

Comments on Period 3 Regional Forest Agreement Progress report by *Promote Preston*, Yabberup Western Australia

Industry Development

The focus of the RFA and this report is predominantly on the use of native forests for logging. There is little focus on other uses of the forests – for example tourism, carbon abatement, wildflower harvesting, honey production and sport and recreation.

And there is no reference to how the RFA intersects with local communities and economies.

Tourism has been flagged by the WA state government as a top priority as the mining sector declines. It is recognised as providing sustainable jobs into WA's future. (see www.tourism.wa.gov.au/About%20Us/Growing_tourism/Strategy/Pages/default.aspx)

Nature-based tourism is one of the State's potential growth sectors and the government is keen to support business and job creation (see www.mediastatements.wa.gov.au/Pages/Barnett/2016/11/Red-tape-cuts-in-line-for-nature-based-tourism.aspx)

Natural areas are key driver of regional tourism ([Tourism Research Australia](#))

We would like to provide a local case example of where a future in tourism would be more beneficial for the community than logging.

Preston Valley

There has been a decline in the coal and orchard industries in our area. The native timber industry is no longer a significant employer. There are no obvious new employment opportunities.

Our community has come together to create a vision where **the Preston Valley becomes the southern gateway of an expanded Wellington National Park and for the Greater Wellington National Park becomes a world class eco-tourism destination**. This would provide an economically sustainable future for our valley by creating new business and employment opportunities. As we are located close to Perth and Bunbury we are ideally placed to become a vital part of the South West tourism cluster.

Please refer to appendix one or www.imaginegwnp.com/plan for our full proposal.

Promote Preston has identified the natural environment - the jarrah/marri forest as our major asset. We have consulted widely with our community, government agencies and industry bodies and there is widespread enthusiasm and support for this proposal. For example, in just eight weeks we collected 1200 signatures from residents and visitors to the area in a petition of support of a national park (note. These were tabled in parliament). In 3 weeks a further 375 letters were sent to the Minister for Water, Sport and Recreation, Forestry requesting a moratorium on logging in the forest blocks we would like added. We have had very constructive conversations with the Sport and Recreation and Tourism agencies.

As the Tourism Council of WA has stated "*Investment in national parks supports regional tourism economies as well as the environment*" (www.tourismcouncilwa.com.au/media/tourism-supports-national-park-election-announcement)

We believe our forests in our proposal be added the Wellington national park is essential to achieving our aims as it provides security of purpose and tenure for businesses.

"Investing in the creation of parks ensures ecotourism can be developed and marketed with certainty." ~ Premier Colin Barnett, May 21, 2016

A national park is a prestigious destination in the mind of visitors. Increase in visitor numbers

across WA show people love national parks

(<https://au.news.yahoo.com/thewest/wa/a/32928104/call-of-the-wild-as-wa-heads-back-to-parks/#page1>). It flags on the map that this is a 'special place' and will offer a unique experience. And indeed, the increase in visitors to the current Wellington National Park in 2014/2015, up 32% to 280,000, indicates this is so.

"National Parks are our state's tourism calling card". Tourism Council, WA (see above reference)

Preston Valley is evidence that without a national park status tourism based opportunities do not eventuate. Ferguson Valley which is on the western boundary of the Wellington National Park has benefited from this relationship over the past 20 years with 34 businesses registered with the Ferguson Valley Marketing Group (as at November, 2016). This has not occurred in the Preston Valley where the forests are kept as state parks and have been logged.

Although recreation activities are permitted in state forests the infrastructure is often of poor quality as providing for recreation is a secondary function of state forests. Glen Mervyn dam is a case in point. It attracts over 1000 people over summer holidays and doesn't even have toilet facilities. While in the last few years eco-tourism activities have been initiated in state parks (eg Logue Brook Dam) there is little evidence of the development of a cluster of eco-tourism activities that are of sufficient size and diversity to create a sustainable tourism sector for a region.

Further, it will provide for better health outcomes associated with wider recreation opportunities for the residents of the City of Bunbury, WA's second city. As the closest National Park to Bunbury, those residents are possibly the largest user group of the existing Wellington National Park and user numbers combined with tourists, are now causing negative impacts on the WNP. The recent upgrade to Potters Gorge will draw more users so expanding the Park and providing more infrastructure like walk and mountain bike trails, will spread the pressure on those forests.

