



The Hon. Chris Minns, MP
Premier of NSW
52 Martin Place
SYDNEY NSW 2000

September 2023

Dear Premier,

NSW INDUSTRIES & COMMUNITIES UNITED IN SUPPORT OF NATIVE FORESTRY

We are writing to you in light of the ongoing co-ordinated environmental protests and misinformed media reports about native forestry in NSW. The native forest industry is a valuable contributor to the NSW economy and social fabric of rural and regional NSW and rely on the sustainable management of the government owned State forests.

The peak industry and community groups of the NSW timber industry – Timber NSW, Timber Trade Industrial Association, South East Timber Association (SETA) Australian Forest Contractors Association, Timber Development Association and Forest & Wood Communities Australia (FWCA) – feel compelled to make this joint public submission to you and your Ministers in support of native forestry in New South Wales.

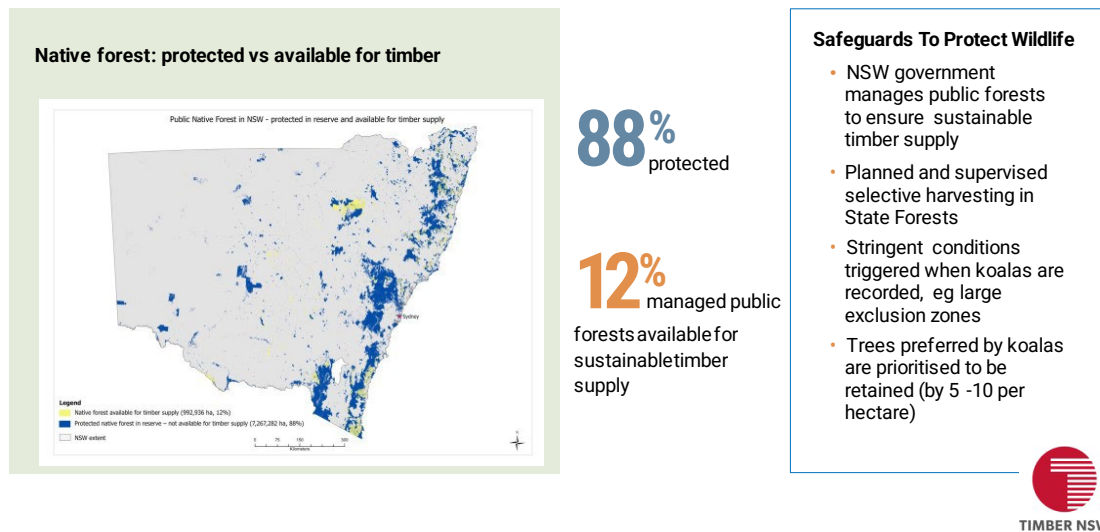
As your government begins to shape key policies, we want to make very clear the ongoing value and legitimacy of native forestry in NSW. Our voice is amplified by the vocal support of our members, our communities and our colleagues in the professions, construction and trades who rely on the supply of NSW timber for their nation-building work.

An extensive, federally funded Social Licence research report, undertaken in 2023 by the NE NSW Forestry Hub, indicates there is overall support for the native forest industry on the NSW North Coast. Support for the retention of the native forest industry is 69 per cent, with just 17 per cent wanting closure of the industry. The report is published [here](#)

As you know, native forestry operations in NSW are among the most strictly regulated in the world. The state-owned Forestry Corporation NSW (FCNSW) manages State forests in accordance with Ecologically Sustainable Forest Management (ESFM) principles and is regulated by the NSW Environment Protection Authority. A study undertaken by Ernst & Young published [here](#) shows that the production and manufacturing activities of our members generate economic activity valued at \$2.9 billion and support a diverse range of jobs in rural, regional and metropolitan NSW.

Successive governments have ensured that public forests have been protected in National Parks and conservation reserves. The production forests managed by Forestry Corporation for multiple values have gradually reduced in size over the past thirty years but dramatically increased in regulatory controls. The native forest industry in NSW is already one of the most highly regulated in the world.

NSW Timber industry is stringently regulated



Despite this, ENGOs co-ordinate campaigns in total opposition to native forestry calling for complete closure. We have an obligation to Members of Parliament, our members, suppliers and consumers to explain the impact of these decisions on timber supply, jobs and the flow through on the cost of living and housing supply.

After years of misinformation and uncertainty, it is vitally important that government, industry and communities in NSW develop a shared vision for the management of our regrowth and private forests. We wish to work cooperatively with all stakeholders in support of an economically, environmentally and socially sustainable timber industry in NSW.


As a matter of priority, we urge the NSW Government to support an industry which contributes so much to New South Wales.

