RFA but because the objectives are drawn from so many sources, it has to refer to a range of other documents and other Chapters of the PCP.
- Some key issues are relegated to the Appendices of the PCP: for example, the findings of BIS Shrapnel's important "*Review of Value Adding Development Opportunities for the Western Australian Hardwood Industry*" are set out in a one page flow diagram at Appendix 3.
- Specific forest areas are not discussed. Mr Walker's explanation for this is essentially that the PCP is not intended to go into that level of detail. There are valid reasons for the Steering Committee to have avoided raising detailed issues for debate in the PCP. However the Committee notes that the price of this strategic decision is inevitably that the public will tend to perceive that critical decisions about particular areas will be made behind closed doors and without consultation.

- The community information forums are not helpful. Members of the Committee who have attended such a forum are of the view that little was achieved in the way of meaningful explanation of the RFA process and how it will affect individual communities.

### **FINDINGS ON THE STEERING COMMITTEE**

Turning from the public consultation process to the issue of representation on the Steering Committee, the Committee finds that problems in achieving public acceptance have arisen because:

- CALM's role as lead agency for Western Australia on the Steering Committee raises a perceived conflict of interest, because CALM is also Western Australia's forest manager and therefore interested in the outcome of the RFA process; and
- there is no non-government representation on the Steering Committee.

### **COMMITTEE PROPOSALS**

Despite the difficulties identified in the above findings, there is no point at this stage in the RFA process in taking a backwards-looking approach or discounting the work done by the Steering Committee.

Rather, the Committee proposes two forward-looking steps to promote public acceptance of the RFA process and thereby enhance resource security.

- That the Department of Premier and Cabinet be given lead agency status for the remaining stages of the RFA process, to overcome the perceived conflict of interest that CALM is both the key agency affected by the outcome of the RFA process and also the lead agency in the RFA process.
- That the Minister for the Environment establish and adequately fund an accord process to assist in the Minister's review of the RFA process thus far and in the preparation of the Agreement itself.

The accord process should include representatives from at least the timber industry, the Australian Workers' Union, the conservation movement, indigenous people, the Institute of Foresters, the Forest Protection Society, the Department of CALM, local government, the tourism industry and non-timber forest-based industry.

To promote public confidence in the RFA process, it is important that the outcomes of the accord process should be transparent and publicly available.

**Recommendation 9: That the Government ensure that the Department of Premier and Cabinet is given lead agency status for the remaining stages of the RFA process, to overcome the perceived conflict of interest that CALM is both the key agency affected by the outcome of the RFA process and also the lead agency in the RFA process.**

**Recommendation 10: That the Minister for the Environment seek to enhance acceptance of the RFA process by establishing and adequately funding an accord process to assist in the Minister's review of the RFA process thus far and in preparation of the Agreement itself.**

**Recommendation 11: That the accord process include representatives from at least the timber industry, the Australian Workers' Union, the conservation movement, indigenous people, the Institute of Foresters, the Forest Protection Society, the Department of CALM, local government, the tourism industry and non-timber forest-based industry.**

**Recommendation 12: That the outcomes of the accord process be transparent and publicly available.**

## 7.5 A COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE RESERVE SYSTEM

### 7.5.1 Criteria for a Comprehensive, Adequate and Representative reserve system

The Commonwealth's information package for the RFA process states that "Australian governments are committed to the development of a Comprehensive, Adequate and Representative reserve system."<sup>80</sup> The Public Consultation Paper reiterates that an objective of the RFA process is to "protect forest biodiversity through a comprehensive, adequate and representative reserve system - consistent with the JANIS criteria."<sup>81</sup>

The key terms are defined as:

***Comprehensive:*** includes the full range of forest communities recognised by an agreed national scientific classification at appropriate hierarchical levels.

***Adequate:*** the maintenance of the ecological viability and integrity of populations, species and communities.

***Representative:*** those sample areas of the forest that are selected for inclusion in reserves should reasonably reflect the biotic diversities of the communities."<sup>82</sup>

The Commonwealth's general information package on the RFA gives the following summary of the JANIS criteria:

- 15% of the distribution of each forest ecosystem that existed prior to Europeans arriving in Australia;
- 60% or more of existing old growth forest;
- 90%, or more, of high quality wilderness;
- remaining occurrences of rare and endangered forest ecosystems including old growth."<sup>83</sup>

The Public Consultation Paper's summary of the JANIS criteria is set out in full at Appendix F.

---

<sup>80</sup> Departments of Primary Industry and Environment, Sports and Territories (1997)  
<sup>81</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.13  
<sup>82</sup> Departments of Primary Industry and Environment, Sports and Territories (1997)  
<sup>83</sup> Departments of Primary Industry and Environment, Sports and Territories (1997)

An interesting point is that the Comprehensive, Adequate and Representative target reservation levels do not relate to geographical areas but to forest types. This means that the categorisations of “forest ecosystem” are critical to determining the distribution (and to a lesser extent, the overall amount) of reservation. The practical results of this are illustrated in the response by Dr Shea of CALM to a Committee question about the low level of reservation in the central jarrah forest:

*“Question: There is very little forest reserved in the central jarrah forest. What are the pros and cons of reserving an area like Hester or Kingston as representative of the central jarrah?”*

*Answer: The CALM administrative regions are not an appropriate basis for assessing the adequacy of forest reservation.*

*The RFA has defined and mapped 27 “forest ecosystems” including 11 jarrah forest ecosystems. These ecosystems have been determined using the National criteria and incorporating both overstorey and understorey vegetation mapping. . .*

*The reservation analysis of the pre-1750 distribution of these forest ecosystems and the old growth forest protection within each ecosystem will provide a more scientific assessment of the adequacy of reservation against nationally agreed (JANIS) targets. . . The merits of Hester and Kingston forest blocks can best be assessed in this context.”<sup>84</sup>*

The AWU supports the RFA process but is concerned that additions to the conservation estate would be detrimental to its timber industry members. It submits that:

*“AWU members are potentially the greatest losers from this process. If the current reserve system is significantly increased from forest presently available for timber production, the current sustainable harvest volume will decrease and employment will diminish.”<sup>85</sup>*

It is to be noted that the RFA process could result in deletions from the conservation estate as well as, or instead of, additions to it. The Institute of Foresters, WA Division, submits that:

*“In the [RFA] exercise it would be hoped that all existing reserves are examined to see whether their reservation was made on a valid scientific basis. It is our view that some reserves such as the Shannon River catchment addition to the D’Entrecasteaux National Park in the 1980s were made more for political than environmental reasons.”<sup>86</sup>*

---

<sup>84</sup> Dr Syd Shea, 17/2/1998, letter to the Committee

<sup>85</sup> Australian Workers’ Union, Submission #8

<sup>86</sup> Institute of Foresters, WA Division, Submission #27

The areas most vulnerable to losing their conservation status are those which were proposed for reservation in the 1994 Forest Management Plan and have, according to CALM, been managed as reserves since that time but which have not yet been formally proclaimed as reserves.<sup>87</sup>

In the following sections the Committee discusses some concerns which have been raised in relation to the JANIS criteria and the definitions of the various factors (area of old growth, pre-1750 forested area, etc) which go to make up the reservation targets.

### 7.5.2 Is a percentage-driven reserve system appropriate?

The first area of concern goes to the heart of the Comprehensive, Adequate and Representative concept. The argument is that the use of the JANIS criteria percentages as a basis for constructing a reserve system is a second rate, reductionist approach. A better approach would be to assess each area of forest on its merits. Arguably, good objective criteria are available for determining the presence of each of what might broadly be described as **conservation values**, as evidenced by the 1992 joint CALM/Australian Heritage Commission study of the Southern forest region which proposed a number of areas for heritage listing, and **production values**, as evidenced by CALM's timber yield projections. The same applies to other values such as water catchment, wildflower harvesting, recreation and so on.

Some particular areas of forest arouse more public interest in respect of their conservation values than others. Perhaps the most prominent recent example is karri old growth forest in blocks such as Giblett, Hawke and Carey. A number of areas of the southern karri forest were given interim Australian heritage listing following a joint study of the southern forest region in 1992 conducted by CALM and the Australian Heritage Commission.<sup>88</sup> These areas were given a degree of protection in the 1995 Deferred Forest Agreement between the Commonwealth and WA Governments. More recently, these areas have been the subject of considerable activity on the part of conservationists.

Under the JANIS criteria these areas, which are largely of the ecosystem type "karri main belt", will nominally be treated for the purposes of the percentage targets in the same way as any other ecosystem type. It is arguable that it is inappropriate to adopt the percentage driven approach for these areas without regard to their perceived significance.

A more general concern with the percentage driven approach is that it does not necessarily offer anything to people primarily interested in a particular local forest area. Illustrating this, Peter Murphy of Donnybrook discusses the areas of interest to him as a local tourism operator:

---

<sup>87</sup> Each of the Approaches in the Public Consultation Paper in fact proposes that some of these areas should be removed from the conservation estate: see pages 42, 44 and 47.

<sup>88</sup> Australian Heritage Commission and CALM (1992)

*“Twelve years ago we had areas of central jarrah forest called Management Priority Areas. These areas were deemed to be areas of high conservation value. In 1983 some of the forest blocks included Lennard, Dardanup, Preston, Noggerup and Mullalyup. These [Management Priority Areas] had 18 500 ha of high conservation value forest. In 1995 we had only 6 145 ha of old growth pristine forest left in the region.”<sup>89</sup>*

The difficulty the RFA process poses for people interested in reservations in a particular location is that JANIS criteria percentage targets for reservation could be met without the claims for reservation of a particular forest location having even been considered.

The percentage approach potentially has a detrimental impact on the prospects for reservation of:

- a location which has been heavily logged in the past, which is therefore less likely to have areas of old growth, requiring 60% protection and more likely to have non-old growth, requiring only 15% protection; or
- a location which consists of a common forest type, for which the reservation target could be met by reservation of another area.

A further issue arising from the percentage driven approach is that under the Comprehensive, Adequate and Representative criteria, at least 90% of areas identified as “wilderness” should be reserved. For the Western Australian RFA process, as for other States<sup>90</sup>, an area cannot qualify as wilderness unless it is at least 8,000 ha in area.<sup>91</sup> The threshold was determined and is being applied on a national basis.<sup>92</sup> Under this criterion, there is no wilderness in the RFA region, meaning the issue of reservation of wilderness does not arise.

