REPORT ON PROCEEDINGS BEFORE

PORTFOLIO COMMITTEE NO. 4 - CUSTOMER SERVICE AND NATURAL RESOURCES

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

CORRECTED

At Coffs Harbour Council Chambers, Coffs Harbour, on Friday 29 April 2022

The Committee met at 11:30

PRESENT

The Hon. Mark Banasiak (Chair)

The Hon. Scott Barrett
Mr Justin Field
The Hon. Taylor Martin
The Hon. Peter Poulos
The Hon. Mick Veitch (Deputy Chair)

The CHAIR: Welcome to the sixth hearing for the inquiry into the long-term sustainability and future of the timber and forest products industry. I acknowledge the Gumbaynggirr people, the traditional custodians of the land on which we are meeting today. I pay respects to Elders past, present and emerging, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to Aboriginal and Torres Strait Islander people joining us today. Today we will be hearing from a number of stakeholders, including industry representatives, conservation and local Aboriginal groups, and I thank everyone for making the time to give evidence to this important inquiry.

Before we commence, I would like to make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website and a transcript of today's hearing will be placed on the Committee's website when it becomes available. Consistent with our current COVID protocol, the hearing room is physically closed to members of the public. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about Committee proceedings. While parliamentary privilege applies to witnesses giving evidence today, it does not apply to what witnesses say outside of their evidence at the hearing. I therefore urge witnesses to be careful about comments you may make to the media or to others after you complete your evidence.

Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. In that regard, it is important that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily. All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. If witnesses are unable to answer a question today and want more time to respond, they can take a question on notice. Written answers to questions taken on notice are to be provided within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff. In terms of the audibility of the hearing today, I remind both Committee members and witnesses to speak directly into the microphone. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing.

Mr KEITH DAVIDSON, General Manager of Domestic Operations, Pentarch Forestry, affirmed and examined

Mr STEPHEN DADD, Executive Director, Pentarch Group, affirmed and examined

Mr JOHN McPHERSON, Manager, Tableland Timbers, sworn and examined

Mr CRAIG McPHERSON, Manager, Tableland Timbers, sworn and examined

The CHAIR: We might start with an opening statement from each group and then we will go to free-flowing questions, so you will get questions from all around the table.

STEPHEN DADD: Thank you to the Committee for the opportunity to again present. You have already heard from me before about the Pentarch views on the state of forestry in New South Wales generally, so I will restrict my comments today specifically to North Coast issues, if I may. Pentarch, for the record, has four operational facilities on the North Coast and we take in about two-thirds of the high-quality sawlogs that are cut from the State forest in this part of the country. Let me also introduce, please, Keith Davidson, who runs our forestry contracts and supply chain operations and is a local and has expert knowledge in local regional forestry issues if you have questions specific to that area of interest.

Currently we are sitting in the beating heart of Australia's high-quality value-added decorative hardwood industry. Everything that is harvested around here ends up in products like decking, like flooring, like furniture-grade timber, like joinery timber and decorative beams. Surrounding us is a contiguous permanent State forest estate which is managed for mixed uses and is regulated more tightly than any other regrowth forest in the world. To be clear, in this part of Australia there is no old growth logging; there is no rainforest logging. We have very tight prescriptions around habitat and landscape retentions. Of the State forest estate up here, more than 40 per cent of that estate is under permanent protection categories and, of the rest, less than 1 per cent is subject to harvesting activities each year.

There has been an independent Ernst & Young report into the economic impact of this North Coast forest industry on the economy of New South Wales, and what it shows is that this industry contributes more than $1 billion to the New South Wales economy and employs more than 1,900 direct and indirect workers. This does not include, of course, the downstream impact of what we do: the feeding of products into the housing market and supply chain and logistics industries. Yet, despite the importance of this industry to our economy and the tight regulations under which it is operated, we see that there are enormous threats to its ongoing viability. Mostly this is driven by philosophical and political motivations, and there are strong objections to forestry. You see some evidence of that today, with protest activity outside.

For example, the prospect of a great koala park in northern New South Wales has potential to be very damaging. Firstly, it will destroy an industry that is of vital importance to our local economy. Secondly, it will place immediate and quite significant negative impacts on tropical import-based operations under jurisdictions like the Congo and South-East Asia and South America, which are far less well scrutinised from an environmental perspective. Finally, the creation of a great koala park will offer no appreciable improvements to biodiversity—or, in fact, koalas. We know this for sure now because there is good science that has emerged in recent years which looks at the impact of forestry on koala numbers. I refer to the DPI-sponsored work developed by Brad Law, which uses acoustic monitoring for the first time to accurately measure koala numbers in our forests. What that shows is that forestry has no impact on koala numbers, and there are some good studies that you can look at which confirm that.

Although the rhetoric that we hear a lot about is that forestry has a damaging impact on koala numbers, I think the lessons learned from the past show that even with significant increases in national parks, we are not seeing a corresponding improvement in koala numbers because we are really focusing on the wrong things. In this part of Australia we have had dramatic population growth which has contributed to increased roads, dog attacks, vehicle damage to koalas, and these are the real impacts. Urban expansion, rather than forestry, is having the most effect on koala numbers in this part of the country. Finally, we hear a lot in this industry about the impact and the potential for conversion to plantation forestry. I think that is a pretty naive position to take, that we can replace regrowth native forestry with plantations in any reasonable time frame, for a number of reasons.

Firstly, it is a 40- to 50-year time gap between when plantations are planted and when they are ready for harvesting for the value-added products we produce. Secondly, land availability is a real issue up here. You have incredibly expensive land, and the reality is that even though our industry is pushing for a one billion tree national plantation estate program, we have seen zero increase in the plantation estate in this part of the country just purely because of the availability of suitable land. Finally, I think if you ask the local communities do they want more forest surrounding them after the devastating bushfires that they have experienced over the last few years, the answer would be a resounding no, in terms of having more forest on their back doorstep. In summary, I think we

support an ongoing regrowth native forest industry. We think it is very sustainable; we do not think it has impacts on biodiversity values of our forests. I think it is a critical industry to support the downstream industries that hang off it. Thank you.

The CHAIR: John or Craig?

JOHN McPHERSON: I have got a bit of a statement. I am John McPherson. I am part owner in Tableland Timbers and I manage the forest side of the business. I have also got my own company that I started years ago, which does private and State Forest, so I have got a bit of an interest in both forestry and private native forest as well as in State Forest. My ancestors have been in the industry—they came to the Clarence Valley in the 1860s, so about 150 years. My great-grandfather had a sawmill at Glenreagh, my grandfather was a bullocky and my father started our current sawmill a few years ago. It is a sawmill and logging operation as well as timber haulage. It is mainly a family business with a number of employees. Nephews and cousins work in the sawmill and in the office, as well as family partners working in the office on the harvesting side. There are usually probably about 25 people in the Tableland Timbers side of the business and the Dusty's Logging side, and my business has up to eight people employed as the two harvests increase.

All the Tableland Timbers forest farming operations on private native forest are single-tree selection and medium and light-to-medium single-tree selection. There is zero clear-felling done in private native forestry, it is just not allowed in the rules. So anyone who says that old growth is being clear-felled is purely and simply lying—it is just propaganda. Our sawmill supplies mainly structural-grade timber: crossarms for power poles. Our logging operations supply a numerous number of pole yards with power poles—so timber power poles and crossarms. The sawmill cuts structural decking and bridge decking, girders—a number of essential products that you just cannot get out of plantation timber. It grows too fast and does not present the quality that timber presents when it grows up through a native forest.

We have got a second sawmill, which is currently not being utilised due to a lack of supply and skilled employees, which is a major problem in Australia at the moment. We have got barely enough supply to keep the current mill going and our orders. We struggle to keep up to the orders due to the lack of supply. There is plenty of resource there but there is a lack of supply. The lack of supply comes from many factors. Some private native forest owners do not want to harvest, or farm their property, some do. Access to roading networks—local roads and that—can be an issue. Council is just not keeping up and is shutting them to some of the transport. Property owners are unwilling to log their place due to propaganda that they have got from people and stigma from environmental on selective logging is bad coming from propaganda from environmental groups and people, such as the EPA, with a political agenda to close the industry down.

I believe there is plenty of resource out there. There are about two million hectares of State Forest. There was about 2 per cent of State Forest a couple of years ago being logged, and that was only 800,000-odd hectares of State Forest that were being logged. I think that has been reduced at the moment due to the fires and other issues. There is a lot of old growth and rainforest in that marked up as restrictions in that estate for State Forest and in private native forestry. Luckily, in private native forestry there is a lot of what is initially called candidate old growth. When they do the review on that candidate old growth, it gets transferred over into a harvestable area due to the fact that it is just not old growth. When we are logging operations in the forestry, countless times we come across areas where we have got to use a GPS to work out where the old growth starts because there is no change in the forest. It is just marked up as candidate old growth and the greens have pushed the agenda so that you could not review that old growth, so there are stumps in the tracks. We quite often get approval to use tracks that go through a candidate old growth, which were previously in-tracks. They have got to be approved by the EPA and higher up in Forestry to be able to use them.

We have got seven million hectares of national parks but we are finding that koalas are preferring the harvested, younger regrowth logged State Forest and private native forest, and around towns and stuff. A lot of our costs have gone up recently due to bushfires, COVID, floods and, lately, the high inflation and fuel, for which there has been very little assistance from State Government to the smaller private native forest sawmills. There have been some grants given to some of the larger forestry companies, mainly down south, and export companies, and very little given to the smaller native forest companies, which really need a hand with all these problems that we have been facing lately.

We realise that the wet weather has—you cannot change the wet weather. Lately there has been a lot of wet weather, but these wet seasons have been around for years. I remember my father, when I was growing up, not being able to work for months, going on holiday and then moving into a brick plant for a while because you just could not to get to work in the forest. And the restrictions on wet weather back then were nowhere near as hard as the restrictions that we have got on our harvesting operations now. A lot of the restrictions on the harvesting operations—the EPA has been maliciously prosecuting State Forest and private property just for small

things that have no impact, or they have not done wrong, asking for show clause letters all the time just because some of the people in the EPA have a political agenda and want to close the industry down or make it that difficult and that costly that we cannot operate. Hopefully this inquiry may shed some light on that.

As well as that, the fires have had a huge impact on the fact that the EPA and other stakeholders have been restricting the harvesting and salvaging of timber from the burnt forest, forcing State Forest and private property owners to harvest the forests that have not burnt. The only clear-felling that has been happening has been on the plantation estate, which has been heavily logged in the past couple of years due to the fact that the restrictions on getting into the native estate have been so heavy. And then we are getting protests on those plantations because we are clear-felling the plantations, but that is how plantations operate: you plant them, you clear-fell them, you plant them—it is ridiculous. A lot of propaganda that we have been doing clear-felling in native forest is just not true. There has been no clear-felling in native forest. There has been clear-felling in native plantations but not native forest. That is all I have got to say at the moment, thank you.

The Hon. MICK VEITCH: Mr McPherson, there are a few things I want to explore here, particularly around private native forest, but the first thing I want to talk to you about is the power poles. Post the bushfires—did you say that you do power poles through your mill?

JOHN McPHERSON: Our harvesting operations do power poles. As we are harvesting timber for sawmills. We also cut power poles—harvest, selectively log power poles out of the forest, what is optimal for power poles. As well as those logs, we cut cross arms out of logs. They go on top of the power poles to hold the wires up. Without these, the cost of power to go to houses in the rural regions—it would be astronomical to put up concrete power poles everywhere.

The Hon. MICK VEITCH: When the bushfire went through, just in my mind, I daresay there would have been a pretty heavy request for new timber power poles?

JOHN McPHERSON: Yes.

The Hon. MICK VEITCH: How did we go about meeting that demand? Did we have enough in storage, or were there issues around the supply?

JOHN McPHERSON: Still flat out. Orders are still just unlimited at the moment. We cannot supply enough.

The Hon. MICK VEITCH: With regards to private native forest, we were fortunate yesterday to visit a PNF site, or they are very new in their PNF PVP, I think they said. We were talking to them and essentially they were saying that there is no return for them to be involved. They gave us some dollars and cents, and it would appear from those dollars and cents that there is no money in it for them to be involved in PNF. I take it you are harvesting selective trees as part of PNF. What are the dollars and cents involved on your end from this exercise? How much do you charge? You may not be able to tell us.

