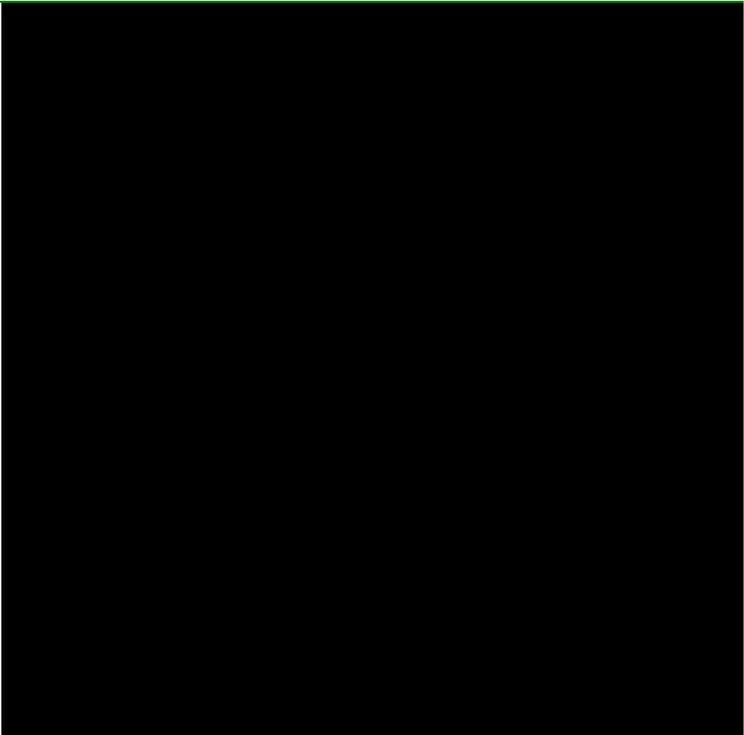


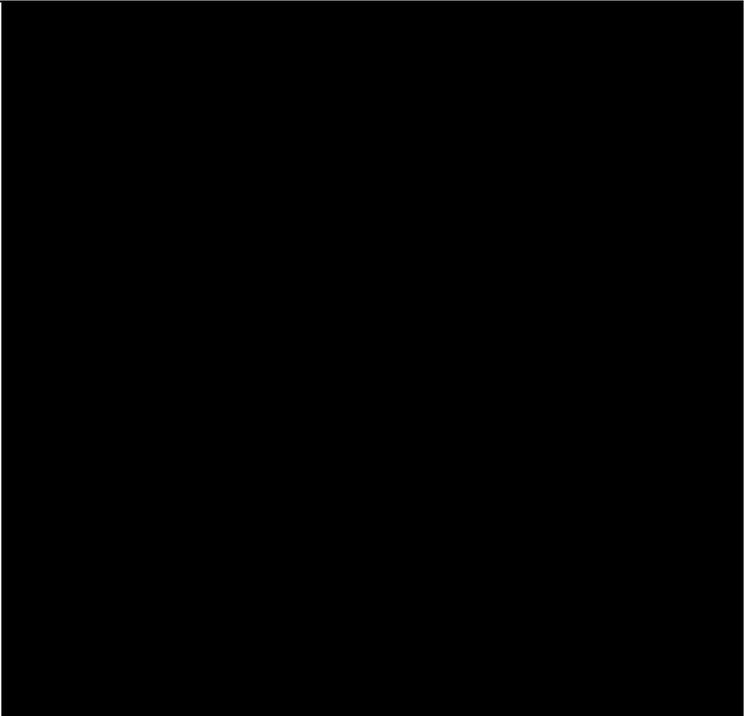
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# Structural Adjustment & Mitigative Processes in the Eden CRA: A Social Assessment

A report undertaken for the NSW CRA/RFA Steering Committee  
December 1997

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# **STRUCTURAL ADJUSTMENT & MITIGATIVE PROCESSES IN THE EDEN CRA: A SOCIAL ASSESSMENT**

**PREPARED BY  
RUSH SOCIAL RESEARCH**

**A report undertaken for the NSW CRA/RFA Steering  
Committee  
project number NE 23/ES  
December 1997**

## Report Status

This report has been prepared as a working paper for the NSW CRA/RFA Steering Committee under the direction of the Economic and Social Technical Committee. It is recognised that it may contain errors that require correction but it is released to be consistent with the principle that information related to the comprehensive regional assessment process in New South Wales will be made publicly available.

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This project has been jointly funded by the New South Wales and Commonwealth Governments. The work undertaken within this project has been managed by the joint NSW / Commonwealth CRA/RFA Steering Committee which includes representatives from the NSW and Commonwealth Governments and stakeholder groups.

The project has been overseen and the methodology has been developed through the Economic and Social Technical Committee which includes representatives from the NSW and Commonwealth Governments and stakeholder groups.

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# **Structural Adjustment and Mitigative Processes in the Eden CRA: A Social Assessment**

A research report

Prepared by  
Rush Social Research

Prepared for  
Social Assessment Unit  
Forest Assessment Branch  
Commonwealth Department of Primary Industries and Energy  
and  
Resource and Conservation Assessment Council  
Department of Urban Affairs and Planning, NSW

December 1997

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### ACKNOWLEDGMENT

Rush Social Research wishes to thank all those individuals and organisations in the Eden and Bombala regions of south eastern New South Wales who have contributed to this project. In particular, we wish to thank those individuals and families from the timber industry who agreed to participate in the interviews.

## Executive Summary

A survey of structural adjustment and mitigative processes in the Eden CRA has been carried out from a social research perspective. The study has focused on the experiences of workers and contractors in the native hardwood timber industry who have been laid-off in the period December 1995 to June 1997. The study also describes the mitigative measures available to retrenched workers and businesses, and access to these and other forms of assistance.

### employment changes

- o During the period December 1995 to June 1997 the timber industry in the Eden region has experienced the loss of about 120-130 full-time jobs. Full-time jobs in the industry currently number about 300-310.
- o Of the thirty-two individuals previously in full-time employment who were interviewed in the present research (see below), currently: six are in full-time employment, nine are part-time or casually employed, twelve are unemployed, three are retired, one is receiving worker's compensation for an injury, and one is studying.

### mitigative measures

- o The Commonwealth and NSW State Governments have put in place a program, the Forest Industry Structural Adjustment Package (FISAP), involving the commitment of up to \$60m from each government, designed to help businesses and their workers adapt to changes in the NSW native timber industry.
- o The main components of FISAP are: an Industry Development Assistance component (IDA), to assist native hardwood timber businesses who have been adversely affected by Governments' forest policies restructure its operations to facilitate the development of a more efficient, competitive and environmentally sound industry; a Business Exit Assistance (BEA) component, to assist businesses closed as a result of governments' forest policies; and a Worker Assistance component, directed to helping workers relocate and/or retrain for other jobs (RRT), and to providing a special redundancy payment (SRP) as a last resort.
- o Payments approved under FISAP (December 1995 - June 1997) are:

category	number	amount paid (\$)
businesses		
IDA	4	61,931
BEA	25	5,078,993
workers		
RRT	23	max of 506,000
SRP	57	1,306,000

(Note: Eligibility for FISAP assistance is specified in the program guidelines.  
responsibility for worker assistance is specified in the  
relevant industrial award or applicable industrial agreement.)

Employer

**the experience of redundancy**

- o Person-to-person in-depth interviews were carried out with 32 individuals laid off in the timber industry since December 1995: an overview of these interviews is provided in section 4.7.
- o For those interviewed, the financial situation had improved for one person, and had deteriorated for 31; general well-being had improved for two persons, and deteriorated for 30.
- o Those receiving mitigative payments had in general given priority to reducing or eliminating debt (particularly property debt), and in assuring the availability of the family vehicle for work and other purposes (an essential item for most in rural townships).
- o Work and personal identification with workmates and workplaces are important aspects of timber workers' lives. Few interviewees had prior experience of not working. The loss of employment entrained disorientation and significant loss of self-esteem.
- o Interviewees identified significant barriers to relocation. These related in particular to the perceived relative cost of housing between Eden and elsewhere (and particularly the real cost of selling a mortgaged house in a recessionary market), the removal of family support networks and identification with a region in which (in most cases) families had lived for many years, and the awareness of high unemployment levels elsewhere.
- o For most there was a pervasive sense of financial insecurity and uncertainty about the future; there was a strong feeling of lack of control in their lives, caused in part by the feeling of a distant, unsympathetic and unresponsive government system.
- o For a small number of respondents, the multiplied effects of reduced financial situation, loss of self-esteem, of personal and family well-being, and uncertainty about the future, have combined to precipitate traumatic experiences of substance abuse, violence and family relationship breakdown. These effect of the timber industry downturn have been confirmed in the Eden region by community-based professionals.

**comparison with other work**

- o The findings of the present study in relation to the social impacts of retrenchments in the timber industry in the Eden region are in agreement with earlier studies in forest communities in the Eden region (Bombala, 1995; Eden region, 1995), and in general agreement with experiences elsewhere (e.g. forest communities in the USA: see Appendix A).

**general conclusion**

- o The FISAP mitigative measures have contributed to alleviating the experience of redundancy amongst forestry workers in the Eden region.
- o The mitigative measures provided have not been such as to significantly alter the negative experiences - economic, personal and social - of redundancy in the lives of those experiencing it, nor for many, in securing a productive future.

## Part I. Background to the Project

There have been many changes in the native hardwoods timber industry in Australia in recent years. Most particularly these changes have been a consequence of the National Forest Policy Statement (NFPS) developed in 1992, and the development of Regional Forest Agreements (RFAs) for forest regions across Australia. Collectively, the changes have implied widespread structural adjustments in the forests industry.

One of the regions affected by these changes has been the forest areas of south eastern New South Wales, commonly referred to as the 'Eden CRA' (otherwise the Eden comprehensive regional assessment area).

The national process of change in the timber industry is being overseen by the Commonwealth Forests Task Force, located in the Department of Prime Minister and Cabinet, and supported by the Forests Division of the Department of Primary Industries and Energy (DPIE) and the Commonwealth Department of the Environment. The NSW Government has set up the Resource and Conservation Assessment Council (RACAC), within the responsibility of the Minister of Urban Affairs and Planning and bringing together stakeholders and State government representatives, to provide advice to the Minister on the structural adjustment processes in the State.

For the Commonwealth, day to day responsibility for consideration of social aspects of the structural adjustment processes lies with the Social Assessments Unit (SAU) in the Forests Assessment Branch, and for the NSW government responsibility lies with RACAC. Implementation of structural adjustment measures in NSW is the responsibility of the Forest Structural Adjustment Unit (FSAU) within the Department of Land and Water Conservation.

These three organisations have determined to carry out an assessment, from a social perspective, of the structural adjustment and mitigative measures taken to date in the Eden CRA. The focus of the study is on workers and business owners currently involved in the native hardwood timber industry, and those who have exited the industry since the end of 1995.

The key objectives of the project are:

- (1) *To provide a situation analysis of the current status of workers and business owners in the timber industry, including those who have recently exited the industry in the Eden and Bombala regions;*
- (2) *To provide a situation report on the quantum and nature of mitigative measures accessed by workers and businesses in the native hardwood industry in the Eden and Bombala regions;*
- (3) *To undertake case studies to understand the individual experiences both of the social impacts of recent structural change and of the mitigation measures that have been implemented in the native hardwood industry in the Eden CRA region;*
- (4) *To compare the predicted social impacts of previous studies against the outcomes of the current study.*

The full text of the Brief is at Appendix B. Rush Social Research (RSR) was chosen to carry out this project, and in the following pages we present the results of the study.

In terms of the key objectives of the project, these are elaborated particularly in sections of the report as follows:

---

objective	sections
1	2.1 - 2.3, 4.7 - 4.8, 5.1
2	2.4, 5.2
3	3.1 - 3.4, 4.1 - 4.8
4	6.1

---

## Part 2. Structural Adjustment in the Eden Region

### 2.1 The Evolution of Forests Policy and its Implications for the Eden Region

In 1992 the National Forest Policy Statement (NFPS), agreed between the Commonwealth and State and Territory governments, set out broad environmental and economic goals for the management of Australia's forests.

The objectives of the NFPS are to establish a national forest reserve system which is comprehensive, adequate and representative (CAR), and to provide a sustainable timber industry into the future. To accomplish these objectives, the Commonwealth and state governments together agreed to carry out Comprehensive Regional Assessments (CRAs) of the values of Australia's forest regions. These would be incorporated in formal agreements - Regional Forest Agreements (RFAs) - between the Commonwealth and state governments, and which would provide the foundation for long-term decision-making in relation to individual forest regions.