A counter-argument to these concerns is that there are no objective criteria for **balancing** the merits of conservation against production, even once the presence of each of those values has been objectively measured. In some cases, particular goals, such as avoiding extinction of species and minimising erosion of stream banks, clearly should take precedence. However these types of rules give only minimal guidance. The harder questions, such as what level of diminution of a species’ range is acceptable, and whether it is worth reserving a degraded area in order to link two areas of quality forest, do not admit of clear objective solutions. The difficulties of coming up with general satisfactory criteria for reservation are borne out by Western Australia’s turbulent recent history of disputation about forest management.

The great hope of the JANIS criteria’s percentage-based approach is that it can defuse the dispute by setting a benchmark for what areas should be reserved which

---

<sup>89</sup> Mr Peter Murphy, 30/10/1997, transcript of evidence to the Committee, p.4

<sup>90</sup> Department of Prime Minister and Cabinet, 9/7/1998, letter to the Committee

<sup>91</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), vol 1 p.167

<sup>92</sup> Department of Prime Minister and Cabinet, 9/7/1998, letter to the Committee

is **objectively verifiable**, albeit somewhat arbitrarily determined. It should be regarded as a positive by the environment movement that this approach is generally accepted by the timber industry.

A second counter-argument is that even though the JANIS criteria themselves are arbitrarily determined, the determination of which actual areas are to be reserved will be done on a more environmentally satisfactory qualitative basis, by assessing the conservation values of the various areas which could go towards meeting the targets. The Comprehensive Regional Assessment has identified not only which areas fall within which ecosystem type and class of forest, but also which have high levels of endemism, endangered species and so on. Areas with high conservation values according to these indicia will presumably be preferred when the shape of the reserve system is determined.

---

## COMMITTEE FINDINGS

No model for determining which areas should be reserved can satisfy all the demands for use and management of forests. Broadly speaking, the JANIS criteria provide an appropriate, objectively verifiable benchmark.

Greater consideration should be given, in the course of the RFA process, to the impact that decisions about reservation will have on local communities and on particular forest areas. The flexibility provisions in the JANIS criteria could be used to promote local conservation and recreation needs and to improve the distribution of reserved areas.

In applying the flexibility provisions, it should be recognised that there is community support for a higher degree of reservation of interim heritage listed karri forest of the ecosystem type "karri main belt".

It is appropriate to consider whether areas which are lacking in old growth forest because of past disturbances should nevertheless be reserved to a greater degree than 15%.

Similarly, it is appropriate that substantial areas of high conservation value be considered for reservation to the same degree as "wilderness" (ie 90%) even though they do not meet the 8,000 ha threshold and therefore do not qualify as wilderness.



**Recommendation 13: That the flexibility provisions in the JANIS criteria be used to promote local conservation and recreation needs and to improve the distribution of reserved areas, particularly in areas where little old growth is identified by the Comprehensive Regional Assessment.**

**Recommendation 14: That the Minister for the Environment recognise community support for more reservation of interim heritage listed karri forest of the ecosystem type “karri main belt”.**

### 7.5.3 Definition of “old growth”

The definition of “old growth” used in the RFA process was developed as part of the JANIS criteria. Old growth is defined as:

*“Forest that is ecologically mature (the upper stratum or overstorey is in the late mature to over-mature growth phases) and has been subjected to negligible unnatural disturbance such as logging, roading and clearing.”<sup>93</sup>*

It can be seen that the interpretation of the phrase “negligible unnatural disturbance” is critical in determining how much old growth there is and consequently what area will be required to be reserved for each forest ecosystem if the 60% target is to be met for that ecosystem. The interpretation of what amounts to “negligible unnatural disturbance” is determined separately for each region and for Western Australia was determined by the Steering Committee.

The Comprehensive Regional Assessment lists the following factors as indicating **unnatural disturbance that is not merely negligible**, the presence of which therefore **negates** the existence of old growth<sup>94</sup>:

- past clearing for agriculture;
- all logging of karri forest, whether intensive (before 1940 and after 1967) or selective (1940-1967);
- all logging of jarrah forest, other than some areas (totalling 3,070 ha) selectively logged between 1940 and 1960;
- the presence of dieback (*phytophthora cinnamomi*);
- mining; and
- private ownership.

<sup>93</sup> Commonwealth (1995), p.25

<sup>94</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.165

The proposal for protection of “old growth forest” has been a key plank of the RFA process, from the National Forest Policy Statement, through the development of the JANIS criteria to the final RFA itself. Under the JANIS criteria, 60% of existing old growth is to be preserved. Clearly, the greater the area of forest identified as old growth, the greater will be the area making up 60% of the total.

Conservationists such as Dr Schultz of the Western Australian Conservation Council have claimed that the above definition of old growth forest being used by the RFA is a narrow one which will minimise the total area required to be reserved:

*“Dr SCHULTZ: Going back to the old growth definition, as it is very important, the Commonwealth has decided under the national forest policy that 60 per cent of old growth forest will be retained in reserves. The smaller the area of old growth, the smaller the area to be retained in reserve. CALM has taken virgin forest as a surrogate for old growth forest. This is a much smaller area, especially in jarrah forests, than the area of old growth properly defined. CALM has played with the definition in another way. It is calling virgin forest old growth.”*

*Hon GREG SMITH: Is virgin forest old growth?*

*Dr SCHULTZ: It is one form of old growth forest. A lot of old growth forest in Western Australia still has the important characteristic of big old trees with hollows. Logging occurred in the past in the jarrah forest, but they left the marri for which they had no use. The primary original forest of marri trees is still there, and the biggest and best jarrah trees have gone - they left the cull jarrah. That is jarrah old growth. However, by ignoring the jarrah old growth, they can reduce the 60 per cent of old growth to a smaller figure than it should be when considering all the properly so-called old growth.”<sup>95</sup>*

However, Nick Oaks of the Australian Workers’ Union claims that the conservation movement takes the above view on a political rather than scientific basis:

*“Some people did not agree with the definitions [of old growth forest] in the Policy Statement, and have never agreed to the concept of what is defined as old growth forest and what is high conservation forest, notwithstanding that Governments have agreed to those criteria on the basis of science.*

*. . . In my view, it would be better to log [Hester Block] and grow a new forest. It can be used as an educational exercise to show people that we can have sustainable logging and we can manage our forests. I bet no-one in this room, other than Peter [Robertson], was aware of Giblett block 10 years ago as the focus was on the Hawke block. It is a moving target from*

---

<sup>95</sup>

Dr Beth Schultz, 10/9/1997, transcript of evidence to the Committee, p.4

*our point of view. The focus now is not on the Hawke block, but the Giblett block.*

*. . . Why was Giblett available to be harvested? It was because the values to be found in Giblett are to be found elsewhere.”<sup>96</sup>*

CALM responds to the Conservation Council’s claim by pointing to the fact that the basic definition of old growth is nationally agreed, arrived at “*following extensive scientific deliberations*”.<sup>97</sup> Certainly, the basic definition for WA is the same as for other forest regions.

However, pointing to the uniform national criteria does not really answer the Conservation Council’s criticism, which is that the definition of “negligible unnatural disturbance” has been given a very narrow meaning in Western Australia so as to exclude too much forest from ranking as old growth.

Turning from ideological argument to the actual figures for old growth arrived at in the Comprehensive Regional Assessment, the Committee considers that they raise questions in at least two respects.

- It seems surprising that of all the forest **selectively** logged since European settlement of Western Australia, only 3,000 or so hectares of jarrah and no karri are counted as old growth.<sup>98</sup>
- It is not self-evident that every patch of forest affected by die-back should be immediately excluded from being old growth.

---

## COMMITTEE FINDINGS

The determination of what counts as old growth is critical to the establishment of a Comprehensive, Adequate and Representative reserve system.

The Committee is not made up of scientists and does not propose to enter into the debate about what should be counted as old growth. However the Committee believes that the exclusion of almost all selectively logged forest and all dieback affected areas raises questions of substance which should be resolved.

The accord process proposed by the Committee is well placed to undertake resolution of this issue. As part of the process, the question of what areas qualify as “old growth” under the

---

<sup>96</sup> Mr Nick Oaks, 22/10/1997, transcript of evidence to the Committee, p.25

<sup>97</sup> CALM (1998), p.1

<sup>98</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.165

JANIS criteria should be determined in a way that is accurate, objective and generally acceptable to the Western Australian community.

**Recommendation 15: That the question of what areas qualify as “old growth” under the JANIS criteria be determined by the accord process in a way that is accurate, objective and generally acceptable to the Western Australian community.**

#### 7.5.4 Definition of “reservation”: informal reserves

The Commonwealth’s 1995 Report on Deferred Forest Areas in Western Australia identified a number of points relevant to the reservation criteria on which the State and Commonwealth disagreed. Most of these relate to the question of what types of “informal reserves” (ie roadside reserves, streamside reserves and diverse ecotype zones as identified by CALM under its management policy) should be accredited (ie counted as reserved areas) for the purposes of the Comprehensive, Adequate and Representative targets.

It appears that the Commonwealth in 1995 was resistant to accepting as “reserved” a number of classes of forest which CALM proposed to count as “reserved” for the purposes of the Comprehensive, Adequate and Representative targets. Problems identified by the Commonwealth with CALM’s claims included:

- that in many cases the roadside and streamside reserves nominated by CALM might not be able to maintain the full range of attributes present in the forests;
- that the “edges” of roadside and streamside reserves should not be counted as reserved for the purpose of meeting reservation targets, owing to their vulnerability to disturbance.<sup>99</sup>

When questioned early on about these disagreements Mr Walker’s response was that a number of such matters continued to be discussed and that the outcomes would be clearer in the findings of the Comprehensive Regional Assessment.

Substantial disagreement remains evident through the RFA process. In the Comprehensive Regional Assessment, CALM claims **314,900 ha** of informal reserves.<sup>100</sup> However, the Steering Committee in the Public Consultation Paper accredits only **170,800 ha** of informal reserves, including 3,530 ha which were not claimed by CALM.<sup>101</sup>

---

<sup>99</sup> Commonwealth (1995), p.26-28

<sup>100</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998b), p.28

<sup>101</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998b), p.28

Because the Commonwealth declined an invitation to send representatives to appear before the Committee, the Committee does not know to what extent the final accredited Steering Committee figure of 170,800 ha of informal reserve exceeds the Commonwealth's preferred figure.

