A Regional Forest Agreement Western Australia

Briefing by

The Hon Cheryl Edwardes Minister for the Environment and Labour Relations

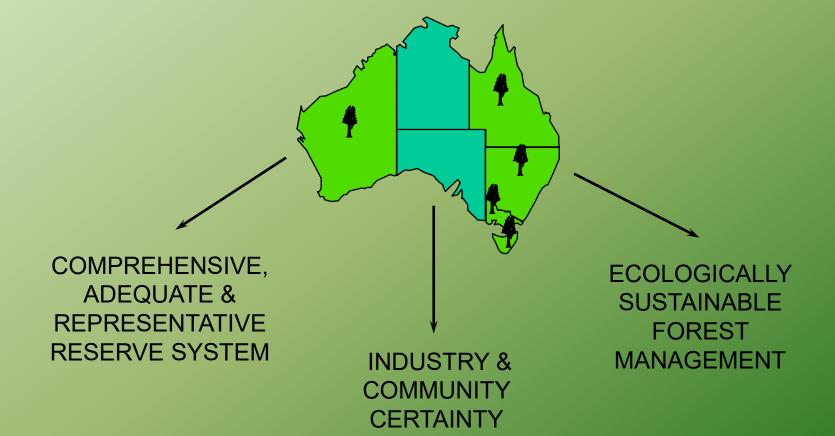
The decision to develop Regional Forest Agreements throughout Australia flows from the National Forest Policy adopted by both State and Federal Governments in 1992.

The concept of a regional approach to determining the areas of the forest that would be set aside for conservation and production followed on the success of the agreement between the Department of Conservation and Land Management and the Australian Heritage Commission, who had undertaken a joint study of land use issues in the southern forests of south-west Western Australia.

The essential elements of the CALM/AHC Agreement was the achievement of representative reservation of conservation and heritage values within the reserve system.



Regional Forest Agreement Objectives



Criteria for a National Forest Reserve System

• 1995

Nationally agreed criteria for a Comprehensive Adequate and Representative (CAR) reserve system were established by a joint ANZECC/MCFFA National Forest Policy Statement Implementation Sub-Committee (JANIS).

 Following public consultation the criteria for protection of Biodiversity, Old Growth Forests and Wilderness were agreed by State, Territory and Commonwealth governments.



Nationally Agreed Forest Reserves Criteria

Biodiversity Criteria

- 1. 15% of pre-1750 distribution of each forest ecosystem in reserves
- 60% of vulnerable forest ecosystems in reserves (vulnerable = 70% depleted and threatening processes continuing)
- 3. 100% of rare and endangered forest ecosystems in reserves (rare = total area less than 1000 hectares)



Nationally Agreed Forest Reserves Criteria

Old Growth Forest Criteria

Definition:

"Old growth is forest which is ecologically mature and which has been subjected to negligible disturbance."

- 1. 60% of remaining old growth in each forest ecosystem to be protected in reserves
- 100% of rare or depleted old growth to be protected in reserves (rare = less than 10% of current distribution is old growth)

Western Australia's Forests

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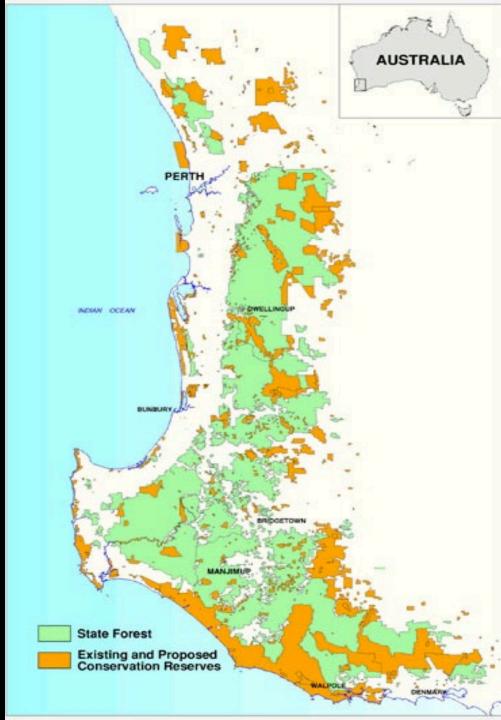
	Jarrah (in mixture with marri and tingles)	Karri (in mixture with marri, jarrah and tingles)	Wandoo	Other
Current area all tenures (ha)	1 813 600	201 500	218 700	411 000
Proportion of original forest	65%	80%	41%	69%
Proportion of CALM managed land which is reserved	35%	46%	62%	99%



Forest Conservation Reserves

Prior to the RFA

There had been significant increases in the area of forest dedicated to reserves prior to the initiation of the RFA process as a consequence of public review of management plans in 1987 and in 1994 and the CALM/AHC Agreement.



The Regional Forest Agreement process commenced in 1996 and there have been extensive scientific studies and public consultation throughout the three years leading up to the signing of an agreement.



Science of the RFA

- Over 46 RFA reports covering Environment, Heritage, Economic and Social assessments
- More than 500 scientists and experts participated in the assessments
- 312 vegetation complexes were mapped
- 27 forest ecosystems were mapped
- There were 153 000 records of 3244 plant species documented
- A new database for fauna involving 76 000 records of 796 species was completed

Consultation During RFA

- 1996-97 8 public meetings in Perth and throughout the South-West
- 1996-98
 9 meetings of Stakeholder Reference Group
- 1996-97 5 meetings on Noongar Action Group
- 1997
 10 community heritage workshops in Perth and throughout the South-West
- 1997-98 122 meetings with organisations
- 1997-98 7 indigenous workshops throughout the south-west
- 1997-98 200 meetings with organisations and individuals by the Social Assessment Unit
- 1998 9 public open days in Perth and throughout the South-West
- 1998 30 000 public submissions

