

Private **Forests** Tasmania

Corporate Plan 2022- 2025

Corporate plan prepared to fulfil
requirements in accordance
with section 19D of the
Private Forests Act 1994.
JUNE 2022



Acknowledgement of Aboriginal People and Country

Private Forests Tasmania acknowledges Tasmanian Aboriginal People as the traditional owners of the land and respect their culture and identity which has been bound up with the Land, Sea, Waterways and Sky for generations.

Statement of corporate intent

Our Purpose

To facilitate and expand the sustainable development of Tasmania's private forest resource.

Our Goals

Goal 1: Work creatively and collaboratively with partners and stakeholders to improve private native and plantation forestry commercial wood supply and carbon outcomes.

Goal 2: Effectively communicate the benefits of private native and plantation forestry as an integral part of Tasmania's agricultural growth strategies.

Goal 3: Work with government policy makers and regulators at local, state and national levels to improve regulatory efficiency and practical policy settings for private native and plantation forestry.

Goal 4: Build organisational capacity by developing our people, knowledge, safety, systems, culture and funding sources.

1. Introduction

Private Forests Tasmania is an independent statutory authority established in 1994 under the *Private Forests Act 1994*.

We work to facilitate and expand the development of the private forest resource in Tasmania in a manner that is consistent with sound forest and land management practices. This includes advising and assisting private landowners in the management of native forests and the establishment and management of plantations on private land. These activities involve working closely with private landowners and land managers, along with other major stakeholders, to develop and deliver a wide range of services to ensure sustainable forest use.

Private forestry is an important part of our forestry industry, which is a corner stone of the Tasmanian economy, providing vital domestic and export commodities while supporting local businesses and creating regional jobs. The diversification of existing agricultural ventures to include private forestry plantations will provide landowners with increased long-term resilience in a changing climate and challenging global trade environment.

Section 6 of the *Private Forests Act 1994* lists our statutory functions, while Schedule 1 of the Act outlines our statutory objectives. These objectives and functions are set out in full in Attachment 1.

2.Strategic Direction

Our Purpose

To support sustainable growth and development of Tasmania's private forest resource.

Our Values

Excellence - We take pride in our knowledge, reliability and in making a difference.

Respect - We are fair, honest, and appreciative.

Integrity - We are authentic, ethical, and accountable.

Teamwork - Our teams are collaborative, cooperative, caring, and productive.

Our Expectations

- We provide leadership in growing our future economy and ecology through native and plantation forestry on private land.
- We assist private forestry to be a growing, economic, sustainable, profitable, and integrated part of primary production in Tasmania.
- Our work results in a better-informed community on the positive multiple benefits of commercial private forests (native and planted) integrated on Tasmanian farms.
- We work with the Forest Practices Authority to have a private forestry regulatory system that delivers sound environmental outcomes cost-effectively, while minimising complexity, and in a manner reflective of environmental, social, and economic risk.
- We are trusted and respected for our work and are seen as the 'go to' agency for private forestry information.
- We continually improve outcomes by being open to new ideas and feedback, and, by being collaborative, innovative, creative, and practical.
- We take a lead role in collaborations of private forest stakeholders, from both smaller and industrial scale growers through to private forest management companies for institutional investors.

3. Our Goals and Strategies

Goal 1: Work creatively and collaboratively with partners and stakeholders to improve private native and plantation forestry commercial wood supply and carbon outcomes.

Strategies:

- Foster collaborations of stakeholders, landowners, and their neighbours to raise awareness of the market access, climate, productivity and commercial benefits of farm forestry through PFT's Tree Alliance campaign and other marketing programs and opportunities.
- Actively seek co-investments with commercial partners that facilitate farmers to plant commercially viable trees and actively manage native forests integrated in the agricultural landscape.
- Foster industry innovation by building effective partnerships with industry, government, research organisations and commercial providers - leading to infrastructure, supply chain, freight logistics and productivity improvements that support sustainable growth and improved profitability in private native and plantation forestry.
- Proactively develop and support projects that demonstrate and enhance active management of private native and planted forests to assist the forestry and agriculture sectors to be climate friendly, market ready and fire prepared.
- Seek to understand how we can learn from Aboriginal fire management practices and share and communicate these with private forest landowners.
- Foster stand improvement strategies in Tasmania's existing plantation resource to improve domestic sawlog supply outcomes in the short to medium-term.
- Work with our levy payers and sponsors to identify priority projects needed to deliver the greatest value proposition to them.

Goal 2: Effectively communicate the benefits of private native and plantation forestry as an integral part of Tasmania's agricultural growth strategies.

