

Submission
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**INQUIRY INTO LONG TERM SUSTAINABILITY AND
FUTURE OF THE TIMBER AND FOREST PRODUCTS
INDUSTRY**

Organisation: NSW National Parks Association Far South Coast Branch
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The Hon. Mark Banasiak MLC
Legislative Council
Portfolio Committee No. 4 Industry

**NSW Legislative Council Inquiry Into the Long Term Sustainability and Future
of the Timber Industry**

We write as residents of the south coast of NSW, that beautiful stretch of forest and sea which defines our community and sense of place.

We are president and vice-president of the Far South Coast Branch of the NSW National Parks Association and have a combined 50+ years service as Rural Fire Service volunteers.

The comments we make on the native hardwood sector of the regional timber industry concentrate on the commercial and environmental impacts of the 2019/20 bushfires and their aftermath.

Trends which were in train before the fires have been magnified and accelerated by that event. The hardwood sector had become unprofitable with the predominant and low value woodchip export trade beset by adverse market forces. Employment in the sector had declined to the point of insignificance in terms of a rapidly growing regional economy based on tourism, service industries and the retirement demographic.

The climate change debate led to increasing recognition within the community of the importance of carbon stored in native forests and the emergence of

carbon credit funding mechanisms as environmentally responsible revenue alternatives.

The 2019/20 fires have changed the planning landscape. Indeed, the Regional Forest Agreement (RFA), for our area, which attempts to protect the conservation values of our forests while supporting native forest logging is based on assumptions which have been rendered obsolete by the unprecedented scale of the fires.

Forestry Corp (FC) reports that bushfires impacted half of its native forest estate in NSW. Our area, the south east, fared worse than our northern counterparts with around 80% of the native forest estate fire damaged. This raises questions as to the future wood supply and the viability of wildlife populations in these changed environments. It is worth noting that in the years before the 2019/20 fires FC had flagged the lack of sawlog availability, apparently due to a fire south of Eden in the 1980s. On this basis, the looming shortage following the recent fires could be catastrophic. Will the true state of the hardwood industry, including actual rather than inflated employment figures, ever be made public?

FC had advised in its latest Annual Report that from fiscal year 2022 onwards, operational losses of around \$15 million per annum can be expected. There are also substantial subsidies channelled through various stimulus, investment and recovery packages and substantial future costs in restoring fire damaged infrastructure and write downs in assets. Price Waterhouse Coopers has costed each hardwood forestry job at over \$5 million.

Australia's biodiversity was in steep decline before the recent fires. The Threatened Species Commission's recently published *Threatened Mammal Index* concludes that there has been a 33% decline in Australia's mammal

populations since the mid 1990s. The south east has seen a significant decline in arboreal mammals such as the Greater Glider and the fires, for some species, may prove to have been catastrophic.

Given the magnitude of the fires and their impact in both commercial and environmental terms, the logical course should have been for FC to invoke “force majeure” to alleviate contractual pressures and provide planning and breathing space. Instead, a “business as usual” message has been sent out to the community and logging resumed. There has been a further erosion of public confidence by the public brawl between FC and the EPA over logging practices in fire damaged forests.

In brief, the science tells us that logging disrupts natural processes of forest regeneration and reduces forest resilience. The compound disturbance of fire followed by logging alters the trajectory of forest recovery. Post fire logging represents additional disturbance and threat to wildlife populations that are already under significant pressure. Furthermore, a growing body of science supports the thesis that industrial scale native forest logging has made our State Forests more even aged, less diverse and more fire prone. This is of critical importance given our community’s recent experience.

The extent to which wildlife populations and biodiversity can be salvaged in the post fire landscape should be the subject of a credible scientific process rather than just left to chance. Governments have critically underfunded environmental research and management in our public forests and now we stand on the abyss of an even steeper decline in biodiversity.

The recent fires cannot be seen as isolated episodes unlikely to be repeated. The 2020 *State of the Climate Report* produced jointly by the CSIRO and Bureau of Meteorology predicts accelerated reductions in rainfall in the south east and

a worsening bushfire scenario with large fires occurring every decade or so rather than two or three times a century. Although the implications for forestry are profound, these trends have not been addressed in forestry forward planning.

In conclusion, we have no confidence in current forestry management to meet the requirement of protecting the conservation values of our native forests.

We call for a cessation of logging while fire impact assessments required to evaluate and support biodiversity recovery are conducted. Such a process will require time and adequate resourcing.

At the macro level we also need a fresh look at the economic and environmental sustainability of native forest logging in a landscape undergoing rapid change.

David Gallan Kim Taysom

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