Yours faithfully,


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cc. The Treasurer, Hon Daniel Mookhey MLC
Minister for Climate Change, Energy, Environment and Heritage, Hon Penny Sharpe MLC
Minister for Finance and Natural Resources, Hon Courtney Houssos MLC
Minister for Agriculture, Hon Tara Moriarty MLC

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1. EXECUTIVE SUMMARY

Our submission makes three fundamental points to the NSW Government.

Firstly, we need the NSW Government to understand that a closure of public regrowth native forestry and a 'transition' to hardwood plantations is completely unnecessary and unfeasible. It would destroy communities across regional NSW and cripple supply to downstream manufacturers, exacerbating current shortages and cost of living issues.

Moreover, the alleged benefits of such a closure on biodiversity, tourism and climate change do not exist. The proposed transition to plantations is simply not workable as the current supplies cannot meet the demand now, land for plantations is not readily available and if secured then will take many decades to produce timber.

New South Wales cannot afford – socially, environmentally or economically - to lose an industry at the heart of its regional communities and at the centre of its construction and infrastructure activities. In addition to this submission, we encourage Government to review carefully the submissions made by timber businesses and communities in support of native forestry.

Regrettably, we have the examples of WA and Victoria to demonstrate the catastrophic implications of closing down native forestry. **Please do not let this happen in NSW.**

Secondly, we want the NSW Government to understand the huge potential in the NSW timber industry to meet the growing demand in Australia for a sustainable, renewable, recyclable resource like timber. The timber industry offers social and environmental benefits as well as economic benefits to communities across NSW, including Indigenous communities.

Australia is the sixth most forested nation on earth. Like other advanced economies, in the 21st century Australia has a profound opportunity to utilise its timber resources in line with ESFM principles, meeting its national infrastructure needs as much as its climate change mitigation commitments. **We need Government to recognise and act on the potential of the timber industry.**

Finally, the people of NSW have a reasonable expectation that Government will consult, educate and inform them about the activities of its own government owned corporation. We expect that when falsehoods and misinformation are being spread about legitimate Government activities – like native forestry operations - that Government will seek to counter and correct these misguided assertions in a timely and accurate manner. **This is not currently happening in NSW.**

The technical aspects of forestry are not well understood in the general community. We are seeing the exploitation of this lack of forestry knowledge to fuel miscommunications and falsehoods via slogans and campaigns. An example is the use of the term 'industrial logging' to describe a harvesting process that transitioned from dangerous manual falling to mechanical harvesting under pressure from government safe work legislation.

We call on the NSW Government to work constructively and consult fully with the industry and communities in support of an economically, environmentally and socially sustainable timber industry in NSW.

2. THE VALUE OF FORESTRY IN THREE IMPORTANT CONTEXTS

2.1 THE NATIONAL CONTEXT: Nation Building Timber

In recent years Australia has been tested by catastrophic bushfires, floods and a global pandemic that has weakened supply chain resilience and created a global timber shortage. Across all three levels of government, Australia requires 21st century policy settings which take a holistic perspective of land management to deliver economic, social and environmental opportunities.

The timber industry has important new roles to play in the 21st century. But it remains at the heart of our communities. For 117 years, Timber NSW has represented the timber and forest products industry in this State. With the development of the industry other specialist organisations have been established. Timber companies work with the state-owned Forestry Corporation of NSW and private forest owners to meet the growing demand for our hardwoods and softwoods.

Each year every man, woman and child in Australia consumes the equivalent of one cubic metre of timber. When we build our homes, renovate our kitchens and fit-out our offices, we rely on timber. For key infrastructure like wharves, bridges, railway sleepers and telegraph poles, we rely on timber.

Australia has a growing balance of trade deficit in forest products (currently more than \$4 billion annually) as local demand for timber and wood products is increasing. Australia's timber shortage is adding considerable cost of living pressures and driving up the cost of construction projects around the country.

The timber and forest products industry in New South Wales is an important component of other industry sectors in Australia. In particular, the timber industry underpins vitally important supply and demand relationships with the Australian design, manufacturing, construction and property sectors:

- 75% of sawn timber produced is used in residential construction.
- 20% of timber consumed in Australia is used by the furniture industry
- 5% of timber usage is by the kitchen sector alone.

Stable, affordable housing is critical to economic security, physical and mental wellbeing, and facilitates access to jobs and services. Consequently, housing is essential to support rising living standards, but this will be a significant challenge.

Led by New South Wales, Australia has a once in a generation opportunity to meet the demand for building supplies through timber industry reform.

Regional & Indigenous Employment Opportunities

The COVID-19 pandemic has highlighted the need to improve the resilience of regional communities to major shocks and stresses related to market dynamics, supply-chain disruptions and natural disasters.

Timber that is not produced in Australia must be imported from foreign jurisdictions, often far less environmentally regulated than Australia. As the sixth most forested nation on earth, Australia can meet and exceed its timber requirements. Yet a ban on native forestry would cede our sovereignty in this natural, renewable, recyclable resource to unreliable foreign powers at unknown cost.