JOHN McPHERSON: It is pretty hard to put a figure on an operation because most operations are different. Forest conditions have different timber lots, so there are a lot of different values. Depending on how they have been harvested in the past, as well, can affect the value of the timber. If it has, in the past history, not been harvested to optimal recovery, that can reduce it. You can range huge amounts. It depends on how big the property is, how many hectares of timber there is to harvest. I can take it on notice and get some rates. I have profit ranges.

The Hon. MICK VEITCH: If you could, that would be really good from your end. We heard yesterday from someone who is actually involved in the contracting, but that would be good too.

CRAIG McPHERSON: I have harvested—there was two decent-size paddocks on and off, over time, over the whole drought period. Those farmers, they were harvesting. It was what provided them with the income to keep feeding their cattle and keep their breeding stock there and not have to get rid of their cattle and try to start all over again from scratch. So it was a substantial amount of income for them.

The Hon. MICK VEITCH: Okay, I guess that is the balance. We just needed to be able to get some of that information. How big is your sawmill?

JOHN McPHERSON: It has got about 20 people—up to 20 people at a time in it.

The Hon. MICK VEITCH: What is the volume?

JOHN McPHERSON: It cuts about 15,000 cube of round log a year.

The Hon. MICK VEITCH: And how many other mills would there be of that size up here on the coast?

JOHN McPHERSON: There is a number of mills up there. I do not know how many. I can take that—

The Hon. MICK VEITCH: No, I was just trying to get an idea.

JOHN McPHERSON: There is a number. I am surprised there is not more here.

The Hon. MICK VEITCH: Yes. You have essentially got the operation where you go into the forest, a PNF, and you selectively harvest. You snig it out, bring it out, take it to your mill, process it through your mill and then sell?

JOHN McPHERSON: Yes.

The Hon. MICK VEITCH: You spoke about power poles. What other markets are you involved in with your timber?

JOHN McPHERSON: We sell power poles, salvage quota and thinnings logs, girders, firewood logs, and that is probably about it, I think.

The Hon. MICK VEITCH: You were talking about financial assistance or other assistance from State Government that you require right now, mainly because of bushfires and subsequently the more recent floods and wet weather. How do you see that assistance being delivered? What would that look like? If you had the Minister here in front of you now, what would you be asking for?

JOHN McPHERSON: I would be asking for the smaller sawmills to be able to either get grants or get a fair hearing on the grants, or get financial assistance as far as loans—like grants through loans, like low-interest loans—to update the equipment and move into higher value adding such as laminated timber beams, seasoned dry dressed timber, gasification charcoal, medical grade charcoal. A number of different things can be not only value adding but utilising the waste better.

The Hon. MICK VEITCH: Is it diversifying your income as well?

JOHN McPHERSON: Yes.

The Hon. MICK VEITCH: So some sort of incentive to move to that sort of income diversification?

JOHN McPHERSON: Yes.

The Hon. SCOTT BARRETT: We have heard a number of times today that the industry is just not profitable and it is losing money hand over fist, essentially. Can I get a response from some people on that—whether you agree with that, or disagree with that, or have some facts to add?

JOHN McPHERSON: I disagree.

CRAIG McPHERSON: I disagree with that—firmly disagree.

JOHN McPHERSON: If you fudge the figures, it is going to look like it is not profitable. You have got to take into consideration—I assume, are we talking about State forest estate or the private—

The Hon. SCOTT BARRETT: State forestry, yes.

JOHN McPHERSON: If you take in consideration the amount of forest roads that Forestry have to or are supposed to maintain and keep upgraded and the amount of effort they go into training for fighting fires, my opinion is that State forest should have the lead on all forest fires. They were the most successful at slowing the fires in the fire season. Most of the fires got around national parks because it is very poorly roaded, very hard to fight, and then on top of that they had "Watch and Act" and they forgot to act when they had the opportunity, before the summer came. A number of fires should have been handled and pulled up a lot sooner. I know of one case where national parks nearly burnt out a logging crew. That fire got away. Then, whilst fire got away on one side, the other side got away. It was reported. It was only really small. It could have been handled and pushed out of a machine in a matter of minutes, but it was in national parks and they did not want to take the machine into the national parks. At the end of the week, that fire burnt nearly to Coffs Harbour and burnt out a lot of homes and stuff through bad management.

STEPHEN DADD: Mr Barrett, can I please add to that? I completely disagree with the assertion that forestry is unprofitable. I think if you take a very, very narrow lens around, perhaps, harvesting, or the revenues to the New South Wales Government through royalties, you might form the view that there is not much in it. But actually, when you look at the contribution that the whole industry makes—and the downstream production and products that it flows into makes—to the economy of New South Wales, you have a very, very different picture. So I think it is mischievous to be taking such a narrow lens when, as I mentioned, the Ernst & Young report noted that there was at least $1.1 billion of economic activity generated from the North Coast hardwood forests alone.

The Hon. SCOTT BARRETT: Another thing that seemed to come up a lot is what seemed like regular, consistent breaches of EPA codes and that sort of stuff. Is that what we are seeing in the field for you guys? How often are you getting PINs from EPA?

JOHN McPHERSON: I have found some people in EPA doing the auditing malicious with their auditing. They are over-regulating it. State forest, I believe—this is my opinion from what I see—they do not fight against the EPA enough. They do not challenge it in court enough. Simpler things, as in the code it says, "Contractor must not heap debris against retained trees"—they take that right down to every stick. So it has got to be less than one metre. You cannot put a heap next to a retained tree higher than one metre within a distance of five metres. In doing that, if you fall a tree and it knocks something over, even if it is only that round, right down to a leaf—a limb with leaves hanging up—they are classifying that as a breach. I do not think that is the whole idea of that rule or regulation with heaping debris next to trees. I think the rule was designed so that you did not push up big piles of heads or bark against the trees and create fire and damage the tree and stop animals from climbing up the trees.

So in doing that, what they have done is created a fire problem. Instead of the trees landing like they used to over the years, and if they were laying, like a few branches and that were sticking up near the habitat tree, they were left there and the fire that burnt through that would burn a lot more of the core than if you put that head and heaped it up in a pile, in windrows, all around the forest because there are that many retained trees in the forest now, you have got nowhere to stack the timber. So all the leftover heads are cut up and stacked in piles, creating bonfires all through the forest and creating a bigger problem than leaving the heads spread out.

The Hon. SCOTT BARRETT: Did you have something to add to that, Mr Davidson?

KEITH DAVIDSON: There are an awful lot of rules and regulations that govern forest harvesting. In any auditing you do, whether it is health and safety auditing or anything else, it is always possible to find things that are breaches. But whether they were practical to manage at the time is the thing that is often overlooked. A good example would be hollow-bearing trees. There is now a requirement that all hollow-bearing trees have to be retained, but the fact that you may not be able to assess whether there is a hollow within a tree prior to it hitting the ground makes it very difficult to say 100 per cent that there will not be a tree fallen down. A good example I saw was the PIN notice that came. There was a tree that was fallen and it had a branch that was coming out of it. That branch was hollow. As it fell the branch snapped off, so there was a hollow in the thing. There was a PIN notice issued for that. There was no way that the people involved could have recognised that that tree had a hollow bearing in it.

Mr JUSTIN FIELD: Can I confirm, Mr Davidson, are you saying that there is currently a prohibition on harvesting all hollow-bearing trees?

KEITH DAVIDSON: Yes.

JOHN McPHERSON: Yes.

Mr JUSTIN FIELD: That is not my understanding of how the CIFOA operates. Maybe some of the bushfire-affected forests can cite specific conditions, but that is not enforced anymore.

JOHN McPHERSON: That is how the EPA reads it.

KEITH DAVIDSON: Forestry have taken the precautionary approach over most of the harvesting now.

Mr JUSTIN FIELD: So a decision by Forestry Corporation?

KEITH DAVIDSON: Yes.

Mr JUSTIN FIELD: So they are not enforceable either by the EPA, you would agree?

KEITH DAVIDSON: The particular incident I was referring to was a fire-affected forest.

JOHN McPHERSON: Harvesting plans are enforceable.

Mr JUSTIN FIELD: Back when there was the post-fire site-specific conditions?

KEITH DAVIDSON: Yes.

JOHN McPHERSON: The conditions in the harvesting plans are enforceable by the EPA. You can get a PIN for breaching the harvesting plan. So whatever is in the harvesting plan, you have got to follow it.

Mr JUSTIN FIELD: I do not disagree with you. I am not sure that is—

JOHN McPHERSON: Another example is anything that is dead, and this is in non-burnt forest as well— I would have to take the diameter size on notice; I think it is about 30 centimetres—and over three metres

tall is classified as a dead tree and cannot have anything felled within five metres of it over a metre high. So then what you are getting is as ridiculous as old bullocky stumps, where they bring them up on the boards, are being retained as dead trees. Broken off stuff that is windblown and broken off in a storm over three metres high has been classified as a dead tree. If you have got a pile of dirt in a restricted zone—any little thing, they have been prosecuting. Like the best have been taken to [inaudible] and State Forest has not been fighting against it.

Mr JUSTIN FIELD: On that point of the EPA sending a lot of warning letters, I think you were talking about private native forestry operations. It publishes all that information on its website. In the 2021 year there was a total of 17 advisory letters sent out across all of New South Wales—that is advisory letters, formal warnings and official cautions—and in the last 12 months none have been sent out.

JOHN McPHERSON: That is a lie; I dispute it.

Mr JUSTIN FIELD: Are you saying that this information is inaccurate?

JOHN McPHERSON: I dispute that. I have another example, which is the maps are supplied by Local Land Services. They used to be supplied by the EPA. A classic example is the filter strip did not run exactly on the map. We run our GPS off our phones, so they are not 100 per cent accurate. The [inaudible] run in about 20 metres difference on the map. The crossing was marked on the map where the filter strip was marked on the map. They have sent me show cause letters, and one of them is for that filter strip not being marked correctly on the map.

Mr JUSTIN FIELD: You might have been one of the seven in the past five years—show cause letters—I am not disagreeing.

JOHN McPHERSON: No, this is in the last 12 months.

Mr JUSTIN FIELD: That is in the last 12 months. Okay. There was one show cause letter in 2021, so maybe that was you. But, okay, I take your point.

JOHN McPHERSON: There was one issued this year.

Mr JUSTIN FIELD: Okay. One issue that has come up has been the certainty for the industry. I know that there are currently renegotiations of wood supply agreements happening for the North Coast. I am wondering where you stand. Have you settled on an agreement with Forestry Corporation for your wood supply agreements at this point?

JOHN McPHERSON: We are 100 per cent a private property. We do not get any logs off Forestry.

Mr JUSTIN FIELD: You do not have a wood supply agreement with Forestry Corporation?

JOHN McPHERSON: Wood supply agreement, no. We are 100 per cent private.

Mr JUSTIN FIELD: You have a harvesting contract, though, with Forestry Corporation?

JOHN McPHERSON: I have got a harvesting contract, yes.

Mr JUSTIN FIELD: Okay, but you do not take any of that timber for your mill?

JOHN McPHERSON: No.

Mr JUSTIN FIELD: So you get that 15,000 cubic metres a year all from private native forestry?

JOHN McPHERSON: Private native forests.

Mr JUSTIN FIELD: Do you harvest all of that yourself or does some of that come from other harvesting contractors?

JOHN McPHERSON: Some comes from our own private native harvesting company. I supply some from my company and then some comes from other companies or other contractors, so they are not all companies.

Mr JUSTIN FIELD: What is your catchment for that?

JOHN McPHERSON: It is getting bigger; from the Queensland border down to Taree and increasing out to Inverell.

Mr JUSTIN FIELD: Is there a reason that you do not take from Forestry Corporation? Or you just have not been able to get a wood supply agreement?

JOHN McPHERSON: Because we cut higher-value products, higher-grade products, so there is only salvage available. Back in the day, Boral—

Mr JUSTIN FIELD: That is because Boral has got it all, right?

JOHN McPHERSON: Back in the day, Boral and the Labor State Government made deals to keep Boral quiet when they were locking up the forest and Boral was buying out sawmills, shutting them down and moving the quota. Pentarch owns Boral now, so I have got no opinion on Pentarch. I do not know them. The way they run the business is probably—but they have got a monopoly due to the past. It is not due to now; it is from the past. They have got a monopoly on the quota.

Mr JUSTIN FIELD: My key question was can you make a timber business operate from private native forestry operations?

