TASMANIAN FORESTS & FOREST PRODUCTS NETWORK

Southern Tasmania Industry and Community Consultation Forum

Consultation Summary

C3 Convention Centre, Hobart, 4 August 2020

Context

The National Forest Industries Plan

In September 2018, the Australian Government launched the National Forest Industries Plan: *Growing a Better Australia – A Billion Trees for Jobs and Growth* (the Plan).

The Plan outlines the Australian Government's strategy to underpin growth in the renewable timber and wood-fibre industry.

It provides the vision and certainty needed for Australia's forestry industry and supports the sustainable forest industries as long-term growth engines for regional Australia.

The Plan ambitiously aims to deliver a billion new trees over the next decade (including 400 000 new hectares of plantations nationally) to meet a projected quadrupling of global demand for timber products by 2050 – planting the right trees, at the right scale, in the right places.

The Australian Government supported the Plan in the 2018-19 Federal Budget with a $20 million commitment over four years to help implement actions identified in the Plan.

Regional Forestry Hubs

In February 2019, the Prime Minister, the Hon Scott Morrison MP, and Senator the Hon Richard Colbeck, Assistant Minister for Agriculture and Water Resources, jointly announced nine sites around Australia to become Regional Forestry Hubs under the Plan. Four pilot hub locations were announced including North North West Tasmania.

The Federal Government is contributing $12.5 million to the creation of the initial nine hubs with the aim of further growing Australia's forest industries and setting the industry up for the future.

The pilot hubs are an important first step and will help ensure the 'right trees are planted in the right places'. The Government's plan particularly calls out farm forestry which will play a significant role in achieving the goal of growing one billion new trees.

The Tasmanian Forests and Forest Products Network

The Tasmanian Forests and Forest Products Network (TFFPN) was established to represent the shared view, aspirations and expectations of all those people who have a stake in the future of a sustainable Tasmanian forest, fine timber and wood-fibre industry.

The TFFPN does not seek to replace or diminish the role of other organisations, which represent the interests of individual industry sectors.

North North West Tasmania Regional Forestry Hub (Northern Hub)

Background

In May 2019, the TFFPN invited interested parties to attend an industry and community consultation forum held at Campbell Town (the Campbell Town Forum), with a Steering Committee established to oversee the establishment of the Northern Hub. The aim of the Campbell Town Forum was to obtain a high-level strategic assessment of the factors impacting the forest growing and processing sectors in North North West Tasmania and to identify the issues and priorities that would form the basis of the Northern Hub's workplan.

Northern Hub

A grant agreement between the Commonwealth Government Department of Agriculture and Water Resources and the TFFPN, signed on 4 April 2019, established the Regional Forestry Hub Pilot in North North West Tasmania under the Plan.

The objective of the three year agreement is to support the capacity of the forest industry in North North West Tasmania to meet long-term increases in demand for timber. Achieving this objective would involve consulting extensively with stakeholders across the forest value chain to identify and progress industry and regional priorities to meet the increased global demand.

In February 2020 Monika Winston was appointed as the Northern Hub's General Manager. Under her leadership, the Northern Hub will work with the forest industry, regional stakeholders, federal, state and local governments, other key stakeholders and the community to achieve the following outcomes.

- Provide information to assist the Commonwealth Government in future policy development regarding pathways for growth, and for removal of barriers, for the forestry industry through stakeholder engagement and consultation.
- Produce assessment reports in each of the priority themes identified by stakeholders at the Campbell Town Forum and outlined below. Each report has been designed to provide recommendations to improve, or grow, the forestry sector.

  Priority Themes

  1. Access to land and land use policy for plantation forest investment
  2. Supply chain and infrastructure
  3. Climate change and carbon policy
  4. Culture, skills and training

- Scope implementation plans to provide pathways forward to advance opportunities for progress of the industry into the future.

Southern Tasmania Forestry Work

Background

In August 2020, the TFFPN invited interested parties to attend a Southern industry and community stakeholder consultation forum (Southern Forum). The aim of the Southern Forum was to obtain a high-level strategic assessment of the factors impacting the forestry industry in Southern Tasmania and to identify the issues and priorities that would form the basis of a workplan for the Southern region of Tasmania. This process will be managed by the TFFPN which has received additional Commonwealth funding for this purpose.

