Date: 25/06/2019

Reference:



To Whom it May Concern

# Re: Submission on the Modernisation of Victorian Regional Forest Agreements, Murrindindi Shire Council, June 2019

The communities of the Murrindindi Shire have a long and deep relationship with forest management in the Central Highlands. From a history in which timber harvesting was one of the major industries of the shire, to a history of devastating forest fires and, in recent decades an increasing focus on outdoor education, recreation and nature-base tourism. The forests of the Murrindindi Shire are also highly regarded for being rich in biodiversity and home to some of Australia's critically endangered species.

In May 2017, the Murrindindi Shire Council resolved to adopt a Statement on the Management of the Central Highlands Forests. The Statement remains relevant today and I attach a copy to form part of this submission.

Murrindindi Shire Council is very keen to be engaged in, and inform, the modernisation of the Victorian Regional Forest Agreements and DELWP's forest reform program more generally. In addition to the Central Highlands statement attached, we have a number of additional recommendations and opportunities we wish to raise as part of our submission. I draw your attention to these points below.

Yours sincerely



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### Impacts on regional communities and prosperity

The way the forest is managed has a fundamental impact on the prosperity of our regional communities, with the impacts extending beyond the direct jobs in forest industries. The decline in timber harvesting jobs has had a dramatic impact on some of our regional communities (e.g. Alexandra) and now employment in nature-based tourism, recreation and education is a major employer. The review of the RFAs needs to explicitly consider the impacts on regional communities and their prosperity, not only in terms of changes in timber harvesting but also in terms of other forest dependent employment and indirect impacts.

To this end, it is disappointing that there is no representation of regional communities on the stakeholder reference group formed for the review. All of the stakeholders represented are state-wide peak bodies with interest in a specific element of forest management.

**Recommendation:** Representatives of local government be invited to join relevant stakeholder reference group(s) for the review.

## Forest use today must not compromise future uses that support local communities, prosperity and jobs

Tourism, education and recreation will be a component of how the Central Highlands Forests deliver value to the communities of the Murrindindi Shire into the future. While relatively high levels of timber harvesting have been occurring in our region in recent years because of constraints in harvesting elsewhere, it is important that this does not impact the potential from tourism and recreation and the associated jobs in the future. Harvesting near Snobs Creek Falls and proposed harvesting in Narbethong are examples with the potential to impact other uses into the future.

We note that Council is currently developing a Tourism and Events Strategy for Murrindindi Shire. Consultation on the draft strategy has recently be completed. The draft strategy identifies nature-based tourism as the key focus and opportunity for our growing tourism and events sector.

## Transparency and confidence in compliance

Our communities place significant value on protection of the natural environment and so confidence that timber harvesting (and other uses) is occurring in accordance with the relevant requirements, including the Code of Practice for timber harvesting, is critical.

The creation of the Office of the Chief Conservation Regulator provides an opportunity to address real or perceived conflicts of interest in DELWPs role in regulating the forests to date. Further, there is an opportunity for the Office to introduce a much more open and transparent approach to compliance and enforcement, consistent with being a modern regulator, that instils confidence in the community that timber harvesting and other activities are conducted appropriately.

**Recommendation**: That the RFA be revised to more clearly specify reporting requirements and accountability in the event that DELWP does not undertake the necessary reporting and reviews , this has been a critical issue over the last 20 years.

**Recommendation:** That the Federal Government audit Victoria's regulation of forest activities, including timber harvesting to ensure transparency and confidence in the regulatory system.

## Clarity about industry futures and clear transition plans

The discussion paper makes reference to reductions in the timber available for harvesting, however the lack of clarity about future harvest volumes and an active plan for transition of the industry is telling. This is a critical issue and yet is not a feature of the discussion paper.

We understand that in coming year's timber volumes available for harvest in the Murrindindi Shire are forecast to reduce by in the order of 40%. This will continue to have significant impacts on forest industries and other businesses downstream. As recently as 2018 saw the closure of the last sawmill in Murrindindi Shire with the consequent loss of jobs.

It is imperative that there is clarity about the future of the native timber harvest and that government actively work with the industry in transition to manage the impacts.

In recognising the changing native timber harvesting industry will support fewer jobs in the future, it is critical that governments (state and federal) invest in other sectors that have the potential to create jobs and prosperity (such as nature-based tourism).

## Need to plan for climate change, fire and other events that may reduce the availability of forests for a range of productive purposes

The discussion paper critically identifies that current planning for utilisation of forest resources does not take into account potential resource loss through further major forest fires and other events. Further, adverse impacts on forest regeneration as a result of climate change, including but not limited to, repeated high intensity fires, does not appear to have been taken into account.

This would appear to be a major failing in forest planning, as history suggests landscape scale forest fires will occur with increasing regulatory over the coming decades and certainly within the planning horizon. This leaves conservation planning and endangered species as well as timber harvesting and planning for other uses in a precarious situation. Climate change and predicted population growth in Melbourne will also increase the value of our forests as water catchment areas.