For completeness the Committee notes the view of the Conservation Council that informal reserves should not count at all towards the JANIS criteria reservation targets, but relate only to the issue of achieving ecologically sustainable forest management.<sup>102</sup>

---

## COMMITTEE FINDINGS

As with the question of determining what areas count as "old growth", the determination of what counts as a "reserved" area is critical to the establishment of a Comprehensive, Adequate and Representative reserve system.

The Committee believes that the apparent disagreements between State and Federal Governments on the question of what counts as a reserved area raise questions of substance. The disagreements appear to have been resolved in the Comprehensive Regional Assessment but there is no explanation of how the resolution was achieved.

The accord process proposed by the Committee is well placed to undertake resolution of this issue. As part of the process, the question of what areas qualify as "reserved" under the JANIS criteria should be determined in a way that is accurate, objective and generally acceptable to the Western Australian community.

**Recommendation 16: That the question of what areas qualify as "reserved" under the JANIS criteria be determined by the accord process in a way that is accurate, objective and generally acceptable to the Western Australian community.**

### 7.5.5 Proposals for reservation under the RFA

Having considered the issues raised by the percentage reservation targets under the JANIS criteria, the Committee now turns to the actual proposals for a Comprehensive, Adequate and Representative reserve system discussed in the Public Consultation Paper.

The Public Consultation Paper sets out three possible Approaches which could be taken to preparation of a final RFA, "*to promote discussion and feedback to the two*

---

<sup>102</sup> WA Forest Alliance (1998), p.1

*governments on the development of a balanced RFA that addresses the needs of the community, industry and governments.”*<sup>103</sup>

It is emphasised that the final result of the RFA might differ from all these Approaches and need not even fall within the spectrum delineated by the Approaches. Each of the Approaches is set out in such a way that it can be compared to the reservation targets for different forest classes set out under the JANIS criteria, noting that the JANIS criteria includes room for flexibility.<sup>104</sup>

Approach A goes the closest of the three to meeting the JANIS percentage reservation targets, and Approach C falls furthest short. The following Table sets out how well the three Approaches perform against the JANIS percentage reservation targets.<sup>105</sup>

---

<sup>103</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.38

<sup>104</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.20

<sup>105</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.42-49

<b>Measurement of Approaches A, B and C against the JANIS criteria percentage reservation targets</b>				
<b>Performance Approaches</b>	<b>JANIS Target</b>	<b>Approach A</b>	<b>Approach B</b>	<b>Approach C</b>
Net increase in reserves	N/A	145,000 - 155,500 ha	77,700 - 92,500 ha	7,000 - 8,000 ha
<b>Forest ecosystem targets</b>				
Pre-1750 distribution of forest ecosystems that are not rare or endangered	15%	21 of 22	16 of 22	16 of 22
Existing distribution of vulnerable forest ecosystems	60%	Not applicable	Not applicable	Not applicable
Pre 1750 distribution of forest ecosystems which are rare and endangered	100%	0 of 4. One goes from 78% to 86%	0 of 4. One goes from 78% to 86%	0 of 4. No increase.
<b>TOTAL for forest ecosystems</b>		<b>21 of 26</b>	<b>16 of 26</b>	<b>16 of 26</b>
<b>Old growth targets</b>				
Existing old growth	60%	9 of 9	4 of 9	4 of 9
Existing rare or depleted old growth	100%	6 of 10	6 of 10	5 of 10
<b>TOTAL for old growth</b>		<b>15 of 19</b>	<b>10 of 19</b>	<b>9 of 19</b>
Wilderness	90%	Not applicable	Not applicable	Not applicable
<b>Total targets</b>	<b>45</b>	<b>36 of 45</b>	<b>26 of 45</b>	<b>25 of 45</b>

## COMMITTEE FINDINGS

The RFA's intended outcome of a Comprehensive, Adequate and Representative reserve system based on systematic analysis of area of ecosystems reserved has some shortcomings but could make a significant contribution to the State. However, there are a number of factors which appear to raise doubts about the ability of the RFA process in its current form to achieve a Comprehensive, Adequate and Representative reserve system.

To the extent that the RFA process falls short of delivering this intended outcome, Western Australia's compliance with the National Forest Policy Statement will be compromised.

If the reserve system proposed by the RFA is smaller than the JANIS reserve criteria demand, industry would benefit in that a greater area of forest will be available on an ongoing basis for timber production. However it must be questioned whether this is ultimately worth the cost of ongoing confrontation arising from non-industry dissatisfaction with any failure by the RFA to deliver a Comprehensive, Adequate and Representative reserve system.

The Committee is of the view that the RFA should deliver to Western Australia a Comprehensive, Adequate and Representative reserve system, taking into account the recommendations in this report, and in accordance with the flexible targets for reservation forming the JANIS reservation criteria. This will both satisfy the National Forest Policy Statement and increase the acceptability of the RFA process.

**Recommendation 17: That the RFA deliver to Western Australia a Comprehensive, Adequate and Representative reserve system, taking into account the recommendations in this report, and in accordance with the flexible targets for reservation under the JANIS criteria.**



## 7.6 WILL THE RFA ENSURE ECOLOGICALLY SUSTAINABLE FOREST MANAGEMENT?

### 7.6.1 Introduction

An intended outcome of the RFA process is to “provide for the ecologically sustainable management and use of forested areas in the region”.<sup>106</sup>

One of the other terms of reference of the Committee’s inquiry concerns the sustainability of current logging practices and the Committee intends to report in full on this matter at a later date. For the purposes of this Report the Committee has considered ecologically sustainable forest management, or “ESFM”, issues only insofar as they are likely to be affected by the RFA process.

The most important indicator of whether ESFM has been achieved is the **quantitative** one that timber harvesting levels remain sustainable over time. This question is considered in [7.6.2].

In addition, there appears to be general acceptance that achievement of ESFM requires that the **qualitative** goal of maintaining ecological values and the quality of the timber resource be met. This issue is considered at [7.6.3]

### 7.6.2 Quantitative ESFM measure: maximum sustainable yield

One of the reviews commissioned by the RFA Steering Committee for Western Australia’s RFA process is “An appraisal of methods and data used by CALM to estimate wood resource yields for the South-West Forest Region of Western Australia”, prepared by Dr Brian J Turner of Australian National University. Dr Turner generally supports CALM’s methodology and practices in estimating timber yields:

*“Results indicated that the datasets, models, systems and methodologies used by CALM to assess sustainable yields from the karri and jarrah forests are appropriate, internally consistent and contain adequate safeguards on the quality of the data through the use of competent staff and the incorporation of monitoring and calibrating procedures.”<sup>107</sup>*

However Dr Turner expressed some reservations about the reliability of the models in the long term:

*“The jarrah growth models are inappropriate for long term growth projection and currently used silvicultural methods, and new models should be given high priority.”<sup>108</sup>*

---

<sup>106</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.3

<sup>107</sup> Turner (1998), p.9

<sup>108</sup> Turner (1998), p.31

As the Committee understands it, no new inventory was prepared for the RFA process as the most recent inventory, produced in 1992-93 for the purposes of the Forest Management Plan 1994-2003, remains applicable.

The most difficult issue in determining long term sustainable yield arises in relation to **jarrah first and second grade sawlogs**. The Public Consultation Paper gives a good summary of the current harvest levels of jarrah first and second grade sawlogs under the Forest Management Plan and CALM's estimates of long term sustainable yield:

*“The annual allowable harvest under the current Forest Management Plan was determined by the Western Australian Minister for the Environment on 16 August 1993, and applies from January 1994 until 31 December 2003. The annual sawlog harvest for the period of this plan was set at:*

- *karri - 214,000 cubic metres per year of first grade sawlog and 203,000 of other logs.*
- *jarrah - 490,000 cubic metres per year of first and second grade sawlogs, with a substantial quantity of lower grade material also being available.*

*A review of the data and methods used to calculate these sustainable yields was conducted as part of the Comprehensive Regional Assessment. This included examination of CALM's timber scheduling program (FORSCHEDE) for the determination of long-term sustainable yield. As noted in the Meagher Report, under current log specifications, harvesting practices and conversion technologies, the long-term non-declining level of first and second grade jarrah sawlogs is approximately 300,000 m<sup>3</sup> per annum.”<sup>109</sup>*

Dr Martin Rayner of CALM confirmed to the Committee that 300,000 m<sup>3</sup>/yr is the best available projection. It should also be noted that the Meagher Committee in 1993 reported that CALM's FORSCHEDE model predicted that a yield per year of “*somewhere close to 250,000 m<sup>3</sup> of [jarrah] sawlogs would be sustainable in perpetuity.*”<sup>110</sup>

The Committee has had the benefit of a presentation from Dr Martin Rayner and Mr Alan Walker on the question of determination of maximum sustainable yield, and is impressed with the degree of expertise which is devoted to the determination of what is obviously an extremely complex question. Although, as Dr Turner notes, some uncertainty remains as to the accuracy in the long term of the first and second grade

---

<sup>109</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.16

<sup>110</sup> Meagher et al (1993), p.24

jarrah sawlog sustainable yield estimates<sup>111</sup>, the Committee has assumed for the purposes of discussion that CALM's estimates of sustainable yield are correct.

Turning to the three Approaches presented by the Public Consultation Paper, the proposals for allowable yield of first and second grade jarrah sawlogs are as follows:

- Approach A - 453,400 to 457,700 m<sup>3</sup>/yr<sup>112</sup>

This is a reduction of about 8% compared to the current Forest Management Plan, but is about 51% greater than the projected maximum sustainable yield of first and second grade jarrah sawlogs given in the Public Consultation Paper.

- Approach B - 466,100 to 478,000 m<sup>3</sup>/yr<sup>113</sup>

This is a reduction of about 4% compared to the current Forest Management Plan, but is about 57% greater than the projected maximum sustainable yield of first and second grade jarrah sawlogs given in the Public Consultation Paper.

- Approach C - 496,300 m<sup>3</sup>/yr<sup>114</sup>

This is an increase of about 2% compared to the current Forest Management Plan, and is about 65% greater than the projected maximum sustainable yield of first and second grade jarrah sawlogs given in the Public Consultation Paper.