One third of the NSW population lives in regional areas, where population growth will slow and age faster than in metropolitan locations. We need continued productivity growth to drive our regional economies and the right timber policy settings will contribute significantly to future prosperity. There are many important opportunities to lift productivity and create exciting new employment

opportunities for regional and indigenous communities. Empowering and increasing the key role of Indigenous Australians in forest management must be significantly improved.

In the wake of COVID-19, the demand for timber has never been higher and the constraints of the supply of NSW timber have never been greater. COVID-19 has ushered in a new era of employment opportunities relating to forests, both direct and indirect.

Timber's Role in the Carbon Economy

Australia recognises the opportunity of a circular economy, acknowledging both the international pressure mounting on Australia to commit to more substantial action on climate change and the once-in-a-generation social license granted by the COVID pandemic to spend strategically to 'build back better'.

In the carbon-constrained economy of the 21st century, timber is much more than a renewable, recyclable, sustainably produced resource. New South Wales' forests and parks must now be actively managed for a variety of values and outcomes.

Efforts to date aimed at adapting forest management to address climate change have been limited. We must recognise that forests and wood products are long term carbon stores, and forest residues are renewable energy substitutes for fossil fuels. We must take a wider perspective.

Five Ways Timber Reduces Carbon Emissions

1. Carbon sequestration in growing forests
2. A renewable substitute for emissions-intensive building materials like steel, aluminium and concrete
3. Bioenergy from wood waste replaces carbon-intensive fossil fuels such as coal, oil and gas
4. Long term carbon storage in wood products
5. Recyclable timber products extend carbon storage benefits.

The timber industry can play an important role in the carbon economy. To do so, our industry needs an environmentally and economically sustainable supply of timber and a supportive, stable policy environment. These will provide an important platform for attracting investment and creating jobs over the long term.

2.2 THE NSW CONTEXT: Economic Contribution Study of the NSW hardwood timber industry

It is important to understand the contribution of the hardwood timber industry to the state of New South Wales. In February 2023 a study commissioned by the Federally funded NE NSW Forestry Hub, conducted by Ernst & Young is published [here](#) and details the economic contribution of the NSW hardwood timber industry.

Overall, the EY Study estimates that through direct and indirect effects the NSW hardwood timber industry contributes to the NSW economy:

- **Gross Revenue:** \$2.9 billion
- **Gross Value Add:** \$1.1 billion
- **Employment:** 8,900 FTE positions.

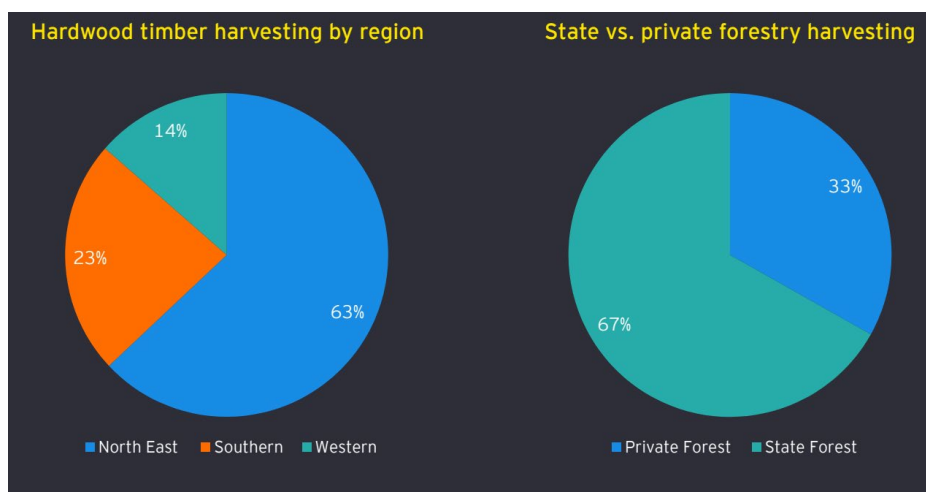
The EY Study also looks at the economic contributions by region, breaking down the NSW hardwood timber industry into North East, Southern, Greater Sydney and Western regions, as below.

The estimated economic impact of the NSW hardwood timber industry by region

NSW Region	Gross Revenue (\$ million)	Gross Value Add (\$ million)	Employment (FTE)
North East	\$1,840	\$700	5,700
Southern	\$720	\$270	2,230
Western	\$260	\$100	820
Greater Sydney	\$80	\$30	240

Based on the above, the North East NSW region is estimated to hold the largest regional hardwood timber industry, contributing an estimated \$1.8 billion in gross revenue to the NSW economy. It is also estimated to be the largest employer, more than double the next largest region.

