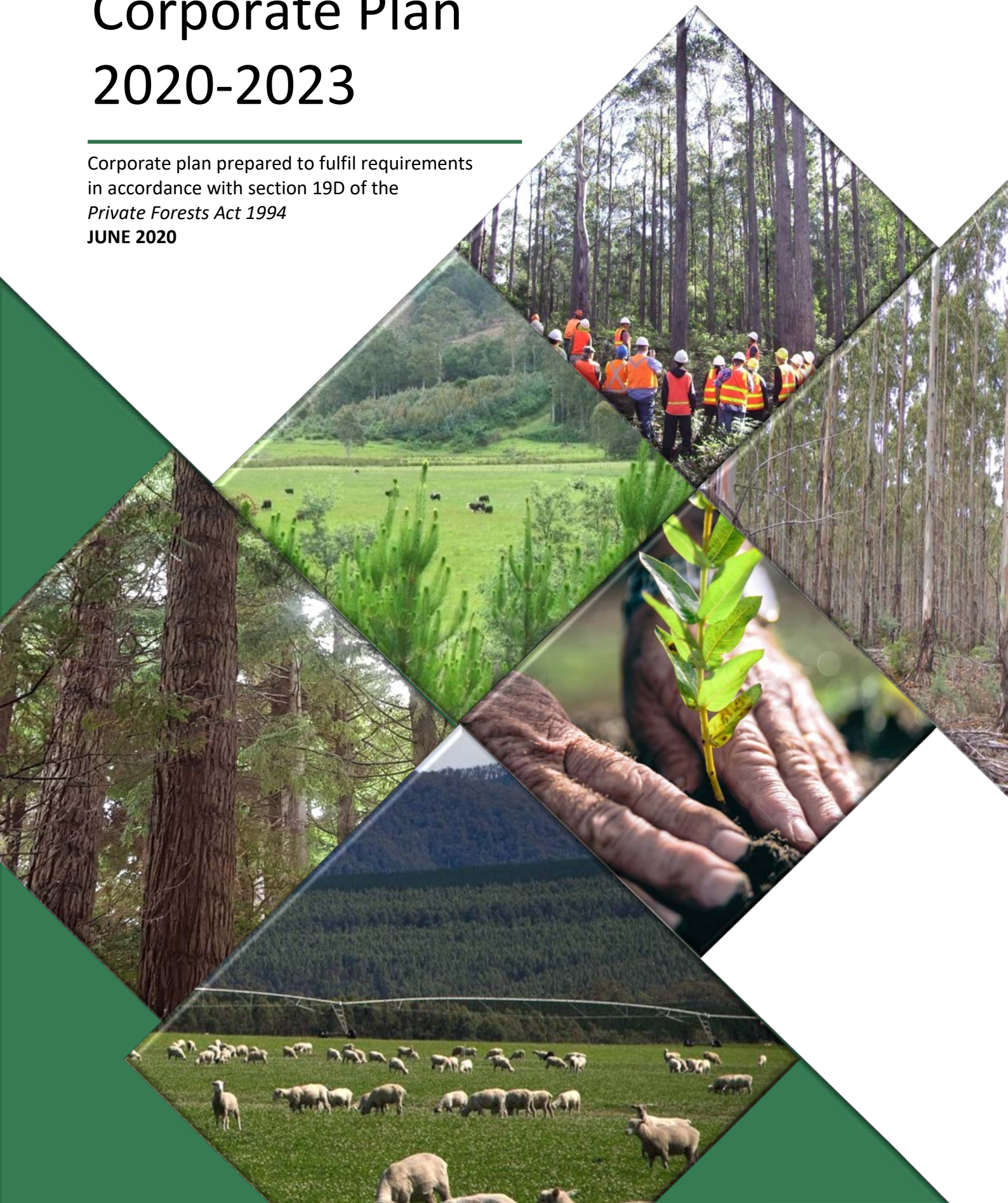




PRIVATE FORESTS TASMANIA

Corporate Plan 2020-2023

Corporate plan prepared to fulfil requirements
in accordance with section 19D of the
Private Forests Act 1994
JUNE 2020



Statement of corporate intent

Our Purpose

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

Our Goals

Goal 1: Work creatively with stakeholders to expand private forestry on a commercial basis

Goal 2: Effectively communicate the benefits of wood and the benefits of private forestry in the primary production landscape

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 forestry

Goal 4: Continuously improve management and business systems to ensure our staff and contractors work in a safe, productive and healthy environment

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 which 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 cornerstone 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 land owners with increased long-term resilience against challenges such as COVID-19.