Format of the Southern Forum

At the commencement of the Southern Forum, Therese Taylor, TFFPN Network Convenor, welcomed approximately 50 participants and made key introductions.

Monika Winston gave an overview of the Northern Hub background, objectives and progress. She noted that additional Commonwealth funding had been received to pursue work in the South of the State, in recognition that factors in the South make it significantly different to the Northern region and that this warrants a separate workplan of activity. Monika outlined the next steps for development of a workplan in the South.

Senator the Hon Jonathan Duniam attended the Southern Forum and confirmed his support for the progression of work in the South of Tasmania.

The Southern Forum was facilitated by Alicia Leis, Partner at WLF Accounting and Advisory. Alicia explained that the Southern Forum was the initial step in hearing from the industry and the community about what was important and a priority in the South.

During the Southern Forum Alicia provided table groups with a series of questions and activities designed to explore some of the issues that will inform the Southern workplan, including the key influences most likely to impact the future of forestry over the next 20-50 years, the benefits and outcomes that could be achieved by working together in the South for the Tasmanian community, and issues around the current state of the forest industry in Southern Tasmania.

Purpose of this Document

The purpose of this document is to provide a summary of the opportunities and challenges that were discussed and explored during the Southern Forum to inform further work in this area.

Southern Forum Activities

Table groups were asked to participate in a number of activities.

Responses from all but one of the groups are summarised on the following pages.

Table 5 did not participate in the activities as this was the facilitator’s table.

Activity One – Key influences impacting the industry over the next 20-50 years

Table groups were asked to consider the key influences most likely to impact the future of forestry in Australia and Tasmania over the next 20-50 years.

Table 1	**Table 2**
• Climate change - Opportunity and threat - Loss - Bushfire risk (communities and business) - Carbon management • Bioenergy - Opportunity - Residues - Pelletisation - Alternate fossil fuels • Engineered Wood Products (EWP) - Alternatives to plastics - Alternatives to steel • Community and social license - Communication/engagement with community - Management of resources - “Walking the talk” - Strategic planning to avoid conflict in values • Infrastructure/logistics - Planning (main issue in Southern Tasmania) • New technologies and local processing • Market volatility – export vs domestic • Certification/Regulations • For industry – transport and logistics in the South • Growing – climate change and bushfires • Getting to market – logistics (ports) • Markets – export and domestic • Challenges need to be addressed in nuanced ways – unlikely to be a one size fits all approach	• Increased electronic media - Reducing fibre demand - Variable across markets • Advanced economics will shift to primary and tertiary sectors • Carbon awareness and biodiversity - Timber embodies carbon - Engineered timber products • More automation in harvesting/planting – changes in training and skills - Higher use of technology - Change in recovery rates - Centralised and efficient processing - Real-time data (telemetry) - ‘white glove’ operators • Changes in export patterns • Geopolitical risks changing and increasing • Will there be more reliance on plantation estates for all product production? - EWP - NGOs - Changes in market preference - Influence of price • Fire/Disease/Pests - Increase - Changes in distribution - Some parts of Australia are fire-prone • Relationship between forestry and agriculture • High(er) cost/high quality • Source of capital? – quantity and source important

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Table 3

- COVID-19's effect on the economy
- Climate
- Community – planning schemes
- World Heritage Area (WHA) process – holding us back mitigating further reserves e.g. 2019 bushfires as an example
- Private land – planning schemes – we still have 29 – example biodiversity overlay (e.g. swift parrot)
- Tasmania 2050 Vision – new set of priorities for the State
- Woodchips at Hobart wharf – need to reassess; many benefits if we do this
- Mechanical fuel reduction – residue market
- Future Potential Production Forest (FPPF) – managed long term by Special Species Management Plan (SSMP) for saw log production and eucalypts

