

PRIVATE FORESTS TASMANIA

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Hon David Llewellyn MP
Minister for Energy and Resources
Parliament House
HOBART TAS 7000

Dear Minister

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2008

In accordance with section 32E of the *Private Forests Act 1994*, I hereby submit for your information and presentation to Parliament the Annual Report of Private Forests Tasmania for the year ended 30 June 2008.

The Report has been prepared in accordance with the provisions of the *Private Forests Act 1994*.

Yours sincerely

A handwritten signature in black ink, appearing to read 'I. M. Dickenson', with a long, sweeping horizontal stroke at the end.

Ian Dickenson AO
CHAIRMAN

20 October 2008

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HIGHLIGHTS

- Achieved satellite imagery of 69% of the target area
- 78 applications for Private Timber Reserves advertised with gazetted Private Timber Reserves totaling 12,709 hectares in area
- Private forest harvest in 2007-2008 was 2,866,002 tonnes, which accounted for approximately 42.5% of total timber production in Tasmania during that period
- Native forest products made up 41% of the private wood harvest with 59% from plantations
- Successful implementation of the Sustainable Farm Forestry Management for Production and Conservation Project funded under the National Landcare Community Support Program
- Private Forest Service Levy set at \$14 per hectare for the 8th consecutive year

Chairman's Report

I am pleased to once again present the Annual Report for Private Forests Tasmania (PFT) for the year ending 30th June 2008.

It would be fair to say that the private forest sector has been part of another eventful year for Tasmania's forests and the forest industry.

The political landscape has changed both nationally and here in Tasmania with a change in the leaderships of the Government and the Greens. The PFT Board looks forward to the opportunity to inform our new "leaders" of all the positive opportunities that sustainably managed native forests and plantations provide to the Tasmanian community.

The very real focus on "climate change" has added to the debate about how our forests should be managed. Add to that the Australian Government's intention to introduce an emissions reduction scheme in 2010 and we find various interest groups in our community positioning themselves to convince the wider community that their position is the correct one.

At PFT we will rely on the best science available to inform us on how our forests and plantations should be managed to achieve a sensible outcome for the environment and the industry. The focus on reducing emissions is potentially a huge opportunity for private forestry however, the "rules" need to be correct for this opportunity to exist.

The various reviews currently underway for some industry bodies and departments, including the roles and functions of PFT, are causing much anxiety. It is, however, appropriate for governments to review an organisation such as PFT after its existence for a decade. It is a very real opportunity for PFT to ensure it is providing value for Government, its client base, and the wider community. We look forward to a timely and positive conclusion to the review.

Once again our staff have done some very good work in the field. They continue to build a wide network of farmers and land managers who trust and respect their advice. These outcomes have been achieved in spite of some very challenging climatic conditions.

The industry is steadily developing further downstream processing opportunities. The major facilities are Forest Enterprises Australia's new sawmilling complex at Bell Bay, Ta Ann's Southwood complex, and more recently its Smithton complex. Gunns' pulp mill proposal is still going through its approval process after almost four years and it is to be hoped that it progresses to completion soon. Tasmanians should be reminded that the original woodchip export licences had a clause in them that required the holder of that licence to conduct a feasibility

study into building a pulp mill in Tasmania. Over the next few years Tasmania will be producing between five and seven million tonnes of pulp-wood-grade material annually. This material will be processed into pulp somewhere in the world. It should be obvious to us all by now that the regulation required to build a pulp mill in Tasmania will be extremely tight. It should therefore follow that from a global perspective the best environmental outcome is to produce the pulp in Tasmania.

During the year our previous Chief Executive Officer, Simon Eldridge, resigned and moved to Queensland to be closer to his family. As the review had already commenced it was not sensible to advertise for a replacement because of the uncertain future of PFT. We were very fortunate to second the services of Graham Sargison from Forestry Tasmania, who was one of PFT's original staff members based on the North West Coast two decades ago.

On behalf of the Directors I wish to express our appreciation of Graham's contribution, as we do for all our staff. We also appreciate the support that we have had from Mark Addis and DIER staff and we look forward to providing further valuable advice and services over the coming year.

A final thankyou goes to the Directors of PFT whose contributions over the past year have been most appreciated.

Ian Dickenson AO
Chairman

The Year in Review

My secondment to the position of Chief Executive Officer in September 2007 has provided me with a renewed insight into the private forestry sector in Tasmania which, in my opinion, has a very bright future.

Over the past nine months I have had tremendous support from the Directors of Private Forests Tasmania, ably led by Ian Dickenson, and I would like to commend them on their dedication and enduring commitment to private forestry in Tasmania.

This time has seen a lot of changes within the political arena in Tasmania but Private Forests Tasmania has continued to deliver economic, social and environmental benefits for companies, landowners and the broader Tasmanian community.

During the course of the year 78 applications for Private Timber Reserves (PTR) were received and processed by the Authority and 12,709 hectares were gazetted as PTRs, giving the owners and managers of this land greater certainty in respect of their future forest management and harvesting plans.

As in previous years, Private Forests Tasmania continued to be the primary source of information about the extent of the private forest estate and the annual harvest. With 885,000 hectares of privately owned native forest and 171,980 hectares of plantations, private forests supplied approximately 2.9 million tonnes of wood products representing almost 43% of the annual timber harvested in Tasmania.

For PFT staff there has been a difficult working environment during 2007-2008, continuing to operate under the cloud of a review and also losing several key staff through resignation and the winding down of some externally-funded projects. In the North West both Andy Warner and Mark Bentley left to take up positions overseas; Andy in Thailand and Mark in Europe.

Andy had been with Private Forests Tasmania for 12 years and had been a leader and major contributor to private forestry within Tasmania and throughout Australia. His most notable achievements were the Farm Forestry Toolbox (versions 1 to 5), Pruned Stand Certification, and the use of satellite imagery to capture the private forest resource.

