

Overview of the Tasmanian Community Forest Agreement

The Tasmanian Community Forest Agreement is a joint commitment of the Australian and Tasmanian governments to enhanced protection of Tasmania's forest environment and growth in the Tasmanian forest industry and forestry jobs. The governments are committing over \$250 million to implement the Agreement.

The features are:

- Additional protection of well over 170,000 hectares of forest on public and private land, comprising about 135,450 hectares of forest on public land and the expected voluntary addition of 45,600 hectares of private forest through a new Forest Conservation Fund. In all, over 148,000 hectares of public land will be added to reserves;
- Protection of old-growth forest in Tasmania increased to more than 1 million hectares with an additional 120,000 hectares of old-growth reservation on public land and the expected voluntary addition of a least 25,000 hectares of old-growth forest on private land through the new Forest Conservation Fund;
- Formal reservation of significant areas of the Tarkine, the world's tallest hardwood trees in the Styx Valley, the northern slopes of the Styx Valley and other key conservation areas across the State;
- Significant increases in reservation levels for a number of old-growth forest types to meet national reserve criteria targets;
- The new Forest Conservation Fund to protect 45,600 hectares of old-growth forest and under-reserved forest types on private land through voluntary sale or covenants, including a special Mole Creek component targeting 2,400 hectares;
- Reduction of clear-felling of old-growth forest on public land. By 2010, no more than 20 per cent of the small area of old growth harvested each year will be clear-felled;
- A phase-out of clearing and conversion of native forest to retain at least 95 per cent of the 1996 native forest extent. Conversion of native forest to plantations on public land will cease by 2010, and clearing of native forest on private land will be phased out over 10 years;
- New statutory measures to prevent the clearing and conversion of rare, vulnerable and endangered non-forest vegetation communities;
- Measures to monitor impacts of chemical use on water quality, to save the Tasmanian devil and to further reduce the use of 1080 poison;
- Investment of over \$200 million in total in the Tasmanian forest industry to maintain supply levels to the industry and to assist the industry to adjust to a future increase in the proportion of logs from regrowth forests and plantations;
- A significant boost to Tasmania's forest industry employment and activity as a result of the investment package;
- \$115 million to fund additional plantation establishment and productivity improvements in existing plantations and native forests to ensure sawlog and veneer log supply targets are able to be met into the future;
- Support for the Tasmanian hardwood industry, including \$42 million for the development and revitalisation of mills and other businesses in the industry and \$4 million for country sawmills;
- \$11.4 million to support the special species and beekeeping industries, including improved access to resources, and support for sawmills in the west and north-west affected by the reservation of substantial special species resources;
- \$4 million to build skills and training for the Tasmanian forest industry; and
- \$10 million in assistance for the Tasmanian softwood industry to maintain a viable and environmentally sustainable industry.

The new commitments have been negotiated under the Tasmanian Regional Forest Agreement (RFA) through a Supplementary Agreement, which now forms part of the RFA. The RFA Supplementary Agreement will build a firm foundation for the Tasmanian forestry industry going forward and underpin resource security for the proposed new pulp mill at Bell Bay.

The Tasmanian Community Forest Agreement delivers on the Australian Government's election commitments contained in its 'A Sustainable Future for Tasmania' policy.

Overview of the Tasmanian Community Forest Agreement (cont.)

Table 1 indicates the financial commitments that each government is contributing to the implementation of the Agreement. Further details of the funding arrangements, including spending profiles, are contained in the RFA Supplementary Agreement.