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Table 4

- Climate change – impact on supply; increased risk
- Increased global demand for fibre
- Social license (demand/supply)
- Geopolitical tensions (demand, increased risk, supply)
- Carbon economy (demand)
- Environmental regulation (red and green tape); sustainability of supply (credentials) (supply/demand, increased risk)
- Increased need for domestic manufacturing (demand shift infrastructure)
- Increased pressures on land use
  - Access to land for planning
  - Increased population/feeding population
  - Increasing neighbour issues
- Ageing/insufficient infrastructure
- Hanging technology
- Economics of establishment and through whole supply chain
- Skill sets in the workforce; critical in Southern Tasmania

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Table 6

- Markets – national and international
- Carbon – constrained economy
- Cost-competitive supply chain manufacturing – port/road/rail
- Environmental standards – community expectations – certification
- Community/societal expectations – social license
- Communications – social media
- Workforce – skills/succession (young people) – regulations/compliance
- Risk – confidence (investment) – it is harder in the South

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Table 7

- Land use policy/vision/agricultural acceptance/competition
- Political landscape/geopolitical/global competitiveness
- Supply chain infrastructure/long-term plan
- Product demand – innovation/product substitution
- Workforce development
- Climate change
- Debt funding/equity funding

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Table 8

- Markets
  - Tied to FX and commodity price
  - Long supply chains
  - International and relations policy
  - Competitors – scale
  - All above items equals to high costs of production and infrastructure
- Land availability
  - Access NF
  - Title prescription
  - Environment
  - Highest and best use out-competed by other agricultural uses
- Climate change
- Bushfire
  - Question whether or not to replant
  - Insurance
- Positives
  - Demand increased
  - Supply stagnant
  - Climate

Table 9

- Insufficient recognition of the importance of hardwoods from Australian forests
- Recognition of 'well-managed forest practices' vs certification (private especially)
- Dwindling supply of native hardwood
- Decreasing participation in forestry
- Secure port for fibre exports (South)
- Shift from private timber reserves back to agriculture

Table 10

- Need for further processing in Australia – exports are tough
- Need for workforce training to have the right set of skills in place – education
- Need to communicate to the community the value of the forest industry
- Need to find ways to collaborate with other industries – joint investment and education
- Adapt to potential climate change impacts and find opportunities
- Continue the momentum to adapt and find new effective ways of doing business in an agile way
- Collaborate between government and industry

Table 11

- International and national regulations – certifications
- Consumer sentiment – including public awareness
- Market changes – i.e. carbon, customer loyalty
- Global social change, i.e. COVID-19
- Alternative fibres – i.e. hemp and bamboo
- Technology changes

Activity One – Key influences impacting the industry over the next 20-50 years (cont'd)

Table 12
• Resource security – supply and land availability • New and emerging markets + proximity to markets (e.g. EWP) – proof of concept and build demand • Global population growth driving increase in demand – quality and quantity • Social acceptance – Hobart port access; industry conflict (fish vs trees vs power vs tourism); urban/rural divide/land limitation • Robust legislative framework • Rapid change in technology • Agility in industry to adapt • Environmental issues, climate change, biodiversity

Activity Two – Possible Benefits and Outcomes of Working Together in the South

Table groups were asked to highlight the possible benefits and outcomes that could be achieved by working together in the South for the Tasmanian community.

Table 1	**Table 2**
• How to build resilience in response to challenges – bushfires, business resilience, COVID-19 response • Communicate to highlight benefits around bioeconomy (native/plantation) – comm to industry, to communication and to educate • Need port/logistics/transport in the South – to support forestry • Carbon sequestration – positive opportunities • Bioenergy/EWP/Domestic processing – local employment – education and training – local training	• Cooperation across sector - Lowers cost - Uninterruptible Power Supply (UPS) utilisation - Spreads risk - Including fire response - Positive to community and investors • Rationalisation/distribution of risk – across entire supply chain • Sources of capital – domestic opportunities • Integration/forward planning of agricultural and forestry sector • Keeping Hobart port open – rail logistics – roads – all working well – proximity to resource

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Table 3

Additional areas i.e. FPPF wood production
New markets – small wood market
Tasmania Together type vision – including forestry and looking further forward
Small local business hubs – stem from increased mechanical fuel reduction/generate electricity for local markets/green tick for Tasmania
Safer community stemming from mechanical fuel reduction – create local jobs and other benefits
Reduction in transport requirements due to Hobart wharf/southern woodchip facility – fuel/road safety/$ savings