As yet we have been unable to fill the positions vacated by Andy and Mark and they are sorely missed.

I would like to convey my sincere thanks to the dedicated staff of Private Forests Tasmania and wish them all a happy and prosperous future.

Graham Sargison

Chapter One: Private Forests Tasmania – An introduction

Private Forests Tasmania was established in 1994 by the *Private Forests Act 1994* with governance responsibilities that recognise the economic, environmental and social importance of Tasmania's private forests.

The objective of Private Forests Tasmania is set out in Schedule 1 of the *Private Forests Act 1994* and is:

...to facilitate and expand the development of the private forest resource in Tasmania in a manner which is consistent with sound forest land management practice.

Its core functions and powers are set out in Sections 6 and 7 of the Act, and can be broadly summarised as follows:

- to develop and advocate strategic and policy advice to the Minister responsible for forestry on all matters relating to private forestry in Tasmania;
- to work in partnership with private forest owners and users by providing advice on all aspects of forest management; and
- to initiate extended or new market opportunities.

The Annual Report reports on the operations of Private Forests Tasmania, including the audited financial statements, for the year ended 30 June 2008. The operations are reported on under chapters that reflect our objective together with a chapter providing an overview of Administration and Finance and a separate section containing the Financial Report for the 2007 – 2008 financial year.

Chapter Two: The private forest estate in Tasmania

An important component of Private Forests Tasmania's work is to improve the level of knowledge and understanding of the private forest estate among policy makers, the media, key stakeholders and interested parties.

2007 – 2008 Harvest summary from private forests

Each year, Private Forests Tasmania compiles Australia's only authoritative harvest summary from private forests.

The annual data collation of major log products harvested from private forests was expedited with the co-operation of the processors. The information is provided to PFT on the basis that it will be aggregated and strict confidentiality of the raw data provided by processors is guaranteed and adhered to.

The private forest harvest in 2007 – 2008 was 2,866,002 tonnes, which accounted for approximately 42.5% of total timber production in Tasmania during that period and is slightly higher than the 2006 – 2007 results.

The private plantation harvest in 2007 – 2008 was 1,679,488 tonnes, which accounted for approximately 63% of total plantation timber production during the period.

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
NATIVE HARDWOOD						
Hardwood Sawlog, Veneer & Ply	100,970	119,551	96,816	69,837	48,765	51,980
Hardwood Pulpwood	1,792,636	1,668,762	1,628,739	944,096	955,879	1,134,118
Minor Log products	591	814	446	5,412	470	416
Fuelwood	No measure	No measure	No measure	No measure	No measure	No measure
Total	1,894,197	1,789,127	1,726,001	1,019,345	1,005,114	1,186,514
PLANTATION HARDWOOD						
Hardwood Sawlog, Veneer & Ply	--	6,851	3,408	11,695	11,957	16,800
Hardwood Pulpwood	628,921	549,988	799,280	973,209	921,679	1,103,366
Minor Log Products	--	--	--	--	--	--
Total	628,921	556,839	802,688	984,904	933,636	1,120,166
PLANTATION SOFTWOOD						
Softwood Sawlog, Veneer & Ply	110,619	146,681	133,422	121,381	198,665	201,571
Pulpwood	205,887	247,273	170,701	217,935	128,984	354,080
Minor Log Products	--	54	415	38	1,181	3,671
Total	316,506	394,008	304,538	339,354	328,830	559,322
GRAND TOTAL (tonnes)	2,839,624	2,739,974	2,833,227	2,343,603	2,267,580	2,866,002

Comments from 2007-2008 Data

1. Information was sourced from over 45 processors throughout the State
2. Data has been aggregated to maintain the confidentiality of individuals' information
3. Fuelwood data is not included because of the difficulty of obtaining enough data from the many producers.
4. There has been an increase in the total harvest of both native forest and plantations for all forest wood products.
5. Native forest products made up about 41% of private wood harvest.
6. Hardwood plantation products made up about 39% of private wood harvest.
7. Softwood plantation products made up about 20% of private wood harvest.
8. Although the total harvest of private forest increased this year, the percentage of sawlog, veneer and ply log dropped slightly to 9.4%.

The expansion in the domestic market and an improvement in the international woodchip market have meant a significant increase in the total private native forest harvest. Forest harvesting on the private forest estate is largely integrated with the harvest of sawlog and pulpwood undertaken at the same time.

An increase in the native hardwood sawlog, veneer and ply log harvest of some 3,200 tonnes has reversed the declining trend of production from the private forest estate over the past 3 years.

There was an increase in the harvest of plantation softwood sawlogs from the private forest estate of some 5,000 tonnes and an increase in the harvest of softwood plantation pulpwood of some 225,000 tonnes mainly due to domestic processing.

Native Forest and Plantation harvest as % of total harvest from private forests				
	Native Forest Harvest		Plantation Forest Harvest	
Year	Volume (tonnes)	Percentage	Volume (tonnes)	Percentage
2007-08	1,186,514	41.4	1,679,488	58.6
2006-07	1,005,114	44.3	1,262,466	55.7
2005-06	1,019,345	43.5	1,324,258	56.5
2004-05	1,726,001	60.9	1,107,226	39.1
2003-04	1,798,127	65.3	950,847	34.7
2002-03	1,894,197	66.7	945,427	33.3
2001-02	1,812,871	67.6	868,551	33.4
2000-01	2,053,089	76.7	622,205	23.3

In 2007-08 the plantation harvest exceeded the volume harvested from native forest. The harvest from plantation forests accounted for 58.6% of the total harvest from the private forest estate while the harvest from the hardwood plantation forests accounted for 39% of the total harvest from private forests in the same period.