The Public Consultation Paper does not discuss in detail why the volume of first and second grade jarrah sawlogs proposed by the three Approaches is so much greater than the volume identified by CALM as the maximum sustainable yield. The Committee asked Mr Alan Walker about this.

*“The CHAIRMAN: Was any effort made in the public consultation paper regarding the reserves system, as well as options A, B and C, to offer the public options for providing for sustainable forest management, particularly dealing with the setting of the cut and ways to meet issues surrounding that?”*

*Mr WALKER: I do not understand why you refer to it as sustainable forest management. Sustainable forest management in relation to the level of cut, from a biological perspective, relates to the sustainable level of jarrah*

---

<sup>111</sup> See Turner (1998), pp 28, 29 and 31

<sup>112</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.43

<sup>113</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.45

<sup>114</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.48

*harvest of 1.36 million cubic metres. That matter has been evaluated by the people who examined the inventory, the calculations of forest growth and the elements that indicate whether the calculation of the biological sustainable development has occurred in a proper fashion. That work has been done. I think you are referring to the proportion of sawlogs within the 1.36 million cubic metres . . . [W]hen the ministerial determination was made on the allowable level of cut, a clear distinction was made between the biological sustainability of the 1.36 million cubic metres of jarrah and the sawlog yield about which there is considerable variation due to utilisation standards, the extent to which those standards might change and the extent to which other changes might occur, such as the introduction of whole-bole logging. The ministerial determination made it very clear those matters would be addressed during the 10-year life of the plans.*

*The CHAIRMAN: Are you saying that the sawlog yield is irrelevant to biological sustainability?*

*Mr WALKER: Yes.*<sup>115</sup>

The Forest Management Plan sets out harvest levels for both the figures referred to in this discussion: the total volume of jarrah; and first and second grade jarrah sawlogs. It is the second of these which Mr Walker states is irrelevant to ESFM.

Mr Walker's statement also suggests that whole-bole logging is proposed for introduction. Mr Cam Kneen of the Forest Industry Federation (WA) raises some concerns about whole bole logging:

*“Mr KNEEN: The concept of whole bole logging is that the tree is cut at the base and the crown, and what is left is the whole bole. If technically feasible it is transported to a mill, otherwise it must be cut into shorter lengths. If it is not straight enough it may need to be cut. That is a different log production system from the current system which involves grading logs in the forest. The industry and CALM are doing some trials on the concept of whole bole logging, and the main objective is to increase the overall utilisation of the timber resource. However, early indications from the trials are that we are just transferring a waste product from the forest to the mill at fairly great expense.”*<sup>116</sup>

Turning to karri harvest levels, the current figure of 214,000 m<sup>3</sup>/yr of first grade sawlogs<sup>117</sup> appears to be generally accepted as an accurate projection of maximum sustainable yield. Against this, Approach A proposes that 193,500 to 196,800 m<sup>3</sup>/yr

---

<sup>115</sup> Mr Alan Walker, 27/7/1998, transcript of evidence to the Committee, p.7

<sup>116</sup> Mr Cam Kneen, 19/11/1997, transcript of evidence to the Committee, p.7

<sup>117</sup> CALM (1993), p.35

of karri sawlogs be harvested<sup>118</sup>, Approach B proposes 197,300 to 207,700 m<sup>3</sup>/yr<sup>119</sup> and Approach C 211,100 to 211,200 m<sup>3</sup>/yr.<sup>120</sup>

Each Approach is approximately consistent with the figure of 214,000 m<sup>3</sup>, as the decrease (or increase in the case of Approach C) in the **area** of karri forest available for timber production is approximately proportionate to the decrease (or increase) from the projected **volume** of 214,000 m<sup>3</sup>/yr. It is not possible to be more specific as the Approaches do not make clear how much of the reduction in production forest comes from karri, and how much from jarrah.<sup>121</sup>

It can be seen that the discrepancy between estimated maximum sustainable yield and the Approaches in respect of karri is either non-existent or much less than it is for jarrah.

---

## COMMITTEE FINDINGS

The Committee believes the desirability of achieving ecologically sustainable forest management is self-evident. Remaining below maximum sustainable yield is a critical element in achieving this. In the Committee's experience most industries reliant on renewable resources have accepted the need to remain within sustainable yield, for the reason that in the long term it benefits the industry. Examples are Western Australia's broad acre cropping and crayfishing industries.

It is disappointing that the Approaches do not propose levels for jarrah first and second grade sawlog harvest which are in the vicinity of CALM's estimated level of 300,000 m<sup>3</sup>/yr. While there are immediate financial benefits to harvesting over sustainable yield, it is accepted by most industries that the long term costs in depletion of the resource are too great to justify over-harvesting. There is no reason why the general rule should not apply to the timber industry.

The Committee does not accept that it is self-evident that the first and second grade jarrah sawlog harvest levels are irrelevant to achieving ESFM. The currently applicable parameters for timber harvest levels in the State, determined by the Minister for the Environment and applied by CALM through the Forest Management Plan, are given in terms of first and second grade sawlog harvest levels. If, as Mr Walker suggests, the RFA process has abandoned this

---

<sup>118</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.43

<sup>119</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.45

<sup>120</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.48

<sup>121</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.43, p.45 and p.47. A gross figure is given for area available for timber production under each Approach.

key indicator without discussion or justification, this appears to be a serious flaw in the RFA process.

The accord process recommended by the Committee is well placed to consider this issue and to advise the Minister for the Environment on how first and second grade jarrah sawlog volumes harvested should be taken into account in the final RFA if the intended RFA outcome of achieving ESFM is to be met.

At the same time the Committee is aware that reducing the harvest of first and second grade jarrah to a sustainable level means, on CALM's current projected figures in the Public Consultation Paper, a drop in cut from about 490,000 m<sup>3</sup> to about 300,000 m<sup>3</sup>.<sup>122</sup> This will significantly affect timber businesses and workers currently reliant on the jarrah resource.

One of the tasks of the accord process should be to consider options for minimising the impact on businesses and workers likely to be affected by the achievement of sustainable yield, and to promote new industry value adding through structural adjustment provisions and other measures. Options which could be considered are:

- whether the lowering of cut should be phased in over a number of years so that sustainable yield of first and second grade jarrah sawlogs is achieved in, say, 2004, with stepped cuts in the intervening years;
- applying the Commonwealth's Forest Industry Structural Adjustment Package; and
- encouragement of other timber-related industries such as plantations, downstream processing and other value adding measures in both native forest and plantation sectors, and the proposed pulp mill, so as to create jobs in those areas to replace any jobs lost in the sector of the industry reliant on the jarrah resource.

Given the intention of the RFA process to cater for employment and community needs, it is somewhat surprising that options such as these are not canvassed in the Public Consultation Paper.

**Recommendation 18: That the accord process consider:**

- (a) how the projected long-term non-declining level of first and second grade jarrah sawlog harvest is to be achieved in a manner consistent with the principles of ecologically sustainable forest management; and**
- (b) what steps might be taken to minimise the impact, if any, maintaining such a level would have on the timber industry and timber workers.**

**Recommendation 19: That the accord process consider what initiatives might be adopted to promote new industry value adding through the use of structural adjustment provisions.**

---

<sup>122</sup> or 250,000 m<sup>3</sup> according to the FORSCHED model quoted by Meagher et al (1993), p.24

### 7.6.3 Other ESFM indicators: ecological values and timber quality

Turning to the **qualitative** criteria for whether ESFM is achieved, the first matter to be considered is **maintenance of the quality of the timber resource**. If ESFM is to be achieved, not only should the volume of timber harvested be no more than the annual timber increment, but the quality of timber should remain at a reasonably consistent level over time.

As Dr Shea of CALM explained to the Committee, some diminution of the quality of timber is inevitable in any region where logging is conducted over time. However the point remains that if, say, 80% of the 490,000 m<sup>3</sup> of 1st and 2nd grade jarrah sawlogs available in 1998 is 1st grade, ESFM requires that the proportion of 1st grade continue to be in the order of 80%. If in 2018 the harvest is, say, 50% each of 1st grade and 2nd grade jarrah sawlog, this has not been achieved.

To a degree, the diminution of quality over time might be alleviated by better uses being found for lower grade timbers. In Western Australia as elsewhere, moves are being made to create products based on lower grade timbers, such as medium density fibreboard and various chipboard products. The Public Consultation Paper suggests that improved utilisation of lower grade logs will also offset the decline in timber quality:

*“It is anticipated . . . that the forecast decline in availability of first and second grade jarrah sawlogs may be partially offset by an increase in the uptake of lower grade jarrah logs and the future adoption of whole tree-bole logging methods, together with the further refinement of sawing technologies to enable lower grade logs to be sawn.”<sup>123</sup>*

At the other end of the spectrum, the likely response to less high quality timber becoming available over time would be to make the most of whatever high quality timber is available, by turning it into furniture, veneers and other high value products.

These developments in the timber industry are to be applauded, but do not impact directly on the question of whether ESFM is being achieved.

The length of rotation for timber crops is one issue which is a management decision critical in determining whether the quality of timber remains high. High quality timber suitable for high value uses such as furniture takes a long time to grow and will not be produced if rotation lengths are too short.

For the karri forest, the Forest Management Plan sets out a complex pattern of proposed growth, regrowth and harvesting, with first harvesting of understocked or

---

<sup>123</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c), p.17

fire damaged areas proposed at 60 years, but the bulk of regrowth to be managed on a rotation of 100 years or more.<sup>124</sup>

However current harvest levels indicate at face value that a far shorter rotation period than the one the Forest Management Plan proposes is actually in place. The average area of karri clearfelled or cut to seed trees each year over the last decade is, according to CALM's 1996-97 Annual Report, about 1,600 ha.<sup>125</sup> In most years an additional area is thinned. The area of karri forest available for harvesting is, according to the Comprehensive Regional Assessment, 94,000 ha.<sup>126</sup> At face value, this appears to mean that if the current harvest levels are maintained, the entire area of karri production forest will be clearfelled or cut to seed trees each 60 years or so.

