

**Submission
No 289**

**INQUIRY INTO MANAGEMENT OF PUBLIC LAND IN
NEW SOUTH WALES**

Organisation: Gunnedah Timbers Pty Ltd

Name: Mr George Paul

Date received: 30/08/2012



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30th August 2012

Rhia Victorino
Senior Council Officer - Committees
Legislative Council
Parliament of NSW
Macquarie Street
Sydney NSW 2000

Dear Ms Victorino

Re: Brigalow and Nandewar Conservation Area Act 2005

The purpose of this letter is to request the relevant Ministers (Environment and Minerals and Forest Resources) to:

- Consider the impact the current cypress pine harvesting operations are having on the long term sustainability of the Brigalow South Bio Region cypress pine industry; and
- Approve the proposed transfer of approximately 18,000 hectares of Zone 3 (Conservation, Recreation and Mineral Extraction) to Zone 4 (Forestry, Recreation and Mineral Extraction) in exchange for approximately 70,000 hectares of Zone 4 to Zone 3.

Background

We understand that our previous submission (dated 3 May 2011) was unsuccessful and that the reasons are believed to have been:

- 1) Confirmation of Forests NSW ability to meet its commitments to December 2025.
- 2) That the proposal for the transfer of 75,907 hectares of existing State Forests to National Parks/Community Conservation area in exchange for 30,086 hectare of productive cypress was not "like for like".
- 3) That approval for the exchange might encourage requests by mills previously exited from the industry to re-establish operations.

We would like to address these items in term:

- 1) Sustainable yield as assessed by Forests NSW in 2005 was 40,000m³. This assessment was determined from existing records that did not take into account the effect the moratorium on logging had on sustainable yield. Forests NSW has recognised the devastation caused by the 2006/07 bush fires by reducing estimated sustainable yields by 10% to 36,000m³. Note however no allowance has yet been made for the loss of Leard Forest to mining interests.

We understand that Forests NSW confirm that average log size from 1995 to 2007 decreased by 16% to 0.166m³. During that 12 year period, the moratorium on logging was not in operation for the first five years, so it is reasonable to deduce the reduction in log size is primarily attributed to the subsequent 7 year period. If that trend were to continue, then by 2014 the average log size would reduce to 0.14m³. This would be below the acceptable average log size of 0.15m³ required in accordance with the wood supply agreements.

Further, the pre 2005 area of available cypress was approximately 306,000 hectares. The area now 140,000 hectares, a reduction of 55%. On the other side of the equation pre 2005 log allocation was 72,000m³. It is now 37,200m³, a reduction of 49%. That means on a pro rata basis the sustainable yield should only be 32,400m³ (45% of 72,000m³) before consideration of the impact of the moratorium or the loss of Leard Forest is taken into consideration. However, we believe that the current sustainable yield is no more than 25,000m³ or a present over commitment of 12,200m³. A figure that guarantees the destruction of the cypress forests within a short period of time.

- 2) “Not like for like”. At no stage before the 2005 Brigalow and Nandewar decision, nor since, has the Conservation Movement ascribed to individual State Forest conservation values. What did occur was the better managed forest areas, with larger volumes of standing cypress were selected as National Parks/Community Conservation areas.

It is noted that Blackjack Forest (197 hectares) in the heart of Gunnedah town expansion zone, and habitat for koalas and kangaroos, was not considered for its conservation values and remains today a state forest. If the Conservation movement had been honest and sincere and had actually carried out research in 2005, Blackjack Forest would have been a priority for conservation. A more scientific and realistic approach in 2005 in selecting the 248,000 hectares required by Premier Bob Carr for conservation could have saved the state of NSW \$80 million.

- 3) The transfer of 18,016 hectares would ensure that Forests NSW is able to supply the committed 37,200m³ on a sustainable basis (not just to 2025). It will allow that area, the subject of the moratorium, to recover from the existing overcut and perhaps in 50 years time to once again become a vibrant resource of cypress for NSW.

Summary

We have reluctantly amended our original proposal by excluding the transfer proposal relating to Zone 1 (Conservation and Recreation) and in addition amending the proposal for the transfer of Zone 3 (Conservation, Recreation and Mineral Extraction) as set out in Schedule A to 18,016 hectares. The proposal to transfer from Zone 4 (Forest, Recreation and Mineral Extraction) to Zone 3 as per schedule B is now 70,979 hectares. Refer to Schedules A & B.

The question must be asked, why is log size reducing?

The answer as verified by Forests NSW is that harvesting is recurring more frequently. Our logging Contractors are being forced to move more frequently (in April 2012, 3 moves of plant over a distance of 10 kilometres in 10 days – that represents 3 days of lost production resulting from the scarcity of millable trees in forest compartments).

Compartments that once allowed for weeks of logging are now only providing days of logging. The old policy of 65 years for first commercial cut and 100 years for final cut is disregarded by necessity. This in effect means that the forests as they now exist are not sustainable.

We would like to ensure that the cypress industry in the Brigalow South Bio Region continues beyond 2025 and it is evident that this will not happen. We have no desire in the years ahead to be the people blamed for the destruction of the Cypress Sawmilling Industry. Accordingly, if the Ministers are unable to give favourable consideration to our request, we advise that on present indications both mills will be forced to close in 2014.

Sustainable yields are supposed to be based on a 200 year forward projection. If the average log size is diminishing, because of the increased frequency of logging, commonsense tells us that this cannot continue and at some time in the future, whether it be 2014 or otherwise cypress sawmilling will cease to exist.

Recommendations

The NSW Minister for Environment and Minister for Minerals & Forest Resources:

- Consider the impact the current cypress pine harvesting operations are having on the long term sustainability of the Brigalow belt Bio Region cypress pine industry; and
- Approve the proposed transfer of approximately 18,000 hectares of Zone 3 (Conservation, Recreation and Mineral Extraction) to Zone 4 (Forestry, Recreation and Mineral Extraction) in exchange for approximately 70,000 hectares of Zone 4 to Zone 3.

Yours faithfully

George Paul

Gunnedah Timbers Pty Ltd

George Paul

Director

Patrick Paul

Baradine Sawmilling Co Pty Ltd

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Director