



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party
Date Referred: 19/03/2015

Proposal No: A381
Date Published: 23/03/2015

Proposal Title: **CABLE LOGGING**

Cluster: Planning and Environment

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)					-
Depreciation					-
Less: Offsets					-
Revenue					-
Net Operating Result:	-	-	-	-	-

Capital Expenditure					-
Capital Offsets					-
Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing)	-	-	-	-	-
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Net Financial Liabilities:	-	-	-	-	-
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Total State Sector Impacts

Net Financial Liabilities:	-	-	-	-	-
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Notes and costing assumptions

The policy proposes that cable logging is banned in NSW and that there is no wind back of Integrated Forestry Operations Approvals.

Cable logging

Currently, plans for a small trial of cable logging in native state forests around Nambucca, Urunga and Bellingen have been proposed. The trial is only at a conceptual stage and the details of the trial will be jointly developed between Forestry Corporation and the EPA in the future. A detailed proposal of the trial has not yet been formally put forward and no trial has been approved.

The practice of cable logging could affect the profits of Forestry Corporation. As Forestry Corporation is a state-owned corporation, this could in turn affect the dividend paid by the corporation to the government. However, as current plans for the cable logging trial are in their infancy and no details have been proposed or approved, it is assumed that the potential impact of Forestry Corporation commencing cable logging operations has not been factored into the corporation's financial performance at present. As such, the proposed ban under this policy would not affect the financials of Forestry Corporation or the government as a whole.

It has been assumed that the costs of legislating and implementing the ban will be absorbed within existing agency resources.

Costing assumptions continued:

Integrated Forestry Operations Approvals (IFOAs)

There are plans to remake the four coastal IFOAs (Upper North East, Lower North East, Eden and Southern regions) into a single IFOA. Currently, public submissions in response to the 'Remake of the Coastal Integrated Forestry Operations Approvals Discussion Paper' are being considered in developing the consolidated coastal IFOA.

A draft IFOA has not yet been released and implementation details are currently unknown. It is therefore assumed that the potential impact of consolidating the four coastal IFOAs into a single IFOA has not been factored into current financial figures. As such, the proposal under this policy that there is no wind back of IFOAs will have no budget impact.