

Public submission

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Your submission

1. Sustainability of current and future forestry operations in NSW

Wherever we live in NSW, we all remember the catastrophic bushfires in 2019-20 as well as the '1-in-100 year' floods in 2022; we are all alarmed at the rapidly growing list of threatened and endangered species, especially iconic species like koalas disappearing from our forests, and many of us are also deeply worried by repeated reports of inappropriate native forest clearing.ⁱ The industry body, Timber NSW, has said that the native State forest available for logging is not sufficient to meet the needs of 'a sustainable timber industry' and that remaining areas are 'being harvested more frequently than they otherwise would or should be.'ⁱⁱ **This is crazy and it has to stop. It's clear that it's time to change how our forests are being managed, and from an environmental perspective, we are running out of time.** As a first step towards this change I call on the Panel to recommend:

1. **the immediate cessation of native forest logging in NSW to protect more than a million hectares of native forests, wilderness areas and core endangered species habitat, with an immediate moratorium on logging of core greater glider and koala habitat while the FIAP process is underway;**
2. **development of a plan to transition the native forestry industry to a timber and pulp industry based on plantations grown on already cleared land and managed to the highest standards;**
3. **asking the Federal Government to renegotiate NSW's Regional Forest Agreements based on updated dataⁱⁱⁱ;**
4. **grandfathering current Private Native Forestry Plans and supporting landowners to transition to conservation-based income streams on uncleared land and (if they wish) sustainable plantation-based forestry on already cleared land; and**
5. **implementing a 'just transition' for NSW forestry workers from native forest logging to sustainable industries such as expanded plantation-based forestry.**

According to Timber NSW's website, the NSW Forestry Corporation "manages some of the most diverse forests in Australia, growing and harvesting timber for benefit of the state."^{iv} However, there are growing concerns that continuing native forest logging is neither environmentally nor economically sustainable, and that overall, it does not benefit the State. Although the regulatory framework seems reasonably robust and evidence-based, current practices and rates of logging native forests^v seem often to fail to comply with the law^{vi}, **creating significant community doubt that current native forestry management practices can support the long-term health of these ecosystems.** A lack of transparency, and apparent unwillingness by forestry managers to explain or take systemic action in response to these failures, fuels public perceptions that the overall sustainability of the State's forestry operations is compromised and diminishes the social licence for native forest logging.^{vii}

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A 2022 report by Frontier Economics found that native forest logging has **depressed** revenue from the State's forestry operations overall.^{viii} and that by ceasing native forestry logging, the government could expect increased dividend revenue from Forestry Corporation once it was freed from the loss-making part of the business and remove a burden on NSW taxpayers by avoiding continuing payments to prop up the sector and FCNSW over recent years.

The report estimated that ending logging of public native forests would cost the NSW government about \$302 million over 10 years for a structural adjustment package for an estimated 1070 local workers, including redundancies, retraining, buy-backs of wood supply contracts, and support for diversifying regional economies. However, **this cost would be more than offset** by gains in revenue from the cessation of loss-making native forest logging operations^{ix}. **By helping workers and communities to transition to jobs with more long-term security the Government would help to retain younger workers in the regions, grow sustainable jobs for the future, and show it understands and cares about these regional communities.**^x

2. Environmental and cultural values of forests, including threatened species and Aboriginal cultural heritage values

Native forests in NSW are critical habitats for many threatened species that rely on mature, intact forests, including the Koala, Greater Glider and the Eastern Curlew. They hold significant cultural value for Aboriginal communities with traditional connections and cultural practices tied to the land and its plants and animals. **Continued logging of native forests is unacceptable.** It disrupts the ecological balance and poses an unacceptable threat to biodiversity and Aboriginal heritage, and damages important services 'services' that native forests provide to the environment and to human communities.

An expanded role for local First Nations knowledge of country incorporated to develop 'place-based' forest management practices can provide diverse and sustainable management options that respect traditional knowledge and practices. Approaches such as 'cool burns' can enhance biodiversity, ensure that forest management practices align with cultural values and support adaptation to climate change, in turn supporting the resilience and agency of local communities. We should seek to learn from successful First Nations-led carbon farming initiatives elsewhere in Australia, which have delivered major benefits for both First Nations people and local communities.^{xi}

I believe that focusing on the environmental and cultural value of forests, in consultation with First Nations peoples and local communities points the way towards a 'just transition' for communities and landholders who currently rely on economic development from logging to outcomes related to environmental protection, such as economic development from tourism, carbon credits, and social benefits.

