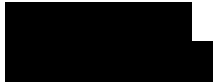




15 November 2018

Cost Recovery Secretariat  
Department of Water and Environmental Regulation



PERTH WA 6850

Dear Sir/Madam,

## **DISCUSSION PAPER ON COST RECOVERY FOR DWER**

The Forest Industries Federation of WA (FIFWA), is the industry association for the state's timber industry with membership including all the major companies and businesses that operate in the sector, covering commercial plantation growers and managers, harvest and haulage businesses, and processors of both plantation and native timber resources.

WA's timber industry has total gross value of output of about \$1.4 billion per year, contributing \$643 million to the State's economy in gross regional product annually and around 6000 jobs, primarily in regional WA<sup>1</sup>.

This submission is intended as responding to the questions posed in the Discussion Paper on Cost Recovery, where they relate to the timber industry.

## **Native Vegetation Clearing Fees**

### Proposed Strategic Approach to Clearing and "Purpose Component"

The proposal to align a new fee structure for clearing permits with the level of risk to the environment has merit. However, the "purpose" description, as it relates to forestry, should be re-considered.

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<sup>1</sup> Schirmer, J., Mylek, M., Magnusson, A., Yabsley, B. and Morison, J. (2017). *Socio-economic impacts of the forest industry Western Australia*,. Forest and Wood Products Australia.

We contend that timber harvesting conducted in accordance with the WA Forest Management Plan, is not clearing, and thus should not be subject to permitting and the associated fees. Native forest timber harvesting is already subject to intense regulatory scrutiny. Harvesting timber plantations is associated with establishing new plantations, often on the same site where trees have been harvested.

We note that clearing by the Forest Products Commission, under the Forest Products Act (2000), is exempt from clearing permits under Schedule 6, Part V of the EP Act (1986).

In the case of forests on private land, there needs to be recognition of silvicultural regimes, such as thinning as distinct to clearing. When conducted according to sustainable forest management principles and subject to a management plan, this activity should be regarded as “deemed to comply”, and not require DWER assessment. The proposed dramatic increase in fees is likely to deter expansion of the private native forest industry.

For DWER to impose clearing permits on timber harvesting suggests agency overreach and duplication. Given our view that timber harvesting, as outlined above, should not be subject to native vegetation clearing permits and fees, we choose not to comment on the proposed fee structure.

### **Water Licence and Permit Fees**

Forestry should be recognised for its proven contribution to improved water yields and water quality in catchments.

Strategic thinning in native forests will boost water yields in catchments, while plantations can reverse stream salinity. The beneficial impact of plantations on water quality is perhaps best demonstrated in the Denmark River, where establishing 5,000 ha of commercial plantations in the upper Denmark catchment enabled the Denmark River to completely recover from salinity<sup>2</sup>. New plantations in the upper Collie River Catchment will also make an important contribution to reversing salinity in the Wellington Dam, under the Myalup-Wellington Project.

FIFWA has been in discussion with DWER and the former Department of Water (DoW), over several years regarding regulating, where appropriate, “new, significant water interception activities”. We recognise the need for policy, planning, and/or regulatory measures to protect existing water users and the achievement of environmental objectives now and in the future.

We believe that best available science should be used when determining the water balance and the significance of interception by land uses. We believe that plantations should not be subject to a variable abstraction regime.

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<sup>2</sup> Western Australia Plantations – The Missing Piece of the Puzzle - <http://www.forestindustries.com.au/wp-content/uploads/2015/08/FIFWA-WA-Plantations-Missing-Piece-of-the-Puzzle-2016.pdf>

I trust our responses to the issues raised in the discussion paper assists with the delivery of improved environmental and water regulation, and we would be pleased to provide any clarification regarding these matters as required.

Yours sincerely

Matt Granger  
**Chief Executive Officer (Acting)**

