

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

**Organisation:** Hurford Group

**Date Received:** 15 June 2021

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Portfolio Committee No. 4

NSW Legislative Council

11 June 2021

Dear Members of Legislative Council Policy Committee Number 4

**Hurford Group submission to the Inquiry into the long-term sustainability and future of the timber and forest products industry**

Thank you for the opportunity for making a submission.

This submission contains comments, observations and suggestions that we particularly wish to bring to the committee's attention. All relate directly to the terms of reference but do not precisely follow that structure.

We are a longstanding member of our industry peak body Timber NSW. The comprehensive submission from Timber NSW made on behalf of the industry is of course, endorsed by us.

Please contact me if you wish to know more detail and I would appreciate the opportunity to present evidence at a committee hearing.

We consent to this submission being made public.

Yours faithfully,

(By email)

**Andrew Hurford**  
**Executive Chair**  
**Hurford Hardwoods**

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## **Introduction**

The NSW government is on a pathway to lower emissions. We respectfully submit there is, therefore, urgent need for NSW parliamentarians to become conversant with the multiple ways that the forestry and wood products sector plays in reducing emissions.

NSW launched the Forestry Industry Roadmap co-signed by the respective Ministers for the Environment and Agriculture, Fisheries and Forestry in August 2016. The vision and actions remain relevant and a united focus by those Ministers is needed still – acknowledging their respective responsibilities.

If the Roadmap implementation ever got going, it quickly stalled. All the same issues remain. All the opportunities remain or are greater. We welcome this inquiry as a chance to refocus. The world has changed quite a bit since 2016. The pace of change seems to have accelerated and the geo-political situation is far from stable.

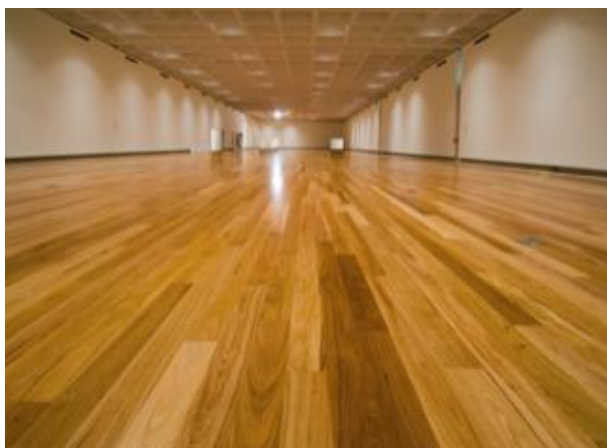
Timber security needs to be reconsidered as a strategic asset - in a vein not dissimilar to food and fuel security. We would like to see a commitment in NSW to lift our game and become more self-sufficient.

With bipartisan support from the opposition and minor parties and independents, we trust the government will step up and re-engage with our industry peak body, Timber NSW, our industry and stakeholders and collaborate to overcome the policy impediments that constrain this strategically important renewable hardwood timber supply chain.

Our submission provides an outline of the company and then focuses on issues associated with the long-term sustainability and future of the timber and forest products industry and the role of the Forestry Corporation and other government agencies in supporting the industry. It comments on the stalled NSW Forestry Roadmap and the Bushfire Recovery Plan.

## **Hurford Hardwoods**

Hurfords flooring is seen in homes and apartments across Australia, New Zealand and the USA . We are proud to say it also features in such prominent public buildings as the Queensland Art Gallery (left) and Melbourne’s Royal Exhibition Centre (right).

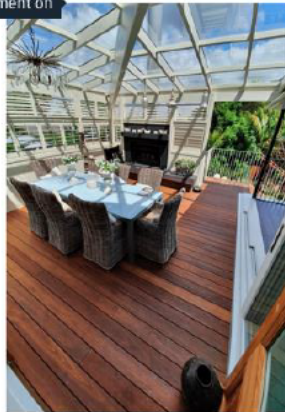


Our family company has been operating in the Northern Rivers community for four generations. Our insights have accumulated through living and breathing forestry and wood products day in day out, since the establishment of our business in 1932.

Our business continuously adapts. We are committed to sustainability and grow trees for timber supply across 5,000 hectares of our land. This is to supplement our future supply. Losses in the 2019/20 bushfires were a blow to our long-term timber supply planning. We applied for and received to some co-funding assistance via the NSW Bushfire Recovery Fund for establishment of some areas. We are very involved with growing timber supply on the farms and received the 2010 NSW Tree Farmer of the Year Award.



Select an area to comment on



As consumers become more aware of the toxins in our environment, Organic Decking is a pure truewood deck, that satisfies the growing demand for chemical free products. Organic Decking is produced from sap free, high durability species, such as Ironbark and Spotted Gum.



We mill sawlogs which are then manufactured by our plants into an array of high-quality kiln dried timber products including, flooring, joinery, decking, wall cladding and linings. We are a modern manufacturer – we are innovative and our commitment to the supply chain extends from the forest right through to our timber flooring wholesale business. Hurfords are product innovators, we spend time with our customers and designers looking closely at their needs and then refine our products and create whole new ranges to meet or create new markets. We are close to our market in NSW and across Australia.