Strategies:

- Implement and regularly update PFT's farm forestry engagement strategies to improve understanding of private forestry, build landowner adoption, and encourage uptake through neighbours.
- Encourage whole farm planning that recognises the benefits of food/fibre balance in a changing climate through landscape scale demonstration sites and related collaborations and co-investments.
- Develop and promote information and tools that assist farmers to achieve productivity gains, improved profitability, and sustainable land management, through farm forestry – and to be able to value, communicate and improve their forestry assets over time.
- Develop and promote information and tools that assist in increasing the area of Tasmania's private timber reserves and associated plantations, that facilitate aggregation of non-industrial scale private forestry resources and that model different harvesting methods, costs, and benefits.
- Continue to improve PFT's website and social media platforms to more effectively communicate practical information and planning tools and a comprehensive directory of forestry services across the whole forestry supply chain.
- Work with the Tasmanian forest industry to foster and support strategic industry communications and marketing plans that bring closer connections between users and growers and that demonstrate the positive forestry and carbon story.

Goal 3: Work with government policy makers and regulators at local, state, and national levels to improve regulatory efficiency and practical policy settings for private native and plantation forestry

Strategies:

- Provide quality, evidence-based private forestry policy advice to government policy makers and regulators, to assist regulatory streamlining, efficiencies, and cost-effectiveness (red tape reduction).
- Facilitate a regulatory and policy environment that enables private forest growers navigate, and be responsive to, strategic risks such as climate challenges, global trade logistics and changing community attitudes.
- Foster practical policy settings that facilitate market-pull for wood and fibre to meet Tasmania's foreseeable domestic needs.
- Proactively engage with the Forest Practices Authority to foster continual improvement of the forest practices system to meet economic, social, and environmental expectations and risks.
- Progress legislative and regulatory amendments as necessary to increase regulatory efficiency and improve outcomes for landowners.
- Work with landowner and grower associations, and other primary industry bodies to foster greater integration of Tasmania's private forestry and agricultural growth strategies, supporting the climate, carbon abatement, fire management and renewable energy policies of government.

Goal 4: Build organisational capacity by developing our people, knowledge, safety, systems, culture and funding sources.

Strategies:

- Continual review of risks and mitigation strategies to provide a culture of safety across our workplaces.
- Actively engage with staff, stakeholders, and service providers to ensure our teams are equipped with the skills mix needed to deliver priorities.
- Be the single data collection agency for private forestry data to inform government reporting and decision making and assist industry to invest and value add.
- Focus on team building and corporate culture development that reflects our stated values and expectations.
- Source appropriate resources to deliver identified priorities and services, through a combination of resourcing from government, co-investment with industry, collaborations, and partnerships.

4. Investment in Priorities

Over the period of the corporate plan, we will be investing in priority projects and activities that align with the goals and strategies set out in section 3. Priorities are identified in consultation with stakeholders across the private forestry sector and, in line with legislated requirements, are reviewed annually to take account of changing needs within the sector and the Tasmanian community in general. A comprehensive review of PFT's corporate strategy was undertaken in 2021/22 in consultation with stakeholders and will continue to be undertaken three yearly – the next full review being due in 2024/25.

Our investment strategy includes both investment of annual income, along with targeted investment from PFT's cash reserves, into priority projects arising from its goals and strategies. In addition to our core services, our priority projects identified for 2022/23 are focussed on contributing to alleviating Tasmania's wood supply shortages, including in the short-term, medium-term, and longer-term.

Priority projects for 2022/23:

1. Landscape scale best practice agroforestry plantings

Expected outcomes by June 2023:

- At least six additional demonstration farms selected across Tasmania and agreements in place with landowners.
- Existing seven demonstration farms continue with the aim being to maintain agroforestry plantings at or above industry standard survival rating.
- A rolling program of communications activities across a sample of demonstration farms, including their neighbours, implemented annually.

2. Tree Alliance investment partnership agreements

Expected outcomes by June 2023:

- Two agreements with commercial partners in the agribusiness sector focussed on market-pull strategies for agroforestry.
- Expression of interest process for industry co-investment in seven pilot projects relating to short, medium, and long-term wood supply strategies (in native and plantation forestry).
- Seven Tree Alliance investment partnerships with PFT co-investments of up to \$50,000 each, including:
 - Active native forest 'management to market' demonstration sites established in two regions in Tasmania (short-term wood supply strategy);

- Two pilot projects established to investigate costs and silvicultural practice for efficient transition from short to long rotation in plantations (medium-term wood supply strategy);
- Two projects supporting third party agroforestry programs targeted at carbon plus wood outcomes (long-term wood supply strategy); and
- One project seeking to reduce red tape costs and/or certification costs for small landowners (short-term wood supply strategy).

