

September 24, 2020

Att: Christine Middap

The Editor
The Weekend Australian Magazine

Dear Christine

We wish to draw your attention to the disappointing and damaging article "Possum magic could fell an industry" which was published in *The Weekend Australian Magazine* on the weekend.

It's presented as the classic story of the little guy who took on the greedy corporates and won, which is a good yarn, if it was not so dishonest.

Below is an analysis of the article prompted by our ongoing frustration at the lack of diligence by some journalists when it comes to reporting the claims of activist groups.

Please understand that serious omissions and misrepresentation of facts when published by respected media outlets have an enormous impact on the wellbeing of timber workers who are already facing an uncertain future.

These people are routinely vilified by activists who have become even more vicious after the Andrews Government announced its decision to end native timber harvesting in Victoria. Perhaps the real story is why? And perhaps the answer is in a conflict-based business model which relies on outrage to generate income.

We hope that you will consider these points in the spirit of a simple fair go for timber communities and workers who supply a much-needed and valued renewable resource under world-class certification and with every care for the environment and Leadbeater's Possum.

Kind regards

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Brief critique of the article, "*Possum Magic*" by Ricky French, which appeared in the *Weekend Australian Magazine*, 19-20 Sept 2020

Given the overall tone of the writing and the concerns outlined below, it is not unreasonable to presume that this article has been conceived and written in collusion with the featured environmental activists striving to close the timber industry. It gives some concessions to the forestry sector's point-of-view generally without any supporting detail, and accordingly this gives little more than a nod to the need for balanced reporting.

The specific concerns about this article are categorised in terms of: 1) serious omissions of key context which deprive readers of a proper perspective of the issues; 2) blatant misinformation; and 3) misleading statements.

These are briefly outlined below:

1. Serious omissions of key context:

- The article does not mention that ~75% of the habitat of Leadbeater's Possum is already in some form of reserve (ie. national parks, other conservation reserves, water supply catchment, Special Protection Zones, operational reserves such as streamside buffers, and possum exclusion zones) where no timber harvesting occurs.

- The article does not mention that, since 2006, VicForests' forest management practices have been certified as sustainable by an Australian national standard developed with and approved by the international Programme for the Endorsement of Forest Certification (the PEFC) – the world's largest forest certification scheme which certifies more forests worldwide and in Australia than the Forest Stewardship Council (FSC).
- The article does not mention that during this 14-year period, the PEFC certification of VicForests' practices has been maintained without any concern about how the 'precautionary principle' clause (contained in Victoria's Code of Practice for Timber Production) has been interpreted and addressed.
- The article does not explain that the traditional interpretation of how Victorian commercial forestry interprets and acts in relation to the 'precautionary principle' has been framed in the context of the overwhelming majority (94%) of the state's native forests being not used for timber production.
- The article neglects to mention that VicForests has appealed the recent Federal Court ruling which had unexpectedly re-interpreted the relationship between its forestry practices and the Code's 'precautionary principle' clause, and believes there is a strong case for over-turning the ruling.
- The article neglects to mention that Justice Debra Mortimer, who presided over the above-mentioned Federal Court ruling, had previously represented the Wilderness Society and the Bob Brown Foundation as a barrister in two earlier cases that also revolved around adherence of timber production to the precautionary principle in East Gippsland and Tasmania. This raises questions of conflict of interest and objectivity that will undoubtedly form part of the upcoming VicForests appeal against her recent Federal Court ruling.

These omissions are serious because they deprive readers of knowledge that could otherwise allow them to form an opinion that Victorian native timber production is not an existential threat to any environmental value, including threatened wildlife species, simply because it is a proportionally small- scale activity that is already excluded from most forests.

2. Blatant misinformation:

- That VicForests receives 'generous taxpayer subsidies' even though it does not.
- That VicForests lost \$15 million last year, even though it's 2018-19 Annual Report records a \$2 million after-tax profit, despite having to spend \$2.6 million in legal costs defending itself against activist legal challenges and a \$1.1 million increase in production costs due to forced reductions in access to timber resources.
- That forestry is exempt from the Federal *EPBC Act (1999)*, when in fact it is effectively licenced by the Act to meet its conservation requirements through a hierarchy of management plans, a Code of Practice, and individual coupe Timber Harvesting Plans. This is different to how individual development proposals are treated under the Act, but reflects the reality that forestry is a widely scattered and dynamic activity rather than a single point development, such as a mine or housing estate.
- That according to a Deloitte Access Economics report, VicForests and its contractors generated \$112 million in revenue in 2015-16. In fact, the DAE report valued the Central Highlands timber industry at over \$570 million/annum with over 2000 jobs, based on both the supply of the logs to the industry (ie. \$112 million) and the industry's processing of the logs and secondary manufacture of the resultant sawn timber. The value of an industry does not equate only to the supply of the raw materials, yet this is effectively what the article does in trying to separate VicForests from the wider industry sector which depends on it.