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Table 4

Social license – increased demand

Support for forest practices and infrastructure

Environmental regulation – lowering cost of doing business

Increasing attractiveness of investments
Regulatory response commensurate with risk

Domestic manufacturing – improved employment opportunities

Improved infrastructure
Increased demand
Increased resilience and diversity across the supply chain
Demand stability (buy local, exchange rates) for forest owners as well
Enhanced brand

Land-use pressures

Integrated forestry in the primary production landscape
Integration with other industries (economies of scale)

Ageing infrastructure

Access to market improved and optimised
Cost-efficient industry and supply chain

Skill sets of workforce

Cost-efficient industry
Flexibility in development of supply chain

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Table 6

Profitable wood production
More trees in the ground/scale
Employment increase
Business investment increase
Community support increase
Managed forests – increase environmental value, increase access, decrease fire risk
Access to markets increased

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Table 7

Stronger regional economy – generating value (wealth creation); diversity/resilience/ full-time/well-paid employment
Stronger social acceptance/pride/industry of choice

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Table 8

- Jobs – contribute to diverse economy
- More incentive to invest
- Re-invigorate native sector; diversification for landowners/farmers
- Environmental or carbon benefits
- More (external) investment
- Lower-cost supply chains

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Table 9

- Make more products, employ more people, get/enjoy more public support
- Clear simple messaging
- Better collaborative response to fire, COVID-19, market changes etc.

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Table 10

- New higher-skilled career opportunities; catalyst for attracting younger people into forestry
- Acceptance and recognition by community of the forest industry
- New investment and regional economic growth
- New image for the industry – new opportunities to reconnect with community – explain where things come from
- Sustainability
- Flow-on jobs and investment in other sectors (e.g. retail)

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Table 11

- Economic stability, including jobs and investment
- Broader community benefits – i.e. health services, education, nursing, public infrastructure
- Professional development – stability of workforce
- Sustainability – economic, environmental and social

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Table 12

- Increased demand for alternate wood products – EWP and bioproducts
- Increased domestic processing, but retained export markets
- Being able to operate without conflict
- Better integrated supply chain – lower raw material cost for manufacturing and export and increased return on investment for grower
- Continuous improvement in regulation – voluntary and government
- Improved environmental outcomes

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Table groups were asked to summarise the key influences and benefits identified in Activities One and Two.

Key influences:

- Need to find ways to collaborate with other industries across the sector including agriculture and education
- Market changes e.g. carbon market or customer loyalty
- Having secure port for exports
- Climate change – hugely broad topic but clearly bushfires over the last 18 months have had an impact – need to understand how that affects markets and access to opportunities nationally and internationally
- High cost of production and long supply chains in Southern Tasmania
- Product demand which will require a lot of focus on innovation and product substitution, and downstream processing of product

Key benefits:

- A vision for forestry that can capture what the future looks like
- Improved employment opportunities, increased demand and increased resilience across supply chain – enhance our brand and enhance social license
- Business investment leading to secure employment and increased community support
- Being able to operate without conflict – continued improvement in regulation and environmental outcome

Table groups were asked to consider the current state of the forest industry in Southern Tasmania in terms of forests; harvesting and transport; products; the end user; and infrastructure.

Table 1

- Forests
  - Climate change/carbon
  - Markets – new market requirements/compliance
  - Social license
  - Southern port
  - New vs existing products
  - Government programs/investment schemes
  - Skills/education/training/workforce
  - New technologies/tools/techniques (precision forestry)
  - Changing landscape usage – more intensive management/inherent tensions related to intensification of production
- Harvesting and Transport
  - Methodology change – new approaches/tools/costs
  - Demand for different products/forest types
  - Transport configurations
  - Contracts/duration/volume/market volatility/margins
- Products/End User
  - Market demand and end use
  - Current understanding of product range
  - End customer changing expectations – certification role
  - Role of branding products could be leveraged
  - Nature of employment opportunities – secure vs insecure/ skilled vs unskilled/ training centre opportunity/jobs for the future in 'precision forestry'
- Infrastructure
- Port
    - Management of hinterland access
    - Long-term government commitment to working port in Hobart for forestry
    - Review/analysis of existing equipment
    - Contract/cost/management