We believe by not logging our local forest and instead supporting local people to develop micro/small businesses we have the potential to diversify our local economy which will have an important positive social flow on effect. It will also contribute to a network of nature based tourism opportunities that would enable the South West of WA to become a premier eco-tourism destination.

Of the 12 key actions for [Bunbury, Wellington and Boyup Brook Regional Tourism Development Strategy \(2016\)](#), eight focus on nature based tourism.

Loss of natural assets leads to loss of potential eco-tourism dollars into the host community.

Logging jeopardises natural values which are the primary drivers of tourism. In contrast, protected areas provide documented economic benefits to regional communities ([Sweeney, 2016](#)). Once logged it takes a minimum of 50 years for a Jarrah canopy to regrow beyond the juvenile state (based on FPC current logging cycles).

Case for Tourism

"National Parks provide economic, social and environmental dividends to generations forever"
(Tom Perrigo, National Trust Australia, 2016)

Tourism is a sector that can contribute to the economic growth of a region. Moreover, tourism produces social benefits to the region (small and medium-sized enterprises' development, creation of new jobs and improvement of infrastructure).

For example, Mountain biking is projected to inject \$4 million a year into the Collie economy and 25.5 FTE equivalent jobs (SW Development Commission, Tourism WA, Common Ground Trails, 2016).

The South West of Western Australia is a global biodiversity hotspot which makes it special. We should be protecting this uniqueness and sharing it with others.

The [Tourism 2020 strategy](#), prepared jointly by the Australian Government and Tourism Australia, identifies 'nature-based tourism offerings' and 'unique landscapes' as part of Australia's competitive advantage. Nature is the primary reason that overseas visitors choose to come to Australia (Australian Government and Tourism Australia 2011). 67% of international visitors chose to visit state or national parks. Wild nature visitors are high value, as they tend to stay longer and spend more than other types of visitor ([Taylor et al. 2014b](#)).

"Australia's South West" tourism region contains the SW forests and uses them as a key element of its 'brand'. This region generated \$1,530 million from tourism in 2016, up 27% from the previous year. Three million tourists spent 12 million nights in the region in 2016. Tourists would have made up a large portion of the 7.1 million visits to the SW forests in 2013. Given the enormous contribution of tourism to the region, not logging the forests could increase the attractiveness to tourists; even a small increase could have a substantial financial benefit". ([Swann & Browne, 2016, p.31](#))

New Zealand is a great example of how nature based tourism can support local and national economies.

There is the opportunity to support other aims of the RFA (research via citizen science and volunteer tourism) which is a growing sector throughout the world. (eg <http://csna.gaiaresources.com.au/wordpress/wp-content/uploads/2015/07/Austalian-Citizen-Science-Conference-2015-Abstracts-conference-version.pdf>)

Flow on benefits

The values of carbon, tourism, water and biodiversity are complimentary, whereas forestry is mutually exclusive to all these other things.

a) Health

Research demonstrating health benefits and significant savings to the state via contact with nature, public health goals to reduce childhood obesity highlight that community use of state forests is supported ([Townsend et al, 2015](#)). [Nature play](#) is but one example. Adventure based activities is another.

b) Climate change

Forests logged under RFAs, are the most carbon-dense on earth. ([Sweeney, 2016, p. 8](#))

As stated by WA Chief Scientist, Peter Klinken "The South West is at the forefront of climate change" (Keynote presentation by WA Chief Scientist. South West Science Council 2016 Symposium, ECU Bunbury).

50% of Australia's forest and woodland cover has been lost and 70% of remaining forests have been degraded by logging. Climate change, now the key global issue post-Paris, was not seen as high a priority at the development of the RFAs. Forty-four percent of carbon stocks have been lost from Australian forests. Logged forests store between 40 and 60% less carbon than undisturbed forests. ([Sweeney, 2016, p. 7](#))

Carbon transfer away from forests is increasing and forest products are typically short-lived meaning carbon is rapidly lost to the atmosphere. Logged forests store 40-60% the quantity of carbon of undisturbed forests. ([Sweeney, 2016, p.9](#))

Native forest is worth more if left standing as nature's carbon sink.

c) Species recovery

Logging removes key habitat features such as large tree hollows which provide nesting sites for many native birds including red-tailed black cockatoos.

d) Fire management and water quality

Logged areas are more susceptible to fire and diminish the capacity of forests to provide water for human use. In our local case Mungalup, Yabberup and Arcadia forests flow into the Wellington Dam. Yabberup and Arcadia and Lowden forests flow into Preston River. The Welling Discovery Forest flows into the Ferguson River. Not logging will improve water quality.