The Committee asked Alan Walker if this simple analysis is valid. Mr Walker responded as follows:

*"The calculation of a sustainable yield in karri is based on a range of things, but that analysis neglected the fact that you have intermediate yields of timber throughout the life cycle or the rotation length to which we are growing karri. We are now thinning, and we anticipate five thinnings, in a rotation length going to 200 years in karri. Those thinnings yield as much timber, if not more timber, during the rotation than the final clear felling would yield. . .*

*Hon NORM KELLY: Are you saying those five combined thinnings would produce more than the final cut?*

*Mr WALKER: It would vary from stand to stand. . . Therefore, whilst it might be an area cut over - and many people confuse this with the jarrah cut that is published in the annual report; people have said that 20 000 hectares of jarrah forest is cut over each year, and then divided that into the area of forest available to come up with a rotation length for jarrah - it would be an incorrect thing to do because the aim is not to regenerate the forest for the large proportion of that area cut over."*<sup>127</sup>

Mr Walker's contention is that calculating average rotation length by dividing the available area (94,000 ha) by the area harvested each year (about 1,600 ha) is not valid because the 1,600 ha includes those areas which are only thinned and which therefore remain available to be further harvested in future years.

Mr Walker's contention is not consistent with CALM's 1996-97 Annual Report, under which the figure of about 1,600 ha is the area of karri "clearfelled or cut to

---

<sup>124</sup> CALM (1993), p.11-12

<sup>125</sup> CALM (1997), p.75

<sup>126</sup> Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.41

<sup>127</sup> Mr Alan Walker, 27/7/98, transcript of evidence to the Committee, p.23



*seed trees*<sup>128</sup> each year. The figure of 1,600 ha does not include the area thinned, which is an additional figure, given separately, varying in the last decade from zero to around 910 ha/yr.

The situation with regard to jarrah is more complex because most jarrah stands are uneven aged and jarrah does not grow at a uniform rate as karri tends to do. Accordingly the Forest Management Plan does not contain any specific prescriptions for jarrah rotations. Of the 1,111,000 ha<sup>129</sup> available for harvesting, the average area harvested each year over the last decade is about 16,000 ha.<sup>130</sup> However in regard to jarrah the 1996-97 Annual Report does not distinguish between area clearfelled and area thinned, making it impossible to begin to assess average rotation.

The age of trees in forests in future raises more general issues about sustaining a whole range of ecological values in the forest, including hollow dependent fauna, soil characteristics and so forth. The Southern Branch of the Institute of Foresters (WA) assisted the Committee by supplying information about the Montreal process, an internationally agreed set of criteria by which foresters are able to measure performance over time in relation to sustainability of forest management.

Sustainability indicators under the Montreal process are intended to provide foresters with the ability to measure how well both timber and non-timber values are maintained in production forest. CALM's concept of "multiple use forest" encapsulates this approach, suggesting that areas allocated as production forest should be managed to promote not only timber production, but also other values associated with native forest, such as:

- other product-based commercial values, such as water production, honey production and wildflower collection;
- scientific values such as maintenance of biodiversity, research and preservation of species distribution;
- recreational values such as camping, bushwalking, birdwatching and canoeing; and
- quality of life values such as preservation of air quality, water quality, combatting the greenhouse effect, existence value and visual amenity.

ESFM demands the achievement of an appropriate balance between timber production and these sorts of values. Often, these various values are claimed to be in competition, in that an increase in timber production will lead to a decrease in, say, quality of water or distribution of species.

---

128 CALM (1997), p.75

129 Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a), p.41

130 CALM (1997), p.75

Many submissions to the Committee's inquiry focus on one or more of these types of values, arguing that forest in the RFA region is primarily managed for timber production, to the detriment of other values, in breach of CALM's own policy of multiple use forest management.

CALM's general response to such criticisms is that the detrimental effects of harvesting on non-timber values are short term or insignificant. For instance, CALM claims that harvesting does not have a long term adverse effect on salinity levels or species distribution, and that its harvesting program is managed so as to minimise adverse impacts on recreation and visual amenity.

---

## COMMITTEE FINDINGS

In the long term the issue of achieving ESFM is probably more important than the other intended outcomes of the RFA process, both for industry and conservation. Given that achievement of ESFM has been consistently put forward as one of the key goals of the RFA process, it is somewhat disappointing that so little attention is paid to ESFM indicators in the Comprehensive Regional Assessment and in the Public Consultation Paper.

The Committee is impressed with the commitment of the Institute of Foresters to adopting the Montreal process for assessing ESFM.

The Committee is not able to reach firm conclusions about whether jarrah and karri forests in the RFA Region are being managed in such a way as to maintain the quality of the timber resource as required under the principles of ESFM.

However the Committee is of the view that there are real issues to be addressed in regard to achieving ESFM in Western Australian forests. The example given above, of apparent discrepancies between projected rotation lengths under the Forest Management Plan and actual rotation lengths illustrates this. While there may be good explanations for apparent discrepancies of this nature, these are not available to the public, which tends to create a degree of mistrust and uncertainty as to whether ESFM is being achieved.

The Committee is of the view that information about ESFM matters such as rotation lengths should be discussed as part of the RFA process.

**Recommendation 20: That the RFA allow timber harvesting levels to be such as to promote maintenance of the quality of timber harvested in accordance with the principles of ecologically sustainable forest management.**

**Recommendation 21: That as part of the RFA process a representative range of baseline ESFM indicators as set out in the Montreal process be established.**

## **7.7 PROMOTION OF FOREST-RELATED RESOURCE USE OPTIONS APART FROM THE NATIVE FOREST TIMBER INDUSTRY**

### **7.7.1 Role of the RFA process in promoting forest based resource use options**

Throughout the RFA process, from the National Forest Policy Statement to the Public Consultation Paper, the Governments have discussed the importance of using the RFA to promote development of industries relying on the forest resource.

The industry generally given the most attention in debate about forest resource use is the native forest timber industry. This is reflected in the RFA process and in particular the Public Consultation Paper. However other industries such as the downstream or value added timber processing industries, the plantation industry, the tourism industry, apiary industry, wildflower picking industry and seed collecting industry also have a major stake in forest management and use.

As indicated by the quote from Alan Walker set out in [7.3.1] above, CALM and the Steering Committee have emphasised throughout the RFA process that the process is intended to be even-handed, offering resource security both to the timber industry and to other industries affected by forest management decisions.

Much of this report also has concerned the native forest timber industry. This section discusses how the RFA process has dealt with other forest-related industries.

### **7.7.2 How non-timber industries are affected by the RFA process**

Proponents of the tourism industry in the RFA region are concerned about security of resource. Ms Pauline McLeod of the South West Tourism Association put her industry's view to the Committee as follows.

*“What is the overall economic value of tourism to the south west? Tourism is a major contributor to the south west economy and it is considered to have enormous growth potential. It has only just started. Commercial and private accommodation visitors to the region are estimated to have spent around \$193m during 1994-95. The current estimate is \$205m. The region offers a wide range of natural attractions and activities. Among those attractions that are identified as important to visitors are the forests in the southern forest region.*

*If the state tourism employment figure of 8.6 of the work force is extrapolated to the south west labour force of 55 607 jobs, 4 941 workers, and growing, are tourism workers in the south west compared with 2 700, and declining, in the forestry industry. Tourism employment in the south west is growing at a rate of 5.7 per cent compared with the timber and forestry employment figures of 2 700, falling at 2 per cent to 3 per cent per annum. . . .*

*The tourism industry is a major stakeholder in the forests of Western Australia and is already deriving significant economic benefits from their*

*existence. The viability and outlook for the tourism industry in the south west is closely linked to the future of the forests in the region, and in particular the old growth forests. The industry believes the value in preserving the old growth forests far outweighs the value of logging the forests.”*<sup>131</sup>

Mr Peter Murphy of Donnybrook claims that loss of forest damages the tourism industry:

*“The conflict I see with the Department of Conservation and Land Management is that there is no security for nature based tourism. The old growth forest in this region is disappearing rapidly, yet nature based tourism is growing. There is no security. Dr Syd Shea was at a nature based tourism seminar in Bunbury recently espousing how nature based tourism is exciting, it is growing at a rate of 30 per cent a year, and that the taxpayers of Western Australia should be embracing nature based tourism. I asked Dr Shea a question from the floor. I asked, if nature based tourism is growing at 30 per cent, why was the conservation reserve not growing at 30 per cent to deal with the projections that he was talking about. Dr Shea said that was not a decision that he could make; that it was up to the State Parliament.”*<sup>132</sup>

Mr Nick Oaks of the AWU rejects any claim made by the tourism industry for resource security over state forest, suggesting that anyone establishing an industry based on a resource to which continued access is not guaranteed has only themselves to blame:

*“I hear comments by people who have set up tourism operations adjacent to forests who are relying on those forests for their income. People are either profoundly ignorant or profoundly stupid to set up an enterprise relying on state forest, knowing that it is state forest.”*<sup>133</sup>

This approach encapsulates the tension between the multiple use forest concept, whereby all forest values should be promoted in state forest, and the widely held view that state forest is in reality managed mostly for timber production, so that other users cannot rely on state forest being available to them.

As Mr Oaks suggests, tourism operators, conservationists, local councils and others seeking assurance that areas of forest will not be logged, generally cannot obtain resource security over state forest.

---

<sup>131</sup> Ms Pauline McLeod, 27/10/1997, transcript of evidence to the Committee, p.32

<sup>132</sup> Mr Peter Murphy, 30/10/1997, transcript of evidence to the Committee, p.4

<sup>133</sup> Mr Nick Oaks, 29/10/1997, transcript of evidence to the Committee, p.26

A difficulty in assessing how the RFA might affect non-native forest timber industries is that the impact of forest management decisions on those industries is more complex than for the native forest timber industry. Some questions which might arise in relation to different industries are:

- what areas of reserved forest are required to promote forest-related tourism?
  - would lowering the volume of native forest timber available to purchasers make any difference to the plantation timber industry?
  - does logging in a catchment have a detrimental effect on agriculture or local council works operating in the same catchment, for example by increasing salinity, soil run-off or water run-off? and
  - can forest management be used to promote and encourage downstream processing of both native forest and plantation timber?
- 

## COMMITTEE FINDINGS

The Committee is concerned that although the RFA is nominally intended to offer improved resource security to and promote the development of forest-related industries generally, the Public Consultation Paper does not consider the possible effects of the RFA on any sector other than the native forest timber industry.