Table 2

- Forests
  - Fire/fire impacts
  - Ownership structure – need to shift
  - Replanting plantation – 'reversion to agriculture' is underway – how do we arrest this decline?
  - Growing Eucalyptus/pine only
- Harvesting and Transport
  - Hobart port (high cost)
  - Supply chain economics
  - Currently at reduced costs across the board (although investment is still strong)
- Products
  - Hardwood logs

Table 2 (cont'd)

- Softwood logs
- Native – Tasmanian Oak/Victorian Ash

- End User
  - Markets have stopped/depressed
  - Low global price
- Infrastructure
  - Hobart port remaining open is critical
  - Long term commitment from government is needed
  - Road network into forests is critical
  - Rail capacity is limited
  - Ageing workforce – lack of pathways to attract future talent

Table 3

- Forests
  - FPPF – uncertain future
  - Climate – bushfires and productivity
  - Tenure – planning schemes
  - Red tape
  - Manage regrowth forest for increased value products
- Harvesting and Transport
  - Financial exposure
  - Training
  - Consolidation of family business
  - Majestic issue – hangover
  - Guarantee of payments
- Products
  - Certification: does it matter? e.g. Forest Stewardship Council (FSC)
  - Domestic processing
  - Government should not try to pick winners
  - Wood encouragement policy
  - Red tape
  - Office of Coordinator-General; assistance from them required
- Infrastructure
  - Southern export facility: current port expansion and maintenance – do we need to rethink port usage post COVID-19? – less tourism so needs more industry use

Table 4

- Forests
  - Uncertainty of returns over a rotation
  - High cost/complexity of establishment
  - Certification requirements – cost/complexity
  - Lack of return to growers (especially small private growers)
  - Private forests – lack of participation in forestry market
  - Complex costly environmental regulation (also relates to infrastructure)
  - Levies and fees (Forest Practices Plan (FPP) fee, Private Forest Service (PFS) levy)
  - Lack of integration in agricultural landscape
  - Asset protection – insurance costs/fire risk/vandalism

Table 4 (cont'd)

- Harvesting and Transport
  - Scale – coordination of use of equipment (e.g. lack of truck management systems)
  - Limited synergies across the supply chain
  - Ageing equipment
  - Ageing workforce
  - Limitations in attracting workforce
  - Safety compliance – chain of responsibility
  - Environmental vandalism (e.g. spikes in trees)
- Products
  - Lack of visibility of end use of exported product
  - Insufficient understanding and utilisation of forest/wood properties/characteristics
  - Focus is on economies of scale rather than end user needs or maximising productivity
  - Limitations on resource security
- End User
  - Lack of clarity on end user needs
  - Lack of clarity around value-add avenues
  - Lack of visibility on end use of products
  - Limitations on resource security
  - Competition with other building materials
  - Market influences/social license impacts (e.g. Bunnings policies)
  - Communications
- Infrastructure
  - Rolley Report 2018 – policy and infrastructure limitations in accessing export markets (NB woodchip pile on Hobart wharf; Northern access to Hobart port; rail link to Plenty; Plenty link road etc; load capacity of Hobart wharf)
  - Recent increase in port fees
  - Our ports are in cities – related limitations – social license/traffic congestion
  - Limits on use of high productivity vehicles on Tasmanian roads

Table 6

- Forests

Public

  - Threatened species
  - Fire damage
  - Decreased public native forest volumes
  - Transition to younger forests
  - Steep land

Private

  - Small blocks
  - Difficult access
  - Limited markets
- Eucalyptus plantations sub-scale
- Softwood plantations mid-scale
- Harvesting and Transport
  - Compliance costs (transport)
  - Cost of equipment upgrades and finance
  - Employees – skills/competition from other industries

Table 6 (cont'd)

- Increased mechanised felling
- Products
  - Need to increase local processing
  - Exposure to international markets
- End User
  - Norske Skog
  - Sawmills
  - Peelers
  - Export logs
  - Certification requirements
  - Political pressure on procurement
- Infrastructure
  - Hobart port – long-term use/new secure access
  - Traffic management
  - Trucks through Hobart
  - Increase in hire cars/tourists (with less experience/skill and need to be reminded to drive on left-hand side)