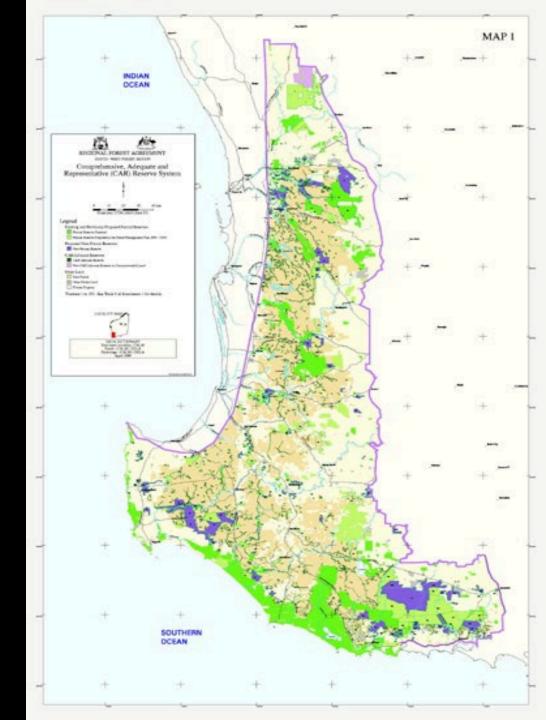
The Final RFA CAR Reserve System

The Western Australian RFA has achieved the following reservation outcomes:

- The achievement of all JANIS targets for the CAR reserve system where possible.
- Positive responses to local community and general community requests for specific reservations where possible.
- The minimisation of economic impact of new reserves on forestbased industries and communities.

The RFA outcomes represent a fair and balanced solution to the conflicting demands.

The final reserve design has involved creation of new reserves (shown in blue) building on and modifying the existing and previously proposed reserve system (shown in green).



The major characteristics of the RFA reserve system are:

 All targets for a Comprehensive, Adequate and Representative reserve system for land controlled by the State Government have been met or exceeded, with the exception of some small areas on private land or mining leases with pre-existing legal rights.

Jarrah Forest Ecosystems

Forest Ecosystem	Biodiversity		Old Growth	
	Target	Outcome	Target	Outcome
Jarrah Blackwood	15%	17%	60%	60%
Jarrah Leeuwin	15%	15%	100%	100%
Jarrah Mt Lindesay	15%	16%	60%	79%
Jarrah North East	15%	15%	100%	*86%
Jarrah North West	15%	15%	100%	*98%
Jarrah Rate's Tingle	100%	*86%	100%	100%
Jarrah Red Tingle	100%	*85%	100%	100%
Jarrah Sandy	15%	16%	100%	100%
Jarrah South	15%	28%	60%	63%
Jarrah Unicup	15%	16%	60%	62%
Jarrah Woodland	15%	42%	60%	88%
Jarrah Yellow Tingle	15%	41%	60%	61%

* These deficits involve small areas of land which occur within forest areas covered by mining leases with pre-existing legal rights or on private property.

Karri Forest Ecosystems

Forest Ecosystem	Biodiversity		Old Growth	
	Target	Outcome	Target	Outcome
Karri Main Belt	15%	29%	60%	63%
Karri Rate's Tingle	100%	*86%	100%	100%
Karri Red Tingle	15%	71%	60%	100%
Karri West Coast	15%	30%	100%	100%
Karri Yellow Tingle	15%	33%	60%	60%

* This deficit involves a small area of land which occurs on private property.

Wandoo Forest Ecosystems

Forest Ecosystem	Biodiversity		Old Growth	
	Target	Outcome	Target	Outcome
Western Wandoo Forest	15%	16%	100%	87%*
Western Wandoo Woodland	15%	22%	100%	93%*

* These deficits involve small areas of land which occur within forest areas covered by mining leases with pre-existing legal rights or on private property.

Other Forest Ecosystems

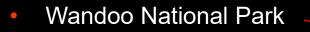
Forest Ecosystem	Biodiversity	
	Target	Outcome
Bullich and Yate	100%	89%
Darling Scarp	15%	10%*
Peppermint and Coastal Heath	15%	72%
Rocky Outcrops	15%	37%
Shrub, Herb and Sedgelands	15%	55%
Swamps	15%	41%

* All intact examples of this forest ecosystem on public land have been included. Additional areas exist on private property but are not available for reservation.

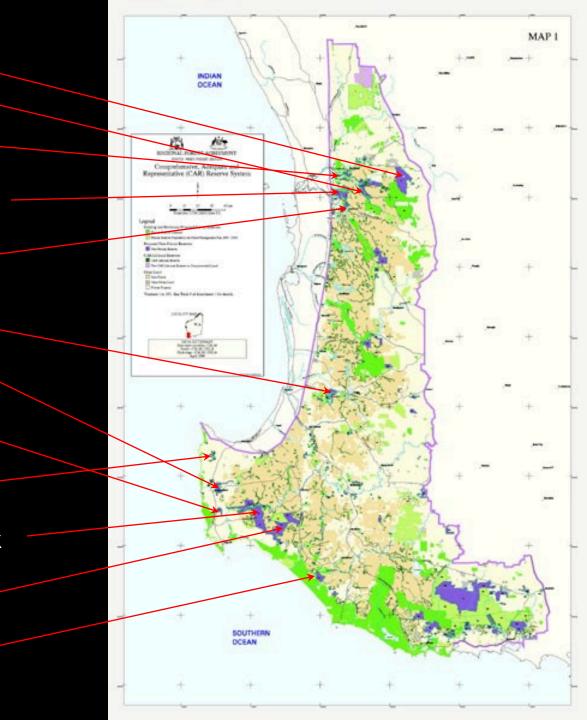
Features of the CAR Reserve System

- 150 885 hectares of new Conservation Reserves
- 45 700 hectares of additional Old Growth forest reserved
- 12 new National Parks and 25 additions to existing National Parks
- Overall 90 new conservation reserves or additions to existing conservation reserves
- 20 local areas of high community attachment added to the reserve system including all or parts of areas requested such as Hester, Dalgarup, GlenLynn, Bramley, Forest Grove, Yelverton, Noggerup, Hilliger, Giblett, Hawke, Dombakup, Northcliffe, Sharpe, Collis and parts of the Walpole Wilderness Area