As these pie charts show, the North East region of NSW produces the vast majority of hardwood timber in NSW, two thirds of which are harvested from NSW State Forests.

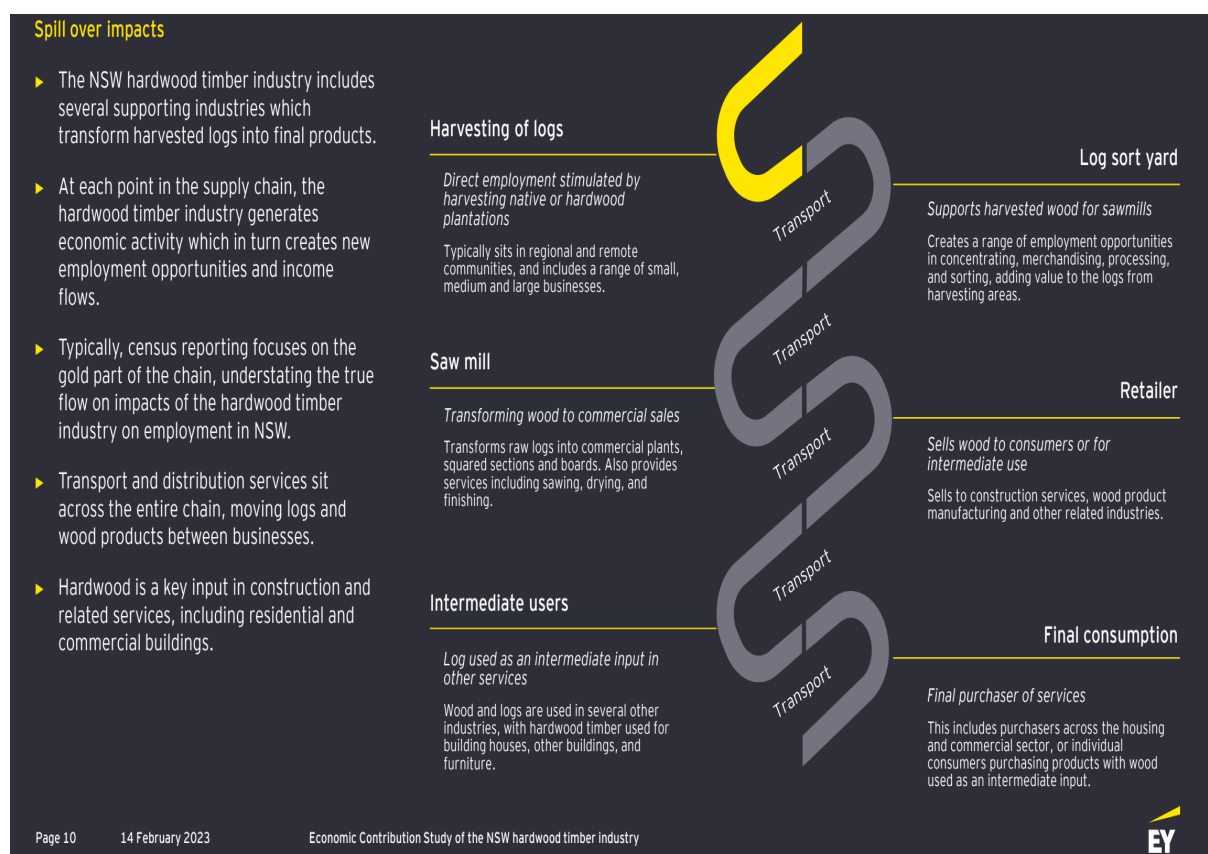


The EY Study explains that the hardwood timber industry provides upstream jobs to those in regional and remote NSW, as well as downstream job opportunities in regional towns and metropolitan centres.

It notes that:

“For NSW, the hardwood timber industry provides a key source of income, economic activity and employment opportunities in some remote and regional communities, reflecting the location of native forests and plantations. The industry’s economic impact flows beyond direct harvesting activities, supplying and servicing several downstream sectors, including construction, transport and manufacturing.”

The EY Study specifies the supporting industries which transform harvested logs into final products:



The EY Study shows that more than two-thirds of the Gross Revenue (77 per cent), Gross Value Add (68 per cent) and Employment (76 per cent) in the hardwood timber industry are driven by economic activity in the *timber processing industries* i.e. sawmilling and other wood product manufacturing.

These are the members that Timber NSW, TTIA, TDA, SETA and AFCA represent and the communities represented by FWCA.

2.3 THE REGIONAL CONTEXT: North Coast Hardwood Timber Production Facts

As above, the North East region of NSW makes a greater economic impact from its timber production than the other three timber regions combined. Considering the proposal for the Great Koala National Park in the region, below we outline just how important our industry is for the North Coast region of NSW.