Table 7

- Forests
  - Declining plantation/access to native forests
  - Local planning
  - Forest practices authority/regulation content – Department of Primary Industries, Parks, Water and Environment (DPIPWE) etc.
  - FSC certification – public native forest
  - Short-term vs long-term research and development
- Harvesting and Transport
  - Supply chain cost/distance to Northern ports
  - Available workforce
- End Users
  - Public debate
  - Bias to export vs domestic
  - Poor understanding by market
- Products
  - Commodity mindset
  - Lack of differentiation
  - Lack of research and development

Table 8

- Forests
  - Lack of community support and engagement in the industrial end
  - Fire risk – not just the risk but the impact it has on incentive to invest
  - Lower quality
  - Privately owned forest – not their core business
- Transport
  - Relatively high cost by Australian standards
  - Small-scale operators
  - Significant distance – transporting to the North

Table 8 (cont'd)
• Products
  - Driven by low-value plantation
  - Native forest is generally low yielding
  - Lack of diversity of products – i.e. no softwood mill in South
  - Lack of local processing
  - Fragmented
• End User
  - Fragmented regional processing
  - End user needs consistent supply of consistent product (scale/coordinated flows)
  - Need to make markets more accessible for smaller growers
• Infrastructure
  - Export port – pulp
  - Macquarie wharf not an ideal location for logs
  - Red tape

Table 9
• Declining plantation area
  - Increased fire risk
  - Contested native forest timberland
• Declining log size/diameter
  - Good operators in the forest industry
  - Exposure to international markets
• Limited diversity (thicknesses of logs for further processing)
  - Need more customer focus
  - Willingness to change/adaptability
  - Under-utilisation of residue
  - Promotion of Tasmanian timber (branding)
• Right timber for the right job
• Lack of ….
  - Secure Southern port
  - Southern residue processing
  - Trucks through Hobart city

Table 10
• Forests
  - Landowner awareness of economic opportunities (including co-benefits) compared to other sectors
  - Public perception of forestry (i.e. understand the role of trees)
• Harvesting and Transport
  - Distance to market
  - High costs of transport
  - Alternative routes
  - Infrastructure (road) network
  - Demand and volatile markets – investor confidence
• Are we getting high enough value for the product we produce?
• End users often don't understand the real story and rely on 'loudest voice'

Table 11 • Forests - Illegal firewood supplies - Fire – climate, management - Capital constraints for re-establishment - Emotive statements/drivers • Harvesting/Transport - Stability of workforce - Equipment upgrades • Products - Social perceptions - Cost of manufacturing – value adding/cheaper overseas labour - Imports • End User - Social preconceptions - 'Feel good' factor - 'Green washing' • Infrastructure - Stability – required infrastructure - Investment
Table 12 • Forests - Threatened species (e.g. swift parrot, wedge tailed eagle) - Management of native forests - Reinvestment/access to capital - Market certainty – what are we planting for? - Fires and climate impact – burn management - Pests - COVID-19 - Access to quality land – competing land use - Urban/rural interface - Managing multiple values – economic; environmental; social and cultural - Lack of social connection between forests and products - Certified resource • Harvest/Transport - Distance to markets - Security of tenure/contracts - Finance sector support - Skilled workforce - Capacity for continued innovation • Products - Change in market demand - Knowledge and acceptance of wood as a product (consumers and design sector) - Small market size - Limited domestic processing – reliance on Australian mainland - We have quality product and positive brand • End User - Supply chain acceptance and knowledge of timber products is limited

Table 12 (cont'd)

- Need capacity to scale up quickly when end-user market does increase for product
- Price difference in alternative products
- Acceptance of forest certification (retailer vs consumer)

- Infrastructure
  - Hobart/Southern port
  - CBD traffic management
  - Connection between Huon and Derwent Valley
  - Sub-standard rail network
  - Local government roads and bridges are a limitation
  - Telecommunications in the bush

Activity Five – Industry and Regional Priorities, including Constraints to Growth

Table groups were asked to identify industry and regional priorities, including constraints to growth and to highlight the most important priorities. These were shared with the broader group and are outlined below. Tables were asked to consider constraints first and then to identify priorities, which were then voted on individually.