We directly employ 306 people in fulltime positions. Approximately 150 of those are on the North Coast. Unfortunately, reduced timber supply since the 2019 wildfires led to the loss of 35 direct jobs in those mills. The multiplier effect from our business through the local economy is significant. Many primary products leave the growing region in an unprocessed form, but our timber is processed locally in our value-adding wood processing business.

We take deep pride in being able to both grow and process these magnificent carbon friendly timbers locally grown in the north coast. Our industry enables people in Sydney, Bathurst, Ballina, Bowral, Goulburn, Griffith, Cowra, Cooma, Jugiong, Orange, Mudgee - all over NSW to have sustainable, long lasting, beautiful natural floors in their homes, shops, offices, community facilities, schools. We think this is worthy work.

We have wholesale branches in all mainland states of Australia plus two in New Zealand. three in the US and one Europe. The primary function of our wholesale branches is to market and



distribute the products produced in our mills. They also export and import timbers to meet the needs of our customers which cannot be met by domestic production. Our business expanded offshore in more recent years. We source, process, manufacture and wholesale products in other countries and import timber for the Australian market.

Our policy is to source as many supplies locally as possible. The business supports many other family-run local businesses that provide the goods and services we use. This includes contract freight, timber harvesting and haulage, electrical services, engineering services, chainsaw services, forestry planting, pruning and maintenance, herbicide spray contractors, mechanical services, graphic designers, IT specialists, electronics system development and maintenance among others. Our mills at Tuncester, Casino, Kyogle and Bulahdelah were all built at McKeeco Engineering in Lismore. The sawmill at Kempsey was built by Gibson's at Kendall. They include latest ideas acquired from regular trade visits to Europe the US and Asia. Many businesses are associated with timber in the north coast.

The Hurford operation maintains Responsible Wood chain of custody Certification - which is part of the international PEFC system. This involves an independent third-party audit verification system that we have a sustainable supply chain every step of the way. It is important to our business and is increasingly requested by customers to ensure peace of mind for the end consumer and for building specifiers

The certification process is overseen by a dedicated person in our business and is also integrated into our systems. The certification is particularly critical for our timber sourcing foresters, who must ensure that all sustainability criteria are followed to the letter.



PHOTO: A field day convened by Local Land Services at Hurford's Warrazambil farm forest property in June 2021 was attended by 30 local land holders- interested in learning more about the management of their forests. Hurfords love these opportunities to share knowledge with other like-minded farmers and landowners.

## 2019/20 Bushfires

Our family and dedicated staff fought fires for months.



Busbys Flat fire front approaching the Ellangowan property 8 October 2019

A large area of the private native forest was destroyed. This was two years future high quality timber supply for our sawmills and integrated wholesale flooring business.

We were fortunate to receive a Bushfire Recovery Grant which will help to defray some of the significant cost associated with clearing up the debris and re-establishing 100 hectares of new trees. Whilst a much larger area was destroyed, replanting is an intensive operation and cannot be done in one season.

Please see attachments for more detail relating to the destructive and exhausting bushfires.

## **Issue 1. Understanding the scale of native forestry**

The sources of the hardwood timber supply make up is quite complex. At the outset, the committee needs to understand the scale of native forestry.

The NSW Forestry Roadmap spelt this out: -

### ***DID YOU KNOW? Native forests protection and harvesting***

*There are 22 million hectares of native forests in NSW. Of this area, approximately 7.5 million hectares are managed by the Crown.*

*75% (5,581,000 hectares) of the area managed by the Crown is made up of “nature conservation areas” under the National Parks and Wildlife Act 1975. These nature conservation areas are not available for timber harvesting.*

*The remaining 2 million hectares are managed by Forestry Corporation as “multiple use public forest”. Approximately 50% of this area is not available for harvesting due to various restrictions. This leaves a total of 1 million hectares available, of which approximately 30,000 hectares – or 3% – are harvested annually. Harvesting occurs through regular thinning operations or harvesting of small patches. Clear felling in native forests is not practised in NSW. Harvested areas are regenerated predominantly through natural seed fall.*

Forestry is poorly understood and this impedes policy making. The footprint of native forest harvesting in NSW is small relative to the total publicly owned estate. Understanding the scale is a first step to consideration of associated issues

## **Recommendation 1**

### **Invest in a five-year public awareness campaign**

**NSW government to invest in a long-term public education campaign which debunks misinformation that is rife around native forestry. Priorities are to explain the actual scale, the careful practices and strict regulation, the continuous carbon cycle from rotationally harvest forests, the role of the forest ecologists, the koala protocols and so on.**

**The expert forest research scientists in the NSW DPI should be integrally involved to provide the correct information.**

## Issue 2. Environment and primary industries supported the Forestry Roadmap

The Ministers' opening statements (below) to the Roadmap demonstrate a very necessary ability to work together. This is the right model and we look forward to more of it.