Case for Logging

If our forests are to be continued to be logged without regard for local and indeed global considerations it will continue do so at a financial, social, health and ecological loss.

Recent studies show that the native timber industry is operating at a financial loss (eg [Swann, T & Browne, B \(2016\) Barking up the Wrong Trees, Australia Institute](#)). .

Regional jobs provided by logging are now very few. Employment attributed by the FPC to native forests was 18-21% of total forestry employment. On this basis, the SW forests employ between 170 and 330 people in logging, forestry and support services. ([Swann & Browne, 2016, p. 27](#))

The timber industry has transitioned to plantation timbers. Only 17% of FPC logs in 2015-2016 came from native forests (FPC 2016 annual report). The construction industry has gone almost exclusively into using plantation timber, with the minor exception of some decorative native timber finishes.

As stated in [Swann & Browne \(2016, p.33\)](#)

“The unique jarrah and karri forests of Western Australia are being logged mostly to produce pulpwood and fuelwood – low-value products. There has been little reward for this activity and substantial financial cost to the state. The falling profits of the FPC’s native forest logging have become repeated losses. This is despite direct and indirect government subsidies and “equity injections” which exceed many times over the small amount of dividends that it has been able to pay. Under the stewardship of the FPC, the real value of the forests has halved, the quality of the wood has declined, the amount of sawn timber recovered from sawlogs has fallen, and the volume of wood produced from each hectare logged is down. Current trends give no indication that native forestry is sustainable in the SW forests. Plantations are responsible for most wood produced in the state, and even 2,000 cubic metres of sandalwood harvested each year generates more revenue for the state than hundreds of thousands of cubic metres of native wood. Forestry provides a small share of employment in WA, and native forestry an even smaller share.”

New Zealand, which ceased native forest logging in the late 1980s exported \$3.4 billion worth of wood in 2012 and is an example of how a shift from native forest logging to plantations can be an economically sound decision. ([Sweeney, 2016, p.8](#))

The value of Australia’s native timber stocks have declined by 30% to \$2 billion between 2005 and 2015, and hardwood sawnwood production declined by 44% over a similar period. In contrast plantation stocks increased in value to \$10 billion and softwood sawnwood production has increased by 10%. ([Sweeney, 2016, p.45](#))

See appendix A for further details highlighting the decline of the native logging industry.

Other financial considerations

A detailed analysis using a United Nations system of environmental and economic accounting concludes the net economic contribution from forestry is relatively minor compared to the contribution to the state’s water supply, tourism and farming. (cited by [Lydenmayer, 2016](#))

“Merely keeping the forests standing could also be financially beneficial. In 2014, the Department of Environment and Conservation estimated that the 2.25 million hectares of forests in the South-West contain 91.3 million tonnes of carbon (the equivalent of 335.1 million tonnes of CO₂). They project that this stock will grow, even with logging, by 3–5% over the decade 2014–2023. Ending logging would not only reduce forestry emissions; it would increase the sequestration potential of the retained forests.” ([Swann & Brown, 2016 p. 31-32](#))

Current valuations of forested areas only consider timber and do not include ecosystem services or nature. Control of erosion and water flows by protected areas in Australia were estimated to be worth \$1.5 and \$2.4 billion respectively in 2012. ([Sweeney, 2016, p.8](#))

The savings generated by ending native forest logging can be redirected to other industries, rehabilitation (gravel pits, landings unwanted logging roads), weed and pest control. And to employ more forest rangers.

Options to increase employment opportunities exist via appropriate development of the plantation industry and growing regional employment via managing state forests for carbon storage and increasing funding for national parks in accordance with the role of natural areas as the key driver of regional tourism and to provide recreation opportunities for local communities.

Conclusion

The FPC focuses on economic value of this asset for logging alone. RFA needs a more balanced valuation based on conservation values, tourism and other non extractive industries, carbon sequestration and water quality.

Logging is not the optimal use of public native forests economically, environmentally or socially. A commitment to stimulate regional industries, including the profitable plantation industry, adventure tourism and recreation and forest management for biodiversity, water and carbon outcomes offer better opportunities for regional businesses, jobs and revenue.