JOHN McPHERSON: There is a number of timber industries logging from private native forestry. As I said in the opening statement, the resource is there but getting supply is difficult. You cannot go and force people on private native forest to cut their property. There is enough there for the sawmills that are there now. If you were to reduce the forestry—the State forest—that is going to put enormous pressure. It would probably send us out of business. There is just not enough to support what goes into Pentarch and all the other sawmills of forestry.

Mr JUSTIN FIELD: Mr Davidson, I think Mr Dadd indicated that two-thirds of the high-quality sawlogs go through Pentarch's four facilities up here. Is that right?

KEITH DAVIDSON: Yes. We have got two green mills and two dry mills or three—

Mr JUSTIN FIELD: What percentage of the throughput comes from your Forestry Corporation wood supply agreements versus private native forestry?

KEITH DAVIDSON: About 90 per cent. We buy quite a bit of private property material, but we sell quite a lot of State forest logs as well. We enrichen our mix—the species that we want—by buying material and then onselling it to others in the industry.

Mr JUSTIN FIELD: What do you mean by that?

KEITH DAVIDSON: There are certain species where other sawmills can—

Mr JUSTIN FIELD: Because you have the preferred blackbutt contract, you onsell some of that blackbutt to the private mills?

KEITH DAVIDSON: No, we do not onsell our blackbutt.

Mr JUSTIN FIELD: Right, you keep that.

KEITH DAVIDSON: We keep our blackbutt and process that. But we sell out other species where other mills can be more profitable with it.

Mr JUSTIN FIELD: But 90 per cent comes from your Forestry Corporation wood supply agreements.

KEITH DAVIDSON: That is correct, yes.

Mr JUSTIN FIELD: Which run until 2028.

KEITH DAVIDSON: Yes.

Mr JUSTIN FIELD: And you have not been renegotiating anything there with government at all?

KEITH DAVIDSON: No.

Mr JUSTIN FIELD: What are the primary outputs? Can you break it down in percentage terms? From the North Coast facilities, what are the primary retail products, as a percentage, that come out of your mills?

KEITH DAVIDSON: Very roughly—and it does change year on year. But, very roughly, one-third to 40 per cent would be structural timber. They are your high-quality beams. They are used for lintels, for LVL, for roof trusses, frame and truss plants—that type of material. Decking would be about one-third again. Flooring for decking—cladding and flooring would be about the other third.

Mr JUSTIN FIELD: And what is the total throughput? We got 15,000 from Mr McPherson. I know you are a lot bigger than that, but what is the total?

KEITH DAVIDSON: We would put through our mills about 110,000 a year.

The CHAIR: I have one question. We heard today a theory from some constituents or stakeholders that there was a conscious attempt by forestry operators to essentially create a monoculture of blackbutt in a lot of the forests around here, so to then essentially turn it into a plantation via stealth. I would gauge your response to that

accusation. Have you seen evidence of it? Is it just mischievous propaganda as you have indicated on others? I guess I am gauging a response to that accusation, giving you a chance to balance the ledger.

KEITH DAVIDSON: With any native harvesting, the type of harvesting you do varies over the cycle. If you are doing, say, four lots of harvesting over 150 years, the first harvest you take the better quality trees out. Over time, you get to a stage where the material that is left in the bush is generally of a poorer quality. That is where the reset harvesting is required, where you take those poorer species. Generally, at that point, because there is more disturbance, you get predominance of a single species coming up. Then, over time, that composition of the bush will change back to a more normal and then a poorer quality bush over time.

JOHN McPHERSON: I do not believe that statement is correct. I think it is totally false. Under the rules and regulations that we are working under—it was probably a thing that was done 50 years ago when they used to go through and tear aside the bush. They used to go and kill certain species out and let the blackbutt grow, but that does not happen on the harvesting operations now. When it gets marked, they have got to leave a mixture of species that are there. What does happen is the actual harvesting probably promotes the blackbutt a little bit better, with the machine damage and the regrowth, but—yes, it is not true. The forestry does not log to only grow one species back. It just comes back naturally.

Mr JUSTIN FIELD: Mr McPherson indicated about 20-odd guys at his facilities. How many are you directly employing on the North Coast through your four facilities?

STEPHEN DADD: We have closer to 200.

The CHAIR: Thank you very much. I do not believe you guys took any questions on notice, but if you have, the Committee secretariat will be in touch. Once again, thank you for coming and giving evidence. It is much appreciated.

(The witnesses withdrew.)

Mr MARK GRAHAM, Managing Director, Bellingen Nature Company and Bellingen Nature Tours, affirmed and examined

The CHAIR: We now welcome our next witness, Mr Graham. Do you have a short opening statement that you would like to provide?

MARK GRAHAM: I am the managing director of the Bellingen Nature Company and the operator of Bellingen Nature Tours. I am also an ecologist of some decades on the North Coast. Thank you so much for the invitation to deliver evidence today; I very much appreciate that. I am an ecologist. I have worked for Federal, State and local government on koala conservation, ecological assessment, landscape regeneration and fire management since the mid-1990s. In the years preceding 2020 I was employed by NSW Treasury as a bushfire expert, researching, educating and actively managing fire across New South Wales as part of the Hotspots Fire Project. I have also served in governing roles on Coffs Harbour City Council and as a member of the Coffs Coast tourism board. I have been in this part of the world most of my life. I have the greatest of respect for country and for the health of the forests that surround Coffs Harbour. I, and many members of the community that I am part of, are alarmed by the impacts that are currently occurring to the public forest estate through industrial logging regimes done by the Forestry Corporation of New South Wales. We are very concerned about those impacts because they are directly and adversely impacting upon the regional economy.

Our regional economy is underpinned by the tourism industry, and the health and the vitality of our forest is the critical product that a significant proportion of our regional economy is underpinned by. As well as that, our agricultural industry and our fishing industry are critically reliant upon water security that is provided by healthy native forests. We have seen in recent years significant industrial logging of the public forest estate, such that it has severely impacted upon water security by impacting upon water quality—heavily mechanised industrial logging operations creating major pollution to many of our critical catchment areas, and the removal of that biomass reducing the holding capacity of those forests to provide base flow.

Well over 100,000 municipal residents between Sawtell and Yamba derive their drinking water supply from the Nymboida River and in the secondary sense from the Orara River to the west of Coffs Harbour. Sadly, significant chunks of both of those water supply catchment areas have had substantial industrial logging operations in recent years, and then we had the Black Spring and Black Summer fires. We have seen in and across the landscape that the industrially logged areas have burnt really hot and really fast, and the scientific evidence is really strong that industrial logging of our forests makes fires much worse. That further erodes our water security. All of our municipal residents, our tourism industry, our agricultural industry and our fishing industry, which are a substantial majority of our regional economy, are demonstrably being adversely impacted by industrial logging operations currently being undertaken by Forestry Corporation.

This area is central to the biggest wild koala population in New South Wales, and sadly we are seeing a significant number of existing operations and scheduled operations in what are known to be the most significant areas of public native forest for their koala habitat values. If we truly want koalas to remain viable, and to avoid the extinction of the koalas, we need to protect these critical areas of habitat. The science on that is absolutely irrefutable. Sadly, we are actually seeing, to this very day, the logging of koala habitat. Most recently, we have seen it through many of the hinterland forests on the Coast Range and the Dorrigo Plateau, which is recognised to be one of the most critical parts of the Australian landscape for maintenance of a viable koala population into the future.

I come before you today to bring forward some important facts and evidence about what is occurring in the public forest estate, to bring to you significant concerns about the management of this estate and particularly to speak on behalf of our regional economy, where we know that the majority of jobs and our economic future and our water security is entirely underpinned by the health and the intactness of our forests. To put it really, really simply, the operations currently being undertaken upon the public forest estate are in no way sustainable. They are highly unsustainable. Thank you.

The Hon. MICK VEITCH: You piqued my interest when you mentioned fishing and the impact on fishing by industrial logging operations. It would be good if you could explain in a little bit of detail just what is the impact on fishing. Also, are you talking about commercial or recreational, or both?

MARK GRAHAM: Simple answer: I am talking about both. Thank you for the question, Mr Veitch. I have sat upon the Solitary Islands Marine Park Advisory Committee in a number of capacities. Off our shore here, the Solitary Islands Marine Park was the first marine protected area in New South Wales. It is also an incredibly important and rich commercial and recreational fishing area. The science is very clear that the health of a catchment, its integrity, its flows, and the inputs of organic material from mature and intact forests drive fisheries' productivity. We know for a fact that three-quarters of our commercial fishery species are critically

dependent upon the health of our estuaries. We have seen major impacts and harm to our catchments and our estuarine systems, which are literally driving the productivity of both our commercial and recreational fishing industries.

Of course, recreational fishing is our nation's greatest recreational pursuit, and the Coffs Coast is incredibly sought after by tourists to come here to spend money and to go fishing. And there are still great opportunities for that to occur in quite a sustainable sense. You go down to the fishermen's co-op here in the Clarence, we have got the greatest plethora of beautiful seafood imaginable. If our catchments and forests are well managed, our fishing industries will follow. Currently they are not being well managed, and the impacts, particularly upon estuarine health, and inputs of pollutants into the marine environment are directly harming recreational and commercial fishing.

The Hon. MICK VEITCH: And you would include aquaculture, such as oysters, in that as well?

MARK GRAHAM: Absolutely. We know for a fact that healthy forested catchments put out clean water with a lack of pathogens. They have got a capacity to remain healthy. We are seeing, through landscape-scale industrial logging regimes and other impacts, serious harm to our oyster industry, whereby the waters become polluted for weeks or months after wet events and it takes that industry out of action. There is an order placed upon them that they are not able to sell on the market, and we are in an absolutely record wet phase, and we have seen most of our oyster industries severely impacted by that. Healthy catchments and intact forests equal sustainable productivity in all of our fishing industries.

The Hon. SCOTT BARRETT: Throughout this debate, from all sides, we have been thrown science. This report, that report; the science says this, the science says that. A lot of that science—irrefutable science—is contradictory to someone else's irrefutable science. As someone that is not a scientist, how do I wade through that and determine which science is correct and which is to further someone's case?

MARK GRAHAM: Thank you for that question. I think that is a really important question about where we are as a society and, I dare say, a civilisation. Whenever I look at published scientific evidence, I always look at who that is being written by, and whether or not there is a vested interest. Sadly, I have seen some recent research published by a member of the Forestry Corporation, for example, alleging that there is not harm being done to our koala populations by industrial logging. I then looked at a significant further body of evidence written by scientists who are not of a particular vested interest, which tells me, very strongly, that our koalas are severely endangered. There has been, prior to the fires, about a halving of their populations. And then, in this region, with the fires, we have had about a 30 per cent additional decline.

It is difficult for a layperson, and a lay audience, to filter and process and gain an understanding of science. I think it comes down to the rigour, the repeatability and the quality of the writing up of particular research results and the conclusions arrived at. I always look to an academic for their published history and their industry or professional affiliations, and there are certainly some of the best ecologists and forest ecologists in the world in Australia. In fact, Australia is a nation that has a greater proportion, a greater number per proportion of our society, of natural area scientists anywhere in the world. And the majority of scientific evidence is telling us that we need to manage our forests for the benefits that they provide to our economy and our future. As I have made hopefully very clear, current management of the public forest estate is not serving the public interest and it is leading to direct adverse impacts upon our economy.

The CHAIR: Picking up on some of the comments you made about commercial fishing and its impact, can you point to any local research that has been done in terms of the impact on commercial fishing? Talking to commercial fishermen, they say the greatest threat to the industry at the moment are the 2016 reforms that were done by this Government in terms of the quota system and how that has skewed the management of the resource, particularly in the estuaries. They are saying there are more traps in the water than there ever has been because of this reform and everyone is fighting over a finite resource. Can you point to any research that has been done that quantifies that impact on commercial fishing? You can take it on notice; that is fine.

MARK GRAHAM: I could offer—and I would also be very welcome—to provide further input on that matter. Thank you so much for the question, Mr Chair. The best body of research relevant to our local area is the several decades now of research done upon the Solitary Islands Marine Park, which has a number of zones. As most marine protected areas are, it is run by zoning, with the highest category being sanctuary no-take zones. That research has shown very clearly that those catchment areas to the west of Coffs Harbour here—and we are actually in the southernmost part of the catchment of the Solitary Islands Marine Park here. That catchment extends up the coastline to the Clarence Valley, and all of the coastal catchments off the Coast Range here drain into the Solitary Islands Marine Park. Those catchments that have greater forest cover and protection of forest support the most healthy fish and invertebrate assemblages. There is a significant body of taxpayer publicly funded research done by the Solitary Islands Marine Park that demonstrates this.