12 New National Parks



- Helena Valley National Park
- Mundaring National Park
- Pickering Brook National Park
- Canning National Park -
- Wellington National Park
- Margaret River National Park
- Forest Grove National Park
- Yelverton National Park
- Blackwood River National Park
- Milyeannup National Park
- Hawke National Park

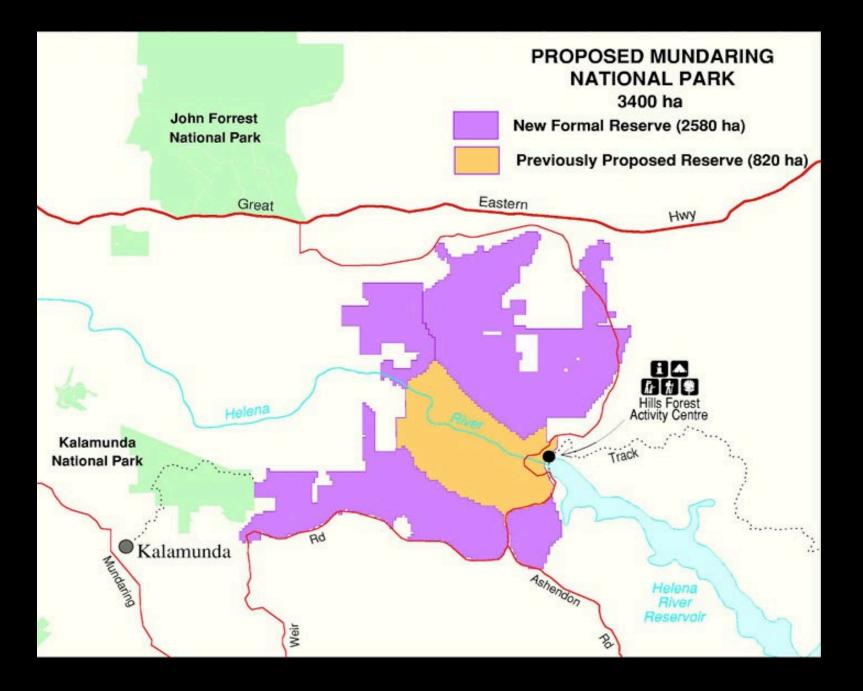


Some New Conservation "Icons"

Mundaring National Park

A new 3400 hectare National Park.

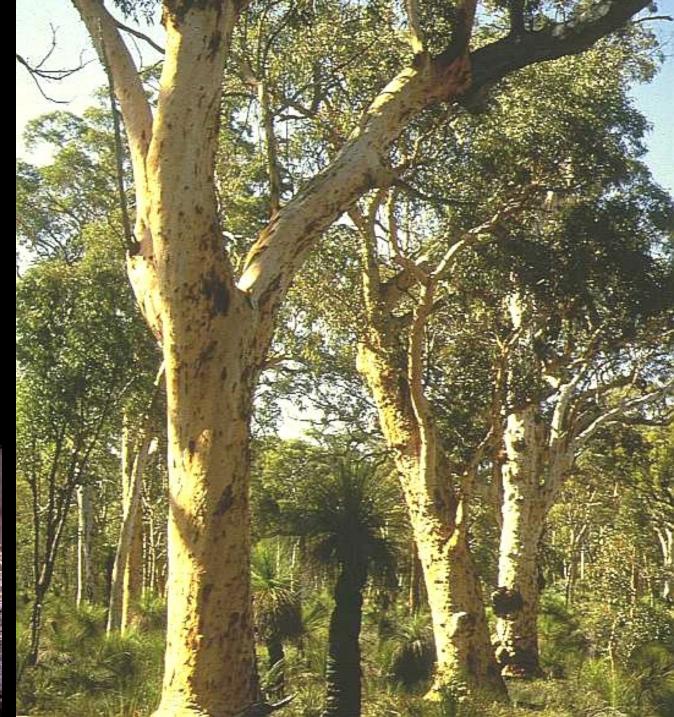


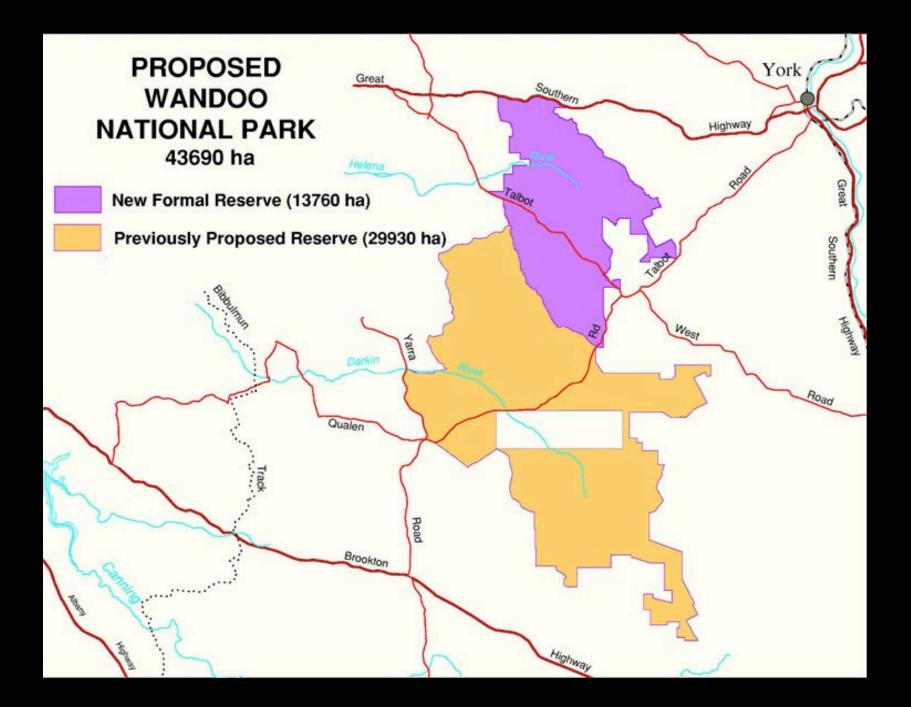


Wandoo National Park

A new 43 690 hectare national park which contains the habitat for rare and endangered mammal species such as the Numbat.