We link to this submission a Background Briefing document prepared by Timber NSW entitled [North Coast Hardwood Timber Production Facts](#).

The Background Briefing makes clear that the hardwood species are unique and highly valuable, with 73 per cent of North Coast Hardwood producing sawlogs across 100 different milling sites on the NSW North Coast (see map).



NSW hardwood timber is sought after for its unique characteristics. It is not a commodity and cannot be replaced by imported timber. From power poles to bridge girders, from structural sawlogs and parquetry to plywood and decorative flooring, from panel products to firewood and the vital railway sleepers, the North Coast timber industry harvests, hauls, processes, manufactures and supplies the rest of the country with a full range of nation-building hardwood products.

This Background Briefing also delineates North Coast working forests by ownership and forest type:

OWNERSHIP		FOREST TYPE		TOTAL
		Native	85%	60% (i.e. 85% of 70%)
PUBLIC	70%	Plantation	15%	10%
PRIVATE	30%	Native	90%	27%
		Plantation	10%	3%
TOTAL	100%			100%

There are those who advocate for the closure of all native forestry in NSW, with a transition to plantations.

We point out elsewhere in this submission how completely unrealistic the proposed transition to hardwood plantation forestry is. To summarise: assuming a minimum of 100,000 hectares of suitable land in NSW was available and could be purchased for plantations – we estimate land and establishment costs would total \$3 billion - it would take at least 45 - 50 years before similar *quantities* of hardwood timber could be produced. Production of plantation hardwood timber of similar *quality* to the public forest would take several decades more.

In the meantime, closure of public native forestry in NSW would leave only 13 per cent of the current supply of plantation hardwood.

This is not the answer.

There is no such available land, there is no agreement among stakeholders to acquire and clear any such land, there is no \$3+ billion set aside for this purpose. There is no alternative supply for nation-building Australian hardwood.

However, there is a housing crisis. There is a cost-of-living crisis. There is a need to mitigate bushfires through active and adaptive forest management. There is a need to sequester carbon in growing forests.

And there is a real need to preserve and enhance Australia's local supply of timber in light of unreliable supply chains from unregulated foreign suppliers. The closure of public native forestry in Victoria and Western Australia makes ensuring NSW supply even more critical.

The solution is to support and secure native forestry in NSW, in line with existing ESFM principles. Examples from other advanced economies such as Sweden and Canada show that it can be done.

2.4 REALISING THE POTENTIAL OF THE NSW TIMBER INDUSTRY

Government, industry and the community should develop a shared vision for the management of the forests of NSW as a matter of urgency. Active and adaptive forest management is required as part of global efforts to 'manage the unavoidable and avoid the unmanageable'. It will support Australia's transition to a more circular economy, based on the use of renewable resources and by reducing dependency on imported products.

All levels of government in Australia have a chance to realign land management practices in accordance with the criteria and indicators for forest conservation and sustainable management, as agreed upon by Australia and the other members of the Working Group of the Montreal Process.

Many other highly regulated, advanced nations undertake integrated forest operations to meet their sustainable development objectives, including mitigating the impacts of climate change.

This lack of a shared vision creates two big risks for the forest estate and the industry in NSW:

- **the risk of catastrophic bushfires** and the loss of biodiversity, lives and livelihoods
- **sovereign risk**, which radically reduces industry access to public forests for timber supply.

Government must acknowledge and address these risks as a matter of priority before opportunities can be seized. Then, through actively planning and managing our timber resources, NSW can:

- **Sustainable Supply:** engineer sustainable domestic timber supply to meet growing demand over the long term and move towards timber self-sufficiency and supply chain resilience.
- **Enhanced Forest Productivity:** enhance forest productivity using technology and regulation which actively facilitates sustainable supply through the range of tenures: public & private native forests, plantations and forests integrated with agricultural land use.
- **Better Timber Utilisation:** develop domestic timber manufacturing skills and create greater value right along the supply chain through enhanced utilization of wood products through innovative new timber technology.
- **Manage Fire Risk/Utilise Forest Waste:** manage fire risk and embrace the circular economy through utilisation of secondary wood products - forest floor fuel loads and timber residues/waste - in new markets, such as bioenergy markets.
- **Support Regional Jobs & Communities/Partner with Indigenous Communities:** a holistic approach to NSW land management will create and fund critical regional jobs in land management, timber manufacturing, secondary wood markets and fire prevention. It will harness ancient Aboriginal land management skills and practices to prevent loss of forest life and livelihoods through catastrophic fires.

Working with the timber industry, all three levels of government must move beyond the era of conflict and develop more holistic approaches which encompass all forest values such as water, biodiversity, tourism and forest products across the landscape. More collaborative approaches are required to galvanise the resources, skills and knowledge that enable this shift in shared governance.