The catchments that have the greatest health and productivity are those that are a bit further north. What we have seen in recent years in some of these southern catchment areas has been extensive clearance of vegetation and industrial logging and, sadly, a fair bit of coastal sprawl. Sadly, where that has occurred we have seen the death of these really critical estuarine systems. I use the example of Hearnes Lake, which is south of Woolgoolga. It is officially now dead because of abuse of its catchment. There has been a really significant body of research published which has documented the decline of that system, such that it is no longer a nursery habitat; it is a pretty toxic wasteland.

The CHAIR: Can I just go to your company, Bellingen Nature Company? You would be a beneficiary of the great koala national park if it eventuated. I think there has been some figures thrown out there of about 9,000 jobs, but that figure is sort of unclear as to how many of them will be direct jobs and whether those 9,000 would ever actually eventuate. A lot of figures thrown around ecotourism, to be fair, never really truly eventuate and never can really be rock solid. I guess the question is how many people do you employ now and how many people do you envisage employing if something like the great koala national park came to fruition?

MARK GRAHAM: I currently do not have employees. I started trading at the beginning of COVID in 2020—

The CHAIR: Bad timing.

MARK GRAHAM: —and in all honesty there have been multiple waves of COVID, and it frankly has not stopped raining. My trading environment has been very challenging. I do, however, have a network of local affiliates, associates, friends and colleagues who, when conditions for trading improve, I would be seriously wanting to expand. Currently I mostly visit private property. I run a network of private conservation reserves from Bellingen up onto the Dorrigo Plateau. Most of my current business opportunities revolve around privately managed areas. All of my guests come to this region for the natural environment and they recognise that this is one of the best areas for koalas—to see koalas and to experience them in the wild. My guests come here and they love the clean rivers; they love seeing whole valleys in forests. They love getting into those valleys and they tell me—because they come to the region and stay in accommodation and spend money more broadly in the economy—that they are horrified when they drive through areas that have been industrially logged within the public forest estate. For example, we have the Nymboida River, which I mentioned earlier as being our regional water supply. It is also the best white-water rafting system in New South Wales.

The CHAIR: I am just conscious of time, Mr Graham. You do not have any forecasted figures in terms of getting past COVID. Obviously it was a bad time for starting a tourist company. You do not have any forecasted figures as to what would be your likely uptake of employees.

MARK GRAHAM: I would hope within five years to have five to 10 employees. I have already kind of got them as friends and affiliates, and I would be looking at trading off the great koala national park because it is such an attractive proposition. So many of our tourists want to see koalas in the wild—almost all.

The Hon. SCOTT BARRETT: The damage you are talking about to the fishing and the natural environment, talk to me about the difference between the damage done by forestry and the damage done by urban sprawl and the general operations of Coffs Harbour city.

MARK GRAHAM: Sure. Coastal sprawl, as the name implies, is along the coastline. A lot of those ecosystems are not forested. They are not areas of high biomass and water, but coastal sprawl creates big problems for nature. It creates pollution into the marine and estuarine environment and it creates barriers to the movement of fauna species. Within the forested hinterland, industrial logging operations create significant gaps and voids in the fabric of the forest. Those voids are also very fire-prone, so there is a downward spiral that occurs in terms of ecosystem health. Because we are at the point where the Great Dividing Range extends down the Great Escarpment and to the coast, and Coffs Harbour is the southernmost point that that happens, a lot of our wildlife migrates seasonally from the coast up into the mountain ranges and also up and down the east coast—so migratory species. The more of these industrially logged gaps there are in the forest, the more species loss there is because they are a direct blockage to the movement of species, and we have definitely noticed that in places such as the Dorrigo Plateau in recent times.

Mr JUSTIN FIELD: I just declare that I spent some time out in the forest with Mr Graham earlier this week. There is a real forest out there, Mr Graham. Some of it is in protected areas already, national park and also some of the areas with State forests that are not harvestable. How does an idea like the great koala national park change things in terms of forest health and the viability of that area as a tourism attraction? But also, what does it mean for forest health more generally to remove logging practices from those areas? There are a lot of trees out there.

MARK GRAHAM: Thank you for the question, Mr Field. Put simply, the cessation of industrial logging across the proposed great koala national park provides a viable future, not just for koalas but for other species that have declined significantly. Some of them are verging on extinction, such as the greater glider, which has recently been surveyed at 100 sites locally where it was historically known and it has completely disappeared. The size of the proposal is what will provide a viable lifeline to our globally significant biodiversity. The science underpinning that is very, very clear that having large, connected or well-connected conservation areas—which is definitely what the proposed great koala national park is—provides the greatest opportunity of achieving the best conservation of biodiversity. As we are seeing increasingly severe fires, droughts and extreme events, having a greater mass of forest provides the best opportunity for securing the future for our globally significant biodiversity.

Mr JUSTIN FIELD: In addition to your tourism business and interests you are an ecologist, as you have mentioned. I know you have spent a lot of time in logged areas, in some ways as a citizen monitoring Forestry's activities. We heard from the Forestry Corporation yesterday. I do not want to put words in their mouths but the sense that I got from what they were saying is that a healthy forest is a managed forest and that logging is one of those management tools that enables forest health to be maintained, that just allowing them to grow old is not necessarily a healthy forest. I wouldn't mind your response to that sort of notion?

MARK GRAHAM: There is a significant body of scientific evidence that directly contravenes or proposes what was expressed to you. I use the example of the Kalang headwaters. The Kalang is the southern tributary of the Bellinger River. It is an area that has had no industrial logging since the 1980s. It provides critical water supply to the people in the valley and the fisheries that are down at the mouth of the river at Urunga. That area has very few weeds because it has not had recent disturbances. When the Andersons Creek fire went through that area, because it had not been industrially logged, when the fire hit those areas, the fire dropped in severity and actually went out, and we had seen some of those areas.

Because of the impacts of modern humanity, forests definitely need active management, they need management for weeds, and there are lots of weeds in places like the North Coast. Fire requires active management and to an extent vertebrate pest species require active management, sometimes erosion as well. But that can all be done external to an industrial logging regime. If there is an industrial logging regime within those forests, species decline in populations and local extinctions occur, water security is compromised and those areas that are currently lacking in weeds are opened up, there is a lot of soil disturbance and opening of the canopy such that those areas then become heavily weed infested. We saw some of those areas where lantana, which is a weed of national significance, Crofton weed and blue billygoat weed were coming up in abundance in recently industrially logged areas. Maintaining those forests as a whole and not going in and mechanically disturbing them is what is needed for their viability.

I fundamentally disagree with what was stated to you in terms of the future of forests needing to be logged. The science is very clear that that is a process of degradation and particularly when it comes to water security that is really alarming because Australia, at the Murray-Darling Basin in particular, is really drying out. I suspect that in coming years the water security that exists on the eastern side of the Great Dividing Range, centred on places like Coffs Harbour, will actually become increasingly valuable to our society. We are actually seeing that. We are seeing investment, so farmers from out west selling up because of the lack of water security and then bringing their capital to the coast, to the Dorrigo Plateau, to the northern beaches of Coffs Harbour because they recognise that water security, which is underpinned and driven by the health of our forests, is what they need for a viable agricultural enterprise.

Mr JUSTIN FIELD: Thank you. Chair, I think we are getting pretty close.

The CHAIR: We are. If there are no other questions?

The Hon. PETER POULOS: Just a quick one, Chair. Afternoon, Mr Graham. In your submission your closing comment is one of optimism in relation to opportunities. If the region were to transition along the lines of your submission, what would it look like, how would it evolve and what would the timber industry look like?

MARK GRAHAM: Thank you, Mr Poulos, that is a wonderful question. The skills and experience of those in the forest industry can be readily redeployed to the management of bushfires, the rehabilitation of landscapes, broadscale revegetation, including for the plantation estate, and frankly there are not that many jobs in the logging industry. I have attempted to make that clear in my presentation. In terms of just, fair and equitable outcomes, by completely protecting our forest estate and redeploying the people who have those skills and experience, there actually is a very positive future and that is a future in which there could be greater carbon drawdown. The science is pretty clear that we now need to start to look at carbon drawdown and trees are the only proven carbon capture and storage technology available, and that the health of our fisheries and agricultural industries and the viability of those industries can be shored up by a complete transition of this industry. I think

we do need to recognise that yes, people deserve to have continuity of employment, but it is demonstrable that the consequences of the current employment are adversely impacting a significant chunk of the regional economy and a lot of other people's jobs, livelihoods and lifestyles are being compromised.

So I am an incredible optimist and I think that there are amazing opportunities around the Coffs Coast for setting up plantations, rehabilitated landscapes, an incredible diversity of agricultural productivity, because we go from sea level here where you can grow Indonesian tropical species to 25 kilometres that way where you can grow cherries. There is almost nowhere else in the world where that happens and the full productive potential of this region is nowhere near met. We have the water, we have a climate with incredibly productive opportunities, and I really do think that there is a massive need, an urgent need to transition from an industrial logging regime to a forest management regime which maintains those values and underpins our economy and our employment base into the future.

The CHAIR: Thank you. That pretty much takes us to time. Thank you, Mr Graham, for appearing before us. I believe you may have taken one question on notice. The Committee secretariat will be in touch and you will have 21 days to provide a response.

MARK GRAHAM: I would be so delighted to follow up. Thank you once more for the opportunity to come and present evidence today. I hope you are enjoying your time up here on the North Coast.

The CHAIR: The Committee will now break for lunch.

(The witness withdrew.)

(Luncheon adjournment)

Ms LEONIE BLAIN, Secretary, Clarence Valley Conservation Coalition Inc., affirmed and examined

Mr PHIL REDPATH, Committee Member, Clarence Valley Conservation Coalition Inc., affirmed and examined

Mr DAILAN PUGH, President, North East Forest Alliance, affirmed and examined

Mr JIM MORRISON, Member, North East Forest Alliance and President, North Coast Environment Council, affirmed and examined

The CHAIR: Welcome to this afternoon's session. We now have various representatives from several conservation groups. Mr Morrison, did you want to start with a short opening statement?

JIM MORRISON: Yes, I have got a brief one-page thing here. My role as chairman of the Bell Miner Associated Dieback [BMAD] Working Group for 15 years from 2001 to 2016 provided extensive insights into appropriate forest management, and I am widely considered an expert in the bell miner associated dieback issue. The New South Wales forestry sector describes itself as a sustainable industry practising ecologically sustainable forest management. Their inability to manage BMAD post logging in moist at-risk forests is just one example that belies any claims of sustainable forest management as espoused by Forest Corp and its industry proponents. Bell miner associated dieback is a key threatening process that involves a complex interaction of bell miner birds, psyllid insects and dense weedy understories, usually of lantana. It is a very serious forest health issue that has been increasing in severity and area over the past two decades.

Forest research experts, including Forest Corp's Dr Christine Stone in 1999, the New South Wales scientific committee in 2006 and more recently an independent systematic literature review in 2017, have each identified forest disturbance as the primary causal factor in the initiation of bell miner dieback. However, Forest Corp has continually rejected this claim despite their own research scientist making the claims and continues to log at-risk forests, providing no post-logging rehabilitation, which is exasperating the problem. Adaptive management trials by Forest Corp at Mount Lindesay and Donaldson State Forest supported by the bell miner working group have failed to demonstrate that Forest Corp has any ability to manage this key threatening process post logging.

BMAD is particularly severe in the forests of the Border Ranges and Richmond Range where, left untreated, has resulted in patches of dead trees up to 20 hectares in size with little chance of recovery and is an increasing problem in moist coastal forests down the eastern seaboard. There are more than 100,000 hectares of forests impacted in north-east New South Wales alone, with more than two million hectares at risk statewide. Forest Corp's own research indicates a cost of $200 to $2,500 per hectare, depending on severity, to just begin to rehabilitate these forests. It is clear that the productive moist sclerophyll forests at risk of BMAD are extremely difficult and costly to manage post logging due primarily to weed invasion, which requires ongoing active treatment over many years to overcome. This is almost impossible across rugged terrain, as in the escarpment forests. The cost of appropriate mitigation would far exceed the economic returns from logging.