PROMOTE PRESTON is a subcommittee of the Yabberup Community Association

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Julieanne Hilbers | Phd, BSc (Hons) Grad Dip (Ed) Psych (Reg), Celebrant

Stephen Newbey | farmer

Rob and Fiona Richardson | ex sheep/grain grower and nurse respectively. Owners of building business.

Sherry and Barrie Thomas | Cycletrek bike shop & mountain bike park; cabin accommodation

Hilary Tripp | Podiatrist (retired)

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Christine Wessling | Accounts Manager, Australian Forestry Services (WA)

Appendix A

Key extracts from [Swann, T & Browne, B \(2016\) Barking up the wrong trees: WA's Forest Products Commission \(FPC\) and the performance of its native forestry](#)

“The WA FPC has received more financial support from the government than it has generated in profit. FPC’s native forestry operations have posted repeated losses, and log quality and forest values have steadily declined. Relatively few people are employed in native forestry. A plan for transition would protect both forests and state finances.”

- Native forestry in the SW forests is a small part of the overall WA forestry industry, and one that has seen declining production and quality. WA forestry is dominated by the growing output from plantations. While the FPC has a primarily commercial function, it has struggled to make a profit over its 16 years of operation, with losses in many years. This trend has been associated with:
 - Declining production volumes;
 - Declining quality, with an increasing majority of production going to chiplogs, firewood and charcoal, and other lower quality products;
 - Declining recovery rates for turning sawlogs into sawn timber, which are well below those of other states;
 - Declining yield of sawlogs per hectare of native forest logged.
- The FPC values its forests as assets based on expected cash flows, considered purely as an asset for forestry, and changes in asset values are booked as a profit or loss.
- Despite accounting changes increasing the value of the native forests native forest values have fallen in real terms. In a decade, the FPC’s access to the SW forests has lost almost half its real value.
- The poor and deteriorating performance of FPC native forestry raises concerns about the employment it provides. Native forestry employs relatively few people in WA, here estimated to be between 170 and 330 people. There are further jobs in sawmills processing FPC native sawlogs, estimated here at 130. For context, total employment in the state exceeds 1.3 million. Forestry employment has declined over the past 15 years, while state-wide employment has grown substantially over the same period.
- In 2011, logging, forestry and support services were 0.15% of WA jobs. Forestry industries have declined by around 30% since 2011, as WA employment has grown substantially—by 7.5% since 2011 and 46% since the FPC was established in 2000. 46 In 2016, forestry, logging and support services provided 0.1% of WA jobs.
- However, profits have declined and losses over the last four years have totalled \$34 million. In accumulated terms the segment has not been profitable since 2007. The declining profits and recent losses in native forestry have occurred in the context of government support to the FPC. Indeed, the native forestry segment has delivered losses despite the large “equity injection”.
- The vast bulk of the material logged from WA’s unique native forests currently goes to low value products, such as pulp, charcoal or firewood (eg Jarrah – 10% sawn timber, 29% sawmill residue, 32% firewood logs, 29% charcoal logs).
- In 2005, 89,000 cubic metres of sawnwood were produced from 339,000 cubic metres of sawlogs – a recovery rate of 26%. By 2013 (the last year for which figures are available), 61,000 cubic metres of sawnwood were produced from 308,000 cubic metres of sawlogs – a recovery rate of just 20%. The remainder of the sawlogs becomes sawdust, woodchips or fuelwood, or it is unusable. Western Australia’s recovery rate has not only declined, but is behind that of other states.
- There are strong financial reasons to plan for the transition out of native forestry in WA’s SW forests. The FPC overall has required government support far exceeding its returns to government. Performance has been dragged down by the FPC’s native forest segment, with losses and declining production, quality and forest value. The FPC’s challenges are similar to those facing many other state-owned native forest operations. Native forestry workers are already being affected. In October 2016 Austwest Timbers announced it would close Manjimup Processing Facility and Pemberton sawmill, directing processing of timber from these areas to

an expanded Greenbushes sawmill. The closure will impact local employment; **the Manjimup Shire President has expressed has called for state government assistance with alternative employment, such as creating a tourism icon.** It will also increase transport costs; the Greenbushes Sawmill is some 85 kilometres away from Pemberton. The increased number of log trucks on the road will also impact tourism, other forest industries and road use and safety.

- Further investment in plantation timber could provide alternative employment for forest product workers as part of a phase out of native forestry.