In December 1994 the then Prime Minister Paul Keating, issued a government decision introducing a declining permissible annual volume of export woodchips from areas not covered by RFAs, to commence in 1996 and to reduce to zero by the year 2000.<sup>1</sup> The specific consequences of this decision for the Eden region were spelled out in a media release in December 1995 by the Minister for Resources, and represented a reduction in permitted export volume from 950,000 tonnes to 795,000 tonnes for 1996.<sup>2</sup> One third of the available resource was to be sourced from East Gippsland and the remainder from the Eden CRA. The permissible export volume was restored to 930,000 tonnes for 1997, but customers for the shortfall of the previous year had moved elsewhere, and the international market for woodchips is currently depressed, so that the increased volume has not so far been taken up again from the Eden region.<sup>3</sup>

Meanwhile, in June 1995, the NSW Government announced a series of forestry reforms after extensive consultation with industry, union and conservation groups. The broad thrust of the reforms was towards implementation of the NFPS within NSW.

One significant task for the CRA process in NSW and elsewhere has been the definition of areas available for logging. In NSW the initial step was taken in the joint Commonwealth-NSW report *Deferred Forest Areas* of December, 1995 (deferred forest areas defined as areas identified on a regional basis, in current wood production tenures that may need to be set aside from logging so as not to foreclose options for their possible inclusion in a (CAR) reserve system<sup>4</sup>).

For the Eden region, the June 1995 reforms included specifically a 40 percent reduction in sawlog supply from July 1996, in order to meet sustainable yield criteria. In addition, areas totaling 90,000ha were identified to provide a national park in the region, and in January

---

<sup>1</sup> Prime Minister, 22.12.1994, *Statement on Woodchip Exports*.

<sup>2</sup> Minister for Resources, 1.12.1995, Export Licences seek to encourage value adding, (include attachments).

<sup>3</sup> The volume of export to be permitted does not address the question of resource availability.

<sup>4</sup> RACAC, 1996, *Draft Interim Forestry Assessment Report*, RACAC, Sydney, p.4.

1997 the South East Forests National Park was officially declared open<sup>5</sup>. The park includes 30,000 ha of previously protected area, together with 60,000 ha of forests previously available for logging. There is the possibility of an addition of a further 30,000-36,000 ha being added to the park in the future.

The long-term framework for forestry policy set in the NFPS and the processes of CRAs and RFAs continues through the Interim Assessment process (IAP). The current position of the IAP processes is described in the RACAC *Draft Interim Forestry Assessment Report* (June 1996), previously referred to.

## 2.2 Some Social Characteristics of the Eden Region

The population of the Bega Valley and Bombala shires was 30,556 at the 1991 census of population and dwellings, and is about 31,756 persons currently, according to 1996 census returns.<sup>6</sup> Analysis of data from the 1991 census together with a 1993 Department of Employment, Education and Training (DEET) survey of unemployment, by the Forests Branch of DPIE<sup>7</sup>, has shown that population growth in recent years has been characterised by natural increases, combined with the movement of retirees into the region. However job opportunities in the region have remained restricted and unemployment levels high. (In 1993 the unemployment rate of 11.0% was marginally higher than the NSW average of 10.5%). There is evidence of younger, more mobile individuals and families leaving the region in recent years in search of life opportunities elsewhere.

In terms of gross levels of income and income distribution, the Eden region is relatively disadvantaged in relation to NSW as a whole. The Forests Branch study showed that:

- average individual and household incomes are below the State average values
- the workforce is relatively unskilled, having less individuals professionally employed and more employed in labouring jobs than the State average.

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<sup>5</sup> Premier of New South Wales, 29 January 1997, *Press Release: Premier declares historic South East Forests National Park Open*.

<sup>6</sup> Australian Bureau of Statistics, 1997, *Census of Population and Housing: Selected Social and Housing Characteristics for Statistical Local Areas: New South Wales and Jervis Bay*. ABS Cat.No.2015.1.

<sup>7</sup> Forests Branch, DPIE, 1995, *Social Impacts of Closure of 399 Coupes to Woodchipping*, pp.10-14.

### 2.3 Recent Changes in Forestry Employment

In 1994 there were four major timber mills receiving a significant proportion of their resource from the Eden CRA:

mill	proprietor	no. jobs
chipmill Eden	Harris-Daishowa (HDA)	111
sawmills Eden	Boral ('Duncan's')	28
Bombala	Tablelands	29
Cooma	Tablelands	13

As a result of the policy changes implemented, significant changes occurred for these mills. Boral closed its Eden mill completely (announced December 1995, completed March 1996), and Harris-Daishowa reduced its workforce by one 'shift' out of three. Tablelands also reduced its staff both in Bombala and Cooma.<sup>8</sup>

These decisions also had effects for harvesting contractors, haulage contractors and forests management staff numbers.

The South East Timber Association (SETA) estimates the changes to have been as follows<sup>9</sup>:

	1995	1997
resource available (kHa)	278.2	238.9
no. harvesting crews	24	16
no. trucks	51	29
no. employees (harvesting & haulage)	161	102
and total hardwood jobs loss		165

Other estimates put the job losses over this period as about 140-150 if job losses as far north as Eurobodalla are included, or about 120-130 if not.

Employment estimates at such a fine level of disaggregation are bound to vary, depending on the exact date of survey, the inclusion or exclusion of part-time and casual workers, office staff, spouses providing services, and other forest users e.g. firewood and pole harvesters, ANPWS.

<sup>8</sup> The present study does not include consideration of the Cooma workforce.

<sup>9</sup> South East Timber Association, 1997, *Stop the Green "Plague"* information sheet.

In assembling and comparing statistics in relation to the Eden CRA it is also necessary to note that they can be compiled in terms of work location or residential location. Resource harvested in the Eden CRA may go to mills outside that area (as we have seen above for Cooma). Also, individuals may live outside but work within the Eden CRA (as for example, truck operators living in Victorian townships).

The present study area includes the 'core' area of the Eden CRA i.e. the area including Eden, Merimbula, Bega, Candelo, Bemboka, to a periphery defined to include such communities as Wonboyn, Bermagui, Nimmitabel, Bombala, Bendoc and Mallacoota, and to exclude such communities as Cooma, Captain's Flat and Queanbeyan.

## 2.4 Structural Adjustment Mitigative Measures

The New South Wales and Commonwealth governments have together committed \$120m over five years to a Forestry Industry Structural Adjustment Program (FISAP) aimed at assisting individuals and businesses to adjust to changes in the timber industry in NSW.

The FISAP is overseen by the Forestry Structural Adjustment Committee (FSAC) and its management is provided by the Forestry Structural Adjustment Unit (FSAU) within the Department of Land and Water Conservation. Direct client servicing of workers is provided by TRAIN, a tripartite group training company established with government assistance. TRAIN also administers Worker Assistance payments in relation to approved retraining and relocation expenses of retrenched workers.

The Forest Industry Labour Adjustment Package (FILAP) is a component of the broader Forest Industry Structural Adjustment Package. Funding for the FILAP comprises a component of the Commonwealth's \$60 million contribution to this package and is administered by the Commonwealth Employment services (CES) of the Commonwealth Department of Employment, Education, Training and Youth Affairs (DEETYA). It provides assistance to retrenched workers from the NSW native hardwood timber industry and is complementary to the Worker Assistance component of the broader FISAP program. Outcomes of the FILAP are discussed separately in section 5.2.1.

There are three key components of FISAP:

- (1) a Worker Assistance component, directed towards:
  - (i) helping workers get new jobs through **retraining** and/or assisting with the costs of **relocation** within NSW for those who have found a new job; or
  - (ii) providing a special **redundancy** payment (SRP) as a last resort
- (2) an Industry Development Assistance (IDA) component, for businesses to set up to do business better; and
- (3) a Business Exit Assistance (BEA) component, for businesses which close due to implementation of Government forest policy.<sup>10</sup>

<sup>10</sup> Land and Water Conservation, 1996, *FISAP: the NSW Forestry Structural Adjustment Package: Help for you and your Industry* (information package).

### 2.4.1 Worker Assistance

Worker Assistance provides financial support for retraining, relocation and redundancy payments:

*a. retraining*

A worker engaged in approved training is eligible for:

- a contribution of up to \$2,000 for training fees, books etc;
- training allowance for 18 months for off-the job training;
- supplementation of income if in an Apprenticeship or Traineeship; and
- where not available from existing programs the NSW Government will cover the cost of the development and delivery of courses specifically developed for displaced forestry workers.

*b. relocation*

Assistance is available to eligible workers to find another job, including:

- preference will be given in recruitment in the National Parks and Wildlife Service and State Forests of NSW to displaced timber workers;
- contributions of up to \$20,000 for relocation costs; and
- contributions to housing purchase up to a maximum of \$10,000.

*c. redundancy*

Special Redundancy Payments will be the option of last resort for retrenched workers. Special Redundancy Payments are available to eligible workers who are over the age of 55 or have 'exceptional circumstances'. (c.f.: Worker Assistance Guidelines, FISAP)

### 2.4.2 Business Exit Assistance

Business Exit Assistance provides financial assistance to eligible businesses in, or dependent upon the native timber industry whose decision to leave the industry is based on the implementation of Governments' forest policies. Assistance is limited to the number of businesses required to leave the industry to achieve long-term sustainable resource levels. Assistance is based on an estimate of future after tax profit lost to the company as a result of its closure, minus realisable value of assets which are retained by the business. Businesses are also reimbursed for eligible statutory redundancies and additional expenses incurred in closing down the business. (c.f.: Business Exit Assistance Guidelines, FISAP)

### 2.4.3 Industry Development Assistance

Industry Development Assistance is available to businesses currently engaged in, or dependent upon the native hardwood sector who have been adversely affected by changes to governments' forest policies. It offers funding assistance to businesses for the implementation of industry development initiatives which will contribute to a more productive, sustainable and responsible utilisation of the State's native timber industry. Assistance to these businesses include:

- interest rate subsidies on capital loans;
- establishment and development grants;
- consultancy subsidies;
- Local Government charges subsidies; and
- training and recruitment costs etc.

(c.f.: Industry Development Assistance Guidelines, FISAP)

### 2.4.4 Approved Structural Adjustment Payments

During the period 31 December 1995 to 30 June 1997, individuals and businesses in the Eden CRA receiving benefits under FISAP have been as follows.<sup>11</sup>

#### *a. worker assistance*

Over the period December 1995 to June 1997, a total of 80 former timber workers were approved for FISAP Worker Assistance payments. Of these, 57 were approved for SRP. Completed payments have been made to all these applicants, totaling \$1.306m, or \$22,898 per worker, on average.

A further 23 workers have been approved for relocation/retraining assistance. Workers have up to twelve months from the date of approval to access this assistance. A maximum of \$506,000 is available to these workers.

type of assistance	no. workers	amount paid (\$)
special redundancy	57	1,306,000
relocation/retraining	23	up to 506,000

The nominated residences of these workers include: Eden (51), Moruya (10), Pambula (7), Bega (4), Bombala (3), Bodalla (3), and other (2).

#### *b. business exit assistance*

applicant group	no.	approved for payment (\$)
harvesting contractors	8	2,894,593
haulage contractors	17	2,184,400
total	25	5,078,993

<sup>11</sup> Data provided by Forestry Structural Adjustment Unit, NSW Department of Land & Water Conservation.

Following approval by the Forestry Structural Adjustment Committee an offer is made to the applicant. Once the applicant has accepted the offer by signing a Deed of Release the applicant receives 80 percent of the approved amount. The applicant then reimburses his/her employees for their redundancies according to the conditions set out in the relevant industrial award and submits to the Forestry Structural Adjustment Unit a Statutory Declaration. Once this is verified the applicant receives the remaining 20 percent of the approved amount, plus the amount paid out to employees as statutory redundancy payments.

The total amount actually paid out from FISAP funds to harvesting and haulage contractors in the Eden CRA under the BEA title over the period 31 December 1995 to 30 June 1997, has amounted to \$4,792,074.85.

*c. industry development assistance*

Four companies have had applications for assistance with developmental projects approved under the IDA provisions of FISAP:

no. cos.	project value (\$)	max. IDA funds approved (\$)	IDA payments (\$)
4	1,813,222	196,431*	61,931.07

\* \$95,000 of the amount approved is conditional.

## **Part 3. The Research Project: Method**

### **3.1 The Qualitative Approach**

The social research method employed was qualitative rather than quantitative. (A comparative description of qualitative social research method in relation to the quantitative approach, is given in section 4.2.)

The major vehicle used in the investigation was semi-structured person-to-person interviews. A topic guide was developed by the research team and agreed in conjunction with RACAC, the DLWC/FSAU and DPIE/SAU, for use in the interviews.

In the present research each selected respondent was contacted by the researchers and a time and place agreed for a personal interview. The interviews were generally undertaken at the home of the respondent, enabling a spouse or other family member to contribute as desired.

Each interview took between 1 and 2.5 hours, and most interviews, with the permission of the respondent, were tape recorded to assist in content analysis and reporting.

The interviews were conducted by Chris Nobbs, Jenny Rush and Anna Carr, between 19 and 25 July, 1997.

### **3.2 The Population**

The project population comprised:

- (i) those individuals who have been laid off from the native hardwoods timber industry in the Eden CRA from late 1995 (many of these individuals have accessed FISAP Worker Assistance packages). The population does not include people put off in other economic sectors as a result of contractions in the native hardwoods industry.
- (ii) business people who have exited the industry or been severely affected by changes in the industry over the same period (including business which have access to FISAP, IDA and BEA packages)

Estimates of the total population vary somewhat for reasons already identified (section 2.3). Best available estimates suggest 120-130 workers were laid off during the period December 1995 - June 1997, distributed approximately as follows: 60-65 persons involved in timber harvesting and haulage, 50-55 mill workers, and about 10 employees of NSW Forests.