Many of these BMAD-impacted forests should now be considered beyond viable commercial management. Yet Forest Corp continue to log BMAD at-risk and affected forests with no effective mitigation plans to address the downward spiral in forest health. This reduction in the regenerative capacity of our native forests cannot be considered to be either economically or ecologically sustainable and will significantly impact on future timber supplies. The most appropriate management for these forests is to totally avoid disturbance and undertake effective long-term rehabilitation to ensure the non-timber values of these high conservation forests are secured.

The CHAIR: Mr Redpath or Ms Blain, did you have a short opening statement?

LEONIE BLAIN: I will start off. The Clarence Valley Conservation Coalition [CVCC], which has been in existence since 1988, came into existence over forestry matters to do with a proposed pulp mill in the Clarence Valley. From that time on the CVCC has been very concerned about matters to do with the viability and the health and sustainability of the forests in our area but not only in our area—elsewhere as well. We are also interested in things like, obviously, water supply and things of that nature. We in our submission ask that public native forest logging in New South Wales be phased out because we consider that it is not sustainable, either ecologically or economically. And we are hoping that with some of the material you people, the Committee, have been hearing in the public hearings as well as in the submissions you have received, you will come to accept that this is something that is very necessary. Certainly the Victorian and Western Australian governments are moving that way. I believe that there is an enormous increase in community support for doing just that. I think Phil has got a few things he would like to add.

PHIL REDPATH: My name is Phil Redpath. I used to work for the New South Wales State Government as a frontline scientist dealing with a whole range of environmental legislation. I helped implement State Environmental Planning Policy [SEPP] 46 tree clearing legislation. I was involved in the Plantations and Reafforestation Act. I was involved in the Rural Fires Act, the Environmental Planning and Assessment Act, the Threatened Species Conservation Act and various other State environmental planning policies. I was the ecological representative on the BMAD Working Group, working for Department of Land and Water Conservation. I have been involved in long-term monitoring and researching various land tenures—private, public—State forests and national parks. I have done long-term threatened species monitoring on birds like the rufous scrub-bird.

During that time I noticed, particularly when we went into State forests, there used to be a Forestry research division that had high credibility—had. They would leave unlogged components to logging coupes where you could go in and monitor what was happening in those retained, undamaged plots and compare that to what was happening with the logged plot, what was happening in the rest of the coupe from a logging perspective. So there would be pre- and post-logging measurements. The industry has become so rapacious that it no longer leaves those monitoring plots, so you cannot tell—there is no evidence being left to actually tell whether the forestry operations that are being undertaken are maintaining the biodiversity of a site.

For instance, some of the sites that we looked at originally might have had 15 to 20 species of overstorey trees in plots. Now they have got one. So Forestry has been creating what I would call or define as plantations by stealth. They are actually creating monocultures where blackbutt might be the only tree growing. And they say that is sustainable. It is not sustainable. Those forests are highly susceptible to a whole range of different perturbations, whether it be a fungal attack, like myrtle rust, or whether it be a fire attack, where the whole lot is taken out at one time. Some trees are less susceptible to fire attack than others. We have also put in a paper that was recently published by Lindenmayer et al, which clearly demonstrates that forestry operations actually make forests more fire prone. That has been an argument that Forestry has used indiscriminately—to say that logging practices actually reduce fire threat. They do not. They actually increase it quite exponentially because it gives fire an opportunity to run into the canopy and once it gets into the canopy it runs across landscapes.

I did a report—I am also an adjunct fellow at Macquarie University and I teach postgrad students how to undertake environmental analysis. I have learned a few things from that in how to present information and I was given the opportunity a couple of years ago to present some information—I was actually asked to do a talk on koalas. Everybody was doing talks on koalas, so I thought I would do a talk on hollow-bearing trees. I focused a little bit on the North Coast. It was broad. I went from data that included how many birds, different fauna, frogs, microbats and reptiles use hollow-bearing trees for some part of their life cycle across Australia. Then I looked at how many of them were located on the North Coast, based on the boundary of the Queensland border, the New England Highway and Port Macquarie. I came up with some really alarming figures. I had not realised just how problematic it was.

The number of hollow-bearing species of birds is an example. I will just give you two. There are 64 known birds that use hollow-bearing trees. The number of birds Australia-wide is 114, and the total North Coast percentage is 56 per cent. So 56 per cent of hollow-using birds across Australia are found on the North Coast, and 16 of those are threatened species. So that gives you an idea of just how problematic the loss of hollow-bearing trees is. Microbats, tiny little bats, the number of hollow-using species, North Coast, is 21, as opposed to 51 Australia-wide, which is 41 per cent of the total, and nine of those are threatened species. So I cannot stress to you enough, as an ecologist, how alarming it is that the number of retained hollow-bearing trees within forestry plots is in decline, deliberately, by the numbers that have been given by the political process through legislation.

There are a lot of things I could talk about, but I will make one thing really, really clear. Having worked as a frontline scientist dealing with environmental legislation, I can say this. It is not written like criminal law; it should be. It is not easy to use. It is incredibly difficult from a regulatory perspective because it is written with doublespeak. It is full of exclusions and exemptions. It is not transparent. My suggestion for this group is if you are rewriting legislation or redrafting legislation, it should be written like criminal law. It should have punitive offences because we are getting to the point where we can no longer afford to say, "Yeah, Jimmy's logging that tree. It's okay." It is not. If it is illegal, it should be treated as a criminal offence.

All the legislation, depending on how you look at it, should be transparent. The processes that you go through for determining the biomass of the forests that are going to be logged needs to be transparent. It needs to be scientifically based. If you are looking at how much timber is going to be allocated to a contract, that needs to be transparent. It needs to be open to public scrutiny, and it certainly should not have caveats in it that give compensation to logging companies when the timber resource is not there. Finally, as a parliamentary group, you

have a responsibility for the taxpayers of New South Wales to ensure that the legislation you put through does those things because if it does not, what we are doing is death by 1,000 cuts to our native forests.

The Hon. MICK VEITCH: Do you have something to say, Mr Pugh?

DAILAN PUGH: Dailan Pugh, North East Forest Alliance. Forests support our civilisation, climate and biodiversity. A walk in the forest improves your health. Their transpiration generates rainfall and cools surrounding lands. They store water, filter run-off and regulate streamflows. They take carbon out of the atmosphere, store it in their trunks and soils, and give us back oxygen. They reduce flood risk by storing water and slowing flows, they reduce landslips by reinforcing soils and they support most of our biodiversity. North-east New South Wales' forests are one of the world's centres of endemism, and they are identified as being of world heritage value. As well as supporting a multitude of plants and animals found nowhere else in the world, they are of increasing importance as a refuge for species declining elsewhere.

Forests are under unprecedented threat due to the increasing droughts, heatwaves, wildfires and floods caused by climate heating. The increasing droughts and heatwaves are killing trees and wildlife across the land unable to cope with the extremes. The increasing frequency, severity and extent of wildfires are killing trees and wildlife in their millions, increasing erosion and polluting streams. The 2019-20 wildfires devastated 2.4 million hectares of north-east New South Wales, encompassing 29 per cent of the region and around half the remnant vegetation. A third of our rainforests were burnt in the fires. The burning of rainforest is akin to the bleaching of coral reefs and is likely to follow a similar trajectory. Numerous hollow-bearing trees were burnt out and cut down for fire control. Eucalypt flowering was set back for years. Many understorey feed trees, such as forest oaks for glossy black cockatoos, were killed.

The impacts are immense and long lasting, with surviving species of plants and animals across extensive areas now at their tolerance limits for disturbance. So aside from those killed, a lot are just teetering on the brink and in some areas they have gone past it. Nineteen Australian ecosystems, seven of them forests, have been identified as already in collapse. In north-east New South Wales we are perilously close to a cascading series of feedbacks that cause the irreversible decline of forest ecosystems and the release of vast quantities of carbon stored in the forest vegetation and soils into the atmosphere, making them into carbon sources rather than sinks, at the very time we need them more than ever to take our carbon out of the atmosphere and store it safely in their wood and soils and to mitigate flooding by storing and slowing the water during extreme rainfall events.

Logging is compounding the problems by causing an attrition of old hollow-bearing trees that so many of our species rely upon, including the mature trees necessary as future replacements; removing mature trees with their abundance of essential resources, including browse and nectar; drying forests by opening the canopy and creating more thirsty regrowth, making them more vulnerable to fire and reducing run-off into streams; increasing flammability and fire intensity by creating stands of dense regrowth and short-lived pioneers; disturbing rainforest buffers, creating fuel, and drying and increasing the flammability of both the buffer and adjoining rainforests; facilitating weed invasion, particularly by lantana, by removing overstorey and disturbing understories and soils; facilitating bell miner associated dieback, which is being aggravated as trees are increasingly stressed due to climate heating; and direct killing of threatened plants and trees.

In the midst of the current climate and extinction crises, we need to urgently stop logging public native forests and repair the damage we have caused to allow them to regain their natural integrity to better withstand the escalating threats. We have basically halved their carbon storage. By stopping logging, they can regain that over time and make a significant contribution to taking up New South Wales' carbon emissions and achieving net zero as soon as possible. That is the end of my statement.

I would just like to table two documents. One is *Providing Homes for Hollow-Dependent Animals*. It relates to the Natural Resources Commission's recently suppressed, hidden recommendations about the need to retain recruitment trees as well as increase retention of hollow-bearing trees—a recommendation that has not been acted on. The other is the Department of Primary Industries' paper on the Department of Primary Industries Forestry's claim that logging has no impact on koalas. I believe totally invalid assumptions have been made from their research, and I think they misrepresent the outcomes of their research. I know they have given evidence to the inquiry before. So I would like to table those, and I am happy to discuss them.

The CHAIR: Would you also provide your statement that you just gave to help Hansard with the transcription? That would be fantastic.

LEONIE BLAIN: Excuse me, Chair. I am sorry, I was supposed to mention that we have tabled some additional material, which has been handed to one of your officers.

The CHAIR: Excellent, thank you.

PHIL REDPATH: I am just emailing the PowerPoint presentation from which I gave those figures.

The CHAIR: Excellent, thank you, that will help us a lot. I throw to questioning.

The Hon. MICK VEITCH: My first question would be for Clarence Valley Conservation Coalition. In your submission you talk about catchment protection and the issues around—

LEONIE BLAIN: Could you speak up please?

The Hon. MICK VEITCH: You talk about catchment protection?

LEONIE BLAIN: Yes.

The Hon. MICK VEITCH: This morning we heard from someone else about some issues around the impact of logging on recreation and commercial fishing in this part of New South Wales because of the issues of water quality. Could you expand on your submission by talking a bit more about the issues that you see arising from industrial timber harvesting and its impact on catchment?

LEONIE BLAIN: Well, I can say this, and maybe there is more that can be added to this. In relation to the buffer zones that are provided along streams, for example, the buffer zones have been decreased in recent times. So there is an issue there with erosion and also soil being [audio malfunction], particularly during heavy rain events. Obviously there have been a lot of heavy rain events, particularly in recent times, in the north. That has exacerbated it. You only have to look at our rivers and see that they remain grossly, chocolatey brown for an extended period, much longer than usual, because there is this continual erosion. I might add, it is not only the timber industry that is responsible for that. There are some farming practices where you have inadequate barriers along streams and cattle causing that kind of erosion too. In relation to the fishing industry, I know there have been concerns. I cannot specifically state but I know that downriver from Grafton, because we have a very long estuary, there have been concerns with some fish and some things like crabs and so on in some of these areas where it is very difficult in times of heavy rain.

The Hon. MICK VEITCH: Thank you. In your submission on the very last page, you call on the New South Wales Government to make a solid commitment to invest in long-term, well-protected plantations. We have heard from some groups that plantations are not the way to go on the North Coast, and we have heard from other groups that there should be greater investment. I would like all members of the panel, if I could get your views around hardwood plantations. Are they of value? Here is your chance. Have a say about what you think about hardwood plantations.

LEONIE BLAIN: From a personal point of view, I must add that we did say that we do not want plantations put on land where native vegetation has been cleared for the purpose. In relation to hardwood plantations, I have always thought—and I know there are people in the community—it seems to me, given the value of some timbers, particularly some rainforest timbers—I think we were talking earlier about some other hardwood timbers—that there is certainly a case for establishing some mixed plantations, rather than these monocultures that are favoured so much in the plantations that we have currently. I think Phil has something he wants to say.