3. PFT/Tree Alliance communications

Expected outcomes by June 2023:

- Native and plantation forestry and carbon - communications strategy being implemented.
- Commenced engagement with Aboriginal community on indigenous fire management to share and communicate with private forest landowners.
- Updated PFT/Tree Alliance website.
- Updated PFT/Tree Alliance branding.
- Four additional Tree Alliance communications partnerships.

4. New tools to assist farm foresters in establishing and managing new and existing forests

Expected outcomes by June 2023:

- Tree Mapper tool tested with landowners, full production release and hosted on PFT website.
- Carbon farming ready reckoner tool tested with landowners, full production release (jointly with Tasmanian Regional Forestry Hub) and hosted on PFT website.

5. Regulatory reform

Expected outcomes by June 2023:

- Improved outcomes for landowners.
- Action plan for enhancements to the forest practices system to meet economic, social, and environmental expectations and risks.

6. Building organisational capacity to deliver strategic priorities

Expected outcomes by June 2023:

- Forestry portfolio transition to NRE Tasmania completed.
- Implementation of Australian Government co-investment of \$506,000 in farm forestry and private native forestry projects in Tasmania.
- Structural reform within PFT to improve delivery of priority strategies.
- Continuous improvement of work, health, and safety systems, COVID-19 safety plans and risk management framework.

In implementing its investment strategy PFT will foster the inclusion of farm forestry in agriculture in a manner that enhances farm productivity, improves carbon outcomes, and contributes to achieving both forestry and agricultural growth plans of Government. It will also leverage from and provide a delivery agent for wood supply strategies identified by industry as part of the Tasmania Regional Forestry Hub.

The following tables contain:

- a. a summary of the financial results of the Authority in respect of the financial year immediately preceding the current financial year; and
- b. a summary of the projected financial results of the Authority in respect of the current financial year and each financial year covered by the plan.

FINANCIAL PLAN
STATEMENT OF COMPREHENSIVE INCOME
FOR YEAR ENDED 30 JUNE

Revenue (\$'000)	Previous Year	Current Year	Year 1	Year 2	Year 3
	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Forecast	Estimate	Estimate	Estimate
Operating grants	1,647	2,184	1,714	1,745	1,917
Private forest service levy	207	200	200	200	200
Other income	36	10	8	7	7
Total Revenue	1,890	2,394	1,922	1,952	2,124

Expenses (\$'000)	Previous Year	Current Year	Year 1	Year 2	Year 3
	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Forecast	Estimate	Estimate	Estimate
Expanding private forestry					
- Operating budget	651	653	769	781	850
- Targeted Investment	493	596	485	422	240
Communicate benefits	279	280	577	586	638
Improving regulatory system	464	560	192	195	212
Build organisational capacity	232	187	192	195	212
Management and admin	232	187	192	195	212
Total Expenses	2,351	2,463	2,407	2,374	2,364
OPERATING SURPLUS (DEFICIT)	(461)	(69)	(485)	(422)	(240)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE

<i>\$'000</i>	Previous Year 2020-21 Actual	Current Year 2021-22 Forecast	Year 1 2022-23 Estimate	Year 2 2023-24 Estimate	Year 3 2024-25 Estimate
Current Assets					
Cash & deposits	2,000	1,931	1,446	1,024	784
Receivables	123	123	123	123	123
Other assets	13	13	13	13	13
Non-Current Assets					
Property plant & equipment	4	4	4	4	4
Right-of-use assets	108	108	108	108	108
Total Assets	2,248	2,179	1,694	1,272	1,032
Current Liabilities					
Payables	56	56	56	56	56
Provisions	182	182	182	182	182
Lease liabilities	70	70	70	70	70
Non-Current Liabilities					
Lease liabilities	42	42	42	42	42
Total Liabilities	350	350	350	350	350
TOTAL EQUITY	1,898	1,829	1,344	922	682

5. Planning cycle

The goals and priorities of our Corporate Plan are communicated throughout Private Forests Tasmania via operational plans and staff agreements that are reviewed annually. The aim of the planning cycle is to align the directions of the organisation to the functions and activities of all directors and staff and to regularly review the relevance of these priorities.