### 3.3 The Sample

It was agreed that personal, in-depth interviews would be held with a sample of thirty (30) workers and business operators<sup>12</sup>, drawn from a cross-section of employment areas in the industry. Estimates of the composition of the population suggested a proportionate sample would include:

<b>workers:</b>		<b>businesses:</b>	
mill workers	10	harvesting contractors	3
bush crews	10	haulage contractors	5
State Forest employees	2		

Individuals in the population were identified in two ways. In the case of harvesting and haulage contractors, FSAU provided a list of contractors who had received FISAP assistance, identified by number but not name. RSR made a random selection of these, and FSAU contacted them to determine if they would be willing to participate in the project. The names of those who agreed to take part were passed to RSR to make an appointment for interview. The list provided did not include those whose applications for assistance were in process.

In the case of employees, a range of organisations including employers and former employers, unions, and associations were approached by RSR with the request that they provide the names and contact details of former workers in the industry. The understanding was given that any details provided were confidential and to be used solely for the purposes of the project. A considerable degree of co-operation was achieved from these organisations. The lists provided were compared, and random selections of individuals were made. The selected individuals were approached to invite their participation in an interview.

Of the 45 persons approached initially, five declined participation; four had moved from the region (one of whom was interviewed); four were otherwise unavailable and three were not included because of quota restrictions.

Subsequently it was decided to increase the representation in the sample of individuals who had left the Eden region, and an additional two interviews were included, making a final total of 32. The final sample was comprised of the following:

<b>workers interviewed:</b>		<b>businesses interviewed:</b>	
mill workers	11	harvesting and	
bush crews		haulage contractors	8
(contractor employees)	11		
State Forest employees	2		

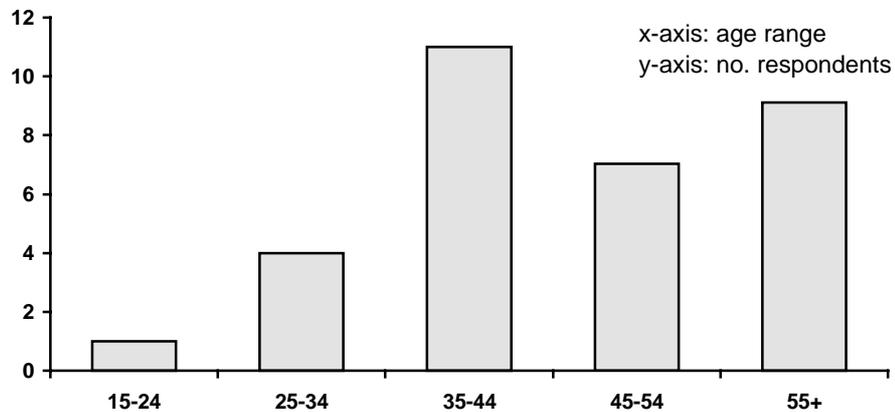
The total number of people involved in the interviews was forty-three (43), as spouses were invited to participate if that was the wish of the interviewee. In one or two cases other family members (siblings, parents) also involved in the timber industry and laid off, participated.

### 3.4 Characteristics of the Sample

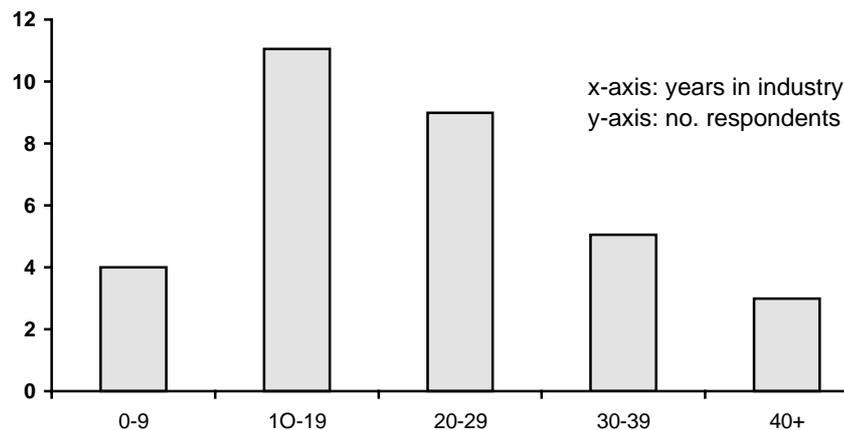
<sup>12</sup> See Brief to Consultants, Appendix B.

The average age of the interviewees was forty six (46) years, and the age range 19-68 years. The average number of years spent in the timber industry was twenty two (22) years, and the range one and a half (1.5) to forty eight (48). (see Figures 1 and 2)

**Figure 1. Respondent Age Distribution**



**Figure 2. Respondent Years in Forestry Industry**



Of the thirty-two timber workers (32) interviewed, three (3) were single, twenty five (25) married or in de facto relationships, and four (4) separated or divorced.

All thirty-two (32) had been in full-time employment in the hardwoods timber industry, at the time of being laid off and currently, by self-description:

- six (6) are in full-time employment,
- nine (9) part-time or casually employed,
- twelve (12) unemployed,
- three (3) retired,
- one (1) receiving worker's compensation for injury, and
- one (1) studying.

Domiciles of those interviewed included Eden, Bombala, Bega and six other communities in the region.

## Part 4. The Interviews

### 4.1 Personal Background and Work Experience

#### 4.1.1 Schooling, Training

The majority of the interviewees appeared to have left school at fifteen and some at sixteen. A small number had considerably less experience of school, for example, had left school as early as thirteen. Some had undertaken apprenticeships, such as fitter and turner, diesel mechanic, boilermaker, electrician.

#### 4.1.2 Entry into Timber Industry

For a number of the workers, entry into the timber industry had occurred immediately on leaving school, with one or two doing weekend work in the bush or having work experience at the mill, prior to leaving school.

*“I left school on Friday and started at Duncan’s on the Monday”*

Several interviewees however, had held other jobs (at least for a short period) before becoming involved in the industry: for example as farm worker, factory worker, or mechanic. One contractor had driven in a number of other industries (taxi, other transport), before entering the timber industry.

#### 4.1.3 Length of Employment and Jobs Held

Most if not all respondents had enjoyed a long-standing employment history within the timber industry. Some had indeed spent their entire working lives in various types of jobs within this industry. Eight respondents recorded over thirty (30) years straight employment in the industry, and further eight over twenty years (20) employment. Younger respondents also recorded a work history which showed a consistent association with the forest industry of southern NSW.

Respondents covered such ‘bush’ jobs as: faller, skidder operator, dumper and loader driver, bulldozer operator; transport jobs such as haulage (as prime contractor or sub-contractor), machines maintenance, roads maintenance; and mill jobs including bandsawyer, benchman, sorter, fork-lift driver, boilermaker, electrician, and office worker.

In some cases a person entering the timber industry as a youth would move through the various occupations, gradually improving his position and accumulating a number of ‘tickets’ as he went. These included vehicles ‘ticket’, fork lift loader, chainsaw, first aid, excavator and backhoe operator. The number of skills and tickets held was a matter of pride for these workers.

## 4.2 Redundancy

### 4.2.1 The Experience of Unemployment/Redundancy

For most of the workers interviewed in this research, the experience of redundancy from the forests of SE NSW was their first period of unemployment. As such, the experience was of major significance in their lives.

The period leading up to the redundancies was one of great uncertainty, even for those respondents who had “seen it coming”:

*“The uncertainty went on for twelve months... we never knew where we were up to... We kept running out of logs, then we would build up, run down again, there was talk about days off, of shutting down...”*

For those who had not believed the closure of forests was so imminent, the shock of being put off was even more pronounced. In one or two cases, respondents claimed that after many years in their jobs, they had been given no more than a week’s notice:

*“There was a meeting in the morning and people were told that the redundancies were not happening. But in the afternoon [of the same day] it was all on! Eight voluntary redundancies out of 30 blokes.”*

*“I went in and talked to my boss about how long we had, I wanted to buy a house so I was assured of five years work... I had all my money worked out, I had a five year plan, and then a few months later, I’m out of a job and I may lose my house”*

*“They had been talking about cutting down the resource for years... we were using private property and felt fairly comfortable until the government brought out this SEPP46”*

In two cases, respondents whose jobs had been made redundant about eighteen months prior to interview were subsequently re-employed in the industry: only to find themselves facing redundancy a second time.

The experience of being made redundant was, for most, a painful one. Respondents appeared to find it difficult to articulate their feelings, with some becoming obviously emotional when asked about it. (A number of the workers and business operators who declined to participate in the project did so on the basis of the lingering pain and/or anger associated with their experiences of redundancy).

There was a strong feeling of loss and shame attached to the experience with one or two even refusing to register with or visit the Department of Social Security. In one instance, the worker’s wife had to do all the negotiations for unemployment benefits. Workers who had taken a pride in their jobs and their earning ability reported a feeling of powerlessness in their situation.

*“I haven’t been up the street for some time, I feel about this big, ‘look at him, he’s a dole bludger’...”*

*"I'm not used to unemployment benefits, I didn't want to go to CES and DSS to ask for help"*

*"You wake up at the same time for years and years and all of a sudden you wake up and you haven't got a job to go to"*

*"I suppose I'm still bitter "*

*"My life is gone, it just hurts that much"*

*"With not working, peoples' perception of you is different. They think you're a bludger - some do, just because you're on the dole. People think that if you got a pay-out you must be well off. And people just can't relate to us being on the dole at all - especially when I've been working for such a long time."*

Another feature of the redundancies was the concern expressed by those without dependent children, for those with. In at least two cases, fathers with sons or other relatives in the industry had given up their own positions in favour of the younger, family man.

*"It's been hard on a lot of people - people with families paying cars and houses off. A lot of them must be feeling the pinch. The cannery put a lot of people off - and put new gear in. A lot of bushmen's wives worked there. When men and their wives both lost their jobs it was very hard, bloody awful."*

Whilst bitterness and helplessness touched most, those who were forced into redundancy were generally much more affected than those who had taken voluntary redundancy.

*"It knocked my arse in. [X] still hasn't contacted me to explain it. They said someone's gotta go and I was the one they told they didn't want any more. They said: 'We looked around at the people we wanted in the company and you're not one of them' "*

*"There's a stigma about being thrown out of a job...."*

Despite the negative experiences of redundancy amongst the interviewees, a few have subsequently experienced positive outcomes. One has been able to more firmly establish a position in the industry and considered his financial well-being and future prospects had improved. For another, although the experience had been stressful, the potential created around new opportunities had been encouraging.

#### 4.2.2 Accessing FISAP Assistance

##### *a. worker assistance component*

For industry workers seeking assistance the conditions attaching to the FISAP Program permit application for assistance in relocating, retraining, or 'in exceptional circumstances' for a special redundancy payment. Assistance can be provided for both relocating and retraining, but assistance under special redundancy precludes application for either of the other two forms of assistance.

Of the 32 timber industry individuals interviewed, 30 were potentially eligible for FISAP assistance; the two State Forestry employees received standard public service redundancy packages. Workers displaced at Harris-Daishowa, because of their terms of employment, received the total of their redundancy packages from their employer, rather than through FISAP.

Of the 30 interviewees receiving FISAP or FISAP-related assistance, the types of assistance received were considered to be:

<b>workers interviewed:</b>		<b>contractors interviewed:</b>	
retraining	0 <sup>13</sup>	BEA	7
relocation	0	IDA	1
redundancy	22		

Note: The above figures for Worker Assistance for those interviewed, when considered in relation to data provided by the Bega CES - see section 5.2.1 - are most unlikely to reflect the real position. This is possibly due to the confusion of workers as to who was providing the various services on offer, and whether they were accessed as part of the broader FISAP or as part of FILAP funded CES programs.

For some older workers applying for assistance, redundancy was seen as their only choice as they assumed their age would work against being re-employed. For many younger workers too, redundancy was seen as the only realistic possibility, despite their keenness to work. In view of what follows, this appears as a rational decision. (Although redundancy was seen as the least attractive option for workers under age 55, 14 recipients of SRP payments were under this age.)

*b. opinions of the assistance process and outcomes*

The package from HDA was considered more generous than that available through FISAP but for most, the amount received was considered inadequate:

*“The HDA package was a very generous package, 4 weeks pay per year of service. In reality its not enough after paying the bills. We wouldn’t have been able to buy [a house] if we had to relocate to Sydney - it’s no pot of gold”.*

A number of recipients felt the process requirements, its timing, and the amount of payment received was fair, in part because they understood how the amount was calculated:

*“For the time I put in, it was very generous assistance - OK for me...”*

However many (including some of those who believed the process was fair) had concerns, and a number reported problems in accessing FISAP payments.

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<sup>13</sup> Two people had undertaken some training paid for by themselves.