Plantation hardwood pulpwood as % of total hardwood pulpwood from private forests		
Year	Volume (tonnes)	Percentage
2007-08	1,103,366	49.3
2006-07	921,679	49.1
2005-06	973,209	50.8
2004-05	799,280	32.9
2003-04	549,988	24.8
2002-03	628,921	26.0
2001-02	511,436	23.5
2000-01	238,104	11.1

In 2007-08 the harvest of plantation hardwood pulpwood was marginally less than half of the total hardwood pulpwood harvest from the private forest estate.

Reporting on native forests

According to the 'Sustainability Indicators for Tasmanian Forests 2001 – 2006' (as at June 2006), there are currently 885,000 hectares of privately owned native forest in Tasmania, or 28% of total native forest estate in Tasmania.

Private Forests Tasmania is required to prepare a five-yearly report on the private forest resource and work has commenced on compiling the next review. Considerable investment has been made in recent imagery to update the area of private land covered by forests.

PFT continues as a member of the Montreal Implementation Group (MIG). This group is responsible for implementing the reporting on sustainable forest management in Australia against the internationally endorsed Montreal Process. The MIG collated information and data for the Australia's State of the Forest Report in 2008, during the period 2006 – 2007 which was publicly released in May 2008.

PFT is a member of the Working Group established by the Forest Practices Authority undertaking the preparation of the 2007 Tasmanian State of the Forest

Report and in May 2007 the report 'Sustainability Indicators for Tasmanian Forests 2001 – 2006' was released.

Mapping the forests using Geographic Information System

The GIS continues to underpin PFT's spatial data management system. Collection and collation of information on changes to the private forest estate is obtained through links with other data collectors, the use of satellite imagery, and from direct on-ground interaction with private forest clients.

Our specialist GIS staff continue to develop and manage large complex datasets from the many different types of spatial data held by PFT. They continue to provide spatial data for the annual update of major forest groups and Private Timber Reserves for public use via the state's Land Information System (www.thelist.tas.gov.au) as well as collating private property plantation information for national reporting.

PFT's expertise in the integration of satellite imagery with other GIS datasets is well-recognised at local and national levels.

Enhancing the GIS capability through purchase of high resolution Quickbird satellite imagery

PFT has a unique role to play in mapping the private forest area of Tasmania. In 2006, after considerable liaison with other government and private land management agencies, we came to the conclusion that our contribution to the development of knowledge and appropriate public policy could be significantly enhanced through the purchase of high resolution Quickbird satellite imagery.

PFT has brought together a consortium-based project to purchase high-resolution imagery covering most of the mainland Tasmania private property. The innovative approach used by PFT has involved both public and private funding sources being aggregated to successfully obtain bulk order processing and acquisition benefits.

Private Forests Tasmania has committed up to \$350,000 to this three-year project as its contribution towards the purchase of the imagery and after two years of data collection we are right on target as imagery data has been collected over approximately 69% of the project area. We are hoping to have completed the imagery collection by March/April 2009.

The opportunity is now available for non-consortium members to purchase imagery from PFT at competitive rates and already some initial sales have been made.

The imagery is being acquired from the Quickbird satellite that can produce imagery with sub-metre level resolution suitable for a wide range of natural resource management applications.

The project has already begun to clarify the best options for ongoing high-resolution imagery capture to provide a regular cost-effective means of updating natural resource management changes. PFT is actively liaising with other government and private land management agencies with the aim of developing a whole-of-state approach to future satellite imagery purchases.

The private plantation estate

Private Forests Tasmania provides detailed information on the state of the plantation estate in Tasmania to the National Plantation Inventory. The inventory is reported on a calendar year basis. The latest figures reported are as at 31 December 2007.

As at the end of 2007 there were 171,980 hectares* of plantations on private land in Tasmania.

(* This figure, which is based on a preliminary analysis, is approximate. The final accurate area summary statement will be available on completion of the Annual Forest update process later this year)

The make-up of the plantation estate is set out in the table below.

Plantation Type	Area Planted (hectares)	
	2007	Total to 31 December 2007
Hardwood	21,914	150,797
Softwood	686	21,183

Tasmania's private plantation estate now constitutes 62% of the total plantation area in Tasmania and new plantings on private land accounted for 88% of new plantations established in Tasmania in 2007.

(* These figures are based on the Forestry Tasmania reporting cycle July 06 – June 07 and the PFT cycle Jan 07 – Dec 07)

Despite increasing claims to the contrary, the fact remains that the overwhelming majority of plantations are not being planted on prime agricultural land. The Private Forests Tasmania Information Paper No.1 *Private Property Plantations in the Landscape in Tasmania as at 31 December 2006* released in June 2007

showed that most Tasmanian forestry plantations were on lesser quality land, and that the vast majority of plantations were on land officially categorised as unsuitable for cropping.

The latest data shows that as at 31 December 2007 there were only 5,864 hectares of plantations established on land mapped as Class 1-3 land.

- Represents 3.4% of the total private plantation estate in Tasmania.
- Represents 5.5% of the total area of 107,005 hectares of land mapped as Class 1-3 land in Tasmania.

In the calendar year 2007 there were only 390 hectares of plantations established on land mapped as Class 1-3 land.

- Represents 1.7% of the private plantation area established in 2007.
- Represents 0.36% of the total area of land mapped as Class 1-3 land in Tasmania.

Chapter Three: Encouraging and promoting private forestry

One of the key objectives of PFT is to promote the development of private forestry in Tasmania. The increasing recognition of private forestry and its social, economic and environmental benefits to the state is promoted through a variety of activities. These cover activities such as direct input into government policy; client servicing via extension services; production of our quarterly *TREELine* publication; meetings and briefings with stakeholders and interested parties; and having a presence at major events such as AGFEST. Highlights of some of these activities follow.

Government policy

A number of meetings and submissions have been made to the relevant government agencies to advise on matters relating to and impacting upon the private forestry sector. These included the development of the implementation plan for the *Policy on Maintaining a Permanent Native Forest Estate*, a number of draft Council planning schemes, and the Review of the *State Policy on the Protection of Agricultural Land*.