PHIL REDPATH: I worked for DLWC, the Department of Land and Water Conservation, when the Plantations and Reafforestation Act was first brought in. We were the regulatory authority, in part, for that. A lot of the plantations that were put in did unfortunately require—it was not meant to, but it did include clearing of native vegetation, which really riled us. The State forests plantations division was dictating what went in, and a lot of Gympie messmate was one of the species which was planted, which was totally unsuitable for the area. A lot of landholders objected to that as well and probably did not put as much effort into maintaining the plantations as they could have. A lot of them wanted mixed-species eucalypts that were endemic to the area.

Had they had more of a say in what went onto private land, I think you would have got a much better take-up and there would have been a much higher success rate. A lot of the plantations failed. They failed through too much water or because they were too dry or they were just in the wrong places for that particular species. Nobody really knew the ultimate objective of the plantation species that they put in. There was a mode of thought that suggested that it was all going to be for woodchip, which sort of made sense for the species that they chose, but the transportation costs would have been problematic and quite prohibitive. From the perspective of an ecologist and you have land that is underutilised, I think a mix of native hardwoods and rainforest species—it takes rainforest species a really long time.

If you are planting a tree, you do not expect it to be harvested in your lifetime. I was just talking to Justin about a tree that was cut down years ago on an adjoining property to a friend of mine. I said, "I am looking for some tallowwood to build some furniture out of." This old guy goes, "I know just the species," and he dragged this tallowwood log off. It was a couple of metres long and 550 round, and we slabbed it on the block. That is

now furniture in my house, and that was going to be burned. It shows that the timber industry does not utilise everything that it cuts down. In fact, it is estimated that between 20 and 30 per cent of the tree is used and the rest of it goes to waste. So I think we need to completely change the way that forestry operates in Australia because the waste is just phenomenal, not to mention all the other problems and environmental costs.

The Hon. MICK VEITCH: Thank you. Mr Pugh, your views on hardwood plantations?

DAILAN PUGH: Look, it is a complex issue, to say the least. Back in 1990 there was a resources commission Federal inquiry into the timber industry. It came out with a lot of recommendations. One thing it wanted was plantation inventories to be done. There was native forest and there were plantations, and Forestry had bugger all. So what they did was went through and assessed all their logging records and made claims that all those areas were now plantations. They had not been before. There were areas going back to the 1960s and 1970s that they were now claiming were plantations. They had never claimed they were plantations before. In 1997 I was on a plantation technical advisory committee—I cannot remember the exact name of it—set up by the New South Wales Government to review the claimed plantations. The guy knew a lot of them were erroneous—they did not really exist—so we had to go through all their proof of their plantations.

Look, some of it just did not exist. For a lot of the areas they were claiming as plantations, they had no proof whatsoever that it was a plantation. For some of them they had statutory declarations that someone had planted a few trees there at some time in the past. I went out and assessed quite a number of them, including as part of the committee but also on my own, and found that there were no planted trees in quite a number of those areas. I was on the committee that was meant to be overseeing it, so I wanted proof of all this stuff. In the end, Forestry disbanded that committee before the New South Wales Regional Forest Agreements and then went ahead and declared virtually all of those areas—including the ones that I knew were false and had presented evidence to the committee that they were false—as plantations. So I think a lot of New South Wales Forestry's claimed plantations are not real. That is one issue and one problem.

In terms of establishing them on cleared land or on forested land, I presented evidence to Kim Yeadon when he was the forest Minister—I think Jim gave me the photos—of the quite good regrowth of native forest up at Sugarloaf, which they cleared to establish plantations using State money, because it is all about establishing plantations. They got rid of all these well-advanced trees, just flattened the lot, and then went and planted it. I advised Kim Yeadon too—they were planting Dunn's white gum across the landscape, in thousands of hectares. Back in the 1980s Forestry had tried that up at Dorrigo. They are insect traps. All the insects flock to the Dunn's white gum and defoliate them. They are a failure. I gave Kim Yeadon all that evidence. Nonetheless, Forestry continued to go on planting Dunn's white gum, and most of the plantations died and failed.

The other one is the MIS schemes—you are aware of those—where plantations were planted all across the landscape, particularly in the upper Clarence Valley. Most of those are being bulldozed down to the ground and not even utilised or, at best, sent off as logs for overseas export. I think the whole plantation industry has been a mess. The other clear example is the Walcha pine plantation. Forestry illegally cleared old-growth forest to plant pine plantations up at Walcha from the 1980s on. We actually had to threaten court action to stop them clearing old growth in the end, because they needed an EIS. All of those plantations have been a mess ever since. They have failed. Now they are being exported down to Tumut, but before that they were being exported overseas. I think there are serious issues about the plantations in the State, unfortunately.

I want to make it very clear that I am in favour of plantations. We need to go there. We currently get 86 per cent of our timber from plantations. We need more. We have like a million hectares of hardwood plantations in Australia, and only 2 per cent gets converted into sawlogs. The rest is all exported as chips. I mean, how disgusting is that? If we put 25 per cent of our existing eucalypt plantations into saw wood material, rather than export it, we would meet all our current hardwood timber needs. Yes, we need plantations, but the whole system I think is a total shambles and needs a really good, thorough going through. The problems that occur time and again need to be rectified with some proper planning, proper assessment. Let's establish sawmills where the resource is. Let's not take the resources to the sawmills or send it overseas, which is even more ridiculous.

The Hon. MICK VEITCH: Mr Morrison, do you have anything to say?

JIM MORRISON: Yes, I have something to say. Where I live, up in the upper Clarence, was one of the centres for the plantation development under the Bob Carr Government—$3 million to get landholders on board as well as Forest Corp establishing plantations. They had consultations around the area at the time and they stressed the point that they were the experts in eucalypt plantation management, which it turned out they were not. Even though they were pressed a lot that it was mainly about woodchips, they assured me that it was a sawlog-driven plantation development. They chose four species in my sub-catchment and most of the sub-catchments around. There was white gum, spotted gum, blackbutt and I cannot think of the fourth one right now, but they were all light-coloured timbers. That was all to facilitate the wood pulp industry because one of the

big problems with pulping native forest is the red timbers. They need to bleach—a lot of toxins. Straightaway I smelled a rat when they were all fast-growing, light-coloured timbers.

I would say two-thirds of the plantations actually failed because they had bad site selection. I wrote a paper condemning them. It was published in the newspaper. They threatened to sue me at one stage. They then came and sat down with me and had a talk. To the head guy doing the plantations at the time I said, "They have knocked over tallowwood, iron bark, steel box—a whole range of high-value timber trees—to plant these low-value pulp species. Why don't you plant these trees that are good for timber?" He said to me, "I know you're right but that's not what the investors want." When I said, "What do they want?", he said, "They want certainty on growth rates." They had the growth rates on these four species they were planting—supposedly. It turned out most of them did not grow at that rate anyway.

In the last three or four years—they were established around the early 2000s, late 1990s—most of them have gone past my house, wrecking the roads. We call them chopsticks or toothpicks. They are logs this round, eight foot long stacked up. I believe a lot of them were sent to the Port of Brisbane, stuck into containers and sent to China for God knows what. I believe some of them went to the sugar mills to be burnt for electricity. On top of that, under the plantation code, we fought and fought to retain the big hollow trees in paddocks that had been there for 200 years or more. Some of them had multiple hollows and were known as roosts for eagles and all sorts of creatures. They fought and fought to be able to get rid of those trees because they were in the way of establishing the plantation. They got an exemption from the veg clearing laws at the time to knock over these big, old trees and put in their plantations. Some of them failed within four or five years, and they put the cows back on the paddock without any big, old trees left.

Once again, the managed investment schemes—I think you all should be aware what a rort that was. I am similar to Dailan, and I think we all are. We all see the need for eucalypt plantations, but they have to be well thought about and well managed. Forest Corp were running around saying they were the experts in eucalypt plantation management before they even knew what they were doing. I then found out they had sent some guys to South America to study the tallowwood plantations over there to see what to do. The other thing with eucalypt plantations in Australia is they are heavily grazed by insects. Tallowwood plantations in South America I understand grow at more than twice the rate they do here because nothing will eat the eucalypt leaves or mulch. From my understanding, about half of the eucalypts' annual foliage in Australia is consumed by insects. When we grow our eucalypts in other countries, they are far more competitive than when we grow them here. There are a lot of issues to deal with around plantations, but I think we all support the move out of native forest.

Mr JUSTIN FIELD: Be aware that we are running quickly out of time and other members have not asked a question. Mr Pugh, members might not have read this document you circulated yet. DPI Forestry's claim that logging has no impact on koalas is invalid. I want to give you an opportunity to quickly explain your analysis there. We had it put to us pretty clearly by Forestry Corporation yesterday this research and this sense not only that it does not harm koalas, but the sense that actually they prefer logged forest and younger trees in particular, and if the trees are left to all grow old that that is not really suitable for koalas in the long term. Can you explain quickly—and quickly is the imperative there—your analysis?

DAILAN PUGH: I draw your attention to page 6 in my report, if that is okay. I have two comparative maps there before and after logging. I emphasise first off that the "before logging" was done in a drought—the worst drought we have had on the North Coast. They are assessing drought risk to koalas until after the rain and then the logging impact on top of that. Also, only part of that area was logged. On the second map on that page you will see the black overlay is the logging area and the black dots are his sensor sites. What that clearly shows—to me, anyway—is that in the top of that map you have those blue areas, and some with a purple overlay. They are basically old-growth forests. Before the logging you had good koalas in and around there. Good koalas are the green areas. They are the koala hotspots, according to his assessment. There are a few scattered around the rest of the compartment, and after logging those hotspots are mostly around the old-growth stuff in the top.

You will see the white areas down the south, to the lower part of the maps—which are where there are nil or virtually hardly any koalas—have expanded dramatically. That is with drought recovery and with logging on top of it. Here the forest is recovering and the logging is knocking out the koalas. Overall I assessed his three logging areas, and within the areas actually logged in 2020, from comparing the extreme drought in spring 2019 to the wet spring in 2020, there appears to be around a 23 per cent decline in areas with relatively high male koala calling frequency—the hotspots; the green areas—a 27 per cent decrease in areas with moderate calling frequency and a 36 per cent increase in areas of no or very low male koala calling frequency, and that is despite the drought. Two of the three previously logged national parks—they were logged quite a while ago, but they are used as controls by him—indicate there was consistent persistence of high koala calling frequency sites, like those hotspots.

They were maintained between the two sampling periods over the years, and that suggests to me stable breeding colonies. Whereas in the recently logged forests, those hotspots mostly disappear or move across the landscape, and that suggests to me that the koalas were put under immense stress and were moving around the landscape. The trouble with that is—he has these little recorders set up around the landscape and the koalas are moving past them, calling in desperation, trying to find their territory again, or new territory or looking for mates. Who knows what the male koalas were up to, but it suggests to me a very unstable population after the logging. One of his logged sites was logged 30 years before, and so they were not so badly hit there, but there are hardly any koalas left in the ones that were logged more frequently. They are in this situation where, to me, they appear to be wandering around the landscape looking for somewhere. I think they are what you call "sink populations" that are in risk of collapse.

Mr JUSTIN FIELD: Just to confirm your analysis there, you are not contesting the methodology or the data, but your interpretation of the data is almost the inverse of the interpretation of the DPI scientists who conducted this work.

DAILAN PUGH: I think his methodology has serious problems. I think the fact that they are comparing an extreme drought to a non-drought, you would expect koalas to be calling more or to be more interested in mating when they are not under immense stress. I think that is a methodological problem. Also, I think he tried to convert his calling into density. He is saying this is a density of koalas per hectare. I do not think it is at all. I do not think that is established. How I am interpreting this data is saying that these green hotspots that he has found, where koalas are calling in both time periods, or at the time he mentions them, but where they are persistently calling from over time suggests they are the core breeding areas. When you get an expansion of areas with no koala calls, you have got to think that there has been an effect there. So I think it is pretence. I do not believe it is real at all; that logging has no effect on koalas is totally wrong.

The CHAIR: Mr Redpath, do you have something to add?

PHIL REDPATH: Sorry, just on the koala thing, I have been involved in radio collar tracking with Dan Lunney and other people. Invariably, when you have got a radio collar on a koala, they will end up in the biggest trees. If it is a primary browse tree or a show tree, they will end up in the biggest trees. The chemical content of leaves in younger trees is different to older trees. They are under more stress as they grow. They are protecting themselves as they grow. It is quite complex. But it does not stand up to scrutiny, that kind of methodology.