Specific concerns involved:

- being paid less than the full amount they considered due

*"They were to pay you three weeks per year of service, up to a maximum of 25 years. I was working here for 23 years, and that was one of the big considerations why we got out, and they only paid us 30 weeks and aren't going to pay the rest"*

*"I was a pieceworker... I don't know how they worked it out, every time they looked at it they decided they had to pay us too much money, so they went and looked at it again, so as I saw it they just changed the rules until they were happy with it"*

*"Its about 37 years [that] I've been in the industry and I got paid for 8 years, less 32% tax"*

*"The government NSW Land and Water package was not enough - not for 25 years work. But it was better than nothing. I don't know where we'd be now if we didn't get it."*

- non-comprehension of the relativities in payout to apparently similar individuals

*"Quite a few got more than I did, how it was worked out I don't know"*

*"[X], a subcontractor like me, he hasn't had a razoo"*

One contractor expressed deep dismay at the inflexibility with which compensation criteria were applied, without consideration of the realities of the individual situation:

*"We weren't in a position to argue, they had us over a barrel... That's it, take it or leave it"*

- delays in payment

*"they rejected us and we had to reapply... it was pretty stressful"*

*"I had to wait 3-4 months afterwards, just waiting and waiting, paying rent and not getting much dole money. Then while waiting to buy the house and because I got a pay-out, I couldn't get much dole money. I was paying \$135 a week in rent and the dole was not worth anything then. If you had a family - I don't know how people could have existed."*

*"It was a fair package - but I suppose there's never a right time. I had unnecessary costs with the divorce etc happening at the same time. But it's no substitute for the job. If I'd have got nothing, I would have been devastated. I would have been ready to put the rope over the tree. I got it [payment] three months after. The time lapse was a bit hard - 3 months of waiting. I had to put my people off with no notice, so I had to pay 4 weeks severance pay to my workers and then had to wait. It was a worrying time."*

- apparent continuing non-resolution of applications (at least three specific instances were noted to the interviewers)

*“They ring every day and have still got nothing out of them”*

- the conduct of advisory people

*“they saw us as virtually illiterate people who would never be any good for anything else, that’s the way I saw it when they talked to you”*

- unrealistic demands for information

According to one respondent, a government officer contacted him requiring a valuation on a piece of land to be provided within 24 hours. The property was many hours drive, and apart from the travel cost to the site, the cost of valuation could not be met by the applicant.

- ‘officials’ promising that no one would lose their job

*“We got feedback from HDA that the timber industry was not good. Then we heard from XX just before Xmas that it was all right..... He told us we had no reason to be concerned. Then because we didn’t know who to believe or what to believe we ... went about our normal business thinking things were all right.”*

Not uncommonly amongst respondents, the expression used was they had to *‘fight for’* their redundancy payments.

Retraining. Some respondents thought the CES was useful to them, ringing up to offer courses. A small number of those interviewed did CES-sponsored courses on truck, bobcat and forklift licences. A small number also paid for their own subsequent training e.g. security guard course.

There was cynicism expressed by some at the retraining available. Some respondents reported that people were being retrained in jobs which they had already undertaken - obtaining bush machinery tickets was quoted as an example - and for which it was unlikely there would be any jobs available:

*“I applied for training, I wanted to advance my knowledge and do a diesel mechanics course: ‘No worries, we’ll get you one of those’. And when it came down to training it was brush cutting out in the bush, that was your training.... That was all that was offered.”*

Further, respondents doubted that retraining would be available in anything that would qualify them for an available job within the area where they lived. The contractions in the timber industry had meant that many other industries were also down-sizing. Thus, it was felt that there was a continuing decline in the overall number of jobs available in the area:

*“To be retrained for what? I don’t mind being retrained for something that will be there when I’ve trained for it “*

*“If I could do something else, it probably would be nice to recharge my batteries, if I’d got the self-confidence.. but with limited schooling, especially in this high-tech world.... it is terrible for someone my age”*

Respondents mentioned that in some cases they had been advised not to accept retraining, where this acceptance would lessen the chance of receiving redundancy money. The reasons given were that the likelihood of the retraining resulting in a full-time job were low, and therefore the worker would be foregoing the receipt of a lump sum for the unlikely possibility of getting a job.

Relocation. Relocation as an opportunity to seek paid employment was discussed with each timber worker in the sample. Again, the idea of applying for relocation payments was often rejected because the relocation itself might incur significant financial, social and/or emotional loss. The attitudes elicited included:

- inability to sell their home at a realistic price in a depressed market. *“It is a buyers market so we could never get the value (from the house)”* (Because of economic decline in the area, it is quite possible that the current market price for a house would be below the nominal mortgage debt amount)
- inability to provide a home and livelihood for their family, in any new area where the cost of the home would be far in excess of their present house value
- lack of ready money (petrol, vehicle maintenance, accommodation) to pay for trips to another region to find a job

*“It is pretty hard to find a job when you are here and you’ve really got to go up there and look for it. And you are not going to do that when you don’t know where your next dollar is coming from”*

- scepticism at being able to get a job anywhere, particularly if they are aged in their 50’s, or if little schooling had been completed
- reluctance to leave the area where they had lived a long time, and where their children had or were growing up

*“I wouldn’t like to, all my family is here, ... unless I had a really good job to go to”*

*“I wouldn’t leave unless there was an extremely attractive offer in another regional area... but not in the foreseeable future”*

- responsibilities of care for aged relatives living close by.

The alternative possibility - the ‘breadwinner’ moving to another place for work whilst the family stayed in the area - had also been considered by some. This meant severe emotional strain where family contact could be reduced to once a week, or even once every 2-3 months.

*“I am considering leaving, but my family would have to stay here - the kids are at school and my wife’s family are here. I’d just go and see where I could find work... but it would be hard to leave my family.”*

*“... even if he went away to work he still has to have accommodation, send money home, live wherever he goes. So we worked out that it just wouldn't work, moneywise. The baby always has to have things, and he's on medication”*

Despite these drawbacks, a number of respondents said they would be prepared to leave the region *‘if the money is good’*.

Issues for those who had moved are discussed in section 4.5.3.

Access to financial advice. Most respondents were aware that an individual providing financial advice was available during the laying off process, although it appears only a few took advantage of this.

Counselling. None of those interviewed were offered personal counselling, nor were any aware that such service might have been available. At least six (6) respondents would have sought counselling if they had been aware.

Job seeking activities. The level of job seeking activities varied depending on the age of the respondent and the level of confidence he/she retained. Older workers felt unable to change things and that they were no longer contenders for paid employment.

Younger workers had made more frequent attempts to find work in the early stages of their redundancy than as time passed. Respondents reported regular contact with CES officers over the time they were available in the area; searching the newspapers; approaching many businesses in the area; and searching outside of the area, e.g. in Canberra and other larger towns. Some had left their names with a large number of businesses, and others said that *“everyone here knows me and if they've got anything, they'll ring”*.

Experiences of CES varied:

*“In eighteen months they have come up with one job that was suitable, they thought. Then they rang the employer up and he wanted someone with four years experience, after the apprenticeship. That's all I've had, one phone call”*

*“I've been to the CES a couple of times, but they've never had any courses I thought I could do... I don't like school, full stop. I learn better by say watching you rather than learning off a piece of paper at a course...”*

*“I feel the government put me out of work, tried to take me guns off me, took me job off me, and now they [CES] tell me ‘You're not trying hard enough to look for work’ - and we've worked all our lives”*

The over-riding view of job seeking activities was that there would be no job growth in the area and that the respondents were fated to under-employment or unemployment for at least the short term, and probably for quite a long time.

*“Things have come to a dead stop... I get sick of reading in the Magnet about ferries, wharves...”*

### 4.2.3 Attitudes to Work

It is clear that respondents considered their previous jobs in the timber industry a significant contributor to their personal well-being and a source of interest and pride. With the exception of a few of those nearing retirement age, all other interviewees would like to return to the job they had relinquished. The following types of comment were frequently heard:

*"I didn't want the package, I'd rather have a job any day"*

*"I loved my job"*

*"I really enjoyed that job. It used to give me a buzz if I saw a load going out of there looking nice, and people comment and say 'that's a beautiful load of timber', and that's nice "*

*"You'd rather be working than going to a protest, a lot of my mates felt that way too. But you believe in trying to save your job"*

*"I was always happy when I was working in the bush"*

*"It looks very sad now.... I used to go down there an hour early, every day for nearly ten years, and then it wasn't there any more"*

*"I lived for trucks and lost it. I worked all my life to build it up to what it was. I loved trucks."*

*"I miss not getting up early and going to work - after 47 years ... I liked driving trucks, I would have stopped earlier around 60 or 65 if I was going to at all. But I thought I may as well keep working while I was fit and healthy."*

### 4.2.4 Current Employment

All the respondents had been in full-time employment in the hardwoods timber industry at the time of becoming redundant. Currently, by self-description, six are in full-time employment, nine part-time or casually employed, twelve unemployed, three retired, one receiving worker's compensation for injury, and one studying.

The results suggest that bush and State Forestry workers have found most difficulty in obtaining subsequent employment, with mill workers managing to achieve at least part-time or casual jobs with somewhat greater frequency. Contractors have by and large fared better in terms of subsequent employment (c.f. table).

group	full-time no. (%)	part-time no. (%)	unemp'd no. (%)	other no. (%)	total no. (%)
bush & for. workers	2 (15)	1 (08)	8 (62)	2 (15)	13 (101)
mill workers	1 (09)	5 (45)	3 (27)	2 (18)	11 (99)
contractors	3 (38)	3 (38)	1 (12)	1 (12)	8 (100)
total	6 (19)	9 (28)	12 (38)	5 (16)	32 (101)

The above figures probably indicate the specialised and non-transferable nature of forest skills on the one hand, and the experience and access to capital on the part of contractors on the other.

Of the six individuals currently in full time employment, two remain in the forestry industry, one is back in the timber industry for a short time, one is in Council work, two in other sectors. Part time and casual work has been found in the Eden cannery, truck driving, secretarial jobs, machinery repair, and service sector jobs.

The part time/casual jobs accessed by respondents are (by and large) less skilled and less well-paid than the forestry jobs they had previously occupied. One respondent employed as casual labour said:

*"it's really funny... four of us work out there (together), we're all tradesmen... that's what this town is like"*

### 4.3 The Effects of Redundancy: Individual and Family

#### 4.3.1 Reduction of Weekly Income

For all respondents except one there had been a reduction in weekly income.

In some cases the reduction in income had been dramatic. Examples quoted to the interviewers included:

- a worker formerly with a gross annual wage of over \$42,000 (over \$800 per week), now receiving a fortnightly income from the dole of \$275
- a couple whose positions were both made redundant from the industry used to take home \$700 a week between them, now receiving the dole
- a worker formerly on a gross annual wage of over \$30,000 now with a casual job providing less than \$20,000, and with house mortgage payments (nearly half that amount) and with children to support

For some the burden of regular debt payments on real assets (e.g. houses, vehicles, and machinery such as chainsaws), entered into prior to redundancy, was of continuing concern.

For others, the continuing depreciation of unusable real assets was a constant source of worry:

*“He’s still got a truck sitting up there that he hasn’t been able to sell for 18 months, devaluing fast. And he can’t even find any work for it. He tried to put it on the highway for 3-4 months, there was a little bit of work out there, but by the time he paid the rego and insurance it actually cost him money”*

The financial hardship has been alleviated for some workers, by their spouse being in some form of employment.

*“We’ve no choice but to adapt, for my own sake and the family’s sake. We’ll be OK, but I don’t know how long we can work so hard, we’ll just have to. There’s been big changes. My wife has had to work full-time, the only job available is cleaning work from 3am to 11am”*

#### 4.3.2 Use of Redundancy Payments

The priorities for the use of redundancy monies were generally: (i) to reduce debt, particularly on homes, vehicles and equipment, and (ii) save, invest the remainder (if possible). A smaller number had also used their payout (iii) to assure their vehicles (either by upgrade or repair), and/or (iv) to purchase or pay off significant household items such as washing machines.

**Mortgages.** The majority of respondents had used a significant part of their redundancy payments to pay off mortgages and other debts as their first priority. Some homes, especially of younger respondents, remain mortgaged. Currently, 17 of those interviewed own their own home without a mortgage, 7 own their home with a mortgage, and 8 were in rental accommodation (including living with their parents).

**Cars, Machinery.** Some involved in lower paid jobs who had bought machinery, e.g. chainsaws worth \$2000, or ‘utes’ or second hand vehicles, were left with debts on these. Contractors were also left with debts for machinery or trucks bought before being made redundant.

**Household Goods.** A few recipients used parts of the money received to purchase or pay off significant household goods, such as a washing machine, a lounge suite, a stereo, or refrigerator.

**Savings.** As mentioned above, a number of respondents had been able to save some of their redundancy money, or the money accruing from sales of equipment when this occurred. For most of these people, this saving or investment was the only security they had for the future, they felt.