PFT staff also represented the interests of private forest growers and owners at a range of government forums and committees including:

- Forest Practices Advisory Council
- Forests and Forest Industry Council of Tasmania
- Montreal Implementation Group
- Vegetation Management Policy Advisory Group

A full list of these is contained in Chapter 7.

Client Servicing

The delivery of client services is an important activity delivered by PFT. This is achieved by the long term support of many private property landowners and the increased number of new landholders (over 200 this year) seeking advice and assistance.

A more comprehensive coverage of a number of specific activities delivered to clients is included in Chapter 4.

Field Days and Other Events

The direct delivery of information to clients and other interested stakeholders is undertaken by the provision of and participation in field days, conferences and farm forestry dinners. These activities are held to promote sustainable forestry

practices, inform growers of market opportunities and to highlight excellence in farm forestry.

The annual Australian Forest Growers/Private Forest Tasmania farm forestry dinner was held in Launceston in September and over 92 persons attended. The Premier, The Hon Paul Lennon, delivered an inspired and convincing keynote address on the Gunns Ltd proposed pulp mill development. Owen and Sue Smith were awarded the Stihl-Australian Forest Growers' Tree Farmer of the Year Award 2007 by the Premier.

The annual North West Farm Forestry Dinner was held at Somerset in July and was attended by over 65 people including farm foresters, politicians, and representatives from various forestry companies. The theme for the dinner was focused on talks and demonstrations on the opportunities and challenges for farm forestry.

A field day was held for 40 persons at Wilmot in November to demonstrate options for plantation silviculture.

The externally-funded projects held field days in their own right. These were well supported by PFT staff and attracted a large number of visitors. Other field days were held in conjunction with PFT's research, information and dissemination activity.

PFT exhibited at AGFEST and promoted products and services available to landholders including, native forest and plantation management, trees in land management, GIS and the externally funded projects, specifically, *Sustainable Farm Forestry Management for Production and Conservation*. The PFT exhibit attracted many existing landholder clients as well as new clients.

TREELine and other communications

The objective of TREELine is to provide forest growers and other landowners (as well as interested parties) with information that is directly relevant to them in their operations and forestry activities. Topics covered in the Winter, Spring/Summer and Autumn publications included:

- Forest Practices Plans
- Protection of high priority vegetation
- Direct Seeding
- Optimising Returns
- Environmental Benefits
- Forestry myths

PFT placed advertisements, editorials and advertorials in The Examiner newspaper, Tasmanian Country, and The Advocate newspaper. Radio interviews were conducted by staff on a range of topical matters relevant to landowners.

Chapter Four: Adding value to the private forest estate

One of the key challenges facing Tasmania, and one of the key roles of PFT, is to increase the value of the private forest estate. This can be achieved through a variety of means ranging from appropriate site selection, nutrition regimes, appropriate silviculture, and innovative market development. PFT's role is to provide landowners and others with the technical support and expertise to enable this value-adding to occur. During 2007 – 2008 PFT achieved this through a variety of programs and activities.

Plantations

The Stand History and Management Assessment System (SHAMAS) – a database to enable PFT staff to better record work undertaken by landowners to manage their plantations and to identify in advance when management operations such as thinning and pruning need to be conducted – has ensured that landholders manage plantations to industry standards and schedules. Over 450 stands or 1,750 hectares of plantation, are recorded in SHAMAS. PFT provided landholders with information on timing and quality of pruning and thinning operations for 90 stands, facilitated contract pruning and monitored the quality of operations.

Landholders received written management advice and detailed prescriptions to correct nutrient deficiencies in *Pinus radiata* and *Eucalyptus nitens* plantations on 12 properties.

Pruned Stand Certification was promoted and demonstrated to forest growers and contractors. This certification process developed by the Australian Forest Growers (AFG) nationally provides smaller growers with a standard recognised audit process of pruned log quality as a means of achieving premium stumpages at the time of sale. PFT continues to co-ordinate and provide technical management for the national system on a consultancy basis for AFG, as well as running all training courses for auditors throughout Australia. During the year PFT staff conducted one Pruned Stand Certification training course and audited stands.

PFT maintains a landholder advisory role in the Pine Development Loan program to encourage growers to actively manage their softwood plantations to achieve returns consistent with the aim of the program to increase the availability of higher value wood resources.

Australian Forestry Standard

During the year both Gunns Ltd and Forest Enterprises Australia Ltd were certified under the Australian Forestry Standard and Norske Skog Ltd has commenced the certification process.

Farm forestry assistance

Farm forestry is an important component of the state's private forestry sector, with approximately 82% of the state's privately owned native and plantation forests being owned by non-industrial landowners.

Three Australian Government-funded natural resource management and farm forestry projects enabled Private Forests Tasmania to employ four project staff to deliver three projects which include planning and financial assistance to landholders in North East Tasmania.

The second year of the *Sustainable Farm Forestry Management for Production and Conservation* project was completed and the third and final year commenced and all but implemented. This three year project received a \$900,000 grant under the National Landcare Community Support Program and was contracted to Private Forests Tasmania by Australian Forest Growers (AFG), an organisation representing private forest growers nationally. Private Forests Tasmania employed two staff to deliver this project in North East Tasmania to assist private landholders in the Dorset, Meander, Northern Midlands and Break O'Day Council areas to plan, manage and conserve native forests and plantations for both production and conservation outcomes, with an overriding objective to provide environmental services.

The \$290,000 year two grant saw \$132,545 provided to landholders to establish 55 hectares of plantation, direct seed 55ha, manage 97 ha native forest, and protect 14 ha of native forest.

About 75% of the year three grant of \$290,000 was received and landholders have largely completed or made arrangements to complete 23 hectares of plantation, 4 ha direct-seeded native forest, 258 ha of protected forest, 2.5 km of protected riparian vegetation, and 400 ha of managed native forest.