Unless you are radio collar tracking them and you have identified as many as you can in a population—and don't forget you have got a male and four to five females in any one cohort and the male will go round and service all the females and they maintain a fairly consistent home range—so anything that is moving around the landscape is usually moving out of those, so young, but are moving out. As a consequence, you get more colonies set up if there is the availability of resources. But quite often now they are just sinks because—does not matter where you go, and I have done radio collar tracking on the North Coast and out at Gunnedah where the greatest koala populations are. During the drought, they were just falling out of trees, dead, because of the heat. Koalas, they are a pretty touchy species, but so are all the hollow-dependent ones.

The CHAIR: Thank you. That pretty much takes us to right on time. I do not believe any of you took questions on notice. But if there was one, the Committee's secretariat will be in touch and you will have 21 days to get back to us. Once again, thanks for travelling and coming to talk to us today. Thank you.

PHIL REDPATH: Thanks for having us. I hope we were informative.

The CHAIR: You were. Thank you.

(The witnesses withdrew.)

Ms URSULA da SILVA, Spokesperson, Camp Ourimbah, affirmed and examined

Mr BRETT RODNEY HECTOR DUROUX, Chairperson, Gugiyn Balun Aboriginal Corporation, affirmed and examined

The CHAIR: We now welcome our final witnesses today. Ms da Silva is here and Mr Duroux is on his way. Ms da Silva, would you like to make a short opening statement?

URSULA da SILVA: Yes. I have also got these to table to the Committee.

The CHAIR: Excellent. The Committee's secretariat will pick them up.

URSULA da SILVA: My name is Ursula da Silva. I am the spokesperson of Camp Ourimbah, an anti-logging campaign. For over a year Camp Ourimbah has been protecting prime koala habitat in Ourimbah State Forest from being turned into low-quality salvage wood. If Forest Corp New South Wales was truly taken to account for the sustainability of their industry, then they must answer to their contribution to a global climate crisis and a biodiversity collapse. Professor Lindenmayer often cites the impacts of logging on increasing fires and droughts in his research. Native forest logging also contributes significantly to our greenhouse emissions, releasing as much as a quarter of Australia's transport emissions, as many of its products have short life spans, such as paper pulp, woodchips and pallets. Furthermore, 60 per cent of the biomass from logging is burnt back into the atmosphere or is left behind to become fire hazards, such as seen in the photo handed to the Committee. Shortly after this photo was taken, the area burned in the catastrophic fires of the Black Summer.

There is nothing sustainable about this practice, in an economic or environmental sense. The demand for softwood is growing, which is a plantation-based wood. In fact, 87 per cent of the nation's log production comes from plantations alone. The building industry does not require native forest logging for its continuation. It does not take great economic foresight to see that plantation-based timber, not native forest logging, is the way of the future. According to the AWE, plantation and farm forestry provide the greatest opportunity for the growth of the wood and paper industry. Switching off the mindset of using native forest as a timber resource in a time of mass extinction is critical. If instead we were open to practices such as carbon trading schemes, we could generate approximately $60 million from the Eden and southern RFA areas alone in the period of 2022 to 2041. Contrast this to the $20 million of taxpayer money lost last year to fund this obsolete and harmful practice.

New South Wales would be wise to catch up with the growing trend of phasing out native forest logging, as seen in Victoria and WA, and facilitate an inevitable and sustainable evolution of the industry, using transitional packages such as demonstrated by these States. It would benefit us in job security and provision. Such transition is key to helping the survival of our species and millions of others on a planet we must stop taking for granted. I need you to stop logging Ourimbah's forests today and turn them into koala reserves now. Thank you.

The CHAIR: Thank you. Given that that was a prepared statement, would you be happy to email that through to the Committee's secretariat, so that Hansard gets everything 100 per cent right? That would be great. I am looking for questions from members. Mr Veitch?

The Hon. MICK VEITCH: Thanks for that. You talked about a just transition in your opening statement. Do you want to elaborate or expand a bit further on what you see just transition looking like?

URSULA da SILVA: Absolutely. I believe that we could use our public forests for different resources, such as ecotourism, facilities such as treetop parks, bike parks. There are many different recreational facilities we could turn our State forests into, as well as locking them up for carbon capture, storage and sharing those facilities with the public still. We do not need to log to make an economic or a community benefit from these areas.

The Hon. MICK VEITCH: I think it is really important we get on the record the importance of the forests to youths in this region. Can you explain a bit more about how young people engage with country?

URSULA da SILVA: Absolutely. State forests are an opportunity for people from the city to come and enjoy our country's natural resources. Otherwise they have not got that access to it. My forest, Ourimbah State Forest, is widely used as a recreational facility. There are mountain bike riders, motorbike riders, horseriders. There are bushwalkers, people taking out their dogs. We love our forest. We cherish it.

The Hon. MICK VEITCH: Do you see a role in land management? One of the issues that has been raised on numerous occasions is the issue of weeds and pests and, I guess, lack of resourcing or funding to address the weeds and pest issue. Do you see there is a greater role, job opportunity in the area of weeds and pest management?

URSULA da SILVA: Absolutely. If we were looking after our forests sustainably we would have more environmental management in our forests instead of debilitating them by cutting them down and introducing invasive species, such as weeds and pests.

Mr JUSTIN FIELD: Thank you, Ms da Silva, for being here today. Can you just explain to us about Camp Ourimbah, including what that is, what you are doing at the moment, how long you have been there and what it looks like?

URSULA da SILVA: Yes. I just wanted to point out first as well that on the back of that photo I handed you there is a QR code. If you scan that QR code, you will see the references that I am garnering information from. Camp Ourimbah has been established for about a year now, even though Forestry has logged continually over 20 years in our area. We were set up because the community was alarmed about losing our precious resources. It is a regrowth forest and I do not understand why they keep saying that they are going to get high quality sawlogs out of this forest, which has had about 20 to 30 years of recuperation time.

We are a committed community effort. We need to stop forest logging in an area where a koala has been sighted. Forestry refused to do any surveys upon knowing this information, which they have been aware of for six or seven months now. They have flatly refused to do anything with it. We have gone down every single avenue they have thrown our way to make them acknowledge that there is a koala in the area. According to the coastal IFOAs, they need to take this new information into account with the logging practices. Yet they continue to log under the mandate that there is no contemporary koala record present.

The Hon. TAYLOR MARTIN: Just to pick up on that—if you do not mind, Justin—what is the anecdotal evidence or any sort of evidence that your organisation has that there are koalas in Ourimbah State Forest?

URSULA da SILVA: There was a sighting by one of my neighbours. I live on a road that borders the State forest. There was photographic evidence which was lodged with BioNet and we have got a Citizen Science report that I compiled about the fact that Ourimbah is prime koala habitat, according to ecologists and horticulturalists, with the food sources available.

The Hon. TAYLOR MARTIN: I have just flicked through the references as per the QR code you supplied. Is any of that in here somewhere?

URSULA da SILVA: I can add the Citizen Science report to that, absolutely.

The Hon. TAYLOR MARTIN: That would be good, thank you.

Mr JUSTIN FIELD: What does the camp look like? What is going on there?

URSULA da SILVA: We were in the bush for about three months and we had different gatherings and people coming along to events, but then because of COVID we had to shut down. We have just operated our campaign online since then.

Mr JUSTIN FIELD: We have had some evidence given to the Committee, including today, from people in the timber industry making the case that a lot of the opposition to the ongoing logging of native forests is ideologically motivated. They certainly see protest activity as a very big restriction on access to what they see as an available resource that they are able to legally harvest for economic opportunity. As someone who has been involved with direct action protest activity, you are actively creating a barrier to accessing that resource. I will just give you an opportunity to respond to that and maybe explain to the Committee what motivates you to do what you are doing.

URSULA da SILVA: I believe we cannot consider our forests as resources when there are so many alternatives available. We are in a time of mass extinction. The global climate crisis is upon us. We can switch to something like plantations, which use a fraction of the land that native forest logging uses and manage to deliver 87 per cent of our log consumption alone. If we transition to other practices, such as agroforestry, there is more livelihood for livestock to benefit from shade. For some reason we have forgotten in the last 200 years that livestock might need that. I do not see them as economic resources; I see them as something that we benefit from as a species. But we also have to share and maintain. I think that that is our true custodial role in these areas particularly.

Mr JUSTIN FIELD: If we were going to transition to plantations, that is going to take a bit of time. We have heard today that that has not been very successful in the past, probably more through lack of planning rather than being unable to be done. If it takes us 30 or 40 years to grow plantations to a harvestable level, would you be okay and supportive of an expanded role for private native forestry whilst that transition to plantations occurred?

URSULA da SILVA: Absolutely. I think we can use degraded farmland and rehabilitate it using such practices. At this stage we have already put ourselves in a softwood shortage, so we do not have much of a choice but to use the next 20 to 30 years to regrow a supply that we once had but have lost due to mismanagement.*

The Hon. TAYLOR MARTIN: Mick Veitch brought up mountain biking, and I must say I have mountain biked in Ourimbah. What is your organisation's view on the mountain biking that takes place there at the moment?

URSULA da SILVA: I think if it is done in a way where you are not harming the environment too much then it is fine. I think at some point you have to have access to the forest as long as you are trying to work in unison with it and having things that are established there, such as a mountain bike trail, and that you do not expand further. If you have the principle of education in undertaking these activities, I think you are more consciously aware of what impact you will make on the environment. But if there was more of a balance then we would not have to worry about the little minimal activities that we do that could harm the forest in the greater picture.

The Hon. TAYLOR MARTIN: Just so I am interpreting it correctly, you believe it is positive to have people using the forests, engaging with the environment and recognising its value?

URSULA da SILVA: Absolutely. I think it benefits us also as a nation. We have a great cultural and environmental reserve to garner from and learn from as well that has supported us through millennia.

The Hon. SCOTT BARRETT: In the image that you gave us the forest in the background there is different to other forests we have seen on this trip. Can you tell me a little bit about that? Is it a younger forest?

URSULA da SILVA: Which forest, sorry? In the photo? That is in the South Coast.

The Hon. SCOTT BARRETT: Right.

URSULA da SILVA: In my area as well I have had giant logging piles that could fill this room that have just been dumped and left there as well.

Mr JUSTIN FIELD: You are providing this as evidence of the waste and the, sort of, slash and the fire risk of that.

URSULA da SILVA: Absolutely. That whole area got burnt and decimated and that debris that was left is one of the contributing factors. We are lucky on the Central Coast. We have a population of up to half a million people and if Forestry continue to log and leave debris such as they have, it puts us in jeopardy. Forests are a barrier against fires by retaining moisture. If you cut down a forest, you dehydrate an area and it becomes more fire-prone. It is dangerous.

The CHAIR: It looks like we might have your colleague trying to find the Committee, Ms da Silva. We might just wait a minute and see whether that is him.

Mr JUSTIN FIELD: I might ask a question while we are waiting, Chair. You said you have largely moved online now. There is no logging happening there at the moment, but it is still proposed by Forestry Corporation. Have they given any undertakings to press pause until they can confirm the evidence that you have provided or what is the status of their proposed logging undertakings?

URSULA da SILVA: They have simply left it as approved. There has been no movement with—

Mr JUSTIN FIELD: So they could just come in at any time.

URSULA da SILVA: Yes. I believe we have two days' notice. We are protecting two areas which comprise about 160 hectares of bushland but, overall, the LLAP Tank Point plan is about 864 hectares of bushland.

Mr JUSTIN FIELD: So they would have published their proposed harvest plan at this point. Do you recall what the breakdown of the end-use products were, according to the harvest plan?

URSULA da SILVA: Yes. At the moment it stands at 70 per cent low-quality salvage wood, pulpwood and firewood because the community was in disarray about the fact that an initial 80 per cent estimate of low-quality salvage wood, pulpwood and firewood was being used and extracted from—was the basis of destroying our forests.

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* In correspondence to the committee received on 1 June 2022, Ms Ursula da Silva, Spokesperson, Camp Ourimbah, clarified her evidence.

Mr JUSTIN FIELD: So they have modified that slightly to increase the amount of high-quality logs, but still 75 per cent will be pulp log—

URSULA da SILVA: It is 70 per cent.

Mr JUSTIN FIELD: Largely from your region that essentially becomes firewood in most instances.

URSULA da SILVA: Absolutely.