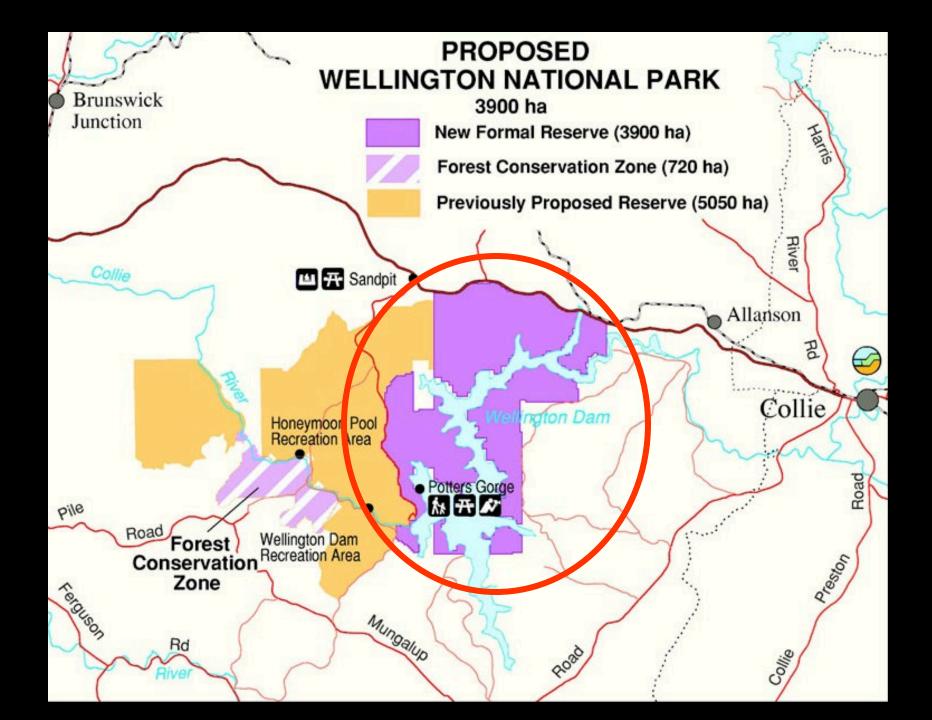
Wellington National Park

A total area of 3900 hectares amalgamating a new National Park with previously proposed Conservation Parks.

Includes the Worsley Timber Company land (purchased by the State government for \$9.5 million) which has sweeping waterside frontage and superb jarrah and blackbutt forests.

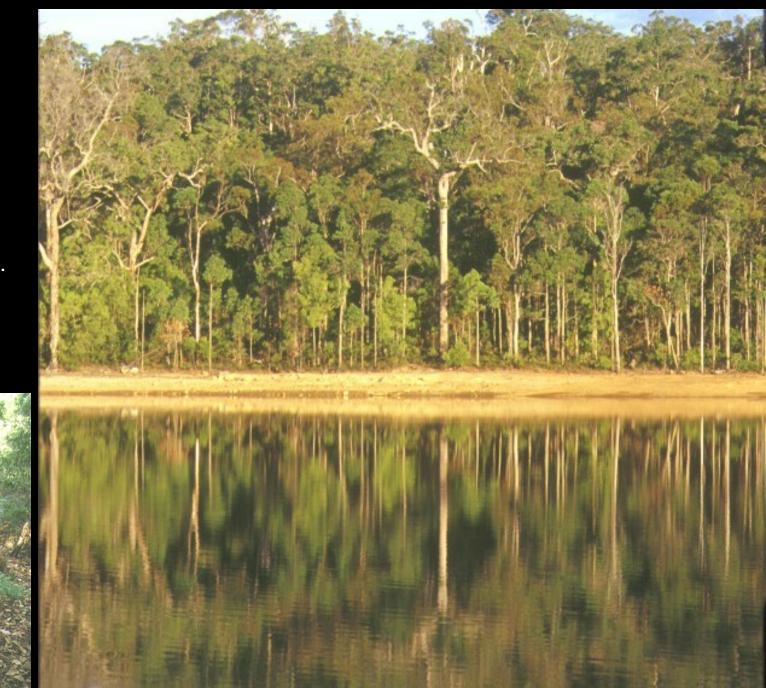




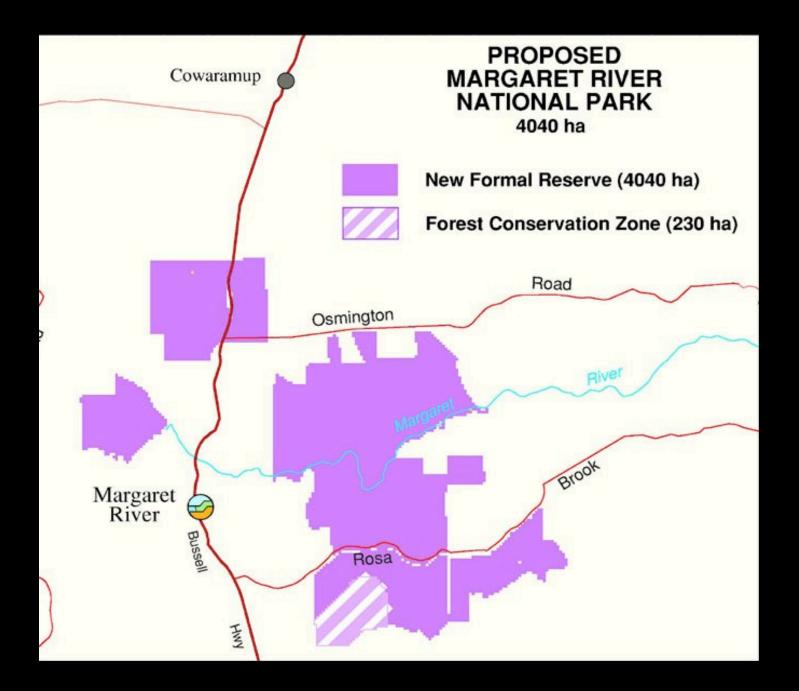


Margaret River National Park

A new 4038 hectare National Park.