In several instances, however, families were forced to use some of their payout savings on a regular basis, to pay bills such as insurances, car repairs and registration, energy and telephone bills, and rates - bills for which income from other sources was inadequate to meet. Parents were accessing some of their savings to ensure that their children could participate in school excursions, or continue music or other lessons.

**Investments.** A small minority of respondents were able to invest at least some payout money into a productive enterprise, but in at least one case this required re-mortgaging the family home.

#### 4.3.3 Changes in Lifestyle

Given the work ethic adhered to over the years (section 5.3) and the stable nature of the regional society (section 7), the effects of the redundancy have been of major significance in the lives of those involved. In a few cases this has been exemplified in dramatic behavioural changes, such as suicidal tendencies, and substance abuse.

For many of the respondents however, the effects have been an accumulation of smaller adjustments, covert, pervasive and unremitting, involving the attrition of aspirations, living standards, and self-esteem.

A list of things which used to be done and now done less or not done at all, includes:

- no longer eating out in town
- much less regular visits to the pub or club to 'meet mates'
- eating less expensive foods e.g. sausages and mince
- no longer going away for weekends for concerts, entertainment
- making much less regular visits to married children out of the area, or having to wait for these children to visit them
- no longer attending competitions e.g. motor bike racing, dog shows, wood chopping or other sports events
- no longer playing sports such as squash, golf, that require equipment or subscriptions
- economising or no longer going on activities requiring fuel e.g. fishing, water-skiing, camping
- making clothing and shoes last much longer
- giving up private health insurance
- cancelling personal insurances
- moving in to live with parents
- not going to the shops or community centre, and/or not seeing friends or entertaining friends and family to meals
- cancelling holidays or no longer planning them
- postponing home improvements or upkeep
- postponing marriage, starting a family
- not going to the doctor or dentist
- selling an expensive (or second) car, sometimes to buy a cheaper more easily maintained second hand vehicle
- borrowing money from parents
- increasing the periods between car maintenance, repairs
- de-registering and de-insuring cars
- reducing or eliminating support for charities

The following verbatim quotes from interviews demonstrate the circumstances in which these activity changes occurred:

*"We don't spend nearly as much. We have to budget fairly well, watch what we are spending at the supermarket. When your kids need clothes you go and find the cheapest ones you can"*

*"It is getting worse. Scrimp and save for every little penny, and there's always something"*

*"Just stay at home and exist at the moment. Once a week or once a fortnight we might buy fish and chips, I might buy myself a couple of bottles of beer a week"*

*"You start counting the dollars you've got and there is just not enough to go round. And my wife, I don't know whether she is going to have a job tomorrow either, and if that folds..."*

*"I've had to borrow money from my parents to put fuel in my truck... all it needs for us is a motor or the car to blow up and we're gone"*

*"I do the child minding in the mornings...I can't play golf any more, can't go fishing. The kids can't play soccer this year because their Dad is always working and Mum is too tired or asleep"*

*"If I had something wrong I'd usually go to the doctor, but now you put it off. It doesn't cost you anything to go to the doctor but it costs a fortune for the medicines"*

Even apparently small expenses can be critical. One respondent, needing to have a mobile phone to be available for casual work said:

*"I had to get a mobile phone so I could be on call all the time... if my boss couldn't contact me he'd get someone else. I had a good week's work so we paid the mobile phone, as they threatened to cut off our other phone"*

For individuals on the dole, the cost of petrol to go and look for a job was in some cases, a major difficulty.

#### 4.3.4 Health Issues

Respondents were asked about their general health since their jobs were made redundant. Three older respondents (one of whom had moved north), felt their health had improved.

Of the remainder, some felt it difficult to claim a relationship between decreased health status and their circumstances. However, others reported diagnoses of stress as directly related to physical conditions such as 'chest flutters'; irritableness and stomach ulcers. Sleeplessness was reported particularly from those workers used to getting up at 4am to go to work. In one or two cases substance abuse and suicidal tendencies had been manifested.

*"I had some 'mystery' ailments, I've been in hospital.. something wrong with my stomach.."*

*"We knew people were going but nobody knew who was going. I got upset, got headaches".*

Several respondents reported being prescribed (and taking) anti-depressants *“for the first time in my life”*. Usually these people said that they would never have imagined a time when they would have required this sort of treatment. Most were at first reluctant to take the medication and were anxious to stop the treatment as soon as possible. The converse was also true: one or two felt anxious about being taken off medication and getting back into a syndrome of sleeplessness and general irritability.

Other health issues faced were the onset of conditions which were more difficult to identify with stress, but which had increased since the people were unemployed. Infections, back strains, loss of interest in life, and loss of libido were mentioned by respondents.

In addition, a number reported that the stress of the reduced income and inability to procure paid employment had caused arguments and friction within households. Three or four described near divorces and some of these situations were as yet unresolved. Since the interviews were taking place in homes, on several occasions spouses were able to verify these claims, and in fact, to introduce these effects where the worker had been reticent about them.

*“We both get pretty snappy towards each other... it’s not easy”*

*“There are a lot more arguments than before. The women are under stress too”.*

*“I’m not as relaxed and we’re not sharing as much close time together”*

*“A few arguments, tensions between our son and us as he didn’t understand what was going on, why we were uptight all the time”*

*“Its virtually wrecked my family life”*

Of almost universal experience was a feeling of having been disregarded, and undervalued. In terms of job-seeking behaviour this effect appears quite crucial since the outcome is a strong scepticism that work will be available to them either in or outside the area.

*“We are the forgotten end of New South Wales”*

*“Where I used to be personally involved in a lot of other things, you feel as if you are unwanted. I thought that for another five to ten years I could supply something to some people”*

For at least three respondents, health had become an issue of increased significance because of the reluctance of new employers to take on workers with injuries:

*“I was coping quite well at the mill but it is different trying to get a job somewhere else with the same injury”*

#### 4.3.5 Any Positives?

In the course of the interviews, respondents were asked whether any 'positives' had come out of the experience of redundancy for them. Of the thirty-two respondents, one reported that his future prospects and financial position had improved. One other was planning to start a small business and was enthusiastic about this.

*"I'm very exited about the starting my own business. It never would have happened otherwise. I'm going to initiate it this season... It is a confidence booster being labelled an 'entrepreneur'..."*

Several interviewees suggested that they had benefited because they could sleep in in the mornings, or were seeing more of their partners and children. For one, redundancy had provided an opportunity to strengthen his relationship with wife and family:

*"It has made a significant impact on my life. The positive aspects are that I've reassessed my relationship with my wife and family. It's made us stronger. We're much tougher than we ever were before... I won't take any crap from anyone any more - not politicians or greenies"*

On the other hand, for 31 out of the 32 interviewed, their assessment of their current financial position was that it had deteriorated. For the great majority of interviewees, no positive benefits of redundancy were observable, typical responses being:

*"I can sleep in in the mornings, that's it"*

*"Nothing for us"*

*"Nothing whatsoever"*

*"Personally none at all, none at all"*

## **4.4 Community**

### 4.4.1 Families and Community Stability

Of the 32 respondents, over half were born within the Eden CRA. These respondents were generally schooled in the region and had spent most of their working lives there.

About half of the respondents have or had parents who lived in the area and worked in the timber industry or farming, and a few could claim more than two generations of association with the timber industry. For those not born in the region, many had married into the community. Many have children still in the area.

One interviewee could identify seven father/son combinations who had worked at the mill where he had been employed, and similar "extended family" associations were described by other respondents.

Most respondents had a number of relatives in the area and a number of the workers had brothers, cousins, and uncles in the timber industry within the south east NSW forests. For some of the respondents concern was very evident about the future prospects of these relatives: in one or two cases fathers who had been made redundant had handed over their

jobs/equipment to sons in an attempt to ensure that younger people with family responsibilities were able to stay in work for as long as possible.

Some respondents also have or had spouses, siblings, cousins, or in-laws working in the timber industry. In two instances “flow-on” effects reduced the working hours, or caused redundancy, for these relatives:

*“My parents and my brother, we were all working 6 months ago, plus the extended family...”*

Almost without exception all respondents were very attached to the area, saw their roots as being there, and were distressed at the idea of leaving.

#### 4.4.2 Community Participation

There was a very strong sense of family and of identification with place amongst the timber workers. Often the respondents had worked extremely long hours and had not participated in local activities to the extent that they might have wished. Their comradeship was more centred on their work ‘mates’ and family.

Social activities were more directed towards outdoor pursuits than going to theatres, movies, or restaurants. Respondents mentioned involvement, before redundancy, in such activities as: bowls, motor cycle racing, camping, wood-chopping, dog breeding and obedience clubs, fishing, darts, golf, water-skiing, archery, pig shooting, football. The majority had either given up such activities since their redundancy, or participated to a much reduced degree.

Some had held executive positions in clubs associated with these activities. A few had been involved with citizen and progress committees. Many Eden residents were members of the Eden Fishermen’s Recreation Club.

Only a small number of respondents participated in church activities outside attendance at rites of passage.

#### 4.4.3 Good and Bad Things About Living in the Area

Most respondents were quite passionate about the area in which they lived, with strong family ties and a lengthy relationship, as reported above.

‘Good things’ about the area included:

- clean air, good outdoor occupations
- relaxed nature of surroundings
- access to outdoor pursuits such as fishing, camping, swimming
- good schooling for children without the problems of city schools
- until the last decade, good work opportunities
- community feeling, the feeling of family surrounding them

*“Pretty good lifestyle, the weather is pretty good”*

*“Its a really nice place. When you get time to yourself you can do whatever you want to do around here, as long as you can supply the equipment (for hobbies and sports)”*

*"I travelled around a bit with my father, and I don't think there is a nicer place"*

*"Days like this... I've always lived around this way"*

*"It's not a bad town, getting a bit crowded. I might move out to the bloody bush before long. I don't like bloody big places"*

'Bad things' about the area included:

- the critical shortage of work, both within the forests and elsewhere
- the changes in the community brought about by the forests closures
- the reality of job shortages e.g. children now having to leave home and move away to get work
- the perceived breaking of promises for more industry in the area

*"[Relationship with the local community] is still fairly good - although you're not as confident. You've got to pretend more... like nothing's affected you"*

*"I'm more involved now with community issues... I don't think people feel sorry for me or anything, but then I won't be out and about as often... We don't go out as often, very aware of our finances...I have less [community] contact, I hate going into shops up the street. I don't know why, I don't like going to the supermarket and hate bumping into people. I go to the chemist in Merimbula [to avoid people]."*

Several respondents discussed the removal of forests jobs and of heavy machinery as posing a real threat to the area, in terms of potential for large and uncontrollable bush fires.

#### 4.4.4 Relationship With the Forest

Respondents, particularly bushworkers, had generally discussed their relationship with the forests as one of care and attention, and appreciation of the beauty and peace of their working environment. The way in which the 'greenies' had behaved towards them was something which had deeply affected a number. In particular, those who had experienced injury to themselves or relatives were bitter about that period in the forests' history.

The workers gave examples of experiences with had left them very shaken, and in some cases, quite bitter:

- having excrement thrown at them by forest protesters
- forest protesters endangering foresters' lives e.g. driving spikes into forest trees
- protesters putting their own lives in danger e.g. by placing themselves in the road of machines and trucks without apparent awareness of the stopping distance of such large vehicles
- protesters damaging or destroying expensive machinery
- protesters swearing at them and generally denigrating them.

### **4.5 Region and Beyond**

#### 4.5.1 Regional Employment

There was little in the way of positive thinking with regards to the future for either the workers themselves or for the timber industry in the SE NSW.

The workers felt that they had been *'targeted'* by a government which was remote and *'doing it to them'*. Many saw the moving of the proposed mill from Bombala, and the believed unlikelihood of the wharf at Eden being upgraded, as examples of broken promises in the past, and as evidence of similar to come. Some felt that eventually, all forests in NSW would be *'locked up'*, and that the timber industry would be dead. There was bitterness about this, it being seen as the result of political calculation and the need to win votes in large urban electorates.

*"We were waiting for the pine plant but there's a glut of pine. CSR have spent money on a plant at Tumut and doubled the size of the one at Oberon but now they can't sell the product. Visy-board agreed to a plant in Tumut, Bombala has the raw material but no road, water or power to the site..."*

*"He said that when we create all these national parks there'd be jobs, there'd be jobs, but there's been none of them created"*

Older respondents felt their lives would now involve earlier than expected retirement, at a level of income much lower than they had anticipated or felt they deserved. There was a resignation in the reportage of this: *"what can you do?"*, which was marked amongst the older respondents.

Younger respondents were also sceptical about their ability to retrieve their situation through paid employment, as there were no jobs available in the area and many difficulties associated with moving out of the area, *"even supposing I could get work"* elsewhere. These respondents were anxious about what would happen when their savings were gone, and what would happen to their families. They believed that their children would have to move away from home to finish schooling or to gain employment, and consequently saw a breakdown of the established family ties which had been evident over the generations.