A summary of the outcome of the voting is contained in the attached *Southern Tasmania Industry and Community Consultation Forum: Regional Priorities Summary*.

Constraints:

- Growing the resource – landowner participation – not many native forest owners selling to market; there is an opportunity there
- Land-use compatibility and competition with the farming sector – getting farmers to incorporate forestry into operations – also competition with other sectors such as tourism
- Regulatory constraints – time it takes to manufacture – long lead time and cost of complying with regulations
- Where resource is – proximity to market – about planting the right trees in the right place
- Hobart port is critically important – also traffic – getting vehicles through the city to the port is a critical issue – further value adding so that raw material is not being carried through built-up areas
- Red tape is one of single biggest impediments to us improving our markets – government red tape means moving things through the supply chain takes far too long
- Social acceptance of forest sector in Southern Tasmania; community support and acceptance for the industry
- What is different about Southern Tasmania is that we need to find the right part of the value chain to make most of investment opportunities – we don't know where that is – might be in a particular industry or in growing specific species of trees in specific places – Southern Tasmania might have an industry partner or an opportunity to use some innovation that is different to what is required in the North – we need to talk to industry more and help and support them to see those opportunities
- Having access to dedicated and committed and skilled workforce – having access to good workforce going forward is important
- Competing land use, community support, infrastructure issues, limited local markets
- Industry has something of export commodity mindset, and we need to move towards value-added products to increase the value of the trees we are harvesting - so we are not as affected by fluctuations in markets

Constraints (continued):

- Cost – Tasmania is a high-cost producer – through the supply chain and also in terms of regulation – we have to benchmark that against our competitors
- Transport and infrastructure but not just related to port access – internal land access and how that relates to government policy is also a consideration
- Have idea of positive message about bioeconomy – be on front foot and not back foot in spreading this positive message – making sure that messages are communicated so that the forest industry becomes an employer of choice

Priorities:

- Long-term access to Hobart port
- Incentives to replant
- Cooperation across the sector to reduce costs
- Domestic processing
- Encouraging support in the sector – having the policy framework to support that
- Branding, marketing and communication – getting positive message out about the product itself and the industry as being an employer of choice
- Domestic processing but trying to articulate the story about making it here whether it be new engineered wood products or others and integrating that into developing skills for workers – we need government support for the infrastructure needed to do that
- Potential opportunities for us to brand ourselves around climate adaptation –leveraging that as part of the marketing strategy
- Left field – promote group certification skills for private native forest growers – if they could have pride restored in growing, that could be an important additional resource
- Diversity of workforce – try and get diversity into industry to develop broader community support
- Moving up value chain, e.g. by domestic processing
- Provision of knowledge and support for stakeholders such as information and incentivisation – supporting private forest resource and promoting private owners to participate
- Active participation by industry from South and leadership in the development of a Tasmanian workforce development plan – it is happening, but we need to actively participate so that we can be an employer of choice
- Explore opportunities for value-adding – sensitive to scale and resources available and would do it by initially targeting research and development and innovation and then try to incentivise people to make those investments

Priorities (continued):

- Political opportunity exists now – local, state and federal governments are going to elections in the next couple of years
- Identify compatibility and synergies with other industries, e.g. the agricultural sector, to grow and also to make use of equipment they have
- Tourism sector opportunities – amassing bioenergy – anaerobic digesters – using agricultural waste or fish waste
- Important to contact and engage end users of timber products to see what cost drivers are
- Transport of unprocessed logs – the South is peculiar in a number of respects so there are things we need to do here that are different – tied up value-adding and with having less unprocessed material moving around
- Grow more trees with carbon as a value-add
- Wood encouragement policy – push that
- Don’t lose what we’ve got – Norske Skog, for example, is underestimated in their value
- United forest industry sector – everyone on same page working together – opportunities for social acceptance of forest industries

Wrap Up

Therese Taylor thanked everyone for their participation and summarised the key issues discussed.

Next steps

This document and the *Regional Priorities Summary* document will be circulated to attendee stakeholders, and utilised in the development of workplans for the South of the State.