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 work and encourage new ideas.

Respect

We are fair, trusting and appreciative.

Integrity

We are ethical and accountable in all we do.

Teamwork

Our teams are diverse, caring and productive.

Our Expectations

- We provide leadership to private forestry in policy development, private forest advice and advocacy to achieve expansion and development of Tasmania's private forest resource.
- We assist private forestry to be a growing, economic, sustainable, safe and integrated part of primary production in Tasmania.
- Our work results in a better informed community on the positive multiple benefits of more trees on Tasmanian farms.
- Our private forestry regulatory system delivers environmental outcomes cost-effectively and in a manner reflective of 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 and creative.
- 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 Priorities

Goal 1: Work creatively with stakeholders to expand private forestry on a commercial basis

Priorities:

- Engage with the range of landowners, government entities and investors to identify and remove economic barriers and to assist them to access finance, planning tools, markets and other economic information.
- Develop and promote the business case for integration of trees on farms at both the farm and state level and assist with the development of policy incentives, programs and tools for adoption.
- Work with industry to collect, collate and publish relevant resource data that assists investment and value adding.
- Foster industry innovation by building effective partnerships with industry, government, research organisations and commercial providers leading to improvements that support growth in private forestry.
- Facilitate recovery and building in long-term resilience within the private forestry sector relevant to challenges such as bushfires and COVID-19.

Goal 2: Effectively communicate the benefits of wood and the benefits of private forestry in the primary production landscape

Priorities:

- Implement effective communications plans and engagement strategies for client groups aligned to national and regional messaging.
- Work with the Tasmanian forest industry to foster and support strategic industry communications and marketing plans.
- Upgrade the PFT website and social media platforms to more effectively communicate practical information and planning tools.
- Implement PFT's Farm Forestry Engagement plan focussing on integrating trees on farms and increasing farm productivity.
- Host and keep under review the 'Good Neighbour Protocol' on behalf of all private growers in Tasmania.
- Work with landowner and grower associations, AgriGrowth Tasmania and its liaison officers, and other primary industry bodies to foster greater integration of the private forestry and primary production growth policies of governments.

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 forestry

Priorities:

- Commission work to understand costs of compliance across the private forest sector and assist with the development of policy responses to improve poorly performing system elements.
- Be the single data collection agency for private forestry data to streamline current systems and inform government reporting and decision making.
- 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).
- Promote policies that facilitate more trees in the ground and foster improved markets.

Goal 4: Continuously improve management and business systems to ensure our staff and contractors work in a safe, productive and healthy environment

- Deliver a clear value-proposition for private forest levies and other investments.
- Review and upgrade business systems to ensure best practice across legal, corporate and ethical responsibilities.
- Source appropriate resources to deliver identified priorities, through a combination of resourcing from Government, co-investment with industry, collaborations, partnerships, and service delivery.
- Equip staff and service providers with the skills mix needed to deliver priorities.
- Regularly review strategy and priorities consistent with legislated requirements and in consultation with stakeholders.

4. Financial Plan

Over the period of the corporate plan we will be investing in projects and activities that align with the goals and priorities set out in section 3. These priorities have been developed in consultation with stakeholders across the private forestry sector and will be reviewed annually to take account of changing needs within the sector and the Tasmanian community in general. The investment strategy includes significant targeted investment, from the Authority's cash reserves, of \$1.5M over a period of 3 years, non-recurrent, into expanding the extent and value of the private forest resource. This additional investment commenced in 2019-20 and will continue through to 2021-22.