### Minister for Primary Industries The Honourable Niall Blair MLC

In NSW we rely on wood products every day. From the structures of our buildings, the furniture in our homes, the newspapers we read, to the toys our children play with, wood features in almost every aspect of our daily lives.

It's no surprise, then, that demand for wood is healthy – and growing. Our \$2.4 billion forestry industry provides critical jobs in our regions and is embedded in NSW's social fabric, culture, and economy.

But despite its importance, the risks and threats to the NSW forestry industry have created a complex operating environment.

Previous NSW Government decisions combined with years of inappropriate or under-investment, regulatory uncertainty, cheaper imports from overseas and resource insecurity have had a domino effect, which has put significant pressure on the industry.

I am committed to getting our local forestry industry back on track and prioritising our beautiful and sustainable timber products over cheaper, **imported products where environmental standards are often inferior to NSW.**

It is important to have a robust NSW forestry industry because overseas imports do not always meet our rigorous environment standards. The release of this NSW Forestry Industry Roadmap (the Roadmap) marks the beginning of the transformation process. At the heart of this whole-of-government plan is the importance of a triple bottom line approach, balancing the legitimate range of economic, social and environmental considerations.

The Roadmap is not about expanding or decreasing productive native forestry areas – our state's conservation areas and national parks will remain unchanged and protected.

**The Roadmap is about transforming, reviving, and re-invigorating the industry, which has lost its competitive edge.** It addresses the challenges such as supply and demand issues, but it also seizes the opportunities by reducing unnecessary red tape, stimulating investment and encouraging a greater role for **our timber industry in Australia's low carbon future.**

This is a fresh start for how the NSW Government manages productive forests and supports the forestry industry, and I encourage all stakeholders to participate in the consultation processes as we embark on this long-term journey of transformation.

### NSW Minister for the Environment Mark Speakman

New South Wales is home to some of the most breathtaking forests in Australia. From Eden to the Blue Mountains and the Border Ranges, our forests are more than just tourism destinations. They also have important environmental functions on which society depends, including clean water, biodiversity and carbon storage.

Our forests remain a keystone for the state's biodiversity, and the health and conservation future of NSW. Without healthy and thriving forests there can be no timber industry in NSW.

The current frameworks for regulating native forestry in NSW have been in place for some time and need to be reviewed and updated to ensure they continue to deliver on the state's commitments to ecologically and economically sustainable forest management under national and state based forest agreements. However, as a Government we have also made the commitment that any changes to forestry regulation must not result in erosion of environmental values and protections.

In order to maintain the environmental value of our forests, strong controls need to remain in place to protect all significant or sensitive habitat features including: rainforest, old growth, endangered ecological communities, riparian networks, and hollow bearing trees. NSW production forests must continue to contribute to the maintenance of NSW unique biodiversity, by supporting populations of threatened flora and fauna.

The Roadmap will aim to deliver a new regulatory framework that is efficient, enforceable and based on the latest ecological advice and information. Outdated penalties for environmental offences, some of which have remained unchanged since 1974, will also be modernised.

**The Government will work closely with key stakeholder groups** to ensure the reforms reflect and address the needs of the State, local communities, the industry and the environment.

There is always more we can do to improve the way we manage forestry activities in NSW. Developing sound, efficient and enforceable regulations that **reflect the latest science and industry best practices is a key commitment** of the NSW Government in order to deliver a healthy and sustainable environment.



### **Issue 3.a. Quality native hardwood supply is historically low and falling**

High quality, durable native timber is an essential material necessary for new homes, renovations, heritage purposes, public buildings and a multitude of other buildings for floors, stairs, decking, cladding, interior lining and so on.

NSW must move towards timber self-sufficiency. Our country has a tiny population in relation to its total forestry area and we must step up and better provide for our population's needs.

There must be more active planning and more sophisticated management of hardwood timber resources - to provide a sustainable level of domestic timber supply that better matches demand. This was a core tenant of the NSW Forestry Roadmap. But in fact the gap between low supply and growing demand is increasing.

A rethink and reset of the NSW wood products supply chain offers numerous positives - both socio-economic and socio-environmental for the forestry regions. So too, it will benefit the construction industry which is such a substantial driver of socio-economic activity needs access to materials that perform better environmentally. Timber is the ultimate renewable material (see [www.woodsolutions.com.au](http://www.woodsolutions.com.au))

#### **Supply**

NSW has a shortage of hardwood sawlogs. It also has malfunctioning system of sharing the annual harvested resource among industry operations (reference Boral favoured contract section in Timber NSW submission).

Yet it is an essential material necessary for new homes, renovations, heritage purposes, public buildings and a multitude of other buildings for floors, stairs, decking, cladding and interior lining.

20% of the total timber supply in NSW is hardwood and other 80% is softwood (pinus radiata) grown entirely in plantations on land that used to be either native forest or farming).