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3. Demand for timber products, particularly as relates to NSW housing, construction, mining, transport and retail

Australia's current timber shortage is adding considerable cost of living pressures and driving up the cost of construction projects across the country. However, Australian native timbers are rarely used in building timber house frames of as construction materials today – it is mostly used for aesthetic reasons in exposed flooring, decking and so on^{xii}. Australians prefer local timber^{xiii} but logging more native trees is not the solution. **Treated pine is less expensive and easier to work with than native hardwood. Where hardwood is needed, alternatives to native forest-sourced timber such as plantation-grown hardwoods and recycled wood products can fulfill the needs of the housing and construction industries, without compromising native ecosystems.** Promoting the use of recycled and sustainable timber and composite and laminated products from and plantation-grown wood can and should help meet market demands while protecting NSW's valuable native forest resources and will assist end-users to meet sustainability goals.

4. The future of softwood and hardwood plantations and the continuation of Private Native Forestry in helping meet timber supply needs

The future of softwood and hardwood plantations: According to NSW Timber^{xiv}, only 7% (~1.651m ha) of the 22m ha of native forest in NSW is currently designated for timber production and nationally, sustainably managed hardwood and softwood plantations already provide 91% of Australia's log production. To meet projected demand for native timber, expanded development of hardwood tree plantations on already cleared land can meet these needs more efficiently and without risking permanent environmental damage compared with native forest logging.

Continuation of PNF: Theoretically, allowing landholders to choose selective logging practices and derive income from harvesting native forest timber on their land while meeting regulatory requirements that support sustainable management, PNF has the potential to balance economic and ecological imperatives while supplementing hardwood timber supplies. I believe most landholders aim to be good custodians of their land and protect biodiversity, soil health, and water quality and manage remnant, regenerated and intact native forest resources on their land.

However, these objectives should be weighed against the potential ecological benefit of intact native forest unharvested (except, for example, thinning in compliance with the code of practice) to better preserve ecological integrity, protect threatened species and maintain habitat connectivity, enhancing the overall health of the ecosystem. There are also questions whether, in practice, the current regulatory framework for PFAs misses some important opportunities to provide a more robust and integrated approach to biodiversity conservation and habitat protection on privately held land.

For example, landholders are expected to self-categorise their landholdings and accurately identify and map old growth forest, rainforest, riparian buffers and Aboriginal heritage objects and places as well as important species, endangered ecological communities (EEC) and other important features such as the number and density of hollow-bearing and recruitment trees on their property map. While some

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landholders simply may not have appropriate skills to do this, or may be genuinely unaware, of wildlife corridors overlapping their boundary (for example), the obvious conflict between landholders' economic and environmental interests acts as a disincentive for accurate mapping and has likely resulted in inappropriate logging of high conservation areas under PNF plans.

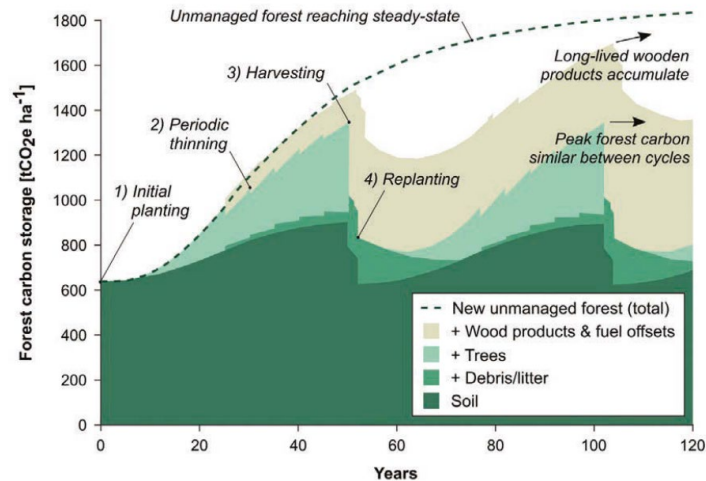
For these reasons, to supplement the cessation of native forest logging I **support grandfathering current PNF plans and providing a clear transition pathway for landholders to switch from extraction-based to conservation-based income streams on land which is uncleared, and if they wish, to cultivate plantation timber on suitable land that was already cleared before the date State forest logging ceases.** This could be supported by expanding the capacity of Local Land Services (LLS) to act as a 'one stop shop' to assist landholders with long term land use and natural capital planning including for example, help to understand options, benefits and risks of non-extractive land uses and potential income streams from say, biodiversity grants, annual payments, or carbon sequestration which may lead to more diversified, stable, and potentially greater income over time, particularly as carbon markets grow^{xv}; advice on potential eco-tourism opportunities, leveraging the landholder or local community's environmental reputation; and help managing plantation timber sustainably, and developing connections with First Nations culture and people, for example, to enhance fire management.