This investment will:

- a. pilot and then grow a new scheme to match corporate investment from the resources, primary industry and business sectors with new or existing farm foresters wishing to expand the productive forest estate,
- b. develop landscape scale best practice agroforestry plantings in north west, northern and southern Tasmania,
- c. deliver an agroforestry engagement strategy to connect existing and potential new farm foresters with the information and planning tools they need to make sound investment decisions,
- d. develop and deliver tools to assist farm foresters in establishing and managing new and existing forests to enhance farm productivity and income,
- e. pursue policy development that assists in removal of unnecessary barriers to farm forestry and enhances monetising of non-wood values of forests,
- f. foster the inclusion of farm forestry in agriculture in a manner that enhances farm productivity and contributes to achieving both forestry and agricultural growth plans of the State and Federal Government, and
- g. leverage from and provide a delivery agent for plantation expansion priorities identified by industry under the regional forestry hub/s in Tasmania.

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 2018-19 Actual	Current Year 2019-20 Forecast	Year 1 2020-21 Estimate	Year 2 2021-22 Estimate	Year 3 2022-23 Estimate
Operating grants	1,583	1,615	1,647	1,680	1,714
Private forest service levy	225	270	200	200	200
Interest earned	62	47	40	32	24
Other	93	21	15	15	15
Total Revenue	1,963	1,953	1,902	1,927	1,953

Expenses (\$'000)	Previous Year 2018-19 Actual	Current Year 2019-20 Forecast	Year 1 2020-21 Estimate	Year 2 2021-22 Estimate	Year 3 2022-23 Estimate
Expanding private forestry					
- Operating budget	563	592	666	674	684
- 3 Year investment program (non-recurrent)	0	400	600	500	0
Communicate benefits	241	254	285	289	293
Improving regulatory system	241	381	571	578	586
Improving business systems	322	254	190	193	195
Management and admin	241	212	190	193	195
Total Expenses	1,608	2,093	2,502	2,427	1,953
OPERATING SURPLUS (DEFICIT)	355	(140)	(600)	(500)	0

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE

<i>\$'000</i>	Previous Yr 2018-19 Actual	Current Yr 2019-20 Forecast	Year 1 2020-21 Estimate	Year 2 2021-22 Estimate	Year 3 2022-23 Estimate
Current Assets					
Cash & deposits	2,426	2,330	1,730	1,230	1,230
Receivables	193	150	150	150	150
Other assets	7	7	7	7	7
Non-Current Assets					
Property plant & equipment	9	9	9	9	9
Receivables					
Total Assets	2,636	2,496	1,896	1,396	1,396
Current Liabilities					
Creditors & accrued expenses	48	48	48	48	48
Provisions	130	130	130	130	130
Other liabilities	2	2	2	2	2
Non-Current Liabilities					
Provisions	35	35	35	35	35
Total Liabilities	215	215	215	215	215
TOTAL EQUITY	2,421	2,281	1,681	1,181	1,181

5. Risks and Mitigation

Private Forests Tasmania manages key business risks through its Risk Management Procedure and in accordance with the relevant Australian/New Zealand Standard ISO 31000:2009 Risk Management – Principles and guidelines. This involves logically and systematically identifying, analysing, assessing, treating and monitoring risk exposures that are likely to adversely impact on the our operations. Specifically, this includes the following areas of potential risks:

- staff (work health and safety);
- assets and equipment;
- liability (including public liability and professional indemnity);
- financial and business interruption.

Current risks and mitigation strategies will be identified in and managed through our Risk Register.

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

6. Governance and Corporate Structure

Legislation:	<i>Private Forests Act 1994</i>
Portfolio Minister:	Minister for Resources
Portfolio Agency:	Department of State Growth
Board:	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:	9 permanent positions and 1 fixed term position across three offices located in Hobart, Launceston and Burnie.

7.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 goals and priorities.

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

8. 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.