Landholder in-kind contributions exceeded the on-ground grant expenditure.

The project will be fully completed in September 2008.

Forest Practices Plans

Private Forests Tasmania continues to prepare both certified and non-certified forest practices plans, the latter for landholders participating in the *Sustainable Farm Forestry Management for Production and Conservation* project. These latter plans ensure that on-ground works are done to Forest Practices Code standards and that environmental values (soils, geomorphology, landscape, flora, fauna, and cultural heritage) are identified during the planning phase, and protected.

Farm Forestry Trials

Private Forests Tasmania maintains an important range of demonstrations and trials throughout the State to provide important data that underlies quantitative advice provided to private forest owners. Most of these trials are on cleared agricultural land considered marginal for traditional plantation forestry. These trials evaluate and demonstrate pruning, thinning and fertiliser options for production of high quality wood products and maximise return on investment.

The existing four eucalypt plantations and one radiata pine trial at Forth, Cressy and Carrick were thinned, pruned and fertilised. These sites were assessed for tree growth. One new eucalypt and one new pine trial site were established at Carrick and Westwood. Plans were prepared for soil sampling and analysis.

PFT developed a plan in cooperation with other stakeholders to trial a number of local and introduced tree species suitable for commercial wood production in areas with low rainfall and subject to frost.

An *Acacia melanoxylon* silvicultural trial at Sheffield which demonstrates that *A. melanoxylon* can be successfully grown with eucalypt nurse crops was pruned and monitored.

The project at Wattle Grove in southern Tasmania, *Revegetation, protection and commercial plantations on riparian areas*, has continued with the CSIRO installing the water monitoring equipment and weather station. The initial 2007 plantings of *Eucalyptus globulus* and *Acacia melanoxylon* were subjected to a very dry year, but the survival rate is in excess of 90%. Maintenance operations including weed control, fencing, mammal control, photographic journal and restocking have all been carried-out.

Research and development diffusion

Private Forests Tasmania is represented on the Tasmanian Community Forest Agreement, *Alternatives to 1080 Stakeholder Group* and has participated in several workshops and field days.

The *Sustainable Farm Forestry Management for Production and Conservation* project held a very successful field day on Flinders Island for 26 landholders. The *Sustainable Farm Forestry Management for Production and Conservation* jointly with the *Best Salinity Management Practices* project held an outstanding field day at Cressy for 72 landholders to increase awareness of the integration and best management practices of trees on farms for increased agricultural and forestry production and improved soil, water and vegetation conservation outcomes.

PFT held two annual farm forestry dinners for landholders at Camdale and Launceston. Over 150 landholders and forest managers were informed about forestry practices and markets. The Premier, Hon. Paul Lennon MP, was the keynote speaker at the Launceston dinner.

PFT held one field day principally for 16 landholders and their neighbours participating in the farm forestry trials and demonstrations in the North East Region. PFT held an annual field day in the North West region for 40 private forest growers – the focus was on species selection, management and marketing.

TREELine has regularly provided information to landholders on research and extension activities.

Chapter Five: Trees in land management and environmental benefits

One of the objectives of PFT as set out in the *Private Forests Act 1994* is “to foster the use and values of trees in sustainable land management”. This environmental objective remained a significant focus of PFT’s work with landowners and forest growers during 2007 – 2008.

The program provided advice on the establishment and management of native vegetation, shelterbelts and landscape planning, to farmers, schools, road authorities, Natural Resource Management facilitators, councils and various community groups.

This year was extremely difficult for tree establishment in areas of traditionally low rainfall due to prolonged drought effects. The central midlands, far north east, and King and Flinders Islands all experienced lower than average annual rainfalls. PFT’s mound plough was provided to both mainland and Flinders Island landholders to assist with site cultivation. In addition to advice to Tasmanian mainland landholders, PFT staff visited Flinders Island to provide technical advice on tree establishment and management to landholders participating in NRM North property management planning projects.

Private Forests Tasmania provided significant technical input into the Launceston City Councils’ Hoblers Bridge Revegetation project to improve the North Esk River and capture carbon.

Direct seeding

All 2006 – 07 direct seeding sites were assessed and two properties were re-sown, and only about five hectares of new seeding was completed. Other seeding has been postponed until Spring 2008 due to dry conditions.

Heritage Forest

Private Forests Tasmania continued to be represented on the Heritage Forest Advisory Committee. Heritage Forest stands on a reclaimed refuse site at Invermay.

Natural Resource Management (NRM) Committees

A close liaison is maintained with regional NRM bodies and sub-regional NRM facilitators.

Private Forests Tasmania is represented on the NRM North Association, NRM South, Cradle Coast NRM, Tamar NRM Management Committee and Technical Group, and both Meander Valley and Dorset NRM groups.

Private Forests Tasmania actively participated in the Tamar NRM national pilot *Tamar Sustainability Index Project* reference group. This project was completed in May 2008.

Environmentally-focused project

Private Forests Tasmania continued to deliver natural resource management outcomes through the three year *Sustainable Farm Forestry Management for Production and Conservation* project. This project will be completed in September 2008. In addition to the integrated plantations established, a total of 616 ha of native forest has been managed, and 280 ha of native forest/wetlands protected for conservation. All projects were assessed and funded according to the environmental services provided including biodiversity protection, water and salinity management, soil erosion, and carbon sequestration.

The *Targeted Vegetation Protection and Maintenance Project* was completed. PFT was contracted by NRM North to deliver this Natural Heritage Trust funded project in the NRM North Region excluding the Tamar NRM Region. This project targeted threatened vegetation communities on private property, with incentive funding delivered on a \$/ha basis – a first for such projects. A TASVEG Vegetation Condition Assessment was conducted for each individual site. Ten-year Management Agreements combined with Site Management Plans were used to conserve these areas and in some instances the Part 5 Land Use and Planning Act was the instrument used to permanently conserve areas.

