

WESTERN CONSERVATION ALLIANCE

An alliance of conservation groups focusing on western NSW

Briefing 4: Vision for the Future Jobs and Industry Proposal

Employment Proposals

- The WCA has listened to the concerns of residents in the BBS who feel the regional economy might deteriorate if there are cuts to the logging industry.
- To this end, despite the absolute need to protect all remaining vegetation in the bioregion in a last-ditch attempt to protect endangered species and all other environmental values, we recognise that this is not a practical outcome for government in the short term.
- Our proposal should be seen as a package. One that attempts to diversify the regional economy, making it more sustainable in times of drought and making communities in small towns more viable. We have given particular attention to the smallest towns in the regions where the timber industry will be affected. We ask that Government funds are provided only in exchange for significant conservation gains and that the conservation movement is represented on any body set up to oversee the program.
- Our reserve proposal could be implemented with no net loss of jobs even if only two or three of the components of our package were adopted. If all the components were implemented not only would there be a net increase of several hundred jobs in the region, but they would be sustainable jobs.
- We request that aboriginal people are allocated at least 25% of all new jobs resulting from taxpayer investment. By supporting employment initiatives for aboriginal communities this proposal will also assist those communities to become healthier and more sustainable. It also recognises that aboriginal people currently engaged in firewood collection will be affected by the proposed phase-out of firewood collection, and should have first option on the replacement briquette manufacturing industry.
- The job impacts on the timber industry of the quota cuts are likely to be significantly less than indicated if the value-adding proposals are implemented with full utilisation of the small sawlog resource (glue-lamination plant) and thinning program.

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Table 1. Job Creation - WCA reserve and employment proposals

Source	No. of Jobs
New National Parks jobs	98+
Tourism	100+
Briquette Manufacturing	8
Cypress Oil Distillation Plant	5
Other Value Adding	20
Mining on cleared private property	320
Cypress thinning program	40+
Total Jobs Created	591

NB. These estimates are conservative. Actual net increase in jobs will be larger when structural adjustment opportunities for new industries are factored in.

New National Parks and Reserves

- Using the same multiplier as the analysis of all the previous options, (RACD, 2002) under this revised WCA proposal there will be at least 98 new NPWS jobs. This figure is likely to increase as visitation to new National Parks increases over time.
- New NPWS work depots are proposed at Baradine and Bingara to provide immediate alternative jobs for those affected by sawmill closure. The immediate task for the workshops would be providing some basic park infrastructure such as good signage, picnic areas and walking tracks.

Cypress thinning program

- All stakeholders and agencies agree that there is a need for a cypress thinning program. Only such a program provides any hope that there will be cypress of sufficient size to use industrially in 30-50 years time. SFNSW currently has a thinning 'backlog' of tens of thousands of hectares.
- We propose that the thinning program be conducted as a research project with different intensities of thinning clearly recorded to enable long-term tracking of the effects. There is some urgency for this work. We propose SF manage 4 crews each of 4 people, total employment of 16 which rises to 24 with multipliers. Additional jobs may result if thinned pines are collected and transferred to briquette/oil plant.
- A carefully monitored research trial of the impacts of thinning on biodiversity could be conducted on NPWS estate if it was strictly controlled and confined to a very limited area. Any future role for thinning in Park management in the region would be decided based on the results of this study.
- There is clearly much scope for a similar thinning program to be carried out on private property, which would produce up to 15 jobs with multipliers.
- Thinnings jobs would be available in all existing mill towns and could provide immediate alternative employment for any timber worker made redundant as a consequence of conservation decisions.

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Value adding opportunities

- There are numerous opportunities for increased value-adding to create additional employment in small mill towns in the BBS. Most of the value-adding in the region is currently done at Gunnedah, and there is very little at the towns of Gulargambone, Baradine or Gwabegar. Options should be investigated for adding value to existing sawn timber at each of these towns, and this may include transfer of some activities from Gunnedah to Baradine.
- It is proposed that a glue-laminating and finger-joining plant is established to replace jobs at the Insultimber ironbark mill at Baradine. This plant would use cypress off-cuts from the Baradine and Gwabegar mills and there would be no increase in cypress extraction required. It could produce high quality laminated products. It would maximise the value and recovery potential from smaller logs.
- Such a plant is currently successfully operating in Forbes based entirely on off-cuts from cypress mills and could employ up to 19 people which would replace the jobs at the ironbark mill. It is estimated that such a plant would cost in the order of \$0.5 million and that it would be viable in the region, especially as a co-operative.