*"There are homes and shops for sale wherever you go"*

Apart from the reluctance to move elsewhere precipitated by the housing market and the uncertainty of getting work or being able to provide another home elsewhere, respondents were sceptical about the effectiveness of retraining, seeing the opportunities offered as being unsuited either to their own skills and experience, or to the available job market:

*"I don't see no future - you haven't got no manual work so what are you going to do?"*

*"I don't think it has got one. By all reports there will be another two or three contractors go off at the end of the year"*

*"It's not just us, it's not just the timber industry that's been affected, its the whole area, the money's not there to go around"*

#### 4.5.2 Leaving the Region

The older respondents who had resigned themselves to retirement were of the opinion that they would not leave the area. Their ties were strong and they saw no point in moving, nor

could they afford to move. Even if they did move, older respondents said that *“at my age, no one will want to employ me”*.

Home owners felt bound by their home ownership, with many houses on the market in the area, and few buyers. Home owners recognised that they would have to *‘give it away’* if they wanted to sell their home

Younger workers felt it unlikely that their skills would transfer successfully outside of the timber industry, although some felt that they could possibly get jobs as long distance truck drivers, or as labourers in seasonal work, for example. These younger respondents had considered the possibility of working away from home during the week and ‘commuting’ back to the area for weekends, or even on a once-a-month basis.

A small number of the younger workers had been actively seeking work in other areas e.g. in Canberra and further north in New South Wales. As the period out of work lengthened however, they were becoming despondent at their chances of securing work, saying the employers were reluctant to take on someone who had been out of work for a long period.

Respondents therefore described their circumstances as *“catch 22”*, with family and financial ties to an area with no work, and with large sacrifices to be made in moving to other areas which, even then, might not provide work.

*“Through [spouse] I’ve made a lot of unreal friends, and I don’t know whether I want to start that again. And I don’t know whether I want to drag my kids out of school”*

*“If we went to Bega we’d just be taking our problem from here to there”*

#### 4.5.3 Experiences of some who have left the Eden Region

The experiences of the three interviewees who have left the Eden region closely parallels the experiences already recounted. In at least one respect those moving appear to have had a more difficult time, for as one observed: *“it costs money to move”*. On the other hand, for one of the interviewees the change of climate and less rigorous work had improved his previous medical condition.

The older migrants:

- both had gone from long term full-time employment in the forest industry in the Eden region, to part-time/casual work in their new positions:

*“I’ve been here two years in November, and there’s only casual jobs around”*

- both had experienced substantial drops in income, and are living frugally, and in one case experiencing severe family stress:

*“It’s virtually wrecked my family life”*

- both are depressed about their role, future, and the insecurity in which they find themselves:

*"I get very depressed... you've got think what you're going to do with the rest of your life... I don't feel secure, I feel like an outcast"*

*"Pride goes down the chute, family relations, the whole thing"*

- both had a strong desire to work and make a contribution:

*"When I get full-time work it will be bloody lovely"*

- neither could see any positive features of their experience of being retired from the industry and their subsequent move from the region:

*"You've got to think there is something better round the corner, you've got to keep going"*

*"It's been an absolute disaster in my book"*

- both are over time dipping into their savings:

*"We're going backwards the whole time"*

The younger person who had left felt isolated and had lost his close relationships with family and friends, and had the belief that, despite being in a full-time job, his health and living standards had deteriorated.

And for all three:

- none positively wished to leave the Eden region:

*"I couldn't get a start..... it was a desperation thing"*

- none had accessed FISAP relocation/retraining assistance: for one his destination was based on earlier (vacation) experiences, for the other two their decisions were based on where there was use for their specialised skills and/or interests.

#### 4.6 Ratings of Life Circumstances

Respondents were asked to provide a **subjective** rating of a number of factors contributing to their life circumstances, before and after the experience of their redundancy, i.e.:

- their future prospects
- financial well-being and security
- relationship with family and friends
- general happiness with life
- contentment with where living
- satisfaction with job

Each factor was rated on a five point scale (5 very good, 4 good, 3 average, 2 poor, 1 very poor, and - unsure/not relevant). The results were accumulated to provide the averaged values for each factor<sup>14</sup>. In the following tabulation, disaggregations are given according to categories of employment (bush workers, mill workers, NSW Forestry workers and contractors), and of life stage (single, married, and older).

It is clear that on average the experience of redundancy has been a negative one, for all factors of that experience specified. The most severe average declines have been in relation to future prospects, financial security, and job satisfaction (for which the change was measured only for those who are currently in employment of some sort). The smaller declines associated with relationships with family and friends, and contentment with their living situation, may be interpreted as bearing out the evidence of previous sections on the strength of family ties in the region, and the consequential partial mitigation of the overall trauma experienced.

With regard to employment in the industry, the mill workers interviewed have registered the largest decline in life circumstance on average, with contractors and bush workers also suffering major declines. NSW Forestry workers appear to have suffered the least relatively, according to the self-assessments given (sample size two only). With regard to different life stages, those respondents who are single appear to have suffered most, with marriage and life experience mollifying to some extent the overall magnitude of the effects suffered by the other groups.

Considering the individually recorded ratings, for one person amongst the thirty-two had future prospects and financial security had improved; for two health and future prospects improved. One older person recorded an improvement in contentment with where he was living, and two an increase in general happiness; one recorded an improvement in both these factors. One younger respondent recorded an increase in job satisfaction. All other recorded changes were either neutral or negative.

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<sup>14</sup> It is an assumption that subjective ratings can be combined in this way. Consequently, the tabulation should be interpreted as giving general indications only.



## 4.7 Summary of Interviews

A social assessment of the current situation of workers and business owners displaced by recent changes in the native hardwoods timber industry in the Eden CRA, has been carried out. This included in-depth interviews with thirty-two individuals (in some cases, together with their spouses) in their homes. Interviewees included 'bush' workers, mill workers and contractors. The interviews has been carried out over the period 19-25 July 1997.

All those interviewed were in full-time employment prior to their redundancy from the forest industry. Of the 32 respondents interviewed, six are currently in other full-time jobs, nine in part-time or casual jobs, 12 are unemployed, three are retired and two otherwise engaged (receiving workers' compensation, study). For those currently in employment, for all but one has the quality of the job declined: in expertise, pay received, and job security.

The following are some of the significant findings to come from the interviews.

### personal background and work experience

- the majority of the interviewees left school around the age of 15-16; a small number had undertaken apprenticeships
- the great majority had enjoyed a long-standing employment history within the timber industry: seven respondents had been involved for over 30 years each, and another eight for over twenty years.

### experience of redundancy

- for all interviewed, being made redundant was their first experience of being unemployed (or at least of leaving a job with little or no prospect of getting another), although many had been in the industry for more than twenty or even thirty years
- almost all those interviewed expressed a strong work ethic, and apart from a few individuals close to retirement age, none wished to be made redundant
- many of those who left the industry voluntarily were older and accepted redundancy because they were concerned about younger men with families
- a number of FISAP package recipients felt that the process requirements, timing and payment were fair. However there were a number of concerns raised about the FISAP process:
  - . payments less than the full amount considered due
  - . non-comprehension of the relativities in payout to apparently similar individuals
  - . delays in payment
  - . the continued non-resolution of FISAP applications
  - . the quality of contacts with advisory people
  - . officers' unrealistic demands for information
- there was, in the view of the respondents, little useful training offered, since what was available was often training in areas in which they already had expertise, or in

areas which would not provide for their skills and experience or would not be relevant to the available jobs.

- the major use of the redundancy payouts has been to reduce or eliminate debts: particularly property mortgages, car and machinery loans. Other priorities included assuring the availability/reliability of car or truck; purchase of a few significant home items. Anything left over has generally been saved or invested.
- all except one respondent had suffered financially through redundancy. The group most severely affected are the relatively young with home mortgages and small or school aged children. Where work is not forthcoming, these parents do not know how they will manage financially: some are selling possessions, borrowing or spending redundancy monies to finance everyday purchases such as food and electricity
- assessed on a number of dimensions (health, future prospects, financial security, relationship with family and friends, general happiness, contentment with where they are living, and job satisfaction), the experience of redundancy has been on average significantly negative. For only two does it appear to have been a positive experience overall.

#### **effects of redundancy: individual and family**

- for many (but not all) of the respondents, the effects of redundancy have been an accumulation of small adjustments, covert, pervasive and unremitting, involving the attrition of aspirations, living standards, and self-esteem. In a few cases the processes of adjustment have been more dramatic, involving suicidal tendencies, and substance abuse. Overwhelmingly, the experience has been demoralising.
- the change from 'before' to 'after' has meant significant lifestyle changes for almost all respondents. These have involved severe budgeting, eating cheaper foods, reducing visits to doctors, not buying medicines, postponing or cancelling repairs and maintenance, cancelling insurances, going out less, withdrawing from clubs and activities, borrowing money (for a full list see section 4.3.3)
- the workers have a wide range of skills in many areas but feel that these areas are now a 'thing of the past': consequently, they have suffered loss of pride in their ability to provide for themselves and their families, and see themselves often as no longer contributing to their community

#### **community**

- the respondents have often come from a family closely involved over several generations, with the timber industry.
- respondents have indicated a love for the forests which includes caring about fauna and about ensuring the capacity to fight fires
- the communities from within which the respondents come are close-knit: everyone knows who is out of work and who isn't and also, knows that there are more jobs threatened. There is concern for young families. Most of those interviewed had lived within these communities all their lives and had envisaged remaining within those communities until death

## migrating

- for those interviewed, the experience of migrating has exacerbated other difficulties through cost and the loss of family support and interaction (none of those interviewed had accessed the relocation provisions of FISAP)

## the future

- respondents are depressed and pessimistic about the future of the area, seeing the closure of the forests as having a direct flow-on effect: shops closing, other jobs disappearing. Other industries in the region such as fishing and canning are also seen as providing decreasing employment.
- during the process of becoming redundant, and continuing over time, the workers have felt that those determining the process have been remote, impersonal, and lacking in understanding of the social impacts in and around Eden, of the shrinking timber industry.

## 4.8 Some General Perspectives

### 4.8.1 A Declining Financial Situation

For all but one of the thirty-two people interviewed, their financial situation had declined, and this decline has been most significant for those respondents with either home mortgages or children (or both).

For almost all respondents there have been significant changes in lifestyles. Assessed on a number of dimensions (health, future prospects, financial security, relationship with family and friends, general happiness, contentment with where they are living, and job satisfaction), the experience of redundancy has been on average significantly negative. For only two had it provided a positive outcome overall.

This is not to doubt the value to recipients of FISAP and other assistance, but merely to measure its value against the size of the problem they confront.

### 4.8.2 A Rational Response to Mitigative Payments

The response of individuals and families to their new situation has been marked by rational calculation and common sense in a situation of great uncertainty. Redundancy monies appear to have gone directly into trying to ensure personal and family security.

First and foremost funds have gone to reducing or eliminating debt (on homes or property, and vehicles). A second priority has been to assure the availability of the family vehicle (as an essential item for personal and family transport in rural communities), either through upgrading, downgrading, or maintenance on a currently owned vehicle. (As a CES officer was overheard explaining to a client: “*You can’t survive here without private transport*”.) A third element has been the purchase of one or two significant household items (such as a washing machine). Remaining monies were used for saving or investing. (Clearly the specific priorities for the allocation of funds amongst these possibilities would not be identical between families and would depend *inter alia* on the individual’s or family’s assessment of their future prospects.)

#### 4.8.3 A Work Ethic and Loss of Self-Esteem

Work and personal identification through work, are important aspect of timber workers' lives. Apart from some workers close to retirement age, those interviewed expressed a strong desire to work, and to make a contribution. Few had had any prior experience of not working, and many felt disoriented and a sense of shame at not being employed.

In some cases, the subjective effects of redundancy for family respondents appear to have been offset to some degree by the stability and affection accorded by marriage or partnership. In three or four cases however, marriages have as yet unresolved strains centred around the family's changed financial circumstances.

#### 4.8.4 Significant Barriers to Relocation

There are considerable economic, family and social barriers to relocation. Selling or renting the family home in present regional market conditions is likely to put the migrating family at a substantial disadvantage. (For some families, selling the family home would not provide enough money even to cover the existing mortgage debt.) Families interviewed had a strong attachment to the Eden region, through length of residence, established networks of kith and kin, as well as day-to-day commitments such as children settled in schools and dependent older family members. For the small number of out-migrants interviewed (and who had left families in the Eden region), separation had been the cause of considerable personal and family distress. None had accessed the FISAP relocation package.

#### 4.8.5 Uncertainty

Underlying almost all the interviews (apart from those with interviewees who considered themselves as retired), was a pervasive sense of financial insecurity and uncertainty about what the future will bring. This was related both to the future of the timber industry, and to the broader economic situation of the nation. There was a strong feeling of having too limited a control of their lives, with decisions being taken elsewhere, and a distant, unsympathetic and unresponsive government. This uncertainty is likely to have an exacerbating effect on individual self-esteem and family well-being.

#### 4.8.6 Multiplicative Effects

For a small number of respondents, the multiplied effects of reduced financial situation, loss of self-esteem, of personal and family well-being, and uncertainty about the future, have combined to precipitate traumatic experiences of substance abuse, violence and family relationship breakdown. These types of effect of industry downturn have been confirmed in the wider Eden regional community by community-based professionals (see below).