Under the project, PFT acquired a Quikspray unit to assist landholders spray weeds in high quality, and often threatened, native forest protected for conservation. This new innovation saw over 316 hectares managed for weed control.

The *Targeted Vegetation Protection and Maintenance Project* exceeded all targets. The project was managed by one project officer and 23 Site Management Plans were implemented resulting in: 196 ha of threatened vegetation communities protected; 316 ha of existing protected vegetation communities enhanced through maintenance activities; 32 km of stream banks and riparian vegetation protected; 21 water troughs installed; 3 agreements under Part 5 Land Use and Planning Act placed on titles to permanently protect vegetation; a field day held in Meander Valley; and six brochures produced for each NRM sub-region. The total grant expenditure was \$292,181, of which \$191,346 was spent on on-ground works to which landholders contributed an additional \$223,574.

PFT was sub-contracted by Armstrong Agricultural Services to continue to deliver the demonstration component of *Supporting Best Practice Salinity Management in Tasmania (Phase 2)* project under the NRM North Regional Investment Plan. The demonstration sites are in the Back Creek catchment south west of Longford. Private Forests Tasmania assisted to identify demonstration sites and delivered the on-ground project activities. These included development and implementation of a range of best practice salinity management options for key farms, including drainage, fertiliser application, salt tolerant pastures, interception shelterbelts and saltbush trials, as well as monitoring groundwater and soil condition under centre pivot irrigators. Establishment of salt tolerant trees and saltbush have to date been outstanding with over 92% and 72% of plants surviving respectively. Other trials include the evaluation of the new Bayer Initiator tablet to protect young trees from insect damage. The project has been extended to June 2009 to enable full completion of the on-ground works.

Chapter Six: The regulatory regime

Private forestry pursuits are undertaken within a regulatory regime that, in the broadest sense, encourages rather than discourages such pursuits. Broadly, the regulatory regime within which private forestry operates is set out in the *Forest Practices Act 1985* and subordinate legislation, together with the Forest Practices Code, the Tasmanian Regional Forest Agreement 1997, and the Supplementary Regional Forest Agreement 2005 (also known as the Tasmanian Community Forest Agreement), particularly through the *Policy on Maintaining a Permanent Native Forest Estate*.

The Private Forests Act 1994, under which PFT operates, also contains some regulatory-type powers impacting on private forest growers, such as the private forest service levy.

Private Timber Reserves

Private Timber Reserves (PTRs) were created by parliament in 1985 to enable landowners to have their land dedicated for long-term forest management. The legislation provides that forestry activities on the land are subject to a single, consistent, state-wide system of planning and regulation through the Forest Practices Act, rather than to variable systems that may be applied under different planning schemes through the *Land Use Planning and Approvals Act 1993*. Details on PTR applications during 2007–08 are summarised below.

Period	1 July 2007 to 30 June 2008	Progressive total to 30 June 2008 *
Applications advertised	78	1941
Applications approved by the Board of the Forest Practices Authority	70	1864
Private timber reserves revoked	9	142
Total area gazetted (hectares)	12,709	441,734

*Progressive total contains adjustments to figures in previous periods. Progressive totals are adjusted primarily because original applications to declare areas as private timber reserve have been followed in later years with an application to revoke part or of the area declared as a private timber reserve. When parts of areas of private timber reserves are revoked the original application is split and recorded as two applications in the database, and hence inflates the progressive totals of the numbers of applications approved by the Board and the number revoked. Progressive area gazetted is not subject to the same adjustments and is an accurate estimate of the actual area declared as a private timber reserve.

The total area gazetted during 2007 – 2008 (12,709 hectares) is an increase of 3448 hectares compared with 9,261 hectares gazetted in 2006 – 2007. The area gazetted is directly related to the number of applications, and the area of land covered by each application, lodged by land owners with PFT. Since 1994 there is no apparent pattern to the lodgment of applications.

Period	Annual area gazetted (financial year) (hectares)	Progressive total (hectares)
1994/1995	6,524	168,212
1995/1996	36,037	204,249
1996/1997	38,620	242,869
1997/1998	40,800	283,669
1998/1999	6,190	289,859
1999/2000	23,813	313,672
2000/2001	11,570	325,242
2001/2002	31,813	357,055
2002/2003	14,370	371,425
2003/2004	5,783	377,208
2004/2005	26,101	403,309
2005/2006	22,590	425,899
2006/2007	9,261	430,019
2007/2008	12,709	441,734

The average processing time of 66 days from receipt of an application until forwarding to the Forest Practices Authority is similar to the average processing period for the previous years.

Year	Applications received	Average processing time (days)*
2007 – 2008	78	66
2006 – 2007	64	63
2005 – 2006	70	61
2004 – 2005	157	65
2003 – 2004	25	72
2002 – 2003	65	92
2001 – 2002	117	81

*The average processing time is net of one application where the applicant requested a cessation of the consideration of the application. If this application is included the average processing time (days) was 69. The median and mode is 63 days for all 78 applications. It should be noted average processing time includes 30 days objection period.

During 2007 – 2008 a revamped private timber reserve application process was developed. The application form has been redesigned and more detailed information is provided. A detailed and comprehensive set of processes, to be used to assess application and when considering any objections lodged, has been developed. In addition the more detailed reporting will be provided to the Forest Practices Authority on the application lodged.

Forest Practices Plans

PFT staff continues to undertake on behalf of the Forest Practices Authority audits of Forest Practices Plans. Some three months of staff time is devoted to this task. The audit process is a key element in the program of continuous improvement the Forest Practices Authority has pursued for some years. There is a direct benefit for PFT and private forest growers as the specialised skills and experience gained doing audits is shared with other staff and forest owners.