This omission is a serious shortcoming. The Committee does not know whether and to what extent timber harvesting has an impact on employment and investment across the range of forest-related industries, but it is unsatisfactory that the RFA, for all the time and resources expended on assessing social and economic impact, has not even begun to address the question.

This is not to say that balancing the various values attributed to forests is an easy task. The suggestion by Mr Peter Murphy that a 30% increase in tourism justifies a 30% increase in area reserved is overly simplistic. There is no simple equation between the area of forest in reserve and the number of jobs or the rate of development in the tourism industry.

At the same time, it appears unnecessarily divisive for Mr Nick Oaks to suggest that tourism interests should not be considered in management of State forest because there is no legislative resource security for the tourism industry.

In the Committee's view it is appropriate that the RFA process should consider employment and investment in all forest-related industries, including but not limited to tourism, downstream timber processing, agriculture, plantation timber industry, bee-keeping and wildflower picking.

In the Committee's view better information is needed about the effect of forest management decisions and possible RFA outcomes on employment and investment in all forest-related industries before the RFA can be entered into. The accord process recommended by the Committee would be well placed to undertake this task.

**Recommendation 22: The accord process should consider the extent to which the RFA will impact on employment and investment in forest-related sectors other than the native forest timber industry, including but not limited to tourism, downstream timber processing, agriculture, plantation timber industry, bee-keeping and wildflower picking.**

**APPENDIX A: SUBMITTORS AT HEARINGS IN THE SOUTH WEST****Denmark Hearing (27 October 1997):**

James Gill, Denmark Environment Centre; Geoffrey Fernie, Walpole Nornalup National Parks Association; Stephen Ayling, Djarilmari Timber Products; Basil Schur, APACE Green Skills; Paul Llewellyn, Solar Stream Design; Alexander Syme; Anthony Smith, Forest Rescue; Donna Selby, South Coast Environment Group; Pauline McLeod, Tourism South-West; Ross Young.

**Pemberton Hearing (27 October 1997):**

Murray Johnson, South West Regional Tourism Association; Roger Cheeseman, Greater Beedelup National Park Society; Helen Nixon, Shire Councillor; John Taylor, Friends of Jane; Wendy Goodall; Helen Duval; Andrew Russell.

**Manjimup Hearing (28 October 1997):**

Jean-Paul Orsini, Friends of Greater Kingston Forest; Ewald Valom, Bunnings Forest Products; Robert Hagan and Lachlan McCaw, Southern Branch Institute of Foresters; Cassandra Menard, Friends of the Chuditch Inc.

**Bridgetown Hearing (29 October 1997):**

Members of the Bridgetown-Greenbushes Shire Council; Mary Frith; Jim Frith; Peter Lane, Geologist; Robert Jenkins, Whittakers Ltd; Elaine Michael; Hugh Browne, Bridgetown-Greenbushes Shire Councillor; Melva Browne, Bridgetown-Greenbushes Tourist Committee; Laurie Bullied, Tourism Operator, Bridgetown-Greenbushes Shire Councillor; Nick Oaks, Bridgetown-Greenbushes Conservation and Environment Committee; Neil Guazzelli; Cornelia Lowndes.

**Collie Hearing (30 October 1997):**

William Atherden, Quarter Sawn Timbers; Peter Murphy; Sally Coulson; Rodney Lee, Firewood Contractor; Don Spriggins, Institute of Foresters of Australia (WA Division); Martin Bottega; Ashley Davidson; John Vukovich; John Sherwood.

**APPENDIX B: SUBMITTORS AT HEARINGS IN PERTH**

- Mr Alan Walker, CALM Regional Forest Agreement Manager; Dr Geoffrey Stoneman, Project Coordinator, Regional Forest Agreement; Dr Syd Shea, Executive Director, CALM; and Mrs Pat Collins, Senior Forester, CALM;
- Dr Beth Schultz, Conservation Council of Western Australia; and Mr Peter Robertson, WA Forest Alliance;
- Dr Michael Calver, Senior Lecturer in Biological Sciences, Murdoch University; and Dr Pierre Horwitz, Senior Lecturer in Environmental Management, Edith Cowan University;
- Mr Ron Adams, Managing Director, Bunnings Forest Products; Mr Keith Kessell, Manager, Corporate Affairs, Bunnings Forest Products; Mr Ian Telfer, Manager, Diamond Mill, Bunnings Forest Products; Mr Max Evans, Manager, Timber Operations, Bunnings Forest Products; Mr Peter Jolob, Timber Marketing and Sales Manager, Bunnings Forest Products; and Mr Geoff McArthur, General Manager Bunnings Tree Farm Operations;
- Ms Margaret Pearce, Community Coordinator, Forest Protection Society; and Mr Trevor Richardson, Board Chairman, Forest Protection Society;
- Mr Tim Daly, Secretary, Australian Workers Union and Secretary, Forest Products Furnishing and Allied Industry Union; and Mr Nick Oaks, South West Organiser, Australian Workers Union and Forest Products Union;
- Mr Geoff Bertollini, Company Director, Hamilton Sawmills Pty Ltd, Forest Industries Federation (WA); Mr Cam Kneen, Executive Director, Forest Industries Federation (WA); and Mr Ron Adams, President, Forest Industries Federation (WA);
- Mrs Virginia Young, National Lobbyist, the Wilderness Society;
- Mr Wayne Merritt, Managing Director, Timber Supplies Pty Ltd; and Mr Richard Price, State Manager (Auspine Timbersales WA);
- Leonie van der Maesen, Research Associate, Geomorphologist, University Utrecht.



**APPENDIX C: PERSONS WHO MADE WRITTEN SUBMISSIONS**

1. Mr Wayne C Packer Ph D, Senior Lecturer in Zoology (Retired)
2. Mr Ian Crawford Ph D
3. AA Lewis
4. Mr Roger Underwood
5. Mrs S Edwards
6. Dr Jean-Paul Orsini
7. Mr Phil Shedley, Forestry & Wood Use Consultant
8. Mr T Daly and Mr N Oaks, Australian Workers' Union
9. Mr Ross D Young
10. DPJ Milligan
11. Mr Stephen John Quain
12. Ms Joyce O'Farrell
13. Margaret Pearce, Community Coordinator, Forest Protection Society
14. Dr Elaine Davison, Senior Research Associate, Curtin University
15. Ms Donna Selby, Secretary, South Coast Environment Group
16. Mr Cam Kneen, Forest Industry Federation WA Inc
17. Mr PT Gunson, Vice President, Forest Protection Society Warren Branch
18. Ms Jacki Henry
19. Mr John Vukovich
20. June Spurge
21. Kathleen A Chindarsi
22. Henry P Schapper
23. Peter Murphy
24. Noel Ashcroft, Director, South West Division, Department of Resources Development
25. Bob Hagan, Chairman, CALM Regional Office, Southern Branch of the Institute of Foresters of Australia
26. Sallie Coulson, Secretary, Preston Environment Group
27. Don Spriggins, Chairman, Institute of Foresters (WA Division)
28. Colin Mann, Executive Officer, Western Australia Farmers Federation (Inc.), Beekeeper Section
29. Mr Terry O'Brien, Simcoa Operations Pty Ltd
30. Mr Peter Lane
31. Mrs Rita Jurd
32. Cornelia Lowndes
33. Hana Chvojka
34. John Duval
35. Geoff Fernie
36. Stephen Ayling
37. Roger Cheeseman, President, Greater Beedelup National Park Society Inc
38. Murray Johnson, SW Regional Tourism Association, Fine Woodcraft Gallery
39. Tony Smith, Treasurer, Forest Rescue
40. Adrian Price, LCDC Co-ordinator, Blackwood Regional Centre
41. Mr GWG Smith
42. Cassandra Menard, Friends of the Chuditch Inc
43. Jean Wheatley

44. Hugh Browne
45. Jim Frith, President, Bridgetown-Greenbushes Friends of the Forest
46. Mary Frith
47. Laurie Bullied
48. Bill Franssen
49. Des Grose
50. James Gill, Convenor, Denmark Environment Centre
51. Mr Keith Liddelow, Shire President, Shire of Manjimup
52. Hon Colin Barnett MLA, Minister for Resources Development
53. Leith Maddock and Lynn Atkinson, Friends of Giblett
54. Brian Young
55. Mrs Bev de Rusett
56. Name withheld
57. Lucia Ravi
58. John N Hutchinson
59. Name withheld

## **APPENDIX D: EXTRACT FROM THE PUBLIC CONSULTATION PAPER: OBJECTIVES FOR THE REGIONAL FOREST AGREEMENT**

Reproduced below is Chapter 2 of the Public Consultation Paper, titled “*Objectives for the Regional Forest Agreement*”.

# 2 Objectives for the Regional Forest Agreement

The Commonwealth and Western Australian governments believe that the long-term ecologically sustainable management of forests and the development of competitive and efficient forest industries are compatible objectives. They are committed to providing a framework for meeting these objectives in the RFA for the South-West Forest Region of Western Australia, thereby ensuring the protection of conservation values, the basis of an internationally competitive forest products industry and the effective use of economic and social resources in the region.

The Scoping Agreement signed by the Commonwealth and Western Australian governments in July 1996 commits both governments to negotiate an RFA that is consistent with a range of policies, legislative requirements and agreements, as set out in Chapters 1 and 4.

In meeting the requirements of these policies, agreements and legislation, the Commonwealth agreed to:

- apply to each state the same standards for forest management and environmental, heritage, social and economic targets, while allowing for regional variation between States, such as differences in the forest types in individual regions and in environmental, economic and social pressures and in the level of information available (clauses 1B(d) and 1B(e) of the Scoping Agreement);
- facilitate implementation of RFA outcomes through its Wood and Paper Industry Strategy and, where necessary, the Structural Adjustment Package (clause 16) and to provide assistance for conservation outcomes from the RFA (clause 14).

In addition, both governments agreed to:

- accredit jointly, to the maximum extent possible, data sets and processes for the purposes of the RFA and to satisfy requirements of associated Western Australian and Commonwealth statutory assessments (clause 19);
- make available derived data and derived information sets to inform stakeholders at agreed consultation stages during the course of negotiations on the RFA (clause 20).