Blackwood River National Park

A new 32 284 hectare National Park.

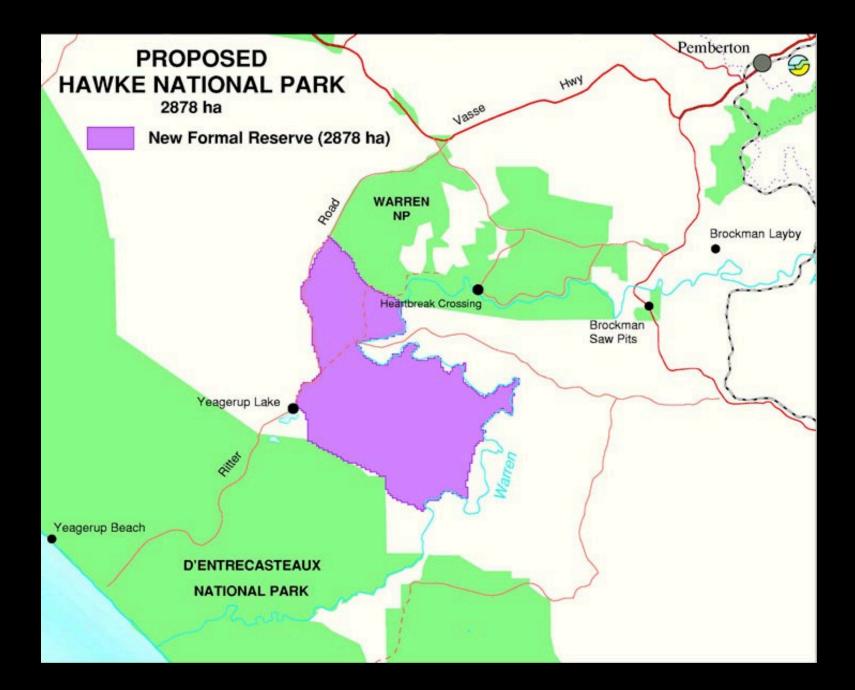




Hawke National Park

A new 2878 hectare National Park of principally old growth karri, marri and jarrah forest.





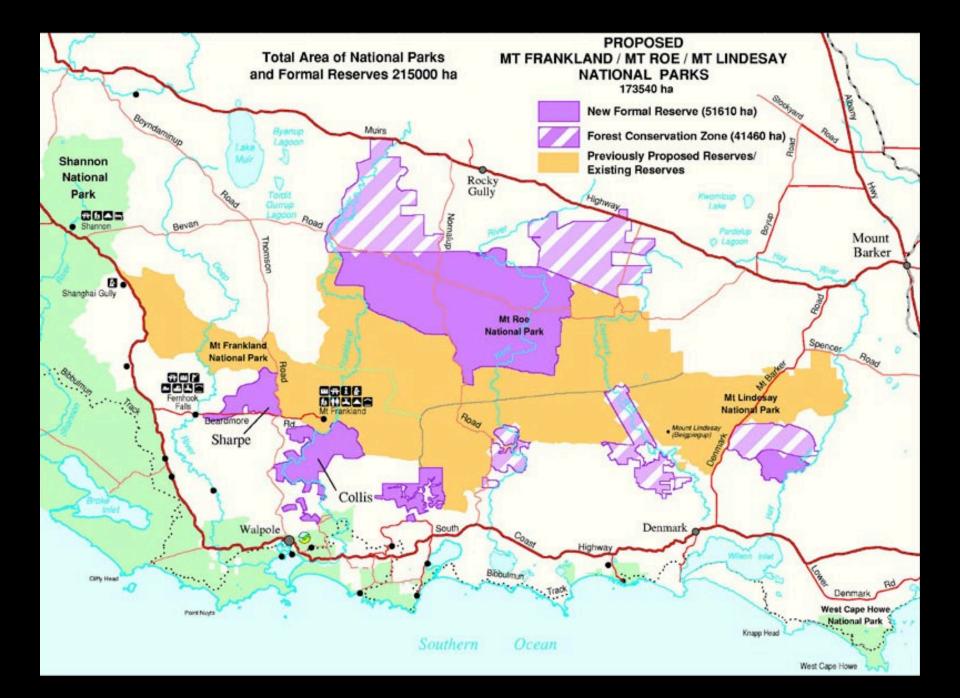
Mt Frankland, Mt Roe and Mt Lindesay National Parks Future management will enhance wilderness values in this area

A total area of 215,000 hectares amalgamating existing National Parks and adding 89,700 hectares of new reserves.

Captures additional jarrah yellow tingle and jarrah south ecosystems and old growth forest north of Walpole and Denmark.

Captures areas of high species richness, endemic and rare species, and wilderness values.





Areas of Community Attachment

The CAR reserve system includes the following areas identified by Stakeholders and communities as being important for inclusion in the reserve system.

