

ADVICE TO GOVERNMENT - MURR-2022-014

Background

- The Plantation Land Suitability Analysis was completed as part of a suite of reports that forms an understanding of the available and suitable land for the purpose of plantation establishment.
- The report aims to assist the reader and decision makers to analyse the barriers to plantation expansion in the Murray Region Forestry Hub area. This report utilizes data from the Climate Forecast Model project that was completed in 2021.
- The report considers the following focal groups, as determined as significant by industry for the purpose of growing Radiata Pine, to determine the feasibility or suitability of land for plantation expansion:
 - Biophysical parameters for suitable plantation growth
 - Physical constraints that restrict plantation location
 - Permit zones and other considerations
 - Land value

Key highlights from the report

- **The report suggests that there is ~185,000ha of highly suitable land available for plantation establishment within the Hub boundary and within close proximity to solid long-term markets and processors.**
- The report considers only focal groups or profiles considered important to the industry, which differ to the potential barriers for other land use (such as grazing).
- The main exclusion variables identified that prohibit the availability of available land for the establishment of plantations within the Hub boundary are: public land reserves and parks.
- Soil types will become increasingly important as the industry is subject to seasonality for the safe and effective extraction of wood.
- Land Tenure exclusions are a significant barrier and put plantation establishment in direct competition with other high value land use, such as cropping and grazing.
- The suitability of biophysical class 3 which has a MAI of between 15-20 actually increases under a climate scenario RCP 4.5 (current scenario). Current MAI for the region is approximately 17-18*.
- Under two climate scenarios, an 'intermediate' scenario would see the highly suitable land decrease from 185,000 hectares to less than 80,000 hectares by 2090, and the 'worst-case' scenario would see a significant reduction by 2090 to below 30,000 hectares.

* Based on industry advice at the time of this document.

Key advice from this report for government consideration

- **MRFH would advise** examination of these results in relation to potential growth markets for carbon in a changing environment that supports plantation establishment over other land uses.
- The report indicates that Land use and tenure are the biggest restrictions to plantation establishment. For example 'Utilities' land which incapsulates land uses such as Hydro electricity generation, water utilities, and wind electricity generation are currently excluded for plantation establishment. The **MRFH would advise** the Government to engage with other levels of government to consider ways to integrate other land uses, such as utilities with plantation establishment, especially where land is already fallow.
- The report suggests that there is ~185,000ha of highly suitable land available for plantation establishment within the Hub boundary and within close proximity to solid long-term markets and processors. The **MRFH would advise** the government to consider other opportunities for encouraging land use change at a local level.
- The MRFH understands that the Federal Government has implemented a number of plantation encouragement initiatives such as the Plantation Establishment Grants. These have so far been well received ¹. **The MRFH would advise** the government to interpret the land characteristics that have been successful in greenfields establishment.

Opportunities for additional scope of work to inform government

The Plantation Land Suitability Analysis was completed to the absolute satisfaction of the MRFH and its members and was completed in line with the scope provided to the PF Olsen team.

However, since the results of the report have been circulated and scrutinized by the members of the Hub, it has become apparent that additional information would be helpful to more accurately determine the land mass truly available for expansion of the plantation estate within the Hub boundary. This may include a deeper dive into land tenure types, location and current status as well as additional restrictions that were previously not included in the study, especially in relation to the Native vegetation removal regulations – Victoria, especially in relation to native grasses.

Indigenous cultural and heritage areas of significance are not easily identified through this report and are not clearly registered in the Hub region located in the Victorian side. Identifying areas of indigenous significance would allow a more informed appreciation of actual available land for plantation establishment.

The Hub Executive encourages the Department to reach out for further discussion with the Hub membership on the Advice to Government.

¹ <https://www.abc.net.au/news/2023-12-15/timber-plantation-grants/103223746>