Further guidance is provided under clause 4 of the Scoping Agreement, whereby Western Australia and the Commonwealth agreed to negotiate a RFA that meets the following requirements:

- defines and describes the means for conserving those forest areas needed to form a CAR reserve system;
- defines those forest areas available for securing sustainable commercial use of forests;
- accredits codes of forest practice, including the process for periodic review of these codes and other management arrangements for forests within the RFA boundary;
- identifies forest resource use and sustainable industry development options and examines any potential social and economic implications, including for communities, of these options;

- identifies the region's wood products, mining and other industry potential;
- addresses biodiversity and threatened species issues;
- addresses heritage issues; and
- identifies a mechanism to enable updating the agreement in the light of significant new information or exceptional circumstances.

In order to provide clear guidance on the goals governments wish to achieve through the RFA process the Steering Committee refined the objectives in the Scoping Agreement - see Box 2.1.

The Steering Committee recognises that difficulties will arise in seeking to meet a number of these objectives concurrently. It is also recognised that the objectives themselves do not identify the appropriate balance between environment, heritage, social and economic values. This report puts forward a range of possible approaches to meeting the various objectives. These approaches are not meant to represent the full range of options for addressing the RFA objectives, but rather have been designed to promote discussion and feedback as to the most appropriate way to implement a RFA in the South-West Forest Region.

## BOX 2.1 REFINED OBJECTIVES FOR THE WESTERN AUSTRALIA RFA AGREED BY THE STEERING COMMITTEE

### ***Social and economic objectives***

- Maintain or enhance the sustainable level of harvest for first and second grade jarrah and karri sawlogs from State native forests incorporated in the approved Western Australian Forest Management Plan.
- Maximise a sustainable level of residue harvest to at least a level sufficient to facilitate the regeneration and tending of forest harvested for first and second grade sawlogs.
- Promote timber industry development options based on a sustainable native and plantation timber resource.
- Maintain and enhance the quality and quantity of water within and emanating from the forest estate and avoid impacting on sites with high potential for harnessing for both domestic and industrial water supplies.
- Maintain access for mineral exploration and mining, particularly to areas covered by State Agreement Acts, exploration licences and mining leases and other identified areas of moderate to high mineral potential.
- Maintain or enhance forest-based resource use options for other forest based industries, such as tourism, apiary, wildflower picking, fuelwood and seed collecting.
- Enhance the potential growth in Gross State Product, value of exports and regional employment arising from forest industry development strategies that reflect market opportunities and the resource potential of the existing forest land base to promote the development of internationally competitive industries that maximise the value added to the resource from forested land.
- For communities dependent on access to resources from forested land;
  - maintain or enhance employment opportunities in forest-based industry sectors;
  - maintain or enhance quality of life by increasing certainty for employment and access to social and physical infrastructure;
  - ensure community viability; and
  - maximise the benefits of the RFA on communities.
- Seek to meet the needs and aspirations of south-west communities in relation to adequate access to, and use of, the forest estate, including for Indigenous cultural activities.
- Maintain the forest structural goals identified for jarrah and karri forests in the approved Western Australia Forest Management Plan.

### **Environment and heritage objectives**

- Protect forest biodiversity through a comprehensive, adequate and representative reserve system - consistent with the JANIS criteria.
- Protect vulnerable, rare and endangered forest ecosystems - consistent with the JANIS criteria.
- Protect old-growth forest - consistent with the JANIS criteria.
- Protect high-quality wilderness - consistent with the JANIS criteria.
- Maximise protection of conservation values through reserve design, taking into account the principles outlined in JANIS.
- Protect areas of high-quality habitat for biodiversity - consistent with the JANIS criteria - in particular for:
  - rare, vulnerable and endangered species;
  - special groups of organisms; and
  - areas of high diversity, refugia and endemism.
- Adequately protect areas containing natural and cultural heritage (including World Heritage) and indigenous heritage values, in particular those of National Estate value.
- Maintain the forest structural goals identified for jarrah and karri forests in the approved Western Australia Forest Management Plan.

### **Other objectives**

- Ensure that Commonwealth and State legislative requirements are met.
- Ensure that effective and appropriate management systems and processes exist to provide for ecologically sustainable forest management, drawing on the final recommendations of the ESMF Expert Advisory Group.

**APPENDIX E: RFA STAKEHOLDER REFERENCE GROUP MEETINGS<sup>134</sup>**

<b>Location</b>	<b>Date</b>
Perth	26 September 1996
Perth	30 April 1997
Perth	24 June 1997
Perth	3 September 1997
Manjimup	15 October 1997
Perth	29 October 1997
Perth	26 November 1997
Perth	26 May 1998
Perth	2 July 1998

---

<sup>134</sup> Dr Syd Shea, 30/7/1998, letter to the Committee

## APPENDIX F: EXTRACT FROM THE PUBLIC CONSULTATION PAPER: THE JANIS RESERVE CRITERIA

Reproduced below is the summary of the JANIS reserve criteria set out at page 5 of the Public Consultation Paper.

### Box 1.1 Summary of the JANIS reserve criteria

The JANIS reserve criteria are nationally agreed criteria for the establishment of a comprehensive, adequate and representative reserve system for forests in Australia. The criteria were developed by the Joint ANZECC-MCFFA National Forest Policy Statement Implementation Subcommittee (JANIS).

#### Regional conservation strategies

Conservation objectives will be best achieved through the development of integrated regional conservation strategies that provide for the establishment and effective management of conservation reserves (the CAR reserve system) and complementary management of adjoining forest areas.

#### Components of the comprehensive, adequate and representative reserve system

All reasonable efforts should be made to provide for biodiversity, old-growth and wilderness conservation in a dedicated reserve system on public land. However, where it is demonstrated that this is not possible or practicable, other approaches will be required. The components of the CAR system are dedicated reserves, informal reserves and values protected by prescription on public land as well as conservation arrangements on private land.

#### Biodiversity

1. As a general criterion, 15% of the pre-1750 distribution of each forest ecosystem should be protected in the CAR reserve system, with flexibility applied according to regional circumstances and recognising that as far as possible and practicable the proportion of dedicated reserves should be maximised.
2. Where forest systems are recognised as vulnerable, at least 60% of their remaining extent should be reserved.
3. All remaining occurrences of rare and endangered forest ecosystems should be reserved or protected by other means, as far as is practicable.
4. Reserved areas should be replicated across the geographic range of the forest ecosystem.
5. The reserve system should seek to maximise the area of high-quality habitat for all known elements of biodiversity wherever practicable.
6. Reserves should be large enough to sustain the viability, quality and integrity of populations.
7. To ensure representativeness, the reserve system should, as far as possible, sample the full range of biological variation within each forest ecosystem.
8. In fragmented landscapes, remnants that contribute to sampling the full range of biodiversity are vital parts of a forest reserve system.

#### Old-growth forest

It is necessary to approach old-growth in a flexible manner according to regional circumstances. Wherever possible, areas of old-growth requiring protection should be included in the area identified to meet biodiversity criteria.

1. Where old-growth forest is rare or depleted (generally less than 10% of the extant distribution) within a forest ecosystem, all viable examples should be protected, wherever possible.
2. For other forest ecosystems, 60% of the old-growth forest identified at the time of assessment should be protected, consistent with a flexible approach where appropriate, increasing to the levels of protection necessary to achieve objectives for conservation and specific community needs for recreation and tourism.

#### Wilderness

Ninety per cent, or more if practicable, of the area of high-quality wilderness that meets minimum area requirements should be protected in reserves.

#### Application of the criteria

Flexibility in the application of reserve criteria is needed because of differing regional circumstances. The criteria are considered to be guidelines rather than mandatory targets. In some circumstances and for some criteria, lower levels of reservation may prove adequate. The extent of potential social and economic impact may limit the ability to meet reserve criteria (see Sections 5.2, 5.4 and 6.1.1 of the JANIS document). Where different configurations of reserves are identified as meeting the criteria, the option that imposes the least cost on the community should be adopted.

**APPENDIX G: RFA REPORTS PUBLISHED BY THE STEERING COMMITTEE**

The following list of RFA Reports published by the Steering Committee was provided to the Committee by Mr Alan Walker on 15 July 1998.

	<b>Report</b>	<b>Author</b>
1.	Comprehensive Regional Assessment Vols 1 and 2	
2.	World Heritage Report	
3.	Assessment of Ecologically Sustainable Forest Management in the South-West Forest Region of Western Australia	Ferguson, I, Adams, M, Brown M, Cork, S, Egloff, B and Wilkinson G
4.	Data Review and Evaluation for Biodiversity Assessment Projects in Western Australia	
5.	Forest Ecosystems Mapping for the Western Australian RFA	Bradshaw, FJ and Matiske, EM
6.	Ecosystem Processes and Key Disturbances in the South-West Forest Region of Western Australia	Lamont B, Perez-Fernandez, MA and Mann, R
7.	Effect of Key Disturbances on Fungi in the South-West Forest Region of Western Australia	Bougher, NL
8.	A Review of the Knowledge of the Effects of Key Disturbances on Fauna in the South-West Forest Region	Christensen, P
9.	A Review of Knowledge on the Effect of Key Disturbances on Aquatic Invertebrates and Fish in the South-West Forest Region of Western Australia	Horwitz, P, Jasinka, EJ, Fairhurst E and Davis, JA
10.	A Review of the Effect of Key Disturbances on Vascular Flora in the South-West Forest Region of Western Australia	Safstrom, R and Lemson, K
11.	Report on the Impact of Disturbance on Terrestrial Invertebrates in the Western Australian RFA Area	Majer, JD and Heterick, BE
12.	Review and Integration of Floristic Classifications in the South-West Forest Region of Western Australia	Matiske Consulting
13.	An Appraisal of Methods and Data Used by CALM to Estimate Wood Yields for the Southwest RFA Region of Western Australia	Turner, BJ
14.	Assessment of Minerals and Hydrocarbons - South West Forest Region	Geological Survey of Western Australia and Bureau of Resource Sciences