Timber NSW Policy Priorities

With our colleagues across all three levels of government, Timber NSW seeks:

- **Plan for a renewable future:** recognition of the environmental and socioeconomic value of a vibrant timber and forest products industry.
- **Carbon economy:** a better regulatory environment and program of direct action to recognise carbon sequestration in multiple use production forests and wood products through payments for carbon storage.
- **Renewable energy:** policy settings which support a market for the use of biomass as a source of renewable energy, alongside wind and solar energy.

- **Tenure-neutral:** legislative reform to create a single public land management agency in New South Wales, focused on overarching management of our public native forests.
- **Building resource security:** capital investment in forestry infrastructure, new softwood plantations and fewer restrictions on access to regrowth forests to ensure sustainable timber supply.
- **Investment environment:** facilitation of investment comparable to other countries via reducing sovereign risk, transparent planning and investment incentives.
- **Infrastructure & R&D:** better infrastructure, skills promotion and increased funding of R&D in sustainable forest industries.

3. FOR THE RECORD: DISPELLING THE MYTHS & MISINFORMATION AROUND NATIVE FORESTRY

3.1 IS NATIVE FORESTRY UNDERTAKEN BY FCNSW ECONOMICALLY AND ENVIRONMENTALLY UNSUSTAINABLE?

Native forestry in NSW is both environmentally and economically sustainable.

FCNSW's Hardwood Forests Division is responsible for the sustainable management of 1.78 million hectares of native and plantation hardwood forest in NSW.

In NSW, 88 per cent of public native forests are already in National Parks and conservation reserves. Only 12 per cent of State forest land *is available for harvesting*, of which 0.3 per cent *is harvested annually*.

Further, timber supply is just one of the many values managed on this estate. The Division's biggest management activity is environmental protection. One million hectares of State forest (55 per cent) is set aside for this purpose, with the remaining estate managed for multiple-use activities including timber, recreation and other values in accordance with Ecologically Sustainable Forest Management (ESFM) principles.

FCNSW is regulated by the NSW Environment Protection Authority under some of the strictest forestry regulations in the world.

Under normal operating conditions FCNSW's Hardwood Forests Division breaks even or makes a small profit. Over the last eight reported years the Division has made a loss on only two occasions (refer table below sourced from *Forestry Corporation NSW Sustainability Report*).

The years that the Division made a loss were exceptional and were directly connected to the 2019-20 Summer Bushfires and the 2021 and 2022 floods. During these years access to the forest was restricted to facilitate disaster recovery.

Divisional Summary (millions)

Organisational structure/Indicator	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Hardwood Forests Division								
Normalised Earnings	\$2	\$1	\$5	\$4	\$1	\$0	-\$20	-\$9
Revenue	\$99	\$102	\$109	\$117	\$123	\$121	\$89	\$103

It is inappropriate and unfair to criticise the Division for being unprofitable for two years when the *Hardwood Division* has clearly compromised its commercial objectives to give the environment time to recover following multiple natural disasters.

It is more relevant to compare the cost of Division's management of State forests with the cost of the National Parks & Wildlife Service (NPWS) management of NSW National parks and reserves.

While the NSW Government no longer makes NPWS's costs public, reviewing past annual reports allows comparison. These show it costs about *ten times more* to manage a national park than it does to manage a hardwood State forest.

On this basis it may be concluded the Forestry Corporation's Hardwood Division is providing the public with value for money.

3.2 IS NATIVE FORESTRY IN NSW INCOMPATIBLE WITH NATURE-BASED TOURISM?

Evidence that native forestry in State forests is *compatible* with nature-based tourism may be found on the [Forestry Corporation's website](#).

Firstly, in any given year timber harvesting occurs on only 0.3 per cent of the NSW State forest estate.

Secondly, timber harvesting rarely constrains where natural based tourism activity can occur. The type of nature-based tourism that occurs on State forests complements the nature-based tourism that occurs on National Parks & Reserves. For example, on State forests you can go car camping with your pets. On National Parks, pets are not allowed and vehicle access is usually limited, but there are better opportunities for remote self-contained bushwalkers.

Thirdly, research by the NSW Department of Environment on usage of National Parks and Reserves reveals that nearly all visitation is daily (not overnight) and occurs on a very small proportion of the estate, being concentrated where there are natural attractions such as lookouts that have bitumen road access, parking and toilets.

A University of Newcastle study claimed that the creation of the Great Koala National Park would generate more than 9,800 extra full-time equivalent jobs across tourism, infrastructure, and science and education, and inject \$330 million in additional wages into the region, over the next 15 years.

A copy of the study is [here](#).

However, an independent review of the University of Newcastle's report on the creation of the Great Koala National Park has been undertaken by Professor Oswin Maurer. Professor Maurer, an international tourism and tourism economic modelling expert, found that many of the University's key modelling assumptions were unsupported and, consequently, grossly overstated the economic benefits of a Great Koala National Park.