Briquette manufacture

- Firewood collection has been listed as a key threatening process under the Threatened Species Conservation Act. By establishing two briquette manufacturing plants, one each at Gulargambone and Gwabegar, using sawmill residues and possibly some thinnings, it would be possible to phase out firewood collection from our native woodlands.
- Such a plant was established in the Eden RFA and now sells briquettes to Melbourne. RACD (2002) indicates that in excess of 40,000m³ of sawmill residue is produced from the BBS region each year, which would enable a viable briquette manufacturing program in the region.
- Providing a market for sawmill residues would make the mills more resilient and profitable and better able to cope with the reduction in quota. Compressed wood briquettes are an excellent fuel source as they are of high density and burn slowly generating good heat.
- The timber industry has estimated that two such plants could be established for \$1 million. Each plant would include a portable plant, boiler/superheater, hammermill and briquette compressor. They would employ 4 people at each plant.
- Ideally the Government could provide the start-up capital to enable these plants to be up and running within 12 months. They have the potential to not only supply the domestic market but also part of the Sydney and Canberra firewood markets and could be sold as 'sustainable firewood'.

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White Cypress Oil Distillation Plant

- Cypress oil is distilled from sawdust. According to the Forest Products Association it has been successfully trialed as an alternative to copper chrome arsenate (CCA) which is a standard termite proofing treatment for pine. CCA has now been banned in the USA following its close link to numerous incidents of cancers and other health impacts. There is an opportunity to create an international market to replace Koppers Logs in places such as Japan and California. White cypress oil could be the savior of the treated pine industry.
- This oil also has great potential for medicinal purposes, and it is thought it may equal tea-tree oil in the wide range of applications that it has.
- The distillery could process thinnings from both public and private land. Such a thinning program should increase the likelihood of a future cypress saw log resource in 30-50 years time. Post-distillation the sawdust can still be used for manufacture of briquettes.
- According to industry estimates, such a combined operation would produce 7.5 litres of oil and 500 briquettes for each 5 tonnes of sawdust. A small plant proposed for Baradine would employ 5 people and need approximately \$0.5 million for start-up infrastructure.

Apiary

- The WCA proposal would have no effect on apiary in the area. The NPWS are committed to allowing ongoing use for beekeepers to any hive sites which become NPWS tenure. Increased tourism and awareness of the region may have a positive impact on local honey sales.

Mining

- Minerals Resources data shows that 80% of high potential area for coal and coal seam methane occur on mainly cleared private land in the region. The WCA is not opposed to mining- provided it is conducted in an environmentally responsible way on **already cleared land**.
- Rather than destroying irreplaceable conservation values by failing to protect mature vegetation because of mineral potential, the NSW Government could offer **financial assistance to facilitate exploration on cleared private property**.
- The mining industry has estimated that it will deliver about 400 new jobs to the region. Mining jobs are likely to be concentrated in Narrabri, Boggabri and Gunnedah. Our option does not preclude these new jobs where they are based on mining on cleared land.

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Tourism

There is little doubt that large National Parks in an area increase tourist visitation. Increased tourist employment will to some extent depend on the amount of financial support the NSW Government is prepared to provide. More than 100 new jobs would be created across the region if some of the measures below were adopted.

1. **Pilliga Cultural and Heritage Centre** in Baradine, a proposal supported by all stakeholders. This centre would also accommodate a café; showcase local produce and have a small workshop attached producing handcrafted furniture and wood products.
2. Tourism promotion aimed at high value tourism markets such as **Bird Watching, Wildflowers and Cultural Heritage**. The recent Birds Australia Conference in Coonabarabran is an example of the potential in this area. Several hundred delegates stayed, ate and toured locally. Bird-watchers represent a very high-value, lucrative eco-tourism market, which the BBS is well suited to capturing due to its extremely diverse and threatened bird fauna.
3. Identification of the area as the '**Orana Loop**' which aims to incorporate newly established National Parks into a list of existing nature tourist destinations, such as the Zoo, Siding Spring and Warrumbungles, and using the Newell Highway as the backbone.
4. The Loop provides a vision for a network of natural and constructed attractions promoted through local communities working co-operatively together. An integrated, **whole-of-region marketing approach** could make it one of New South Wales most significant natural tourist attractions.
5. Initial funding of at least \$1 million would be sufficient to develop the Orana Loop and thus effectively co-ordinate the tourism strategies of **7 Local Government Areas**.
6. **Upgrade the Pilliga Forest Way** between Kennebri and the Newell Highway. Ensuring this road was accessible to two-wheel drive vehicles and had adequate signposting would make it an alternate route for tourism, and place it on the scenic loop from Coonabarabran to Narrabri. It is the single, **most effective** way of increasing tourist visitation to the Pilliga forests and Baradine.
7. **Scenic Rail** – currently there is a rail line running from the small town of Binnaway near Coonabarabran, to Gwabegar. \$9.5 million has recently been spent to improve this line, including major work on bridges and track. During the summer this provides the major transport route that is used to move wheat from farms in the region.