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## Part 5. Some Community Perspectives

### 5.1 Interviews with Community-based Professionals

The Australian economy at the national level is currently experiencing significant levels of unemployment. This situation is exacerbated at the regional and local levels in and around Eden. On the one hand the timber industry has suffered a considerable contraction in recent years with a concomitant loss of employment. On the other hand the Eden fish cannery has recently completed a major automation of its factory with the loss of a large number of jobs, many of which were held by spouses of timber workers. The effects of these changes have been particularly severe because of the high dependence on resource-based industries in the region.

In the course of this project, discussions were held with an Eden GP, and a Minister of religion in Eden, in order to ascertain the experiences of those involved in welfare, to the changes that have occurred in the Eden region in recent years. (The director of a telephone counselling service which covers the Eden region was also interviewed: see below).

#### 5.1.1 A Consensual View

It is the consensus view of the professionals interviewed that Eden is a region under considerable stress, if not in crisis. However it is not possible for them to discern the effects of any one particular change, on the personal and social fabric of the region.

The signs of social decline in the Eden region are evident to the interviewees. Recent events mentioned included the decision to close the Pambula hospital, the reduction in police force numbers, and the reduction in other government services (Eden no longer has a CES office, nor a DSS office, both of which are now centred in Bega). The local press also has carried stories of the possible closure of the Eden Fishermen's' Recreation Club, and of a local football club having to forfeit games because of falling attendances at games.

The interviewees considered that in a community which has always taken pride in hard work, the inability to get a job has led to personal demoralisation, family breakdown, domestic violence, substance abuse, petty crime, and community anger and vigilante activities against Aboriginals. Attitudes have also affected children in the region, with rising animosities expressed at schools.

It is virtually impossible for those out of employment to get a satisfactory job in the region. Fierce competition between small scale entrepreneurs for custom has resulted in 'sweat shop' conditions and exploitation. Overall, there is an air of resignation and loss of hope.

#### 5.1.2 Some Individual Comments

The General Practitioner interviewed made the following points:

- It is difficult to estimate whether demand for GP services has increased recently, as the practice is extremely busy all the time.

- There have been a lot of marriage break-ups since the downturn and a lot of older women patients complain about having their husband *"under my feet all day"*.
- Men in town are depressed, but they rarely "front up" to the practice for tranquilisers: they are more likely to look at alcohol and/or drugs.
- A lot of marijuana is grown in the area and smoking is becoming a problem, with many people smoking "constantly".
- A major problem exists for youth in Eden: they have no prospects, no hope of apprenticeships as in the past. However, there is also a huge problem for men 40-55 who are out of work but too young to retire and too old to get another job.
- The most marked effect is in the pessimism in the community as a whole.
- There is a lot of anger in the community with a potentially explosive quality. People are taking things in their own hands and white community assaults on Aboriginals have increased. There has been an unprecedented number of serious assaults in recent months.

Points made by the Minister of religion included the following:

- The key to the Eden community was a belief in hard work, looking after the family, playing hard. Now, *"if they are not working hard, they are not respected and there is no listening ear"*. There is now animosity between those in work and those out of work.
- Eden is welfare dependent in a way it has never been before, with one of the church's largest relief efforts in NSW being mounted there. Emergency relief transactions are provided particularly for food, housing (rental bonds, rents, accruing costs on mortgages), transport for individuals to reach DSS offices in Bega, and electricity. There are now a lot of first time callers for this relief, *"people who have never ever sought welfare in their lives and can't face going into the supermarket"*.
- There is a growing incidence of fragmenting relationships and family violence, but not of suicide.
- There is a sense of resignation, of dis-spiritedness about the community, which has experienced a series of downturns since the nineteen-seventies.
- There have been some positives from the experience, in that some of those out of work have taken on community projects such as restoration of the cemetery. However, most community organisations are struggling, for example the football club has had to forfeit games, and others have had difficulty in getting quorums at meetings.
- In the last 12 months there has been an exodus of people (families) in the 30-40 age group. Families who have been in Eden a long time have decided there is no sustainable or secure future here. He comments that *"they should have been the future of Eden, and they are taking that future away with them"*. Some migrants are going to Canberra, some individuals are getting jobs as security men and their wives are getting jobs, so they are managing. Although the range of jobs available to them is very restricted, the opportunity for a second family income (wives working) is

better than in Eden where a whole strata of second jobs, in the cannery, motels and pubs have gone.

- Those who are leaving the region are believed to be those better equipped to manage: those who are staying tend to be the more demoralised and with fewer skills or entrepreneurism to cope.
- Eden has always been a working town, tourism has never been a feasible alternative/option for the timber workers. Last year there were 3 people offering lawn moving and other services like raking leaves: this year there are 13. The competition and price cutting has lead to sweat shop conditions and exploitation.

The Minister personally has made several representations to government for the provision of more social services for people in trauma, but has received replies which indicate a belief that there is no social need in the area.

The Director of a telephone counselling service, interviewed by telephone, made the following points:

- As a telephone counselling service, there is an emphasis on anonymity for its clients, and the counselling provided is generally one-off. Commonly the service does not know the location of the caller unless he or she volunteers the information e.g. in wishing to locate a service in a particular area.
- The keeping of statistical data on incoming calls has only recently been systematised, and it is not currently possible to identify trends with any certainty. Subjectively however, the impression is that in recent times there has been a significant increase in calls from the Far South Coast ((Eden CRA) area, and that these calls have tended to be proportionately more crisis-oriented than in other areas.

## 5.2 Support Services in the Community

Mitigative activities can be distinguished as originating from government, and from the community generally. Government-originated mitigative measures may be classified as those relating to business and employment on the one hand and to social welfare support on the other. There are a range of community-based activities and services of varying levels of formality and impact on the issues raised above:

government-based services

businesses & worker employment  
social welfare support

community-based services

sport & recreation  
health & community care  
churches & church groups  
service clubs  
educational facilities  
community clubs and associations (e.g. development ass'ns,  
Red Cross, arts councils etc.)

### 5.2.1 Government-based Services

#### *a. worker assistance*

FILAP is a component of the broader FISAP and is administered by the Commonwealth Employment Service (CES) of the Commonwealth Department of Employment, Education, Training and Youth Affairs (DEETYA). The Bega CES office includes an officer with special responsibilities for the timber industry in south eastern NSW. Timber industry liaison is maintained with the Government of NSW through the Forests Liaison Officer (FLO) of the Timber and Related Allied Industries (NSW) Group Training Scheme Co. Inc. (TRAIN).<sup>15</sup>

FISAP was set up to include (*inter alia*) labour market assistance programs considered particularly relevant for displaced timber industry workers. A number of these were pre-existing CES programs, and in some cases the conditions of entry were modified for FISAP. Thus, these programs could be accessed either as part of FISAP, or as a regular CES-based service.

The main CES programs that have been modified so they can be accessed directly by displaced timber industry workers in the Eden region are:

#### **Jobsearch Assistance**

This provides financial assistance in the form of fares and accommodation for clients to search for work in areas of better employment prospects. There are upper limits on the amount of financial assistance available.

#### **Jobstart**

JobStart is a wage subsidy program which helps people who are disadvantaged in the labour market to access employment by providing a wage subsidy to the employer. JobStart helps jobseekers who have been unemployed for six months or more, or who face other disadvantages, including disabilities. Retrenched native timber industry workers have immediate access to a special range of Jobstart wage subsidy provisions.

#### **Relocation Assistance**

This is a labour market program generally available to unemployed workers. There are dollar limits on relocation assistance which are determined by numbers of dependents and on the buying and selling of the family home.

In the case of displaced timber industry workers, the provision of relocation is conditional on a 'vacancy labour market test' with the receiving CES region. This requires that if anyone in that area is capable of doing the job, the relocation assistance package for the original applicant cannot proceed. This has been a difficulty for relocation of a number of forest workers.

#### **Vocational and Pre-Vocational Training**

This formal training may be provided for up to 52 weeks and may range from preparatory training (i.e. reading and writing) up to diploma or degree standard. Accredited training is preferred but is not an essential element of this program.

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<sup>15</sup> Centrelink, formally launched on 24 September 1997 combines services previously provided by the Commonwealth Department of Social Security (DSS) and the Commonwealth Employment Service (CES), including youth and study allowances. In 1988 Centrelink will also handle childcare payments on behalf of the Department of Health and Family Services. The CES as such will be phased out during the first half of 1998. (Ref: <http://deetya.gov.au>).

### **New Enterprise Incentive Scheme (NEIS)**

The NEIS is run by DEETYA in conjunction with State and Territory governments, and for those accepted on the scheme, provides a training course in small business skills, income support for 12 months (roughly at a level equivalent to unemployment benefit), and advice and monitoring for a similar period.

Over all programs, during the period January 1996 to June 1997, more than 60 individual placements of retrenched native timber industry workers from the Eden region have been arranged through the Bega CES using FILAP funds. (Individuals may access more than one placement.) These placements cover a wide range of activities and have been delivered by various providers contracted by the CES. They include: industry training bodies, employers, private training companies, TAFE and Skillshare.

The Bega office of the CES has provided a breakdown of the numbers of retrenched timber industry workers in the Eden CRA who have completed courses under the FILAP umbrella.

Program	No.
Medium Rigid Truck Licence	8
Jobstart	7
Security Licence 1a/b	6
Forklift Operator	5
Automotive Accreditations	4
Bus Driver Licence	4
Excavator Operator/FE Loader	4
Jobsearch Assistance	3
Firearms Accreditation	2
Traffic Control (Lollipop) Ticket	2
Relocation Assistance	2
Horticulture Diploma	1
Excavator Operator	1
Excavator Op/FE Loader/Backhoe/Bobcat	1
Coach Captains Accreditation	1
Mobile Crane Operator	1
Fallers Ticket	1
Basic Skills Instructor	1
Auto LPG Engines	1
Plant Operator Assessor Training	1
Workplace Assessor Accreditation	1
Soil and Water Protection - NSW	1
Soil and Water Protection - Vic	1
Chemical Users Training	1
NPWS Soil and Water Conservation	1
Metal Fabrication Certificate	1
Introduction to Computing	1
New Enterprise Incentive Scheme	1
Total	64

Note: Numbers refer to courses completed.  
Individuals may access more than one course.

FILAP services have been accessed by displaced workers and truck drivers. Timber contractors have not accessed these services.

*b. businesses*

In terms of direct financial support for timber industry businesses, there appear to be few channels available apart from the BEA and IDA packages that can be applied for under FISAP.

A NSW timber industry representative commented: “*We’ve looked everywhere... and can find absolutely nothing*”; and a representative of the NSW Chamber of Commerce and Industry noted informally: “*Well, if there is any it is pretty well hidden*”.

Assistance at a lower level may be available to established firms in the timber industry through *AusIndustry*, which is a joint State and Commonwealth initiative “to help businesses exposed to international competition, to grow so that they can contribute to sustainable economic expansion and provide jobs for the future.” *AusIndustry* provides all NSW businesses with a source of advice, information and referral to State and Commonwealth government business programs, and helps build strategic alliances and provides a conduit to a wide range of business help. It does this through consultation, facilitation by client managers, and the analysis of critical factors and the development of enterprise development plan., Eligibility requires manufacturing or service industries, have significant growth and value-added capacity, export potential. Resources are limited and assistance is competitively granted. *AusIndustry* in NSW is delivered by offices of Department of State and Regional Development.

Following the development of the Wood and Paper Industry Strategy (WAPIS), *AusIndustry* has appointed a Wood Industry Client Manager specifically to assist firms in that sector.

*c. social security*

The Commonwealth Department of Social Security (DSS) is responsible through its service arm Centrelink for a range of support payments.<sup>16</sup> Support payments accessed by those interviewed include:

- disability support pension
- parenting allowance
- child disability allowance (now discontinued in the form used)
- rent assistance
- social security concession card

These types of support are available to all in the community who meet the relevant criteria and not just former timber workers.

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<sup>16</sup> Department of Social Security, 1997, *Information Handbook: A Guide to Payments and Services*, DSS, Canberra.

d. *delivery of CES and DSS services in the Eden region*

The CES and DSS (Centrelink) offices in Bega are open to serve clients five days a week. The Centrelink office in Eden is a visiting service, provided between 10.00am and 1.00pm on Wednesdays. There is no CES service provided in Eden, except for CES registration which can be done through Centrelink in Eden. There are no CES or DSS visiting services to Bombala (provided in Cooma), or Merimbula/Pambula (provided in Bega).

### 5.2.2 Community-based Services

Community services directories compiled by local councils provide lists of community services of various sorts available in their communities. Even for quite small towns, such as Bombala, there is a wide range of activities available. It is not known that any norms have been described for such services in relation to their contribution to Australian community life. However, in view of the outcomes of the interviews, the following comment is made in relation to the provision of personal and family support services (facilitators, counselors, psychologists) in the community. Yellow Pages listings provide:

marriage, family & personal counseling -  
 Bega (4), and one each at Candelo, Quaama,  
 Bermagui, Cooma (2), none in Eden, Bombala

family welfare organisations - Cooma (2), Bega (6),  
 Bermagui (1), none Eden, Bombala

In the communities most affected by restructure, Eden and Bombala, no such services are listed under these headings. As one community-based worker commented: *"Basically they're left to their own resources"*.