For hardwood – as per the Timber NSW submission:

- 71% comes from land owned by the Crown: 65% state forests (native forestry), 6% state plantations (for example Tarkeeth which was converted from a dairy farm to a tree plantation);
- 29% comes from privately owned land: 7% privately owned plantations (planted tree farms), 22% private owned native forestry (farm forestry being native naturally grown trees within a whole farm operation usually running livestock).

Therefore

- NSW native forests (both public and private) provide 87% of total NSW hardwood supply while plantations provide 13%

Production from within NSW forests is controlled with world-recognised forest management, environmental, harvest and regeneration regulations. This doesn't get much airplay, but it is

a fact. Politics and ideology overwhelmingly have driven public policy, Sadly this hasn't produced the positive environmental outcomes so volubly claimed by proponents.

The privately owned estate across the north coast, where we operate, attracts keen attention from sawmills like our own. Because state owned naturally grown/native forest wood supply declined so much, mills work hard to find any extra wood supply that can support their production of wood products and satisfy consumer demand.

We are a grower of private native forestry timber and of hardwood plantation timber. NSW is undersupplied with both and there is very little capacity for supply to increase from these sources without government policy settings that focus in stimulating tree production.

Government policy that has created vast areas of new national parks and further conservation areas within state forests has reduced native forestry harvesting by two-thirds since the late 1990's.

For the same period however NSW population grew 34% from 6 million (1996) to 8.1 million (2020) residents. Hardwood timber self-sufficiency has deteriorated, while imports have grown. The gap between supply and demand escalates every year.

NSW Treasury expects the population to be 9 million in 2030 and 11 million by 2040. We need a timber supply plan urgently.

In Australia's most populated state – the rapid drop in state hardwood wood supply is so out of kilter with the demand that most sawmills are competing against each other to buy privately grown timber supply. That supply however is also extremely limited.

The Timber NSW submission demonstrates that under existing policy settings there is no prospect of NSW increasing timber supply. That may even create new risks for Australia if there was to be a major disruption to global shipping, for example, as experienced during the current pandemic.

### **Issue 3.b. A new vision to serve NSW as the Hardwood demand escalates**

We urge the NSW government to develop new policies which can support and encourage sustainable hardwood production.

Demand will keep growing. The COVID-19 related incentives no doubt brought forward domestic construction materials demand. This however may be the new normal because by 2040 the population is expected to be 11 million in NSW (36% higher than 2020) alone and data shows NSW is less able to supply locally grown timber products with every passing year.

### **Outlook – higher dependency on global timber as access to our own forests is restricted and incentives to plant or manage private resources are weak.**

The domestic marketplace to procure hardwood timber is increasingly competitive because there is not enough supply and demand continues to trend up. Policy makers have apparently been quite content to rely on more imports to make up the gap. We question the wisdom of that going forward.

We cannot pretend we exist disconnected to the rest of the world. Timber demand is extremely strong - driven by global population growth and the widespread recognition that timber is the ultimate renewable material. The world marketplace to procure timber is highly competitive – this is a resource wanted everywhere.

Innovative engineered wood technology is creating incredible new, environmentally positive materials from both softwood and hardwood which can be used for construction of mid and even high-rise timber buildings.

NSW has a choice. One choice is to embrace the attractive opportunities of the modern and innovative timber sector by bringing in new policies that encourage growth (whilst protecting environmental values). This will deliver substantial positives for socio-environmental and socio-economic performance.

Alternatively, it can push on with current policy settings and contribute to the ongoing contraction of the sector. The results of this unpalatable choice will be:

- Permanent shortages of locally grown, 'low timber miles', naturally grown native species hardwood appearance products (used in people's homes for flooring, stairs, interior wall lining, cladding, joinery and decking).
- Embedding higher 'timber miles' into our buildings – higher reliance on imports will mean more energy (carbon emissions) consumed to transport timber from overseas;
- Sustained price inflation for all associated timber products which will not help with NSW's high construction costs or housing affordability;
- Difficulties for timber suppliers to quote forward prices on hardwood timber components due to prevalence of currency risks (AUD fluctuates constantly) on imports;
- Higher reliance on timber products imported from countries with forestry practices and regulations that are known to be inferior to ours;
- Higher prospect of timbers used in NSW homes from illegal logging and thus deforestation in lesser developed countries;
- Loss of employment in our north coast region for people working directly in timber mills and all the parts of the associated industry up and down stream with no prospect of replacement jobs;
- Job losses will make poverty worse for the north coast region and put more people at risk of mental ill health;
- Job losses elsewhere in the ecosystem of domestic timber wholesaling and marketing businesses, including for city employees.
- Lost opportunity for additional carbon sequestration in NSW

It's very clear forestry and wood products policy settings must be reset with twenty-first century thinking and advanced scientific information.