New Reserve

- Wandoo National Park
- Extension to Monadnocks National Park
- Extension to Lane Poole Reserve
- Wellington National Park
- Noggerup Conservation Park
- Hester, Dalgarup, GlenLynn
- Margaret River (Bramley), Forest Grove, Yelverton National Parks
- Blackwood River and Milyeannup National Parks
- Extension to Beedelup National Park (part Giblett)
- Hawke National Park
- Extensions to D'Entrecasteaux National Park (part Dombakup and Northcliffe)
- Extensions to Mt Frankland, Mt Roe and Mt Lindesay National Parks (parts of Sharpe, Collis and 15 other forest blocks)

Proposed By

WA Forest Alliance (WAFA) Australian Heritage Commission WAFA WAFA Preston Environment Group, WAFA Noggerup Community Group

Bridgetown Accord, Bridgetown Shire, WAFA

Leeuwin Conservation Group, WAFA,

Tourism groups

Leeuwin Conservation Group, WAFA

Greater Beedelup National Park Society, WAFA

Warren Environment Group and WAFA

Northcliffe Tourism Groups, Aboriginal interests and WAFA

South Coast Environment Group, WAFA (Walpole Wilderness)

Indigenous Values

The RFA includes commitments by the State Government to:

- Develop formal consultation processes with Aboriginal people about protection of Aboriginal heritage values.
- Protect the important Aboriginal heritage site in Dombakup.
- Enable more effective involvement of Aboriginal people in the protection of culturally significant sites.
- Introduce amendments to legislation to permit Aboriginal people to undertake traditional and cultural activities on State forest and public land.
- Ensure that Aboriginal heritage values are recognised and managed in culturally appropriate ways.

Reserve System Summary

Total CAR reserves 1 047 200 hectares • 205 000 hectares New formal reserves on public land • New reserves on Commonwealth land 12 900 hectares • 54 100 hectares Previously proposed reserves remaining • as State forest 150 885 hectares Net increase in formal reserves • Net increase in CAR reserves 114 600 hectares • Total area reserved including all informal reserves 1 168 900 hectares **Old growth** 346 700 hectares Total old growth in the region Protected in CAR reserves 232 800 hectares • Increase in old growth protection • 45 700 hectares (compared to the Forest Management Plan) Old growth protection in CAR reserves 67% • Old growth protection in all reserves 71% •

The Timber Industry Development Package

Background to Timber Industry Resource Availability

- Under the Labor Government in the 1980s the allowable cut for jarrah sawlogs was 594,000 cubic metres.
- In 1994 the Coalition Government set an interim allowable cut for the next 10 years of 490,000 cubic metres of 1st and 2nd grade jarrah sawlogs but foreshadowed that this would be reduced to 300,000 cubic metres in 2003/04.
- The total allowable cut for karri 1st and 2nd grade sawlogs was set at 234,000 cubic metres but the 1994 Management Plan foreshadowed it would be reduced to 200,000 cubic metres in 2003/04.
- The Government and the timber industry has recognised that the future of the industry depends on its ability to restructure and invest in new technology, equipment and marketing so that there will be an increase in the proportion of harvested trees utilised for sawn timber and that the products produced capitalise on the ornamental values of native hardwood timbers.

Independent Expert Panel Verification of Sustained Yield of Sawlogs from Jarrah and Karri Forests

As part of the RFA process, and in part in response to the Western Australian Environmental Protection Authority, it was agreed that the sustained yields calculated by the Department of Conservation and Land Management be independently verified by an Expert Committee. The Committee, consisting of:

- Dr Brian Turner from the Australian National University;
- Professor Ian Ferguson from the Melbourne University; and
- Mr Noel Fitzpatrick a representative of the Western Australian Environmental Protection Authority

undertook the independent review.

Independent Expert Panel Verification of Sustained Yield of Sawlogs from Jarrah and Karri Forests

The Panel concluded inter alia:

"We have been asked to confirm whether the scheduling has been carried out in an objective, professional and operationally realistic manner.We can attest that in our dealings with the CALM officers we have found that they have handled the data competently and objectively. Their scientific knowledge about the jarrah and karri forests was profound and this is reflected in the complexity of the models they have developed to simulate the state and changes of the forest over time."

"There is no doubt in our minds that the scheduling has been carried out in an objective, professional (scientifically appropriate) and operationally realistic manner."

Sustained Timber Yield as a Consequence of the RFA

• Following the creation of new conservation reserves:

he long term sustained yield from 2004 is:	
Jarrah sawlogs	286,000 m ³ /annum
Karri sawlogs	178,000 m ³ /annum

In consultation with the Government the industry has accepted there will be a "step down" between 1999 and 2003 so that the average level of cut during this period will be:

Jarrah sawlogs	324,000 m ³ /annum
Karri sawlogs	186,000 m³/annum

- The current contracted volume for jarrah sawlogs is 482,000 cubic metres and for karri sawlogs is 234,000 cubic metres. The actual level of cut in 1998 for jarrah was 350,000 cubic metres and for karri 203,000 cubic metres.
- It is estimated that the result of the reductions in resource due to reduced harvesting and sawmilling there is the potential for losses of 125-150 direct private jobs and approximately 400 direct and indirect public and private jobs.
- An industry reconstruction program has been designed to ensure that the base is laid for jobs growth over the life of the RFA.

The Timber Industry Reconstruction and Adjustment Program

The program is designed to increase job opportunities through improved utilisation of logs and increased value-adding and local manufacturing.

Economic studies by ABARE and independent consultants suggest that the WA timber industry has the potential to:

- increase the percentage of sawn timber which is value-added to 75% by 2020 (currently 60% of jarrah and 30% of karri is valueadded);
- increase the gross value of production from sawn timber by \$100 million by 2020;
- add a further \$15 million per year in value to timber by the outdoor and natural feature grade furniture industry in just five years;
- create about 500 extra direct jobs in processing hardwood timber alone, over the period of the RFA.

The Timber Industry Reconstruction and Adjustment Program

The industry program has two major components:

- The provision of a 4% interest subsidy to allow industry units to borrow up to \$40 million over a 10 year period to enable them to invest in new technology to increase greater utilisation, value-adding and local manufacturing. The loans will be converted to grants subject to specific Government criteria and repayment of at least half of the loan.
- 2. The provision of \$12 million for industry and labour adjustment programs. This will include provision for business exit, training and redundancy.

Further, a degree of resource security has been achieved by including a clause in the low interest loan agreements which provides that the loans will be converted to grants if resource levels on which investments are predicated are not provided beyond the completion of the current Forest Management Plan.

Over the previous 10 years there have been large investments in the southwest hardwood timber industry and facilities like these drying kilns.