A copy of the review is [here](#).

As such, we cannot replace the important economic returns from native forestry with nature-based tourism and we need not, because the two activities are highly compatible.

We can have both a Great Koala National Park and public native forestry operations in regrowth forests.

3.3 HOW FEASIBLE IS IT TO TRANSITION FROM NATIVE FORESTRY TO PLANTATIONS?

Some advocate for the urgent development of a plan for the transition of the native forest timber industry, operating in State-owned forests, to an ecologically sustainable plantation base.

If the industry were to be transitioned out of native State forests into hardwood plantations it would come at a very substantial cost and take at least fifty years to achieve, as below.

Very Substantial Cost

- Currently, around one million cubic metres of timber is being sustainably produced by native State forests.
- A minimum of 100,000 hectares of hardwood plantation would be required to replace this quantity of timber.
- The cleared land on which hardwood plantations grow costs around \$20,000 per hectare to purchase.
- A commercial hardwood plantation conservatively costs about \$10,000 per hectare to establish and maintain.

Therefore, to establish 100,000 hectares a minimum investment of \$3 billion dollars would be needed, assuming no real increase in land values.

At Least Fifty Years to Achieve

- The wood produced in native NSW State forests is predominantly hardwood eucalypt timber with some Cypress pine (softwood) produced in western NSW.
- To grow good eucalypt plantations requires good quality agricultural land, good technical knowledge and high-quality growing stock.
- Most native eucalypt timber comes from trees that are at least 60 to 80 years old.
- To avoid repeating the mistakes of the past, there should be at least five years of planning, development, and consultation before commencing a major works.
- Without such planning it may be assumed that the conversion of cleared land to plantation forest would be vigorously contested by the agricultural sector and other stakeholders.

Therefore, if the transition began in 2025 it would be 2070 before the first plantations begin yielding sawlogs of *comparable size* to what is currently being produced. To produce timber of *comparable quality* would take several decades more.

The timber which is harvested is manufactured into a diverse range of specialty timber products including: bridge timbers, power poles, marine piles, structural timber, flooring, decking, cladding, panel products, face veneer, mining timbers, pallets, railway sleepers, firewood and green energy.

Given that this is nation-building timber, during the transition Australia would need to import hardwood timber for these purposes, during which time existing local timber processing skills and infrastructure would erode irreparably.

The NSW Government must support native forestry so that our timber towns and regions can grow and flourish in accordance with Ecologically Sustainable Forest Management (ESFM) principles.

3.4 WHAT IS HAPPENING WITH THE CLOSURE OF NATIVE FORESTRY IN VICTORIA AND WESTERN AUSTRALIA?

The closure of the native forestry industry in WA and Victoria represents a major miscalculation of both the funds required to compensate business and employees, as well as the potential for transition to plantations.

The transition to plantations is barely underway and the structural adjustment is a disaster. The availability of suitable land and soils to grow hardwood plantations in Australia is limited and very challenging. Most land is already utilised by broader agriculture on commodities that provide a much shorter return on investment, such as grazing, cropping and horticulture. Plantations require a large upfront investment with no return for a least ten years. For hardwood plantations the main return comes after 40 years.

The Victorian government established a fund in its previous term to establish plantations. Very little of this money has been spent.

In Western Australia, the native State forests previously harvested are now able to be bulldozed for mining extraction and exploration but not timber harvesting. This is hardly a better outcome for biodiversity. It is a disgrace.

Since the closure in WA and the impending closure at the end of 2023 in Victoria, customers have automatically contacted Tasmania and NSW mills looking for supply. Power poles, girders, bridging and wharfing timbers, railway sleepers will be sourced from Tasmania and NSW – which have a sustainable timber industry – but these states are already short supplied.

3.5 WHAT ABOUT THE RISKS POSED BY CLIMATE CHANGE, THE NEED FOR CARBON SEQUESTRATION AND PROTECTING THREATENED SPECIES' HABITAT?

As above, FCNSW already manages NSW's forests in accordance with ESFM principles, as regulated by the Environment Protection Authority.

The whole point is that forests can and are able to be managed for *multiple uses*.

To quote the Intergovernmental Panel on Climate Change (IPCC):

“Some ecological and climate risks arise from droughts, fires, insect outbreaks, diseases, erosion, and other disturbances. Sustainable forest management can help to manage some of these risks, while in some cases it can increase and maintain forest sinks through harvest, transfer of carbon to wood products, and their use to store carbon and substitute emissions-intensive construction materials. Forest genomics techniques can increase the success of both reforestation and conservation initiatives, accelerating breeding for tree health and productivity. Secondary forest regrowth and restoration of degraded forests and non-forest ecosystems can play a large role in carbon sequestration (high confidence) with high resilience to disturbances and additional benefits such as enhanced biodiversity {5.6.2.2.1}.”