The Board and management team of PFT will review this Plan annually as required under S19D of the *Private Forests Act 1994* and update it as appropriate. This annual review will be informed by working with our staff, the Minister for Resources and the Treasurer, consulting with our stakeholders and monitoring our progress against our identified indicators of success and expected outcomes.

6. Performance measurement

PFT has identified the following high-level indicators of success in relation to each of the four goals outlined in this Plan. Indicators of PFT's strategies being successful are whether:

Goal 1:

- Our partners are our advocates;
- Our priorities are aligned with client needs; and
- Sustainable expansion of Tasmania's wood and fibre resource is aligned with predicted demand.

Goal 2:

- Private forestry is facilitating improved forest carbon outcomes; and
- Farm forestry is contributing to whole-farm productivity and profitability gains.

Goal 3:

- Tasmania's forest policy and regulatory framework efficiently mitigates environmental, social, and economic risks; and
- Forestry and agricultural growth strategies are aligned.

Goal 4:

- Our teams are safe, capable, positive, and creatively engaged; and
- Our services and processes are fit for purpose for our levy payers and other key stakeholders.

Measuring the success of our strategies will occur through our Annual Report, which is directly aligned to our corporate goals and priorities; feedback from our stakeholders through direct engagement, strategic plan workshops and statutory processes such as the annual levy rate review; and reporting against our expected outcomes for priority projects.

7. Risks and Mitigation

PFT is committed to developing a risk management culture, where risk management is seen as integral to the achievement of our objectives at all levels and where all staff, contractors and volunteers are alert to risks, are capable of an appropriate level of risk assessment and confident to report risks or opportunities perceived to be important to our priorities.

The identification and management of risk will be undertaken in a systematic process, adopting the principles set out in AS ISO 31000:2018, Risk Management – Guidelines, and incorporating identified risks into PFT's Risk Management Framework.

Financial risks and their mitigation are reported annually in our Annual Report.

8. Governance and Corporate Structure

Legislation: *Private Forests Act 1994*

Portfolio Minister: Minister for Resources

Portfolio Agency: Department Natural Resources and Environment Tasmania

Board: Six (6) Directors appointed for their practical knowledge, industry, commercial and technical expertise in forestry.

CEO: Day to day management of PFT (consistent with Ministerial Charter, strategic and operational plans, and State Service employment conditions).

PFT staff: Ten (10) positions across three offices located in Hobart, Launceston, and Burnie.

ATTACHMENT 1: *Private Forests Act 1994* - Functions and Objectives of Private Forests Tasmania

Functions of Authority

The functions of the Authority are as follows:

- a) to advise the Minister on all matters relating to private forestry;
- b) to provide assistance and advice on forest management for commercial purposes and on the use of trees for sustainable land management;
- c) to process applications for private timber reserves under the Forest Practices Act 1985 pursuant to a delegation from the Forest Practices Authority under that Act;
- d) to promote opportunities for more competitive markets for private forest owners;
- e) to advise, assist and facilitate the private forest sector in the development of commercial infrastructure;
- f) to maintain and update an inventory of private forests, prepare five-yearly reviews of private forests and report on compliance with export and other licence conditions as required by any agreement entered into between the State and the Commonwealth;
- g) to provide advice and assistance to the Forest Practices Authority for implementation of the Forest Practices Act 1985 on private forest lands;
- h) to provide coordinated input on behalf of private forest growers on land use issues;
- i) to promote private forestry research and education;
- j) to examine matters relating to the conservation of flora, fauna, land forms, cultural heritage and care of the environment on private forest lands;
- k) to encourage non-commercial forestry on private land including strategic planning and appropriate technical and policy development;
- l) to develop plans to deliver funding for private forestry programs from private forest owners;
- m) to perform such other functions as are imposed on it by this or any other Act.

SCHEDULE 1 - Objectives of Authority

1. The objective of the Authority 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.

2. Without limiting clause 1, the objectives of the Authority include the following:
 - a) to promote the development of private forestry in Tasmania;
 - b) to foster competitive markets for private forest growers;
 - c) to provide strategic planning and policy direction for private forestry in Tasmania;
 - d) to foster progressive and incremental funding from all private forest growers to fund the Authority;
 - e) to foster commercial wood production forestry on private land in Tasmania;
 - f) to foster the use and values of trees in sustainable land management.

Private **Forests** Tasmania

PO Box 180
Kings Meadows, Tasmania 7249

Offices:

- 30 Patrick Street, Hobart 7000
- State Government Offices, 171 Westbury Road, Prospect 7250
- State Growth Offices, Level 2, The Harris Building, 49 Cattley Street, Burnie 7320

www.treealliance.com.au
1300 661 009