

Impact Assessment: World Heritage Listing

A Social Research Consultancy Unit Report

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Executive Summary

In November 1990 the Department of Anthropology and Sociology of the University of Queensland was contracted by the Resource Assessment Commission to undertake a wide-ranging social and economic impact assessment of the effects of World Heritage listing on the Wet Tropics region of North Queensland. On the basis of studies commissioned by the Commonwealth Government, the Queensland State Government and the Forest Industries Campaign Association, it was known in 1987 that the cessation of logging in listed areas of North Queensland was likely to result in some regions experiencing significant negative impacts. The Commonwealth Government undertook to mitigate negative impacts by a variety of methods, primarily, via the implementation of a Structural Adjustment Package.

This study has three interrelated objectives. The first objective is to measure changes that have occurred to the structure and operation of North Queensland's forest and timber industry. The second objective is to describe the social and economic impacts which occurred as a consequence of changes to the forest and timber industry. The third objective is to assess whether the Structural Adjustment Package was effective in mitigating negative impacts resulting from World Heritage listing.

Findings

An Economic Profile of the Affected Tableland and Coastal Region

The data presented in this section demonstrates the highly active and volatile nature of the north coast economy, the relatively static nature of the south coast and the relatively high unemployment levels on the Tableland, particularly the Atherton region. At the community level it is not possible to quantify specific World Heritage related impacts. The fluctuating levels of building activity in particular make it difficult if not impossible. World Heritage impacts are concealed by impacts caused by a wide variety of other factors such as tourist growth in the Douglas and fluctuating prices for agricultural products on the south coast.

The Structure and Operation of the Forest and Timber Industry of North East Queensland 1987-1991

Since World Heritage listing some sections of the timber industry have declined markedly while other sections have remained relatively stable. When World Heritage listing was introduced there were 12 timber mills licensed and operating in crown rainforest in the Atherton and Ingham forestry districts. These mills employed a total estimated workforce of

486. During the period 1987 to 1991 ten of these mills had either closed or ceased operating and approximately 413 timber-related employees were made redundant.

During the same period, the number of general purpose sawmillers licensed to operate exclusively from private property has remained constant while there has been a marked decline in the number of independent logging contractors and special purpose saw millers.

Changes to the structure of some sections of the timber industry have been reflected in sustained and significant decreases in the amount of timber processed on the coastal strip north of Townsville and on the Tablelands.

A Description of the Structural Adjustment Package

The Structural Adjustment Package (SAP) was designed to alleviate negative business, financial and employment impacts associated with the cessation of logging in North Queensland rainforests. At the broadest level, there were two types of SAP programs: business compensation and alternative employment strategies. This latter program included employment on public works projects, tree planting projects, private sector initiatives, labour adjustment assistance and local community projects. Labour adjustment assistance could be further broken down into five sub-programs: dislocation allowance, early retirement benefit, wage subsidy, retraining courses and removal and relocation assistance.

In targeting individuals, local councils and businesses for assistance, the SAP was an innovative program which genuinely sought to alleviate negative economic impacts associated with World Heritage listing.

An Evaluation of the Structural Package

The Structural Adjustment Package provided an effective short-term solution to the financial and employment uncertainties faced by displaced timber workers. However, the rationale underpinning the SAP was exclusively economic and this was a limiting feature of the package. Economic considerations are obviously an important component of any adjustment package, but it is also necessary to recognise the importance of social factors. Many of the difficulties experienced by SAP recipients can be attributed to the one-dimensional nature (ie. economic) of the package.

In addition, the formal structure and administrative guidelines of the SAP were not always well suited to the efficient and effective delivery of the SAP program.

Public Sector Projects

The public sector projects were a highly successful element of the SAP and produced significant benefits at both individual and community levels.

Private Initiatives

The Private Initiatives Scheme was a particularly innovative component of the SAP. Recipients were uniform in applauding the concept. However, administrative problems and payment delays made it very difficult for a number of recipients to either establish new operations or expand existing businesses. The scheme generated real social and financial difficulties for many of those involved.

Dislocation Allowance

The dislocation allowance was successful in ensuring that the economic position of displaced timber workers was not seriously undermined in the short term.

Early Retirement

Displaced timber workers aged between 55 and 60 were generally dissatisfied with the Early Retirement Program as they believed it did not adequately compensate them for wages they would otherwise have earned working in the timber industry. Many of these recipients expressed a desire to find further employment, but the structure of the labour market made this unlikely. Displaced timber workers who were closer to retirement were generally more positive about the early retirement payment.

Social Impacts Associated with World Heritage Listing

With the single and notable exception of Ravenshoe, the social impacts associated with World Heritage listing were overshadowed and concealed by impacts caused by other factors such as fluctuating levels of building activity. The north coast region has been least impacted by World Heritage listing. The Mareeba region experienced the least social impact as far as the Tableland is concerned, with Ravenshoe experiencing the greatest impact. On the South Coast, both the Innisfail and Ingham areas have experienced negative impacts with Innisfail demonstrating greater ability to absorb negative World Heritage related impacts.

It is possible that some negative social and economic World Heritage related impacts may be experienced on the Tablelands and coastal strip over the coming decade. These negative impacts relate to the costs of the provision of public utilities such as power and water which may be increased because of Shire Councils being unable to preserve the integrity of Heritage areas without incurring substantial costs.

The Commonwealth Government's Structural Adjustment Package was designed to alleviate the negative financial and employment consequences of World Heritage listing. Clearly, the package targeted economic impacts and to this end was reasonably successful. The degree of success achieved by the package is all the more noteworthy when it is recalled that the SAP was an innovative and untried form of assistance and consequently it is unreasonable to expect the package to be completely devoid of conceptual problems and implementation and administrative difficulties. These problems and difficulties provide important baseline data for the development of future adjustment packages. The most distinctive and innovative feature of the SAP was its targeting of individuals for assistance and this strategy should be retained in future adjustment packages. However, in future packages there needs to be a recognition of the fact that for many people, the social and psychological dimensions of forced industry contractions are at least as tangible and disruptive as the economic dimensions.