Private Forest Service Levy

Private Forests Tasmania is empowered to raise funds from private forest landowners through the private forest service levy. It is calculated on the nett area of a forest operation permitted pursuant to the certification of a forest practices plan. Landowners have six months from the date of certification of their forest practices plan in which to pay the levy.

Pursuant to the provisions of Section 25I of the *Private Forests Act 1994*, by 30 June each year the Minister must determine the private forest service levy rate for the financial year commencing 1 July of that year.

The Minister must determine the rate after consulting with forest owners' organisations. On the recommendation of the Board of PFT, the Minister again set the rate at \$14 per hectare for 2007 – 2008. On 25th June 2008, the Minister set the rate for the 2008 – 2009 year at \$14 per hectare, representing the eighth straight year the rate would remain unchanged.

The private forest service levy was introduced as a means of securing significant private sector funding contributions to support the operations of Private Forests Tasmania. The introduction of the private forest service levy was negotiated with the Forest Industries Association of Tasmania and the Tasmanian Farmers and Graziers Association.

The private forest service levy generated \$440,474 during 2007 – 2008. Over the course of the past five years the levy has generated an average yearly income of \$391,946, as the table below indicates.

Financial year	Income generated from the private forest service levy
2007 - 2008	\$440,474
2006 - 2007	\$431,725
2005 – 2006	\$472,015
2004 – 2005	\$325,232
2003 – 2004	\$290,282
5-Year average	\$391,946

Chapter Seven: Administration and Finance

Board of Directors

The Board of Directors consists of the Chief Executive Officer, and five Directors appointed by the Minister. Directors other than the CEO are appointed pursuant to Part 3 of the *Private Forests Act 1994* and the powers, functions, responsibilities and operating procedures of the Board are set out in that Part and Schedules 2 and 3 to the Act. By resolution of the Board, meetings were held on the third Friday in each month, except in December when the Board met on Monday 17 December 2007.

Chairman: Mr Ian Dickenson AO

Members

Member with practical knowledge of, and experience in, industry, commerce or economic development

Mr John Lord, from 9 October 2006 to 8 October 2011

Member representing industrial private forest growers

Mr Bryan Hayes, from 1 July 2005 to 30 June 2010

Members representing non-industrial private forest growers

Mr Ian Dickenson AO, from 1 July 2005 to 30 June 2010

Mr Brett Hooper, from 9 October 2006 to 8 October 2011

Member with expertise in forest or related sciences

Mr Mark Leech, from 1 July 2007 to 30 June 2012

Chief Executive Officer

Mr Simon Eldridge, from 15 September 2004 to 31 August 2007

Mr Graham Sargison from 21 September 2007 to 31 December 2008

Mr Ian Dickenson AO

Member representing non-industrial private forest growers.

Director of Elverton Pastoral Pty Ltd.; Commonwealth representative on Tasmanian Natural Resource Management Advisory Committee; Executive Member of Forests and Forest Industry Council of Tasmania; Committee member TFGA Environmental Policy Council; Vice-Chair TAMAR NRM Reference Group.

Ian utilises a whole farm planning approach on his property incorporating a wide range of agricultural activities, and plantation and native forest management practices. Good land management and water conservation are essential to Ian's successes.

Mr Bryan Hayes B.Bus. (Admin.), M.I.F.A.

Member representing industrial private forest growers.

Manager, Northwest and South, Gunns Limited; Member of Forest Industries Association of Tasmania Hardwood Committee; Director of Forest Education Foundation.

Bryan has worked in the forest industry for over 35 years with experience in harvesting, safety, forest management, forest policy, manufacturing and general business management. Current responsibilities include sales and marketing of forest products into international markets thereby providing current knowledge of market developments.

Mr Brett Hooper Dip. Farm Management (MOFAC)

Member representing non-industrial private forest growers.

Chairman TFGA Forestry Committee; Chairman Tamar Valley Weed Strategy; Secretary TFGA Tamar Valley Branch; Member Tamar Natural Resource Management Group.

Brett is a primary producer in partnership with his wife, Elizabeth, at Mt Direction, managing cattle, sheep and forestry.

Mr Mark Leech B.Sc. (Forestry), M.I.F.A.

Member with expertise in forest or related sciences.

Director of the Forest Practices Authority; Winner 2001 Tasmanian World Forestry Day Award.

Mark is a former regional private forester with Private Forests Tasmania and is currently a consultant specialising in private forestry. He has a particular interest in special timbers management and is also passionately involved in humanitarian work in Africa and the Philippines.

Mr John Lord LL.B, FCA, FTIA, MAICD

Member with practical knowledge of, and experience in, industry, commerce or economic development.

John is Chairman of Transend Networks Pty Ltd; former Chairman of Toosey Ltd; Chairman of Tasmanian Irrigation Development Board; Chairman of Crisp Bros and Haywards Group; a director of a number of privately-owned farming and pastoral businesses; and a former solicitor and chartered accountant.

John and his wife Diana are farmers and private foresters. They were the Australian Forest Growers Tasmanian Treefarmer of the Year in 2005 and won the AFG National Treefarmer of the Year Award in 2006.

Mr Simon Eldridge B.A. (Hons.), M.A.

Chief Executive Officer of Private Forests Tasmania to 31 August. 2007

Simon has worked in both the private and public sectors in Australia and internationally, having lived in Hong Kong and worked extensively throughout Asia. He has a strong background in public policy formulation and communications.

Mr Graham Sargison B.Ag. (Canterbury), B. For.Sc. (Canterbury)

Chief Executive Officer of Private Forests Tasmania from 21 September 2007

Since 1974 Graham has worked in the forestry industry in Tasmania. He began as the logging and roading superintendent for Australian Newsprint Mills at Maydena; became the first Regional Private Forester, North West; and most recently was the Manager Field Services for Forestry Tasmania. He is on secondment from Forestry Tasmania

Please refer to Profile/Organisation Chart for the Chart as at 30 June 2008.