Table 1: Measures to support the Tasmanian Community Forest Agreement

Measure	Total Investment \$m	Australian Government \$m	Tasmanian Government \$m
The joint Australian/Tasmanian Government Community Forest Agreement			
Measures to support reductions in old-growth clear-felling, including research			
	13.1	2.0 ¹	11.1
Intensive forest management	115.0	66.0	49.0
Support for the hardwood timber industry	42.0	42.0 ¹	
Support for country sawmills	4.0	4.0 ¹	
Industry infrastructure	9.5		9.5
Special species timbers and leatherwood beekeeping industries, including support for north-west special species mills	11.4		11.4
Road infrastructure	20.0		20.0
Communications program	2.2	2.2 ¹	
Tourism and recreation	4.0	2.0	2.0
Special Purpose Australian Government Payment to Tasmania for the implementation of the Agreement		13.0	-13.0
<i>Total joint government package</i>	<i>221.2</i>	<i>131.2</i>	<i>90.0</i>
Other Australian Government measures to support the overall Agreement and deliver on election commitments¹			
Private forests (the Forest Conservation Fund)	— ²	— ²	
Mole Creek	3.6	3.6	
River catchment water quality auditing	1.0	1.0	
Saving the Tasmanian devil	2.0	2.0	
Tarkine bushwalk	1.0	1.0	
Alternatives to 1080	4.0	4.0	
Softwood industry	10.0	10.0	
Skills and training	4.0	4.0	
<i>Total other Australian Government measures</i>	<i>25.6²</i>	<i>25.6²</i>	
GRAND TOTAL	246.8²	156.8²	90

¹ Australian Government election commitments relating to 'Retooling Country Saw Mills' (\$4m committed during election), 'Industry Revitalisation' (\$20m) and 'Research into Alternatives to Clear-felling' (\$2m) and Education and Awareness (\$0.2m) are incorporated in measures in the joint package.

² The Australian Government has made provision in its budget for a market-based program to protect 45,600 ha of private land including the Mole Creek component targeting 2,400 hectares. Precise amounts set aside are commercial-in-confidence.

Overview of the Tasmanian Community Forest Agreement (cont.)

Table 2 sets out the spending profiles for individual measures funded by the Australian Government and the budget impact.

Table 2: Australian Government Spending Profile

Measure	2004-05 \$m	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m	Total \$m
Joint Community Forest Agreement – Australian Government elements						
Measures to support reductions in clear-felling, including research ¹		2.0				2.0
Intensive forest management	11.0	18.0	18.0	19.0	–	66.0
Support for the hardwood timber industry ¹		20.0	17.0	5.0		42.0
Support for country sawmills ¹		2.0	2.0			4.0
Communications program ¹		2.2				2.2
Tourism and recreation		1.0	1.0			2.0
Special Purpose Australian Government Payment to Tasmania for the implementation of the Agreement	13.0					13.0
Total	24.0	45.2	38.0	24.0	–	131.2
Other election commitments not covered in the joint Agreement						
Private forests (the Forest Conservation Fund)	– ²	– ²	– ²	– ²	– ²	– ²
Mole Creek		1.44	1.44	0.72		3.6
River catchment water quality auditing		0.5	0.5			1.0
Saving the Tasmanian devil		1.0	1.0			2.0
Tarkine bushwalk		0.5	0.5			1.0
Alternatives to 1080		1.5	2.5			4.0
Softwood industry		2.0	6.0	2.0		10.0
Skills and training		1.0	1.0	1.0	1.0	4.0
Total	–²	7.94⁻²	12.94⁻²	3.72⁻²	1.0⁻²	25.6⁻²
TOTAL IMPACT ON AUSTRALIAN GOVERNMENT BUDGET	24.0⁻²	53.1⁻²	50.9⁻²	27.7⁻²	1.0⁻²	156.8⁻²

1 Australian Government election commitments relating to 'Retooling Country Saw Mills' (\$4m committed during election), 'Industry Revitalisation' (\$20m) and 'Research into Alternatives to Clear-felling' (\$2m) and Education and Awareness (\$0.2m) are incorporated in measures in the joint package.

2 The Australian Government has made provision in its budget for a market-based program to protect 45,600 ha of private land including the Mole Creek component targeting 2,400 hectares. Precise amounts set aside are commercial-in-confidence.