From the point of view of the individual or family in need, there are three aspects to the accessing of such services: their existence, the knowledge of their existence, and psychological and social barriers to the use of such services even when known to be available.

## Part 6. Some General Themes

### 6.1 Comparisons with other Work

In 1995 the Forests Branch of DPIE carried out an assessment of the potential social impacts of the possible closure of 399 forest coupes to woodchipping.<sup>17</sup> The assessment was carried out of the social characteristics of the industry as a whole, together with case studies conducted in three areas, one of which was the Eden CRA. The analysis used information from national, state and local government databases, together with discussions with community leaders, social workers, headmasters, health professionals, timber workers and their families, local business people, and state industry and union leaders.

With regard to the Eden region, the study pointed to the consequences of extended periods of unemployment having the potential to lead to a range of personal and social problems including loss of self-esteem, increased risk of domestic violence, dependency on drugs including alcohol, crime, indebtedness, community dislocation and family difficulties.

The study continued:

*“The demise of the timber industry in small country towns, especially those with a limited economic base can cause hardship to both individuals and families. Families may have to search for employment elsewhere and therefore incur significant financial and personal costs in relocating”*

In terms of social dislocation, the summary of findings included:

- o a feeling of demoralisation amongst timber families and community support workers, as there have been a series of regional assessments of the timber industry and reductions in employment
- o the feeling that timber workers have a strong work ethic and do not cope well with being unemployed
- o there is extreme stress in (some) families
- o timber families are not turning to support agencies; they are leaning on each other
- o social support agencies see the community as basically a harvesting community, which has had its activities continually threatened - whaling, fishing and timber - and it is being threatened again. This has led to great uncertainty in the community
- o most communities have only ‘visiting’ government services, so that social support will to a large extent fall on the voluntary sector.<sup>18</sup>

In 1995 DPIE commissioned a study of the social impacts that have resulted from the withholding of 264 forest coupes in the Deferred Forest Assessment (DFA) process within the context of the Commonwealth Government’s decision on woodchip licence exports for 1995, and to determine the vulnerability of communities to social and economic impacts if more coupes were withdrawn or the withdrawals made permanent. The research involved

<sup>17</sup> Forests Branch, DPIE, 1995, *Social Impacts of Closure of 399 Coupes to Woodchipping*,

<sup>18</sup> Reference 12, pp.12-14.

four case study areas, one of which was the Bombala Forest Region (the Shire of Bombala).<sup>19</sup> The impacts on individuals and families were recorded as follows:

#### Impacts Experienced to Date

The most widely felt impact amongst individuals and families employed in the hardwood industry is the insecurity and lack of certainty about the future. This has reportedly been the case for almost 10 years in the area, however it has worsened in the last two years. The uncertainty has manifested itself in a number of ways:

- o high incidence of stress and stress-related illness (this is supported by the local doctor)
- o loss of confidence and depression among both adults and children (this is supported by local high school)
- o loss of self-esteem among timber workers as they see their profession being constantly under attack
- o concern about being able to meet financial commitments in the future and costs of breaking legal contracts
- o an inability to decide whether to invest money in upgrading equipment
- o difficulty in getting loans
- o feeling of powerlessness as decisions are made by politicians in the city who are far removed from the country
- o young people moving away from area in search of a more secure future

#### Potential Impacts

A number of individuals spoken to during the fieldwork expressed concern that politicians keep 'shifting the goalposts' and that there is no long term planning. The impacts just described will perpetuate for as long as this continues to occur. Closure of further forest areas may result in the following impacts on individuals and families involved in the hardwood industry:

- o loss of income leading to difficulty making repayments and/or supporting family;
- o loss of employment
- o need to relocate in search of alternative employment. This may involve breaking family ties and disrupting children's education
- o difficulty involved in adjusting from being an employer to an employee (e.g. logging contractors)
- o loss of property
- o increased stress and depression associated with the above impacts.

These are findings which have been confirmed by the present project. The results are consonant with other studies carried out in forest communities in other areas of NSW.<sup>20</sup>

Experiences in areas of decline in the timber industry in the USA show similar outcomes.<sup>21</sup>

In an examination of the dimensions of stress in retrenched timber workers on Fraser Island, who were also in receipt of a workers' special adjustment package, that study revealed<sup>22</sup>:

- o there was little stress amongst workers aged over 60

<sup>19</sup> ERM Mitchell McCotter P/L, 1995, *Social Impacts of Deferred Forest Assessments. Four Case Studies*.

<sup>20</sup> Manidis Roberts Consultants, 1996, *Preliminary Forestry Social Assessment*. Draft report to RACAC released publicly as part of the public consultation on the NSW Interim Forest Assessment Process.

<sup>21</sup> Richardson, C.W., 1993, *President Clinton's Forest Conference, April 2, 1993 Proceedings: A Content Summary*. Prepared for the Interagency Social Assessment Team, May 1993. (See Appendix A)

<sup>22</sup> Social Research Consultancy Unit, 1993, *Social Impact Assessment of the Cessation of Logging on Fraser Island. An Evaluation of the Workers Special Adjustment Package*. Report No.93.3, Department of Anthropology and Sociology, University of Queensland.

- o the highest stress levels occurred amongst those under 40 years of age, probably due to their having dependent children and being in the early to middle stage of their working career
- o those with more than 15 years in the industry were much more likely to suffer stress
- o those with dependent children were more likely to suffer stress

Although the present study did not concentrate directly on the experience of stress, these findings at Fraser Island are quite compatible with that found in the present study, and we would add debt, particularly home loan debt, as an exacerbating factor of experienced stress.

Between the above-referenced studies and the present study there has been a lapse in time of about two to three years, during which period the Eden region timber industry has seen both the introduction of FISAP and FILAP mitigative measures, and a further decline in employment numbers. The appropriate conclusion would therefore appear to be:

- (1) That the FISAP/FILAP mitigative measures have made a contribution to alleviating the experience of redundancy amongst forestry workers in the Eden region (the monetary payouts made preclude any other view), and
- (2) That the mitigative measures provided have not been sufficient to significantly alter the negative experiences of redundancy in the lives of those experiencing it: this has an economic component undoubtedly, and it also has a component referenced to the experienced attitudes and commitment of governments to the plight of industry workers.

## 6.2 Qualitative and Quantitative Social Research

Social research is research undertaken to investigate social phenomena. Such phenomena may be explored in many ways: a key distinction often made is between qualitative and quantitative social research.

Conceptually, quantitative social research counts and measures social phenomena; qualitative research explores the meanings given by people to social events and phenomena in their lives. Quantitative research assumes a world that is static, measurable and countable; qualitative research on the other hand assumes a world that is dynamic, subject to the flux of people's ideas, aspirations and feelings, in which meanings given by people to events and phenomena are *ipso facto* valid for them.

These two different conceptual approaches give rise to different research methods. Quantitative research focuses on counting and measuring, and the use of numerical comparisons and statistical inference in analysis. Qualitative research focuses on observing participants, on in-depth interviews and interactive focus groups, with analysis drawing out themes and motifs from the data. These points have been set out as follows.

### Traditional Characteristics of Qualitative and Quantitative Research<sup>23</sup>

<sup>23</sup> Quoted in Minichiello, V. Aroni, R., Timewell, E & Alexander, L., 1995, *In-Depth Interviewing*, Longman, p10.

	qualitative	quantitative
conceptual	<ul style="list-style-type: none"> <li>. concerned with understanding human behaviour from the informants perspective</li> <li>. assumes dynamic and negotiated reality</li> </ul>	<ul style="list-style-type: none"> <li>. concerned with discovering facts about social phenomena</li> <li>. assumes a fixed and measurable reality</li> </ul>
methodological	<ul style="list-style-type: none"> <li>. data collected through participant observation, unstructured interviews</li> <li>. data are analysed by themes from descriptions by informants</li> <li>. data are reported in the language of the informant</li> </ul>	<ul style="list-style-type: none"> <li>. data collected through measuring things</li> <li>. data are analysed through numerical comparisons and statistical inferences</li> <li>. data are reported through statistical analyses</li> </ul>

Some of the elements that make quantitative research and analysis valuable are that:

- it provides the assurance of numerical measurement and calculation (although it is limited to those things that can be enumerated)
- measurements can be replicated in more than one situation (provided the underlying assumptions remain constant)
- it provides for the formal testing of hypotheses (by statistical methods)

Some of the elements that make qualitative research and analysis valuable are that it:

- can identify important concepts and highlight significant issues
- can be explorative in novel and unfamiliar situations
- identifies underlying attitudes and feelings which direct or influence behaviour
- analysis may focus on categorisations, differences, the recognition of patterns etc.<sup>24</sup>

In reality, quantitative and qualitative research should be regarded as complementary, with each making a significant contribution to understanding of social phenomena, and each contributing to the success of the other. For example:

- qualitative research may identify important concepts that can then be employed in a quantitative research program (enumeration can only be done on a basis of adequate conceptualisation)

<sup>24</sup> For example, Dey, I., 1993, *Qualitative Data Analysis*, Routledge, London..

- quantitative research may raise issues that need to be explored through qualitative research e.g. observed voter behaviour may lead to a search for explanations that requires a qualitative research program

(On the other hand, what is not possible is to use and interpret qualitative research as if it were quantitative, and vice versa: this is ruled out by the divergence between the concepts and methods (paradigm) underlying each approach.)

Detailed examination and discussion of the relationship of paradigms has, in recent years, become part of the on-going dialogue in the social sciences.<sup>25</sup>

## Appendix A

### Forest Communities in the Pacific Northwest, USA

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<sup>25</sup> See for example: Thompson, B., 1989, 'The place of qualitative research in contemporary social science', in *Advances in Social Science Methodology*, volume 1, pp1-42; and Guba, E.g. (ed.), 1990, *The Paradigm Dialog*, Sage Publications, Calif.

## Consensus Statements on Rural Communities from President Clinton's Forest Conference, April 2, 1993

On April 2, 1993, President Clinton convened a day-long conference in Portland, Oregon, to discuss the state of the forests, economy and people of the Pacific Northwest of the USA. As well as high level political and Federal governmental representation, invited participants included representatives of Federal and state governments, forest workers and communities, forest industries, environmentalists, Indian tribes, social scientists and biologists. A contents summary of the conference proceedings was prepared by Catherine Woods Richardson. [Richardson, C.W., *President Clinton's Forest Conference, April 2, 1993 Proceedings: A Content Summary*. Prepared for the Interagency Social Assessment Team, May 1993. Attached as Appendix VII-A to: Forest Ecosystem Management Assessment Team (FEMAT), 1993, *Forest Ecosystem Management: An Ecological, Economic and Social Assessment*, US Government Printer.]

The contents summary contains, under many headings, key statements by participants, propositions of consensus, of disagreement. Consensus statements relating to aspects of rural (predominantly forestry-based) communities were the following.

### Rural Communities

#### 1. Value of rural culture, way of life

The culture and heritage of timber-dependent communities are a valuable part of American culture. They include a love of the land and natural beauty passed from one generation to the next through working the land; independent, proud spirits; practical problem-solving abilities.

#### 2. Uncertainty/fear in rural communities

Timber and wood product workers, employers, and communities are afraid of what will happen to them economically, and how economic changes will change their livelihoods and ability to provide for their families, their communities, and themselves. This fear of not being able to provide is linked to losing that aspect of self-identity and self-respect. These people have little feeling of control over their lives.

#### 3. Breakdown of community ties

Not many people talk directly about the breakdown in friendships, business networks, community participation, and other informal relationships which bind a community together, but those who do see these relationships note their importance and their loss.

#### 4. Unemployment

Unemployment is bad, is getting worse, and many more are at risk in the next few months. Workers in many economic sectors are affected, both in a variety of forest and wood product industries and in jobs that are funded indirectly by timber production.

5. Poverty

There are a lot of poor people in timber communities and their numbers are increasing, as measured through soup kitchen and welfare lines, use of food banks, school lunch programs, and other such services.

6. Homelessness

Job loss leads to homelessness for some people; personal stories discuss impacts on families and children, feelings of helplessness.

7. Condition of children and families

There are serious and lasting effects on children and families in timber dependent communities with high unemployment. Children are being physically harmed through poverty and abuse by distressed parents. They are being psychologically harmed through family and community disintegration and their loss of hope and dreams for the future. Symptoms of family breakdown include physical abuse, substance abuse, divorce, single-parent households, juvenile delinquency.

8. Need for local control in rural communities

Fortmann (University of California, Berkeley) and Lee (University of Washington) agree on need for local management and planning. [See also section II.H.5. on institutions and processes for ecosystem management]

9. Community and forest sustainability

A direct connexion exists between the health and sustainability of human and natural communities.

10. Fishing communities

Salmon fishermen and their communities are facing the same level and kinds of difficulties that forest workers and their communities are: loss of culture and self-identity, economic and social stresses that accompany job loss.