5. The role of State Forests in maximising the delivery of a range of environmental, economic and social outcomes and options for diverse management, including Aboriginal forest management models

State forests are 'managed for a range of values including environmental conservation, tourism and recreation and renewable timber production while also supporting rich biodiversity and wildlife populations.'^{xvi}

The UK Institute of Structural Engineers considered whether it would be better, from a carbon perspective, to leave forests to grow naturally, noting that in an unharvested forest, sequestration continues until the total carbon reaches a steady state. A sustainably managed and harvested forest also achieves a constant carbon storage, albeit lower than that of an unmanaged forest and cyclic between each harvesting period – refer to the diagram below - but if carbon is stored in long lived wooden products over time, the total carbon sequestered accumulates and *could* eventually be greater than that of an unmanaged forest over the same period.^{xvii} Whether this is achieved depends on the proportion of harvested trees that become 'long lived' forest products, their lifespan, whether they are re-used and so on. In NSW, roughly 33% of native hardwood timber products are used in high value construction and similar products with carbon estimated to be 'locked up' for 10-20 years, while some is diverted into lower value paper and other products.^{xviii}

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Once logging ceases, State forests could become test beds for ‘place based’ forest management techniques, for example through controlled investigations to test strategies for improving fire resistance of native forests by altering tree density, vegetation structure, or live and dead fuel loadings. This requires a willingness to let go of ‘tried-and-tested’ forest management approaches, which would be assisted by a cessation of commercial logging and by **normalising collaboration** amongst divergent stakeholders such as local First Nations people, nearby landholders and other representative community members.^{xix},

Supporting community resilience: A study conducted by the North East NSW Forestry hub into the social license for native forestry^{xx} found that increasing transparency about forestry operations and for example, publicly responding to questions about exactly how specific local risks to biodiversity were being managed, could strengthen social cohesion and support for changes to traditional land management among these communities. Educating, consulting, and involving local communities in conservation efforts can further enhance communities’ resilience to climate impacts and provide education on sustainable practices.

A ‘just’ transition: It will be critical to implement a plan to help timber communities with a complete and ‘just’ transition to jobs in reforestation, restoration, non-extractive native forest and plantation management^{xxi} e.g. invasive species and weed management, fire risk mitigation and environmental monitoring, and developing eco-tourism for example. Restoring and managing NSW forests of all kinds will need an active workforce for many years to come. Meaningful and productive local jobs can be developed in tourism and forest management, with opportunities for First Nations people to be involved in healing and managing Country and State forests should be at the centre of all of this.

6. Opportunities to realise carbon and biodiversity benefits and support carbon and biodiversity markets, and mitigate and adapt to climate change risks, including the greenhouse gas emission impacts of different uses of forests and assessment of climate change risks to forests

Protecting native forests, particularly large, old growth trees, can both enhance biodiversity, helping to mitigate pressure on native forest species, and address climate change. Native forests

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are significant carbon sinks, absorbing more carbon dioxide (CO₂) from the atmosphere than they emit. While the *rate* of carbon uptake is highest in young trees, the *quantity* of sequestered carbon is highest in tall old trees (around 1900t/ha in Victorian mountain ash forest for example)^{xxii}. This means if forests are not allowed to regenerate or are harvested too frequently (or at all), their long-term carbon storage potential is significantly diminished. Restoring degraded forest areas can also improve habitat connectivity, allowing species to adapt to changing climate conditions.