During the cooler months, there is great potential for Scenic Rail trips along this most picturesque line through the Warrumbungle ranges and Castlereagh Valley. It could be combined with stops for bushwalks and would enable local hospitality industries at Baradine, Gwabegar and Binnaway to develop, including the Pilliga Cultural and Heritage Centre.

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There is an enthusiastic rail heritage group already existing in Binnaway, and a light rail (such as a two-car diesel-powered tram or motor-rail set like those being used in Canberra and Cowra) could commence immediately. Likely cost \$250,000.

Additional New Industry Opportunities

In addition to the real and immediate employment prospects listed above, there are **numerous other opportunities** for the regional economy **to expand and diversify**. Most would need to be initiated by private investment. To this end we propose that the NSW Government develop a structural adjustment package, which supports regional communities by offering financial assistance by way of low-interest loans, limited start-up and extension capital to other industries. The Federal Government in its **Dairy Deregulation Structural Adjustment Package** used this approach successfully. To avoid the problems encountered with the forestry structural adjustment program on the coast, it is proposed that the adjustment program must be open to public scrutiny and there should be a conservation representative on any group overseeing the program.

Potential new industries include, but are not limited to, the following:

- **Broombush plantations** – the potential for growing the local plant *Melaleuca uncinata* for producing brush fences, which are popular in Melbourne, Canberra and Adelaide. Such plantations have a proven record and are a well-established industry in South Australia, providing steady employment and good economic returns, although there have been problems meeting demand.
- **Firewood woodlot establishment.** Existing studies indicate that woodlots can grow at rates of up to 2m³/ha/year in western areas and may produce volumes within 12 years. Further analysis of the economics of farm woodlot establishment to be conducted concurrently. Emphasis on selective harvesting of woodlots for firewood rather than a clearfelling approach which has negative soil, water and salinity implications.
- **Multi-use woodlot establishment** on private property for firewood, fodder trees, biodiversity values, and trees for bees (pollen and honey). This would help drought proof areas. This shifts the emphasis from the long-term production of timber to on-going production and economic benefits from a range of other uses.
- **Cut Flowers** - The Brigalow Belt South contains some of the key growing conditions (dry summers and well drained acidic soils) for growing particular species of wildflowers native to the South West of Western Australia. This potentially lucrative industry remains undeveloped in the region due to a lack of research specific to the region, expertise in the industry, and start up capital.
- **Essential Oils** - there is an opening for a distillery for oil extraction from many plants that can be grown locally including herbs such as Rosemary and Lavender, and a range of Native foliage oils. These crops have low

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water requirements and many of them are suited to the climate and soils in the region.

- **Bush Foods** – over 250 species of plants in the region have been used by the traditional owners for bush food and other uses. Some of these have potential for wide appeal in the market, although as yet there has been little research done. Crops already being marketed elsewhere include wattleseed, wattlegum, quandong, bush bananas, bush citrus and bush tomatoes.

Rural Industry Training and Research Station

There is an opportunity for the NSW government to play a pivotal role in establishing enterprises like those listed above, as major new rural industries for inland NSW. All the impediments to the growth of these industries could be overcome within 5 years if the NSW government provides funds to:

- Establish a partnership with Rural Industries and Research Development Council (RIRDC) and other researchers in the native flower, essential oils and bush food industries to examine potential experimental crops for the Brigalow Belt South.
- Establish a partnership with NSW TAFE to provide training in propagation, harvesting, packaging, marketing, floristry and small business.
- Fund trial plantings of a range of species that have the potential to find niche markets.
- Provide new growers with up to 30% of their start up capital.