Mr JUSTIN FIELD: Do you know ultimately where it is going to be sold as firewood? Is that locally or does it get transported?

URSULA da SILVA: I do not know.

The Hon. MICK VEITCH: Can I just ask, are there any beekeeping sites on the land that you are looking after?

URSULA da SILVA: I am not too sure. I can ask.

The Hon. MICK VEITCH: I am just interested because the beekeepers are a stakeholder that has a very big interest in—

The Hon. TAYLOR MARTIN: Sticking up for the apiarists.

The Hon. MICK VEITCH: Absolutely. Someone has to. They actually have a big interest as a stakeholder in how these lands are managed as well and often they are forgotten, that is all.

URSULA da SILVA: Okay. Thank you.

The Hon. MICK VEITCH: If you could find out, that would just be handy.

URSULA da SILVA: Absolutely.

Mr JUSTIN FIELD: I must say that most of the focus on native forest logging is on the South Coast and North Coast. There has not been as much intensity of logging on the Central Coast and even the Hunter region in recent years. Do you know when the most recent logging was in your region?

URSULA da SILVA: It was in 2020. It was not documented. We went up there and saw that there had been logs that had been cut down. Prior to that I think it was 2017, and before that it was the generation before me fighting it 20-odd years ago.[†]

Mr JUSTIN FIELD: So only a couple of coops in that whole region have been, up to the last few years—

URSULA da SILVA: Apparently there is 14.

Mr JUSTIN FIELD: Okay. Relatively small-scale, compared to—

The CHAIR: Can I just clarify that? When you say it was not documented, we have heard evidence that obviously all these operations need to be put on Forestry Corp's website.

Mr JUSTIN FIELD: It may have been thinning or something like that.

URSULA da SILVA: It was. It was initially put down as a different compartment number, but then that compartment number was loaded onto the website. But then it was changed because—I think it was the Coastal IFOA changed in 2017. So it was re-documented as compartment 006. I might have been mistaken about that. They had the initial documents, but they did not have the current compartment in record.

The CHAIR: Okay. Sure.

URSULA da SILVA: Which confused me when I went on the website and I saw—

The CHAIR: Yes, I imagine it would be confusing for most people, with the changing numbers.

Mr JUSTIN FIELD: Again, we are having this discussion on the North Coast and much more of it is going to higher value uses—structural timbers, presentation timbers. But I would imagine that for most of the coops on the Central Coast, like the South Coast, it is around that 70 per cent that is pulpwood or low-quality logs.

[†] In correspondence to the committee received on 1 June 2022, Ms Ursula da Silva, Spokesperson, Camp Ourimbah, clarified her evidence.

URSULA da SILVA: Yes, absolutely. I do not think that they can get much high-quality timber from our forest because they are regrowth forest, and there is not the trees that look like they have the capacity to supply that.

The CHAIR: What is the predominant species? State forestry, or—

URSULA da SILVA: We have got red gums, we have got blackbutt, we have got acacias—we have lots of rainforest species. We have got black wattle, bottlebrush, tall sedge, sedges, necklace fern, forest oak, lilly pillies—there is a mixture of rainforest species and sclerophyll. The rainforest species start quite high up on the ridges, despite what the markings on the maps to protect the rainforest species say. But there are many gullies in compartments marked as well. There are two creek systems that have bangalow palms, lilly pillies, cabbage tree palms and a myriad of aquatic life.

Mr JUSTIN FIELD: Can you give us a sense of how many people in the community are supporting the camp down there and the campaign?

URSULA da SILVA: We currently have about 600 followers on Facebook, and that is just within the page that we have created. I am not too sure beyond that. I have done email campaigns, and I had an engagement of 14,000 people on an email campaign I set up on Facebook. That was not including the groups that I talk to via email correspondence. We should be the Ourimbah residents community group, we have Future Sooner on board, we have got the Central Coast Greens on board, we have talked to Labor, we have talked to the Nature Conservation Council.

The CHAIR: Okay. We might just take a brief recess, and that will give your colleague some time to get here.

(Short adjournment)

The CHAIR: I now welcome Mr Brett Duroux. Would you like to make a quick opening statement and then we might throw some questions to you? I would like to give you the maximum opportunity to speak.

BRETT DUROUX: Thank you. This whole strategy with Forestry's plans, it is a real disappointment to see how they are treating people, the environment, the actual areas. You are wiping out complete beautiful bush that we will need. Then you have got all of the works that go into it—that is a lot of damage through making this plan go through. I have got 10 folders each for you, all set up with some photos, all my correspondence, because I have even had a bloke—a member, Dave, Mr Harris—

The Hon. MICK VEITCH: Dave Harris.

BRETT DUROUX: Yes. He even said he would notify the Forestry. I gave you that email too, because I haven't heard nothing. We are always open to discussions, but they are actually hurting the place. It is not just in Ourimbah; it is a lot of areas. Their consultation period—two days, that is a bit, you know. I don't know how people—we used to work together. Now Forestry has been a blocking mechanism for a long time now, for us as blackfellas. We had a hard time getting hold of the bushfire brigade to do cultural burns. It has been pretty well—for a government identity, they have a really personal agenda. Just going through, we have got open areas and cut areas. When they are logging, they are opening it up for other things. They are widening the roads; they are going over grinding grooves, ceremonial grounds. They are taking out habitats and native bees, things we need to actually have our Australia go, and it is doing wrong.

At Ourimbah, you have got all of this beautiful, beautiful forest, so close to the city, that you could be doing so much with: people, tourism, functions. No, they just want to go through and rip it open, rip it out. What the worst thing is, it is going overseas. They do not mind helping others, but they are not helping here. They are actually, really—they are taking away from us and giving to nothing. The people do not even get a chance to have a say. We have got people walking around there that say how beautiful it is. Then I have got sites ripped up, and marked and graffitied. And these are people, my family—my missus, her history is getting overwhelmed by industrialisation. It is happening all over the place. We have it everywhere.

I am seeing little, little things like this on the back of log trucks. I do not know what you could make out of it. But if you look at the bush, it came back after the burn. In the old days, when we burnt it, it was because it needed it. It was a part of our culture. It actually regerminated; fire does that to a lot of our seeds around here. And we do need it. But when you are going to just go through and harvest—harvest, that is really beautiful in that word alone, isn't it? Harvest? They are just going to take everything. So where are all of our wildlife? Where are the goannas, bees, koalas—so I have not even mentioned them. And yet, because—well, that should not be mentioned because they should be looked after. It is an icon of Australia. If it was on the kangaroo and the emu, there would be something done, wouldn't there? We need to actually start looking after our animals, or else we are going to end up having none here.

Our bush, the native tucker, you have got a lot of that to go with it. The stories, the teachings that go behind it, the spiritual side of it—our Dreamtimes are made up from the bush. It is so important to us and other people. I have watched people walking. This old lady—I still can't get over it. She walked up there just so excited to let me know, "I seen another site, and I would love to show you." But because I was trying to just sort this out, I have not even got back there yet. And that is in the same area. Come on. Forestry's idea of doing consultation? I would love to see where. Utilising people that do not know their culture or the way to deal with the land—or spiritually or caring. They are not worth even looking at when you are going to have to take people's futures into consideration.

I know you would love to have your jarjums, your little ones, be able to walk around the bush. I bet you all did and got to enjoy a little bit of it. Just imagine if they can't. That Lorax movie, where they have those blow-up plastic trees—is at the life we are looking for? Because that is where we are going. I do not want my daughters, my grandchildren, to want to look it up and see what a tree or an animal was, because I never had to. My dad-dad, my family—they never did. We walked this land with pride and respect. All we want to do is share it, not let this happen. Everyone has to remember we have got a beautiful—we were pride and joy of everything, our beautiful rich land. Well, everyone else seems to think it is rich, because we are not getting anywhere. We want to keep it. I have so many people—black, white and brindle. All races want to keep their bush. To tell you the truth, they have to stop just googling shit. Sorry. They just have to stop googling, pointing at a map and going, "Yeah, we'll go for that," because when you clear a forest, you are taking out native springs. Native springs are another aspect of our bush that are real important. Them natural springs are all over.

It is shameful to know that you can rip out a tree for progress, sustainable imports or whatever it is but you are going to ruin the place. It is just as bad as that mining and fracking. You are going to end up with landslides. You have nothing holding this place together. That is like a lomandra plant holding riverbeds together. It is important; it is a piece of it. It was not just, "Oh, shit, we'll have a tree there just for the hell of it." No, that is a piece of nature, a piece of Australia, a piece of importance—our beauty, our richness. We all have the pride of our land; we have the respect of it too. Let us work with it instead of against it because while we are doing this with the forestry, it is not helping anyone. We are going to end up just as bad as them other countries where they have to come to us and buy their shit because they have run out. Why can we not just make a stand and keep it beautiful?

There is no harm in actually going back and doing our ways, working with each other. I would love to train people to walk around and see the beauty. I am open to that all the time, but because of COVID it is not—but we are getting there. We are making room for everything. Change is happening; let us make a change for the better for Australia, for our woods, our bush, our animals and our little ones. I do not know how you are going to feel explaining to them that they cannot go out camping because there are no trees. Being able to go and have a feed on the fire—best times. You look forward to it. Going for a walk and running across a bush turkey or a goanna, nothing can replace that. You have photos. Without that bush, we do not have that, and it is so close.

There has to be better ways. There has to be an understanding between community and that, because they are utilising it. You have the bush being utilised by communities, but then you have people coming in like Forestry who have no care and go home to their place. They all have bosses; they do not have to worry. They can look up a tree if they want—it is beautiful—but we cannot. We love our trees the way they are. I have scar trees with native bees nests in them; that is so special. It is one of the things you cannot explain. You see a grinding groove and you can see the work, the effort and the time. They did not just sit there and work out what they could take out of it. They hung around and enjoyed it.

Our trees are our spirits. You watch them dance; you see it in the wind. You see two of them dancing together. It is like life; they are all partners. If you ever can, take a moment and just enjoy it, listen to it. It has a beautiful sound; it actually makes you feel young. There is so much healing, even for the cultured and non-cultured; it heals you. You can walk out and come back feeling twice—great again. I know a lot of people would have experienced going kayaking, walking and abseiling—I love that. It is all about the benefit that it gives us. It is not what we get out of it; we get our life and our happiness and our beautiful, beautiful air, but what are we going to give back for everything it has given to us? We are going to rape it and take it and just get rid of it—woodchip it. I do not see that being really nice.

She is a mother, the earth. Just imagine if her husband came over and asked you why you are hurting his woman. She has not got anyone; that is why we are here. We are the ones that will stand up for her. There are plenty of people who will, but we want to do this right, properly, for the future. We could sit here and do the roundabout Government's way of trying to get somewhere, but I reckon you fellas would be smart enough to see we need our bush for a future. Sorry, man. My bad. When my daughters walk around and other people—I have people come and experience it—it is so beautiful. To have them walk out of there happier with knowledge, they get to pass it on. Having a story to pass on is what we are about.

Our pride is to fight for what is right, the Australian way. Well, our bush is right; it has been right for us forever. It made us that strong; it made us proud Australians. We actually look forward to telling people how beautiful our bush is and to come and have a hangout. That is where we can make things go further, bringing them over to enjoy the bush and not take shit out of it. There is a lot more to it because, believe me, you are taking it clear out. You should see the photos I have; it hurts. I actually have to show my Elders and watch them tear up and go, "Don't let this go." I will do what I can and do it properly because it is the future. It is everywhere. Sorry to be so—

The CHAIR: No, your testimony is very passionate and I appreciate it. I am loathe to cut you off, but we do have a short time frame and we need to pack up and get back to the airport and get a plane. What I will commit to is we will take a look at all the folders of information you have given—

BRETT DUROUX: Yes, take them with you.

The CHAIR: —and we will maybe put some questions to you as written questions that you might be able to get back to us on.

BRETT DUROUX: I would love that.

The CHAIR: That way you will feel like you have had your fair input into the day.

BRETT DUROUX: I can even walk you around. It would be beautiful actually because there is still so much in there that we do not have track of. There is still so much in there.

The CHAIR: I appreciate you both making the time to travel up here. It was a big commitment. Thank you.

The Hon. MICK VEITCH: Thank you. Thanks for the serious effort.

BRETT DUROUX: Welcome to Gumbaynggir land up here too.

The CHAIR: Thank you.

(The witnesses withdrew.)

The Committee adjourned at 14:50.