## **Recommendation 2**

**New wood supply policies are needed to get more trees planted and well managed until they are ready to be harvested.**

**(a) Properly fund Local Land Services to increase extension services which advise and educate people who are planting and managing trees for wood supply; and importantly to promote the opportunity to others.**

**(b) Fund Local Land Services to provide good quality hardwood seedlings to support faster establishment of new trees for wood supply grown by private landholders.**

**(c) Tailor the private native forestry (PNF) approval process to include a PEFC Certification package for small growers with Responsible Wood (the agency that manages the Australian Standards for Sustainable Forest Management). Certification needs to be affordable and practicable for smaller growers.**

**(d) Support better access to carbon sequestration payments for smaller growers. This can encourage increased production with new wood tree plantings. The cost of participation in the Carbon Farming Initiative is uneconomic for most farmers and landowners on the north coast but it is needed for cash flow. New trees are sequestering carbon for many years before they may be harvested (carbon storage goes on in wood products).**

**(e) The current 15-year life of a PNF Plan in NSW is a direct disincentive to a landowner to perform any silvicultural management as the return on good forest management plays out over generations. The upshot of this is short term decision making, leading to high grading and a downward spiral in forest health and productivity, due to sovereign risk. What is required is a long-term commitment by the State and the landowner for long term stewardship of say 100 years. This would be a two-way commitment between the land holder and the State. The State not to shift the goalposts and the landowner to manage the forest for timber production under a known ruleset.**



#### Issue 4. 2040 NSW Economic Blueprint and a vibrant timber industry

*“Our industry has a great opportunity to be part of the climate change solution by growing more trees and encouraging more people to build healthy, carbon storing wooden buildings. Hopefully this opinion is the beginning of a wider consideration of the value of wood.”*

*Rob de Fegely -chair Forest Industries Advisory Council (FIAC) to the Ass Minister for Forestry*

The Treasurer is a shareholder of the state-owned NSW Forestry Corporation.

In 2019 the NSW Treasurer launched the *NSW 2040 Economic Blueprint: Investing in the State’s Future*, to set direction for continued success in a changing world and expanding global economy.

It identifies challenges and risks and highlights major opportunities for the NSW Government to grow industries, innovate and improve the economy. Agrifood is included but despite the state moving to net zero carbon emissions – our ultimate renewable wood products sector is not even mentioned.

This is perhaps a reflection that our industry could lift its profile. It may reflect disconnection between bureaucratic awareness about what’s going on in our timber regions and lack of awareness into the global renaissance of timber.

We would welcome an opportunity to bring Treasury officials up to date. We also encourage them to examine the impact of the government’s outdated hardwood timber harvest and supply policies which are holding back genuine opportunity for this industry. Our industry has several attributes which align to the 2040 Economic Blueprint aspirations and must be enveloped.

A vibrant, sustainable hardwood timber industry should be a unique, highly valued asset within our state. We need only to look to Europe and North America where a timber culture is embedded into and valued by society at large. There are clearly synergies between the key Blueprint 2040 aspirations below and the aspirations and capability of the timber growing and wood products processing sector.

- |   |   |
|---|---|
| 1. The nation’s first trillion-dollar economy | 5. <b>Innovative</b> , world class businesses                           |
| 2. Healthy, <b>productive</b>                 | 6. A <b>sustainable environment</b> with reliable and affordable energy |
| 3. <b>Liveable</b> and connected cities       | 7. <b>Enhanced</b> performance of government                            |
| 4. <b>Productive, vibrant</b> region          |   |

#### Recommendation 3

**NSW Treasury engage with Timber NSW and the DPI Forestry unit and update its understanding of the state’s ultimate renewable wood products sector and particularly the regional growth opportunities for this innovative, green industry,**

## Issue 5. NSW has outstanding forest scientific expertise that is under utilised

Excellent knowledge and research are right at hand in Sydney via the accomplished people within the NSW Forestry Unit of the Department of Primary Industries (though few in number compared with the Agriculture Unit). We draw the Committee's attention to some of their profiles in case you were unaware.

*The NSW government has access to outstanding forest scientific research and advice at the DPI's Forestry Unit. The Unit's Forest Science team is led by Dr Christine Stone - a highly respected forest science researcher.*

<https://www.dpi.nsw.gov.au/about-us/research-development/staff/staff-profiles/christine-stone>

Dr Christine Stone is Leader of the Forest Science team in NSW DPI Forestry.

The DPI Forest Science team undertakes research and development in the areas of: forest ecology & sustainability; forest health & biosecurity; forest resource assessment; carbon in forests, wood products & bioenergy and forest monitoring.

She is also a Senior Principal Research Scientist. She is recognised as a national authority on the application of remote sensing technologies for the assessment and monitoring of forests and timber plantations. In 2017 Christine was awarded the Institute of Foresters of Australia's N.W. Jolly Medal, their **most prestigious honour** for outstanding service to the profession of forestry.

### Current and recently completed projects

- Solutions for the optimal use of dense, remotely acquired data by forest growers. A National Institute for Forest Products Innovations funded project, commenced July 2019.
- Optimising remotely acquired, dense point cloud data for plantation inventory. Funded by FWPA and concluded June 2018.
- Deployment and integration of cost-effective high resolution remotely sensed data for the Australian forest industry. Funded by FWPA, concluded Dec 2017.