3. Misleading statements/assertions:

- "*... government figures show just 13 per cent of native forest logged in Victoria becomes timber products*"
Although unaware of which government figures say this and that the 13% figure may understate the reality, it is nevertheless not far from the likely figure. However, it is pertinent to note that typically 40-50% of the harvested log volume from the Central Highlands is processed in a sawmill. The off-cuts from the process of sawing a round log into rectangular boards are substantial and are also sent for pulping and paper-making.
- "*VicForests is supposed to retain a 20m buffer between coupes and roads but Gags has been felled right up to the shoulder.*"
This restriction applies only to main roads, but is often impractical in exposed situations due to windthrow of the retained trees across the road, thereby necessitating costly periodic operations to clear roads of fallen trees which completely negates the intent of retaining the treed buffer.
- "*Chivers is referring to a new income stream for VicForests ... government grants (paid) as compensation for not being able to log in a 200 m buffer zone around where any possum is found*"

There are no 'government grants' or 'a new income stream', but compensation is paid to replace the income foregone by being excluded from these previously available areas.

- *"The timber industry points to another study from Melbourne University, partly funded by VicForests, that found that bushfires were the main threat to Leadbeater's possums"*

VicForests does not provide cash grants to researchers but provides logistical and practical on-ground support in keeping with its function as the manager of lands upon which the research is being conducted.

- *"She says the Leadbeater's Possum lost around 50 per cent of its habitat in one afternoon"* (due to the 2009 Black Saturday bushfires).

While this overstates the reality, the major point is that Leadbeater's Possums were being found foraging and living in these burnt areas as soon as six years later. The fires did not permanently remove the possum's habitat as was implied.

- *"... then as soon as that fire was out that same forest was coming out on the back of trucks and heading off to the woodchip factory"*

Post-fire salvage harvesting is restricted only to areas that are already in timber production zones, so most of the burnt area could never be harvested. There are also constraints in how much can be salvaged imposed by contractor capacity and the time before burnt wood degrades. Less than 5% of the ash-type forests burnt collectively in the 2003, 06-07, and 09 bushfires were able to be salvage harvested. Furthermore, around half of the salvaged logs were sent to sawmills rather than the 'woodchip factory'.

- *"A 2018 Rural Wellbeing Survey ... found that native forest harvesting was considered acceptable by just 17 per cent of rural and regional residents ..."*

This is reported in the University of Canberra's long-running Rural Wellbeing study which said: "Native forest logging for wood production' was considered unacceptable to some degree by 65% of rural/regional and 70% of urban residents across Australia, and acceptable to some degree by 17% of rural and 10% of urban residents."

The report acknowledges that the use of the word "logging" may have increased the negative response but this is the word that is used within the industry and the broader community.

Forest and Wood Products Australia has parallel market research which reports that "80% of Australians are comfortable with cutting down trees as long as they're replaced" and "70% of Australians agree we should use more wood because it's more environmentally friendly than alternative materials."

- *"... Federal Government figures show that the state already harvests more than seven times more plantation logs than native forest logs."*

Probably true, but as the plantation logs (mostly softwood pines) cannot provide the sawn hardwood timber that is obtained from native forest sawlogs, it is a meaningless comparison.

- *"VicForests claimed that three of FSC Australia's directors were actively campaigning against native forestry and 'seeking to discredit VicForests'. FSC Australia rejects this, saying all assessments are carried out by independent auditors"*

FSC International (which oversees FSC Australia) has acknowledged that having three Directors dedicated to closing an industry is a significant problem given that FSC's income relies on certifying ongoing timber industries. One of these Directors (Dr Chris Taylor) has since resigned, and FSC International has threatened to de-register FSC Australia unless it "gets its act together". So, neither FSC Australia nor its overseeing body has in fact rejected VicForests' claims in this regard.

Other concern

The article failed to examine the motivation of the environmental activists in continuing protest campaigns and legal actions against VicForests even though the Victorian Government has already announced a phased closure of the timber industry ending in 2030.