Carbon sequestration According to the NSW Government's "State of the Forests Report,^{xxiii}" 2018 emissions from land-use change, including deforestation and forest degradation, contributed approximately 8% of the state's total greenhouse gas emissions. This highlights the important role of forest conservation in reducing overall emissions.

Biomass as part of a transition to renewable energy: An article published in Australian Forestry in 2023 notes that at least 2 million tonnes of residues per year are generated during the harvesting and processing of wood in NSW alone and highlights an opportunity to deliver meaningful climate benefits as fuel biomass 'if it displaces the use of fossil fuels and if the biomass is sourced from residues from sustainable forest operations.' The carbon emitted in this process would be re-absorbed by growing trees as part of the natural carbon cycling in sustainably managed forests.^{xxiv}

Currently 7% of native forest residue is burned on-site to generate power for sawmills^{xxv} and a small additional amount has been used to supplement other biomass combustion for electricity generation. While relatively minor now,^{xxvi} using biofuels to replace fossil fuels in larger scale power generation, is seen as a potential new income stream from 'low value' forest products. More strategically, biofuels can be an important part of the transition away from fossil fuels during this period while large-scale renewable energy 'firming' capacity is scaling up, for example as an alternative to opening new gas fields. Longer term, once our energy systems have transitioned more fully to renewables, I would support discontinuation of the EPA's ability to grant exemptions for 'waste' timber from native forests for energy generation^{xxvii} so that stored forest carbon is not released into the atmosphere longer than is necessary to support the transition, and there is a stronger incentive to find other uses that retain its embodied carbon.

To rebuild and safeguard the resilience of native forest ecosystems into the future and protect the irreplaceable natural heritage of future generations of NSW residents from further degradation, future forestry operations should prioritise non-extractive and sustainable management practices. Reversing habitat loss and native species decline and boosting climate action^{xxviii} by **protecting all native forests** and regenerating logged habitat with local native species; and realising carbon abatement opportunities **by the expansion of plantation forests where this can be done sustainably**,^{xxix} i.e., while protecting conservation values such as biodiversity, soil and natural water cycles, and where it will not displace more profitable and established land uses such as agriculture.^{xxx} **The 2019/20 fires have made this situation much more urgent and serious.**

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In turn, developing and supporting carbon and biodiversity markets could fund conservation efforts, fostering a sustainable relationship between economic development and environmental stewardship, and supporting social cohesion in local communities.

I am not able to comment on the greenhouse gas emission impacts of different uses of forests and the assessment of climate change risks to forests.

I commend the thorough and wide-ranging consultation the Panel is undertaking and thank you for the opportunity to comment on these important topics.

After filling in this submission template, please upload the completed submission to our online submission portal, linked [here](#). When you upload your submission successfully, you will receive a confirmation email from us. If you don't receive a confirmation email, please check your Junk Email folder. If you have further issues, please email forestryiap@ipcn.nsw.gov.au for assistance.

References

ⁱ <https://www.abc.net.au/news/2024-07-24/nsw-government-forestry-corporation-illegal-logging-allegations/104126534>

ⁱⁱ <https://timbernsw.com.au/debunking-myths/>

ⁱⁱⁱ to improve the contribution of forestry to NSW and Commonwealth carbon emission goals - see <https://theconversation.com/ending-native-forest-logging-would-help-australias-climate-goals-much-more-than-planting-trees-229487>. Given shortcomings in the NSW EPA's capacity identified by the NSW Auditor-General, and that species such as koalas in areas covered by RFAs are still not protected from habitat loss in areas covered by RFAs I think it is also advisable to ensure NSW's native forests currently under RFAs come under the reformed federal EPBC framework that includes strong national oversight, and that the RFAs are reviewed based on updated information.