### Research interests

- Operationally deployment of remote sensor systems (satellite/airborne/UAV platforms with passive (optical) and active (lidar) sensors for the assessment and monitoring of timber plantations and native forests.
- Optimising remotely acquired, 3D point cloud data for plantation inventory.
- Developing spatial products that inform the status and condition of native forests (e.g. for **Montreal Process framework reporting**).
- Improved methodologies for the assessment and monitoring of forest and plantation health and condition

### Qualifications

- B.Agric.Sci. – University of Tasmania, 1980
- MSc. (Applied Entomology) – Imperial College, London, 1982
- PhD (Forest Entomology) – Macquarie University, 1990

*Dr Brad Law is a Principal Research Scientist, DPI Forestry Unit. His koala habitat research is groundbreaking and brings out new information. This valuable analysis will help inform forestry policy.*

<https://www.dpi.nsw.gov.au/about-us/research-development/staff/staff-profiles/bradley-law>

Dr Bradley Law is a Principal Research Scientist in the Forest Science Unit, NSW DPI.

Brad's team undertakes scientific research to underpin ecologically sustainable forest management practices, which includes studies of the impact of forest disturbances (logging, fire), the effectiveness of forest management prescriptions and the ecology of threatened species plus the biodiversity benefits of native tree plantings on farms.

Brad has a background in zoology and ecology. His personal research program currently has a heavy focus on koalas in forests, especially using acoustics as a tool for survey and monitoring. He also has a long-term interest in bat ecology, probably the most species diverse group of forest mammals in NSW. An emphasis has been placed on long-term ecological studies, because of the length of life cycles in forest ecosystems. Recent research also includes studies on Eastern Pygmy Possums and Hastings River Mouse. Other studies have investigated the effect of logging on canopy nectar production in eucalypts. He is also interested in urban ecology and has co-supervised a number of postgraduate students in recent years investigating a range of ecological topics. Brad is co-editor of Australia's oldest zoological journal: Australian Zoologist and has published more than 130 peer-reviewed papers.

#### Research interests

- Forest wildlife and their response to disturbance
- Forest ecology and sustainability
- Bat biology and ecology
- Flowering phenology, native nectar resources and pollination

#### Current projects

- koala ecology in forestry landscapes: habitat modelling, occupancy on state and private land, estimating koala density and GPS tracking to assess current prescriptions
- changes in bat survival in relation to climatic extremes and logging at a long-term logging experiment
- long-term changes in biodiversity in large scale commercial eucalypt plantations established on farms
- developing methods of monitoring for wildlife
- monitoring of Hastings River mouse and its response to harvesting

#### Qualifications

- B.Sc. (Hons) – University of Sydney 1986
- PhD Zoology – University of Sydney 1992
- ARC Post-doctoral Fellow – James Cook University 1996

*Another accomplished member of the DPI forestry team, Fabiano Ximenes, is a leading researcher in forestry and wood products carbon measurement; and analysis of biomass and its potential.*

<https://www.dpi.nsw.gov.au/about-us/research-development/staff/staff-profiles/fabiano-ximenes>

Fabiano Ximenes is a Research Officer - Life Cycle Assessment at the Forest Science Unit, NSW DPI. Fabiano joined the NSW Government in 2000 and his projects over the years have focussed on the development and implementation of novel methods to more accurately estimate carbon in forest systems and in wood products, including the dynamics of decomposition of wood and paper products in landfills. This work and other projects have informed the development of national and international greenhouse inventories, and have been actively considered in the formulation of carbon policy.

Fabiano was one of Lead Authors of the IPCC 2013 Revised Supplementary Methods and Good Practice Guidance Arising from the Kyoto Protocol (Harvested Wood Products chapter). More recently Fabiano's work has focussed on biomass assessments and its potential use for bioenergy and other applications.

#### Research interests

- Biomass / carbon in forests and wood products
- Carbon accounting for forests and wood products
- Bioenergy
- Wood science
- Decay of wood and paper products in landfills
- Life cycle assessment of forests and wood products

#### Current and recently completed projects

- Climate Change Fund (Biomass for Bioenergy project); (2018-2022). Leader. Project funded by the NSW Government. (<https://www.dpi.nsw.gov.au/climate-and-emergencies/climate-change-research-strategy>).
- Australian Biomass for Bioenergy Assessment (ABBA); (2016-2020). Leader of the NSW component. National project funded by the Commonwealth Government. (<https://nationalmap.gov.au/renewables/>)
- Mechanical Fuel Load Reduction Trials (July 2015 – August 2019). Leader of the biomass assessment component for NSW. National Commonwealth Government funded project.