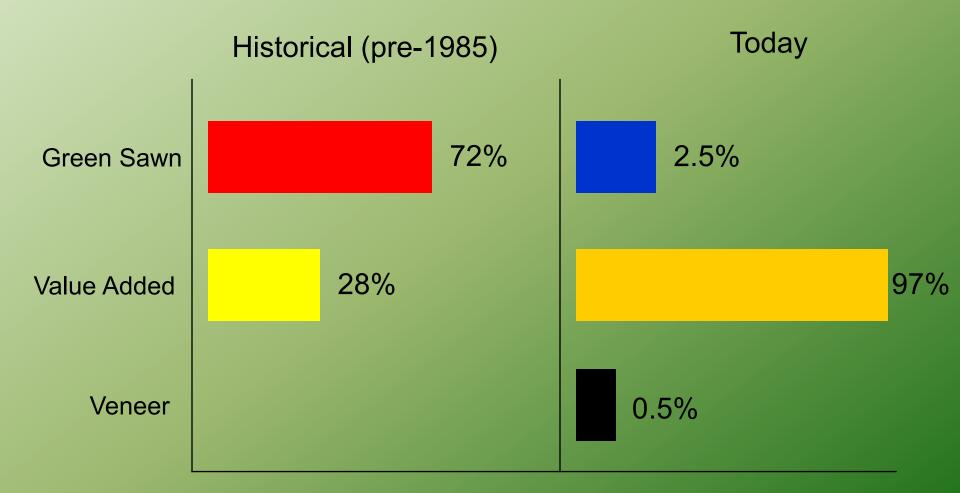
Careful kiln drying is the most important first step in the value-adding process.

There have been large increases in the proportion of sawn timber processed to value-added products as illustrated by the current output from one of the major jarrah sawmills located at Dean Mill.





Dean Mill



Percentage (%)



Increasingly Western Australian furniture manufacturers are capitalising on the ornamental values of native forest timber to create high value products like this dining suite.



Western Australia is developing a name for high quality outdoor furniture. This setting sells for 5000 pounds in Harrods, London.

The Industry Program specifically targets the furniture industry because of its job creation potential. For example, one outdoor manufacturer located in regional Western Australia employs 70 staff to process 4000 cubic metres of kiln dried jarrah per year.



Forest Enhancement

 \$3 million has been provided over a five year period to permit CALM to increase thinning of jarrah regrowth stands.

Regional Employment Program

In addition to the Timber Industry Development Program additional funding has been provided for the creation of job opportunities in towns likely to be impacted by the reduction in resource levels.

Tourism

Tourism is an important and growing industry within the region.

The RFA provides \$17.5 million for tourism:

- \$2 million for a major new tourist attraction in the Donnelly River Valley featuring some of the world's tallest karri trees;
- \$2 million for three eco-lodge camping and chalet sites;
- \$1 million for a new scenic drive in the Pemberton area;
- \$1 million for tourism development in the Wellington National Park;
- \$2 million for strategic tourist roads in the Nannup area;
- \$9.5 million for the purchase of private land surrounding Wellington Dam.

Tourism

The RFA helps create opportunities for expansion of tourism in prime areas such as:

- National Parks near Margaret River, Bridgetown, Walpole and Denmark;
- The Blackwood River National Park near Nannup;
- Hawke National Park adjoining the Warren National Park near Pemberton;
- Dombakup and Northcliffe adjoining D'Entrecasteaux National Park;
- The Wellington Dam near Collie.

The Tree Top Walk which has won major tourism awards was developed in the tingle forest near Walpole. The actual walk only disturbed three square metres of forest.

Since September 1996 more than 500,000 people have visited the walk and the associated Ancient Empire.

As a consequence of the Tree Top Walk tourism numbers in Walpole have doubled and there have been major new investments in accommodation facilities.

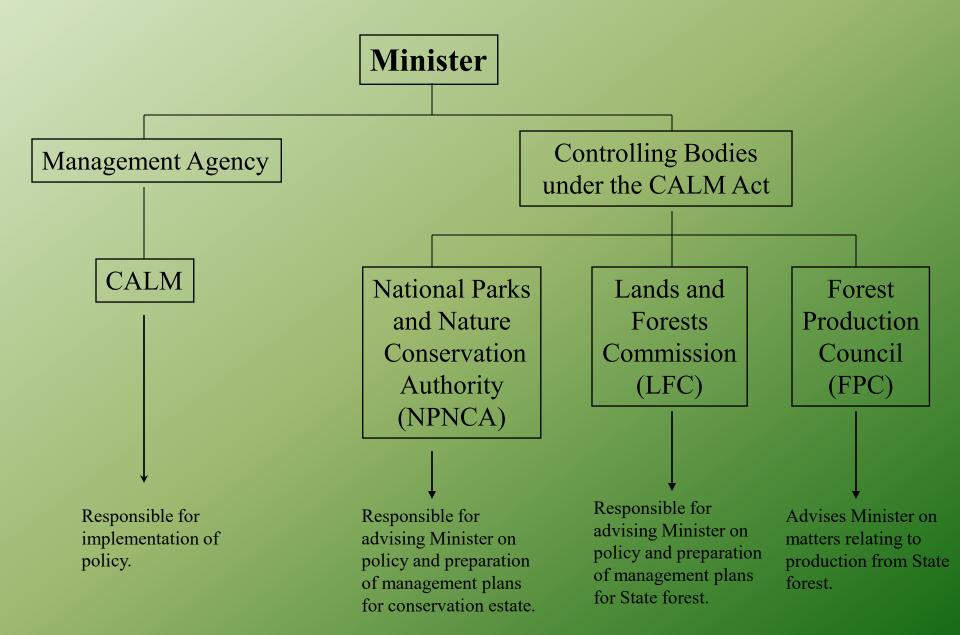


Road Funding

- \$1 million for a new Scenic Drive in the Pemberton area that will link a series of existing tourist attractions in the forest, including Beedelup, Hawke and Warren National Parks, the 100 Year Forest and Big Brook Dam.
- \$2 million has been provided to construct strategic tourist roads near Nannup which will enhance tourist traffic between Manjimup, Nannup and Margaret River.