15.	The South-West Forest Region of Western Australia: A Thematic History	Bosworth, M and Brady, W
16.	Aboriginal Consultation Project Report Volume 1	Centre for Social Research, Edith Cowan University
17.	Aboriginal Consultation Project Report Volume 2	Centre for Social Research, Edith Cowan University and McDonald, Hales and Associates
18.	Western Australian National Estate Indigenous Values Identification and Assessment Project Stage 1: Data Upgrade, Validation and Gap Analysis	Pasqua, MA
19.	Western Australian Comprehensive Regional Assessment National Estate Aesthetic Value Identification and Assessment Project	ERM Mitchell McCotter Pty Ltd
20.	Western Australian Comprehensive Regional Assessment Community Heritage Program (Non-Indigenous) Reports A B and C	The Training and Development Group Pty Ltd
21.	A Paper to Assist Public Consultation - Towards the Regional Forest Agreement	
22.	Review of Value Adding Development Opportunities for the Western Australian Hardwood Industry	BIS Shrapnel Forestry Group
23.	Post Impact Analysis - RFA Social Impact Assessment Project SAUI	Chambers & Galloway
24.	National Estate Identification and Assessment in the South West Forest Region of Western Australia	
25.	Economic Profile of the Tourism and Recreation Industries in the Regional Forest Agreement Area	
26.	Reconstructing the Fire History of the Jarrah Forest of South-Western Australia	Ward, D and van Didden, G
27.	Survival of Hollow-bearing Jarrah ( <i>Eucalyptus marginata</i> Sm) and Marri ( <i>Corymbia calophylla</i> ) Trees in the South-West Forest Region of WA	Whitford, KR and Williams. MR
28.	Attribution and Modelling of Fauna for the South-West Forest Region Comprehensive Regional Assessment - Final Report	Western Australian Museum of Natural Science
29.	Social and Forest Values of the Community Within the West Australian RFA	Environment & Behaviour Consultants

**BIBLIOGRAPHY**

ABARE (1997): *Australian commodities: forecasts and issues (September quarter 1997)*, Canberra

Arthur Andersen (1997): *General Review of Hardwood Timber Royalties for the Minister for the Environment, January 1997*

Australian Bureau of Statistics (1997): *1996 Census of Population and Housing*

Australian Heritage Commission & Department of Conservation and Land Management (WA) (1992a): *Memorandum of Understanding between the Australian Heritage Commission and the Department of Conservation and Land Management of Western Australia concerning National Estate Values in the Southern Forest Region of South-West Western Australia*

Australian Heritage Commission & Department of Conservation and Land Management, W.A. (1992b): *National Estate Values in the Southern Forest Region of South-west Western Australia (Vols 1-5)*

Auditor General of Victoria (1993): *The Victorian Auditor-General's Report No.22: The Timber Industry Strategy*

Australian Forestry Council (1991): "Forest Practices Related to Wood Production in Native Forests: national principles", Attachment A in Commonwealth of Australia (1992) *National Forest Policy Statement*

Barnett, Thomas (as Appeals Committee) (1992): *Report to Jim McGinty, MLA, Minister for the Environment by Tos Barnett as Appeals Committee examining appeals submitted in relation to the Report and Recommendations of the Environmental Protection Authority on 'Proposals to amend the 1987 Forest Management Plans and Timber Strategy and proposals to meet Environmental Conditions on the Regional Plans and the WACAP ERMP'*

Beca Simons Australia Pty Ltd (1997): *A Report to Department of Resources Development: Further development of the forest products industry in Western Australia*

BIS Shrapnel Forestry Group (1998): *Review of Value Adding Development Opportunities for the Western Australian Hardwood Industry*

Clark, Judy (1995): *Australia's Plantations: Industry Employment Environment*

Commonwealth of Australia (1992): *National Forest Policy Statement*

Commonwealth of Australia (1995): *Deferred Forest Areas: Western Australia*

Commonwealth of Australia: *National Biological Diversity Strategy*

Commonwealth of Australia: *National Strategy for Ecologically Sustainable Development*

Conservation and Land Management, Department of (WA) (1987a) *Southern Forest Region Regional Management Plan 1987 - 1997*

Conservation and Land Management, Department of (WA) (1987b) *Timber Production in Western Australia: a strategy to take WA's south-west forests into the 21st century*

Conservation and Land Management, Department of (WA) (1990): "CALM Briefing Paper 2/90" reproduced as Appendix 1 to Arthur Andersen (1997): *General Review of Hardwood Timber Royalties for the Minister for the Environment, January 1997*

Conservation and Land Management, Department of (WA) (1992a): *Research on the Impact of Forest Management in South-West Western Australia: CALM Occasional Paper No.2/92*

Conservation and Land Management, Department of (WA) (1992b): *Proposals to amend the 1987 Forest Management Plans and Timber Strategy and Proposals to Meet Ministerial Conditions on the Regional Plans and the WACAP ERMP*

Conservation and Land Management, Department of (WA) (1992c): *Submission to the Meagher Committee Outlining Preferred Harvest Levels for Jarrah*

Conservation and Land Management, Department of (WA) (1992d), Spencer, RD (editor): *Application of Modern Inventory Techniques in the Forests of Western Australia, CALM Occasional Paper No.1/92*

Conservation and Land Management, Department of (WA) (1993): *Forest Management Plan 1994-2003*

Conservation and Land Management, Department of (WA) (1996): *How you can be involved in the Regional Forest Agreement for Western Australia*

Conservation and Land Management, Department of (WA) (1996): *Western Australian Regional Forest Agreement Newsletter #1, October 1996*

Conservation and Land Management, Department of (WA) (1997): *Annual Report 1996-1997*

Conservation and Land Management, Department of (WA) (1998): *Responses to evidence by Dr B Schultz and Mr P Robertson at the hearing on 10 September 1997*

Environment, Minister for (WA) (1988): *Statement that a proposal may be implemented (pursuant to the provisions of the Environmental Protection Act 1986): The West Australian Woodchip Industry: WA Chip and Pulp Co. Pty. Ltd. - 28 September 1988*

Environment, Minister for (WA) (1992): *Statement that a proposal may be implemented (pursuant to the provisions of the Environmental Protection Act 1986): Amendments to the 1987 forest management plans and timber strategy and proposals to meet environmental conditions on the regional plans and the WACAP ERMP: Department of Conservation and Land Management (CALM) - 24 December 1992*

Environment, Minister for (WA) (1993a): *Statement that a proposal may be implemented (pursuant to the provisions of the Environmental Protection Act 1986): Export of Woodchips from Eucalyptus Globulus Plantations (689): Bunnings Forest Products Pty Ltd - 18 November 1993*

Environment, Minister for (WA) (1993b): *Native Forest Management and the Future for the Native Forest Hardwood Timber Industry: A Ministerial Response to the Report of the*

*Scientific and Administrative Committee established under Ministerial Conditions in respect of CALM's 1992 Forest Management Proposals*

Environment, Sport and Territories, Department of (Cth) (undated): *Subsidies to the use of Natural Resources - Environmental Economics Research Paper No.2*

Environment, Sport and Territories, Department of (Cth) (1996): *Estimating Values for Australia's Native Forests - Environmental Economics Research Paper No.4*

Environmental Protection Authority (WA) (1987): *Northern, Central and Southern Forest Region Management Plans: Report and Recommendations of the Environmental Protection Authority - Bulletin 303*

Environmental Protection Authority (WA) (1988): *The Western Australian Woodchip Industry: W.A. Chip & Pulp Co Pty Ltd: Report and recommendations of the Environmental Protection Authority - Bulletin 329*

Environmental Protection Authority (WA) (1993a): *Report and recommendations of the Environmental Protection Authority - Bulletin 652*

HA Simons Ltd and McLennan Magasanik Associates (1990): *Competitiveness of Australian Forest Industries*

Hilmer, FG, Chairman, Independent Committee of Inquiry into National Competition Policy (1993): *Report*

Independent Expert Advisory Group (1997): *Assessment of Ecologically Sustainable Forest Management in the South-West Forest Region of Western Australia*

Industry Commission (1993): *Adding Further Value to Australia's Forest Products - Report No 32*

Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998a): *Comprehensive Regional Assessment, vol 1*

Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998b): *Comprehensive Regional Assessment - Maps (vol 2)*

Joint Commonwealth and Western Australian Regional Forest Agreement (RFA) Steering Committee (1998c): *Towards a Regional Forest Agreement for the South West Forest Region of Western Australia - a Paper to Assist Public Consultation*

Legislative Council of Western Australia Standing Committee on Government Agencies (1994): 36th Report: *State Agencies: Their Nature and Function*

McComb, Faunt, Bradshaw and Biggs (1994): *Hollow availability for selected vertebrates in jarrah forests, Western Australia*

McComb, Professor William (undated): *Perceptions on the Management and Research Programs in Forestry and Forest Wildlife in CALM*

Meagher, Dr Tim; Campbell, Mr Frank; Shepherd, Dr Ken and Kitchener, Dr Darrell (1993): *Report of the Scientific and Administrative Committee inquiring into aspects of Conditions Set Pursuant to the Environmental Protection Act 1986 for the proposed Amendments to the 1987 Forest Management Plans and Timber Strategy and Proposals to Meet Environmental Conditions on the Regional Plans and the WACAP ERMP Proponent*

Montreal Process Implementation Group for Australia (1997): *Australia's First Approximation Report for the Montreal Process*

Primary Industry, Department of (Cth) and Environment, Sports and Territories, Department of (Cth) (1997): *Regional Forest Agreements* (brochure)

Primary Industry, Department of (Cth) (Forests Branch) (1997): *National Assessment Guidelines: Removal of Export Controls on Unprocessed Plantation Wood and National Assessment Guidelines*

Public Accounts Committee (NSW) (1990): *The NSW Parliamentary Public Accounts Committee's Report on the Forestry Commission*

Resource Assessment Commission (1992): *Forest and Timber Inquiry Final Report: Overview*

Rosauer, Daniel (1993): *Conservation of Native Forests: the changing role of the Australian Heritage Commission*

Sharp, Dr Christine (1995): *Using the Forests*

Shea, Dr SR and Hewett, PJ (1997): *The Development and Future Potential of Tree Crop Industries on Farmlands in Western Australia*

Shire of Bridgetown - Greenbushes Accord (1998): *Submission to the Regional Forest Agreement*

Turner, Dr Brian J (1998): *An appraisal of methods and data used by CALM to estimate wood resource yields for the South-West Forest Region of Western Australia*

WA Forest Alliance (1993): *Analysis of the report by the expert scientific and administrative committee (the 'Meagher Report') and the statement of the Minister for the Environment ('the Minson statement') of 5 August 1993*

WA Forest Alliance (1998): *15 major failings in the RFA "Public Consultation Paper"*