^{iv} <https://timbernsw.com.au/timber-a-renewable-resource/>

^v NSW EPA reporting shows an increase in permanent clearing of woody vegetation of 35,000 ha (average) each year 2017 - 2019 vs 13,000 ha (average) 2009 – 2015. Monitoring changes in woody vegetation is 'more complex' than vegetation clearing overall but the trend to 2019 shows an increased proportion of native forestry harvesting on freehold land since 2018. See <https://www.soe.epa.nsw.gov.au/all-themes/land/native-vegetation-2021#pressures-on-vegetation-extent-pressures>

^{vi} Pepper, M. and John, J. 'Breaches: Profiling the recent history of logging breaches by Forestry Corporation of NSW' 2024 https://www.unitearthweb.org.au/wp-content/uploads/2024/09/Breaches_web.pdf

^{vii} StollzNow Research, 'Forestry's Social Licence to Operate' August 2023 <https://nswforestryhub.com.au/news-reports/reports/report/7-forestrys-social-licence-to-operate>

^{viii} Report by Frontier Economics, commissioned by the World Wildlife Fund, available here: https://assets.wwf.org.au/image/upload/file_transition_support_for_the_nsw_native_forest_sector_frontier_economics

^{ix} Frontier Economics, op. cit.

^x NSW must learn from Victoria's 'just transition' plan failures, which following dissolution of VicForests, allowed continued and largely unmonitored logging of native forests under the guise of 'fire management' and 'salvage logging', contrary to expert advice. <https://theconversation.com/has-logging-really-stopped-in-victoria-what-the-death-of-an-endangered-glider-tells-us-230394>

^{xi} <https://carbonmarketinstitute.org/2024/05/22/carbon-farming-can-deliver-major-benefits-for-first-nations-peoples-if-settings-are-right/>

^{xii} https://hipages.com.au/article/using_australian_timbers_for_building

^{xiii} StollzNow Research, op. cit.

^{xiv} <https://timbernsw.com.au/timber-a-renewable-resource/>

^{xv} https://www.ey.com/en_au/insights/sustainability/australia-s-carbon-market-is-changing-gears-are-you-ready

^{xvi} <https://www.soe.epa.nsw.gov.au/all-themes/land/native-vegetation-2021>

- ^{xvii} <https://www.istructe.org/IStructE/media/Public/TSE-Archive/2021/Timber-and-carbon-sequestration.pdf>
- ^{xviii} https://www.dpi.nsw.gov.au/__data/assets/pdf_file/0019/391114/All-About-Wood-poster.pdf
- ^{xix} <https://www.utas.edu.au/about/news-and-stories/articles/2021/1134-unravelling-the-role-of-climate-and-forestry-in-the-bushfire-disaster>
- ^{xx} StollzNow Research, op. cit.
- ^{xxi} WWF have estimated that 1000 jobs currently involved in the NSW native forest industry can be transitioned into plantations developed on already-cleared land, at a cost of \$450 million. See <https://www.abc.net.au/news/2024-04-02/nsw-logging-industry-timber-worker-says-facing-bankruptcy/103581908>
- ^{xxii} https://www.delwp.vic.gov.au/__data/assets/pdf_file/0023/416408/8-Carbon-factsheet-FINAL.pdf
- ^{xxiii} <https://www.agriculture.gov.au/abares/forestsaustralia/sofr>
- ^{xxiv} Ximenes, Fabiano. (2021). Forestry, bioenergy and climate -a way forward in Australia. *Australian Forestry*. 84. 1-3. 10.1080/00049158.2021.1876405.
- ^{xxv} <https://sustainableforestmanagement.com.au/how-australian-timber-is-processed/>
- ^{xxvi} <https://www.soe.epa.nsw.gov.au/all-themes/climate-and-air/greenhouse-gas-emissions-2021#land-clearing-and-climate-change-pressures>
- ^{xxvii} currently permitted under the Protection of the Environment Operations (Waste) Regulation 2014. See <https://legislation.nsw.gov.au/view/html/inforce/current/si-2014-0666#pt.9>
- ^{xxviii} <https://www.anu.edu.au/news/all-news/native-logging-exit-boosts-australias-climate-action>
- ^{xxix} <https://cer.gov.au/schemes/australian-carbon-credit-unit-scheme/accu-scheme-methods/plantation-forestry-method>
- ^{xxx} For example, <https://nenswforestryhub.com.au/news-reports/reports/report/4-land-suitable-for-new-planted-forests-in-north-east-nsw>