New Administrative Arrangements for the Department of CALM

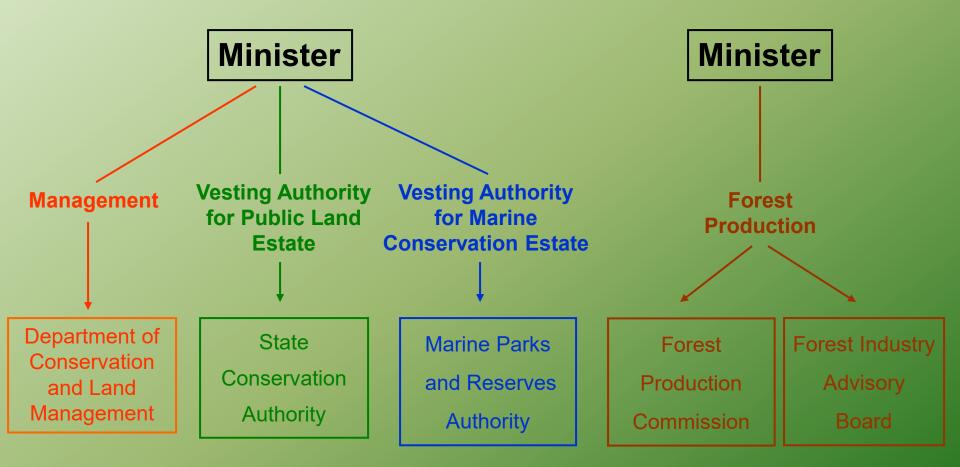
Current Structural Arrangements



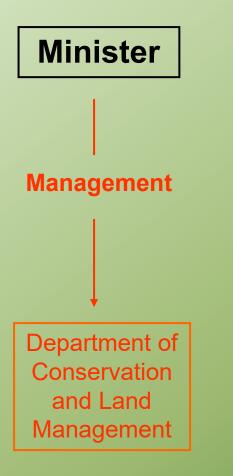
Disadvantages of Current Structure

- Even though levels of harvest are determined by the Minister there is a perception that CALM has a conflict of interest between its role as a manager of forests and management of commercial aspects of the timber industry.
- This perception is heightened by the representation of CALM on the Lands and Forest Commission.
- The fact that CALM retains all revenue generated from State forest harvesting creates the perception that there is a commercial incentive for CALM to maximise timber harvesting even though harvesting levels are not determined by CALM.
- Even if CALM was removed from the Lands and Forest Commission there still remains an internal conflict of interest within the Commission because the Commission is charged with managing State forest which involves protection of conservation assets as well as the production of timber and other products such as honey.

New Administrative Arrangements



CALM Functions



- Responsible for implementation of policy on the ground according to statutory management plans.
- Supervises the production of timber under contract to the Forest Production Commission.
- Responsible for the establishment and management of softwood and hardwood plantations.
- Funded by net appropriation from CRF fund and revenue from all activities except those relating to native forest harvesting.

State Conservation Authority Functions



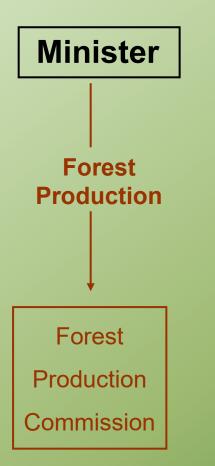
- Responsible for advising Minister on policy and preparation of management plans for entire public land estate covered by CALM Act including State forest and Regional Parks.
- Also has specific responsibility for audit and monitoring land management on the public land estate including commercial activities relating to timber production from native forest.
- Advises Minister on the appropriate level of native forest royalties.

Marine Parks and Reserves Authority Functions



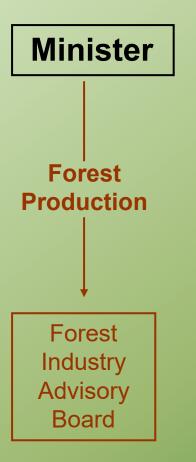
- To advise the Minister on policies relating to marine and estuarine environments.
- To develop management plans for Marine Conservation Reserves.
- To monitor the implementation of management plans by CALM.

Forest Production Commission Functions



- Provides advice on all matters on forest production from the south-west State forest.
- Receives revenue from State forest production activities which are returned to the Consolidated Revenue Fund after costs are deducted.
- Allocates resource from native forest on a commercial basis to achieve the maximum return from forest produce consistent with Government policy.
- Advises Minister on prices of native forest products.
- Undertakes commercial transactions for the sale of native forest products.
- Administers the timber industry contracts and implements timber industry restructuring funds.

Forest Industry Advisory Board Functions



• Advises Minister on matters relating to the native hardwood timber industry.

Advantages of Proposed Structure

- The removal of CALM representation on the Lands and Forest Commission and the redirection of royalties from CALM to the Forest Production Commission removes any perception or actual conflict of interest between CALM's role as a manager responsible for implementing policy and protection of forests and commercial activities associated with timber production.
- The new proposed Forest Production Commission has a clearly defined commercial function and is focussed on the production aspects of forests.
- The State Conservation Authority provides a method by which the community can input into management formulation on the public land estate and a method by which the activities of CALM and the Forest Production Commission can be independently monitored.
- The efficiencies of an integrated management agency are retained so that broad activities which cross land tenures such as feral animal control and fire protection can be delivered efficiently without demarcation disputes between agencies.

The WA RFA at a Glance

The RFA has delivered a world class reserve system that exceeds national targets for the protection of biodiversity and old growth.

At the same time, it has put together a comprehensive \$59 million industry development package that will help forest-based industries build on RFA certainty to explore new opportunities in value-adding and local manufacturing, as well as boost tourism development in the region.

The RFA also improves forest management systems to ensure the sustainable forest management of the region's entire native forest estate.