#### Qualifications

- Bachelor of Forestry, 1997. University of Brasilia, Brazil
- Masters in Wood Science – 2000. (Wood preservation); Australian National University
- Doctor of Philosophy – 2000. (Carbon dynamics in wood and paper products in landfills); University of New England

## Recommendation 4

**The expertise of the research scientists at the Forestry Unit of the DPI be restored as the preeminent source of impartial analysis and impartial advice informing government forestry policy.**



## **Issue 6. ForestCorp – Boral agreement drives disruption to supply chain**

Part of the shortage of NSW hardwood timber supply to sawmills is directly due a disturbing preferential wood supply agreement which the NSW Forestry Corporation has provided its largest customer, Boral.

The terms of that agreement are publicly available. Only after the event was it revealed that one company had been given preferred access to the most important species in large volumes. This was a total departure from regular practice. It tipped the playing field in Borals' favour overnight.

That meant that the ability to compete was compromised for all other operators including Hurfords. The Boral contract provides Forestry Corporation with very little room to manage the natural variations which occur in species mix and log sizes and grades which occur in natural forests. It is a bad outcome for competition, as it favours one company over the rest of the industry.

Government efforts in 2014 to fix that problem with a "buy-back" from Boral further locked in a bad situation by actually committing hard volumes of each of the key species which must be supplied to Boral each year. Since that 2014 agreement with Boral was made, all other A & B Common Wood Supply Agreement holders have experienced a diminished resource supply. It delivered a double whammy in fact due to (a) an inferior species mix and (b) higher landed log cost as those inferior species are hauled from further away.

The solution to this would be to restore equitable distribution for the 'run of forest' high-quality sawlogs with no special preference deals made. This would give Forestry Corporation the flexibility to manage their resource according to the silvicultural needs of their estate, matched as best as possible to the requirements of the market. Importantly it would allow each company to compete on an even footing in the marketplace in terms of competition and product development.

## **Recommendation 5**

**(a) Unwind the Boral protection arrangement ASAP.**

**(b) Restore equitable distribution of wood supply for the 'run of forest' high-quality sawlogs with no special preference deals made. Distribution of key species should be apportioned equitably amongst High Quality Sawlog Agreement Holders.**

## **Issue 7. Regional businesses interwoven to community fabric**

The committee is encouraged to look deeper behind the words “business” or “industry.”

Our business, this industry is, of course, made up of people. It follows that our business and others are embedded within the community fabric of the north coast – the home of our family and business as both grew across generations. The longevity of many family businesses is certainly an asset in these regional communities. They are wholly invested in the kaleidoscope of wellbeing of their region and having successful local businesses is often a sense of pride for the surrounding communities.

Regional business and communities are part of a complex interrelated ecosystem. What affects one flows across the others. The north coast has many low socio-economic communities. Jobs are vitally important for the future well-being of the region. Jobs of course should never come at the expense of environmental degradation, our strong regulation in NSW ensures that is not the case. Timber sector jobs are well paid and largely, permanent fulltime positions, and they are year-round – as timber is not a seasonal industry- harvest and processing can be done anytime of the year. For city dwellers the importance of this can be missed.

Hurfords sponsor a myriad of activities that community members are involved in. We are Platinum Partners of Our Kids, a Northern Rivers based charity which raises funds to assist Lismore Base Hospital’s Children’s Ward and assist children with special health care needs. We are key sponsors of the North Coast National - Lismore’s Annual Show and The Generator Programme at Northern Rivers Performing Arts. Generator is their programme for creating new, original, local works.

We Sponsor the Lismore Regional Gallery’s (LRG) portrait prize, named as the Hurford Hardwood Portrait Prize. We are also committee members and key sponsors for the community’s purchase of the internationally renowned Hannah Cabinet for the LRG. We are a key sponsor of North Coast Baseball and the Timberjacks annual baseball tournament in Lismore. We sponsor a myriad of smaller local sports and fundraisers such as golf days, junior rugby league teams, touch footy teams and more.

We also have a long record of contributing to the forest and wood products sectors’ philanthropic educational fund called the Gottstein Trust. We have sponsored several Australian Timber Design awards.

Like many others in this industry, we lean in, collaborate, and contribute. We are a committed and proud member of industry associations: Timber NSW, Australian Forest Growers, Timber Queensland, Australian Timber Flooring Association, and Australian Timber Importers Federation. Andrew Hurford is a member of the NSW Hardwood Industries Advisory Group and the Forestry Industries Advisory Council (<https://www.agriculture.gov.au/forestry/industries/fiac#fiac-members>).

## **Recommendation 6**

**The best way that the NSW government can tangibly support people in the north coast (and other) timber industry hubs is to confirm wood supply security urgently. This will lift years of uncertainty, alleviate stress and let these timber communities move ahead in safety to prosper. Long Term Wood Supply Agreements should be aligned with The RFA periods of 20 years and reviewed every five years. This allows businesses to plan and invest in the future.**

## **Issue 8. NSW government land stewardship - bushfire prevention and management**

The 2019-20 wildfires burnt 5.3 million hectares of land, 4.1 million hectares of which was forest. The biggest wildfires started in National Parks (e.g. Wallangarra, Bee's Nest, Long Gully, Carrai Creek, Gaspers Mountain, Currowan, Dunns Creek).

