

Private Forests Tasmania initial comments on the review of the National Forest Policy Statement - Discussion Paper

May 2025

The NFPS is now well over 30 years old and a review is timely. Whilst the current Statement is comprehensive and still mostly relevant, there have been changes and developments over the past three decades that warrant a revised and updated Statement.

PFT recommend the following topics, in no order of priority, be considered in the review.

- *The role of forests and forestry in carbon sequestration and storage and the provision of other natural capital assets* – Since publication of the original Statement, the role of forests and forestry and their potential in mitigating the impacts of climate change is perhaps the biggest forest policy issue that has developed in the intervening years. The current Statement only contains brief references to climate change and the role of forests. While the sequestration and storage of carbon in forests is mostly well understood, the contribution that wood harvested from those forests (both in service and after disposal) makes to carbon storage is less well recognised. So to the substitution effects that harvested timber products make when they displace more carbon intensive materials. A revised Statement should provide greater emphasis on the role of forests and forestry in climate change and the provision of other natural capital assets and provide greater stimulus for more research, understanding and adoption of these concepts.
- *The need for active management of forests* - The current Statement has an emphasis on achieving *ecologically sustainable management of Australia's forests*. While there is nothing inherently wrong with this, it can be interpreted as having a hands off or passive approach to forest management, essentially allowing nature to take its course. Climate change is increasing the risks to our forests through changed fire regimes, altering biodiversity, increased pest and disease risk and reducing forest productivity. If we are to continue to have healthy and resilient forests with all the environmental, social, economic and cultural benefits they provide, then the above-mentioned risks will require ongoing attention with active management or deliberate tending of forests by forest stewards and forest professionals. In some cases it may mean significant interventions and reshaping of degraded or 'at risk' forests. In other cases it will mean minimal intervention. This applies to all forests whether they are primarily for wood production or conservation or both. A revised Statement should provide greater emphasis on achieving sustainable active management of Australia's forests.
- *The requirement to foster and maintain a social licence for actively managing native forests*. The term social licence was likely not even in use when the original Statement was drafted. However, it could be argued that the social licence for harvesting timber

from native forests has deteriorated in the last three decades. This is highlighted by the decisions to cease harvesting in public native forests in Victoria and Western Australia in recent years. These decisions reflect, and to some extent reinforce, a view that the social licence for timber harvesting in native forests is being lost.

The current Statement already contains within its vision and goals elements of public awareness, education and community understanding of contemporary forest management; however this appears to have largely failed in regard to native forest management. Whilst the *National Forest Inventory* and the associated 5-year *State of the Forests Reports* are an excellent compilation of information and data on Australia's forests, they only reach a limited audience. A revised Statement should include elements that stimulate a broader public education and engagement program that aims to foster and maintain a social licence, particularly in the area of active native forest management.

- *Continued use of intergovernmental regional agreements* – Regional Forest Agreements (RFA's) are a product of the NFPS and were an attempt at balancing the full range of environmental, social and economic values (triple bottom line) that forests can provide. These agreements both recognise that under the Australian constitution, States have primary responsibility for land use decision making and management, but at the same time the Australian Government has obligations under its own legislation and a raft of international conventions and agreements. The RFA's are a convenient and efficient means of accommodating the responsibilities and obligations of both levels of government and they have largely been successful. There have been criticisms of RFA's, however in response to this the Australian Government has flagged that RFA's will in the future be subject to the proposed national environmental standards. A revised Statement should continue to recognise regional forest agreements.
- *Wood pricing and open and transparent markets* – The current Statement contains policy that encourages approaches involving competitive bidding systems and the use of logs for their highest net value-added end use (NFPS s4.2). Whilst some parts of the forestry industry may have adopted this policy, it is not widespread. For example, there is a general lack of visibility regarding market opportunities particularly for the smaller non-industrial private forest growers. This is exacerbated by not having readily available market analytics including prices for the sale of local forest products. The revised Statement should better promote and incentivise an open and transparent market with competitive and clear pricing for all log products from both private and public forests. Such a market would make log product prices and volumes regularly available through a mechanism similar to the FWPA's Data Dashboard and Timber Market Index, but with a broader range of both hardwood and softwood log products and with market analytics made freely and easily available to all market participants. This approach would help correct the current imbalance of market power between some supply chain actors and smaller growers and would lead to better opportunities for smaller growers to provide their wood to market.

- *Tenure blind forest management* - The current Statement contains policy specific to private forests and public forests. Whilst its necessary to make this distinction for administrative and other related purposes, the revised Statement would benefit by promoting active land and forest management policies and practices that are 'tenure blind.' This approach would extend to critical areas such as enabling active management across tenures for fuel reduction programs, wildfire response, the use of technology such as LIDAR for resource assessments and the maintenance and use of the existing forest roading networks.