Staff

Permanent and fixed-term (project) officers undertake the functions of the Authority and work from three offices, located in Hobart, Launceston and Burnie. We work closely with private landowners and major stakeholders.

Human resource management

Staff by Category	30 June 2008
Administration	6
Regional Private Foresters	2
Private Forest Advisors	6
GIS Officers	2
Project Officers (externally funded)	3
Total	19

Staff by Gender	30 June 2008	
	Male	Female
Permanent	12	3
Project – fixed term	0	4
Total	12	7

Occupational health and safety and managing diversity

The Authority is committed to maintaining high standards of performance in respect to occupational health and safety, and equal employment opportunity. All employees are expected to participate in maintaining safe working conditions and practices, and to promote and uphold the principle of fair and equitable access to employment/promotion, personal development and training, and the elimination of workplace harassment and discrimination.

There were no worker's compensation claims submitted in 2007 – 2008.

Occupational Health and Safety training and activity

Crash-free Driving
First Aid
Occupational Health and Safety Committee

Staff training and professional development

During 2007 – 2008, PFT staff were involved in professional development courses and attendance at conferences:

CPA Congress
Conflict Management and Communication Skills
Digital Photography
Hollow Trees Seminar and Field Day
International Salinity Forum
Plantation Eucalypts for High Value timber Conference
Plantation Pest Control workshop/seminar

Representing PFT and private forest owners

During 2007 – 2008 PFT staff represented PFT and the interests of private forest owners by consulting with or being representatives on:

State

CSIRO Forest Products
Forest Industries Association of Tasmania
Forest Practices Advisory Council (representative)
Forestry Co-operative Research Centre
Forests and Forest Industry Council of Tasmania (representative)
Local Government Forestry Consultative Committee (representative)
Natural Resource Management Committees (representatives)
Tourism/Forestry Protocol Committee (representative)
Vegetation Management Policy Advisory Group (representative)
Tasmanian Farmers and Graziers Association

National

Australian Forest Growers (member)
Australian Forestry Standard (representative)
Australian Plantation Products and Paper Industry Council
Montreal Implementation Group (representative)
National Association of Forest Industries
National Landcare Awards, Launceston
Primary Industries Ministerial Council Standing Committee - Forestry and Forest Products Committee (representative) and Private Forestry Consultative Committee (representative)
Private Forestry Development Committee (invited member)

Superannuation declaration

I, Graham Sargison, hereby certify that Private Forests Tasmania has met its obligations under the *Superannuation Guarantee (Administration) Act 1992 (Cw'lth)* in respect of any employee who is a member of a complying superannuation scheme to which PFT contributes.



G Sargison
Chief Executive Officer
30 June 2008

Freedom of information requests

During the 2007 – 2008 year PFT received one request under the *Freedom of Information Act 1991*.

Request Decisions

Granted in full 1

Granted in part

Denied in full

Withdrawn by applicant

Transferred to another agency

Information not in the possession of agency

Not decided as at 30 June 2008

Sources of New Requests

Members of Parliament 1

Members of the public

Journalists

Solicitors

Corporate organisations

Total decided during 2007 – 2008	1	Total	1
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Public interest disclosure

The *Public Interest Disclosures Act 2002* came into effect on 1 January 2004. The purpose of the Act is to encourage and facilitate the making of disclosures about the improper conduct of public officers or public bodies.

The Authority is committed to the aims and objectives of the Act. The Authority also recognises the value of transparency and accountability in our administrative and management practices. The Authority supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Authority does not tolerate improper conduct by our employees, nor the taking of reprisals against those who come forward to disclose such conduct. The Authority will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. The Authority will also afford natural justice to any person who is the subject of a disclosure.

During 2007 – 2008 there were no Public Interest Disclosure reports.

Legislation administered by Private Forests Tasmania

The Department of Infrastructure, Energy and Resources is responsible for administering the *Private Forests Act 1994*.

Private Forests Tasmania undertakes the functions of this Act and has delegated authority under the *Forest Practices Act 1985* to undertake processing of Private Timber Reserve applications.

Statement of corporate intent 2005 – 2008 Corporate Plan

In accordance with the requirements of the *Private Forests Act 1994*, the Board formulated its three-year Corporate Plan for the period 2005 – 2008. The Corporate Plan came into effect on 1 July 2005 and set the following key strategic priorities for 2007 – 2008:

Strategic Priority 1 – Encouraging World Class Forestry Practices

To encourage the continued use of evolving world class forestry practices within the Tasmanian private forestry sector to deliver positive and sustainable commercial, environmental and social outcomes for the state and landowners.

Strategic Priority 2 – Enhancing The Competitive Environment

To encourage continued development of the private forestry sector in Tasmania through the Regional Forest Agreement and the advocacy of a regulatory regime and cost environment that enhances the sector's national and international competitiveness while ensuring appropriate environmental and biodiversity issues are considered and progress is made towards meeting relevant targets.

Strategic Priority 3 – Promoting The Benefits of Private Forestry

To actively promote the environmental, economic and social benefits to Tasmania and Australia of a world class and internationally competitive private forestry sector and the role played by Private Forests Tasmania.

Strategic Priority 4 – Market Development

To encourage the development of markets and appropriate market infrastructure for the Tasmanian private forestry sector, with particular emphasis on ensuring the broadest benefits possible for the private forest industry from the proposed pulp mill development.

Strategic Priority 5 – Targeted Research

To undertake (or where appropriate, foster) targeted research that enhances understanding of the private forestry sector by governments and the community, that extends the competitiveness of the industry and that enhances the environmental, economic and social benefits arising from the proactive planning and management of trees and forests on private land.

Strategic Priority 6 – Administration of Private Forests Tasmania

To ensure that Private Forests Tasmania has the human and financial resources and the administrative capacity to deliver the tasks and programs necessary for Private Forests Tasmania to achieve its operational strategic priorities.