Climate change is bringing higher temperatures and more severe droughts. Bushfire seasons are longer and the seasonal window for hazard reduction burns shorter. Timber NSW points out a 'terra nullius' view of forests within National Parks means that wildfires are treated as the natural norm. This means that the NPWS routinely lets them burn rather than putting it out while a fire is small. In overgrown National Parks this defies common sense.

Indigenous Australians deliberately used prescribed fires which they themselves ignited – not wildfires – humankind managing the forest estate is not new. Fire has a critical role for eucalypt forest regeneration and maintaining eucalypt forest health, particularly in dry and semi-moist sclerophyll forests which are adapted to more frequent lower intensity fire.

Aborigines had a deep cultural connection with fire. The land stewardship methods of NPWS are out of kilter with the Aboriginal fire practice which prevented the build-up of biomass to reduce wildfire risk. Aborigines lived here for at least 65,000 years before modern Australia was settled. They are the world's greatest fire practitioners. Fire was their deliberate management intervention tool to maintain safe and healthy forest landscapes.

Hurfords work with a local indigenous group using fire stick management with an exchange of knowledge and support. NSW fire policies should align with the intentional nature of Aboriginal burning practices.

NPWS does little prescribed burning. This creates the conditions for infrequent and large, dangerous wildfires that cause extensive damage to the environment and on other landholders such as us. NPWS doesn't publicly acknowledge the inverse relationship between prescribed fire and wildfire. This is deeply concerning. It does not accept the vastly different impacts each has upon the environment. We fought fires for months in exhausting conditions to protect our properties and timber stands. Nevertheless, we were hit by a front coming out of a National Park.

Fire presents very high risk to a forest. Despite this ForestCorp cut costs in its fire prevention work. This is incomprehensible action must be reversed.

The Forest Industry Advisory Council, a valued advisory body to the Federal Government, recommended Federal government commit to a \$300 million, ten-year program of mechanical fuel reduction for bushfire mitigation (Transforming Australia's Forest Products Industry Report, 2016).

## **Recommendation 7**

**(a) ForestCorp to restore funding for the extensive regular fire prevention work that protects the state's forests and our main source of hardwood supply and reduces risks to adjoining landholders.**

**(b) The NSW government step up and implement proactive bushfire prevention across the tenures it manages (National Parks and state forest). More resources to be deployed for continuous fuel load reduction and intelligent forest management.**

**(c) In strategic areas, mechanical biomass removal must occur in conjunction with fuel reduction burns to reduce understory and dense forest regrowth; and avert more intense wildfires that may occur close to communities and assets.**

**(d) Biomass removal and fuel reduction burning must be ongoing to prevent the undergrowth regenerating within a short number of seasons and should be combined with more aggressive fire break construction.**



## **Issue 9. A Great Koala National Park will in effect shut down our essential industry**

The hardwood forestry industry is a major industry that's operated for over 100 years in our NSW North Coast region. The creation of **a GKNP is neither necessary for, nor effective to**, protect koala species in NSW. It would be catastrophic for the NSW hardwood timber industry.

A review of the koala research conducted the NSW DPI, led by principal research scientist Dr Brad Law, showed clearly that there is no threat to koala populations from sustainable timber harvesting under the controls and protections of the IFOAs and the PNF approval process. One would never know this from the media - but that is what the research found. The NSW government must communicate this information and be on the front foot presenting the science.

It is understood that the NSW Government wants to be seen to "save koalas". People from the timber sector are also pro-koala; of course we support the presence of koalas. Pro-GKNP campaigners persist with misleading the public about forestry and trying to run down the reputation of our fine industry and the people in it.

A GKNP proposed by the lobby group, the NSW National Parks Association, would shut forests that are crucial to the State's domestic timber supply. That would badly damage the economics of harvesting native timber on the NSW north coast. In turn that would provide a trigger for the collapse of the broader industry that relies upon supply from that area. The ramifications caused by the associated loss of economic activity and income would be very grave for this north coast ecosystem of interconnected businesses and communities.

## **Recommendation 8**

**(a) An immediate moratorium on future conversion of State forests to National Parks within RFA regions, as supported by the 2013 NSW Public Land Management in NSW Inquiry (detailed in the Timber NSW submission).**

**(b) NSW government to communicate Dr Brad Law's groundbreaking field research finding that timber harvesting was no threat to koala populations. This is important because of the intense public interest in the koalas - forestry relationship and pro-GKNP campaigners persist with misleading the public and running down the reputation of our industry.**

## **Attachments**

- A1** From Little Things Big Things Grow – article
- A2** Submission to bushfire inquiry 2020
- A3** Collaborations with Southern Cross University
- A4a** 2021 Company Presentation
- A4b** Evolution of company in the region – Kyogle Museum Storyboard