## Protection of biodiversity

As outlined in Council's Statement on the Management of the Central Highlands Forests, Council is concerned to ensure that our forests are managed in a way that protects our unique biodiversity. Council is not the experts in relation to this issue and so we encourage you to continue to take advice from the best scientists in this field. Council also encourages you to give careful consideration

to the information provided by community groups in Murrindindi Shire as they often have detailed local knowledge of these forests.

## Review of the Code of Practice for Timber Harvesting

Council notes that the Code of Practice for Timber Harvesting is also planned to be reviewed. In addition to addressing issues of clarity, it is critical that the Code of Practice address responsibilities for road maintenance and damage caused by timber harvesting activities. The mechanisms for this may differ between public land and private land timber harvesting, although mechanisms such as bonds for road repairs before each coupe is harvested would provide confidence that local rate payers are not subsidising an industry where jobs and profits are increasingly leaving the Murrindindi Shire.

In the case of native timber harvesting we note that VicForests do not pay rates or contribute to the maintenance of local roads in any way and yet the majority of timber harvesting coupes are accessed via local roads maintained by Council. These roads are not designed for high levels of heavy vehicle and over dimensional traffic. This issue has become more pronounced as the size of timber harvesting vehicles has increased and the timber processing jobs are moved from local communities to Greater Melbourne and Gippsland. This is an inappropriate cross subsidy of the timber harvesting industry. Council is happy to work with the industry to ensure that roads are fit for purpose and well maintained, however the industry needs to contribute appropriately.

### Statement on the Management of Central Highlands Forests

Murrindindi Shire Council is concerned about the impact of current timber harvesting on the landscape, biodiversity and a range of other current and future uses of Victoria's Central Highlands forests, particularly in the Rubicon Valley. The Council is also concerned about the future of businesses in the Murrindindi Shire that rely on timber harvesting – an industry in transition.

Following Murrindindi Shire Council's 'Have Your Say' survey, we know preserving the natural environment of Murrindindi Shire and supporting our economy are top priorities for our communities.

The Council calls on the Victorian Government to:

- Phase out current native timber harvesting activities in the Central Highlands forests within the Murrindindi Shire, and in particular to cease harvesting in the Rubicon Valley pending resolution of the best approach for the future protection and use of these unique areas; and
- Invest now to assist in industry transition and ensure that communities reliant on timber harvesting can continue to be part of a thriving economy in the future, including transition to alternative, plantation-base timber supply.

The Victorian Government made an election commitment to establish an Industry Taskforce to provide leadership on the future issues facing the forest industry, and protection of our unique native flora and fauna. There is a lack of clarity about when or if this process will deliver a clear direction for the future of forest management.

It is only appropriate that the continued harvesting in the Central Highlands Forests, and particularly current substantial harvesting underway in the Rubicon Valley, cease until a clear future direction for forest management is established. Council is also opposed to any harvesting in old growth forest and urges the Victorian Government to act quickly to preserve these forests.

The timber harvesting and processing sector is in transition and no more so than in Murrindindi Shire. Following the 2009 fires, the available timber resources will not support continued harvesting at the level and using the approaches employed historically. Murrindindi Shire Council recognises concerns that continuing to do so is causing damage to our environment. It is also undermining the range of uses of our forests that underpin the economy of the Murrindindi Shire and limiting possible alternative uses of the forests, including for tourism and recreation purposes.

The last ten years that has seen a major reduction in the number of timber processing facilities operating in Murrindindi Shire with a commensurate reduction in employment in the sector.

While Council continues to support local businesses involved in timber processing, saw logs are largely transported out of Murrindindi Shire for processing. As a result, Murrindindi Shire communities bear the adverse impacts of harvesting activities (for example, impacts on roads and other uses of state forests, visual impacts on the landscape) but do not share fairly in the economic returns.

While change is occurring, currently the timber industry and associated businesses continue to be important employers in Murrindindi Shire. Timber resources in the region are limited and continued harvesting at current levels will see these exhausted in coming years.

Investing in a new, sustainable future for this region is critical, including a transition to plantation-based timber supply. Now is the time for the Victorian Government to invest in the necessary transition for this sector, rather than waiting for changes in the sector to impact adversely on local communities before acting. Further delays will also negatively impact on future options involving alternative forest uses which could assist with this transition and help bolster the local economy.

Murrindindi Shire Council stands ready to work together in partnership with a Victorian Government that is ready to invest in a prosperous, vibrant and sustainable region.

Local government has been excluded to date from the process for determining the future management of the Central Highlands forests. This is unacceptable. Murrindindi Shire Council looks forward to a positive response to its continued efforts to meet to discuss these issues with Victorian Government ministers to advance this critical issue for the future economic prosperity of the Shire.