3.6 DOESN'T NATIVE FORESTRY CONTRIBUTE TO CATASTROPHIC BUSHFIRES?

No. There are four major studies which have found that native forestry does not make forests more flammable.

- A 2020 NSW DPI report on the 2019-20 bushfires found that fire severity was much the same regardless of tenure. If anything, it was slightly higher in national parks.
https://www.dpi.nsw.gov.au/_data/assets/pdf_file/0020/1222391/fire-severity-in-harvested-areas.pdf
- A 2016 study of over 1 million hectares burnt by wildfire in the 2003 fires in Victoria, showed that fire severity across the landscape was driven by weather conditions, slope aspect, fuel levels, atmospheric stability, and the scale of the fires. There was no discernible impact of timber harvesting on fire severity at the landscape scale. (DOI: 10.1080/00049158.2015.1127197)
- A landscape scale study of fire severity published in 2014 based on an analysis of over 2 million hectares burnt in Victoria in 2003 and 2007, shows that there is no significant difference between fire severity in Parks compared with Forests (including timber harvesting areas). (<https://doi.org/10.1111/conl.12062>)
- A 2022 study of forest areas treated with thinning and prescribed burning or high intensity prescribed burning did not ignite from the advancing front of the 2020 wildfire in eastern Australia, clearly supporting the effectiveness of fuel reduction management for reducing fire severity under low-moderate fire danger weather conditions.
(doi.org/10.1016/j.foreco.2021.119924)

Forestry Australia, which represents over 1,200 professional forest scientists, has also made a public rebuttal of the claims that logging of native forests makes them more flammable:

- Ecologists and conservationists, opposed to timber harvesting, are trying to use bushfire disasters as a lever to stop native forest harvesting.... They are basing their conclusions on selective, local-scale observations where the only variable being considered is the time since harvesting. This is poor science as it is well established that several factors lead to fire severity.
- Timber harvesting from native eucalypt forests in Australia comes from a very small percentage of the landscape. Harvesting from this small area supports a significant proportion of the bushfire fighting workforce and fire management resources. Closing native forest timber harvesting is likely to have a much greater impact on increasing bushfire severity and extent across the landscape than the increase in local fire severity claimed by the opponents of timber harvesting.
- A holistic, long-term and professional view of forest and fire management is needed rather than short-termed, single-issue perspectives. (*Tolhurst K. and Vanclay Prof J. Australian Forestry 2023*). Where the objective is to better protect native forests from high intensity wildfires, transferring State forests to National Parks and Reserves will not result in better outcomes. Of the land managers in NSW the NSW National Parks has by far the poorest record when it comes to wildfire management.

3.7 ISN'T BIODIVERSITY IN DECLINE AND THE NUMBER OF THREATENED SPECIES INCREASING?

There are several things to consider here.

Firstly, research on Koalas, Glossy Black Cockatoos, Greater Glider, Yellow Belly Glider, and Spotted-tailed Quoll populations reveals that all these species are in stable colonies or improving on State forests with a long history of timber harvesting.

The Impact of Native Forestry

- The assertion that modern forestry poses a threat to biodiversity is not supported by evidence and we strongly refute this assertion.
- Findings that biodiversity is declining and that the number of threatened species is increasing cannot be rationally blamed or attributed to native forest harvesting or the management of State forests.
- Despite many decades of rigorous research there is no scientific evidence to support such a claim.

Native Forestry is highly regulated in accordance with ESFM principles

- Across the forested landscape the footprint of native timber harvesting is extremely small. Only twelve percent of public native forest is available for timber supply with the balance (88 per cent) set aside for environment protection. The proportion of public land that is annually subject to timber harvesting is even smaller, being in the order of 0.3 per cent.
- Where native forest harvesting is permitted it is selective and subject to comprehensive environmental protection measures that mitigate the disturbance impacts: for more information, see <https://www.epa.nsw.gov.au/-/media/epa/corporate-site/resources/forestagreements/18p1177-coastal-foa-conditions.pdf>
- The [regulatory system](#) under which modern native forestry operates provides comprehensive protection for biodiversity at the site, local landscape, management area, and regional scales.
- Modern native forestry harvesting as practiced on NSW State forests only occurs in native regrowth forests, is selective (no clear-felling – this is a practice only occurring in plantations) and very carefully planned. Sensitive and significant environmental features are always protected.

Possible Causes of Biodiversity Decline

The causes of biodiversity decline may more reasonably be attributed to major disturbance events like the Millenium drought and the 2019-20 wildfires, where millions of animals perished and major damage to habitat was incurred.

The other major threat is introduced pests and weeds. The management of introduced pests and weeds in NSW forests remains poorly coordinated.

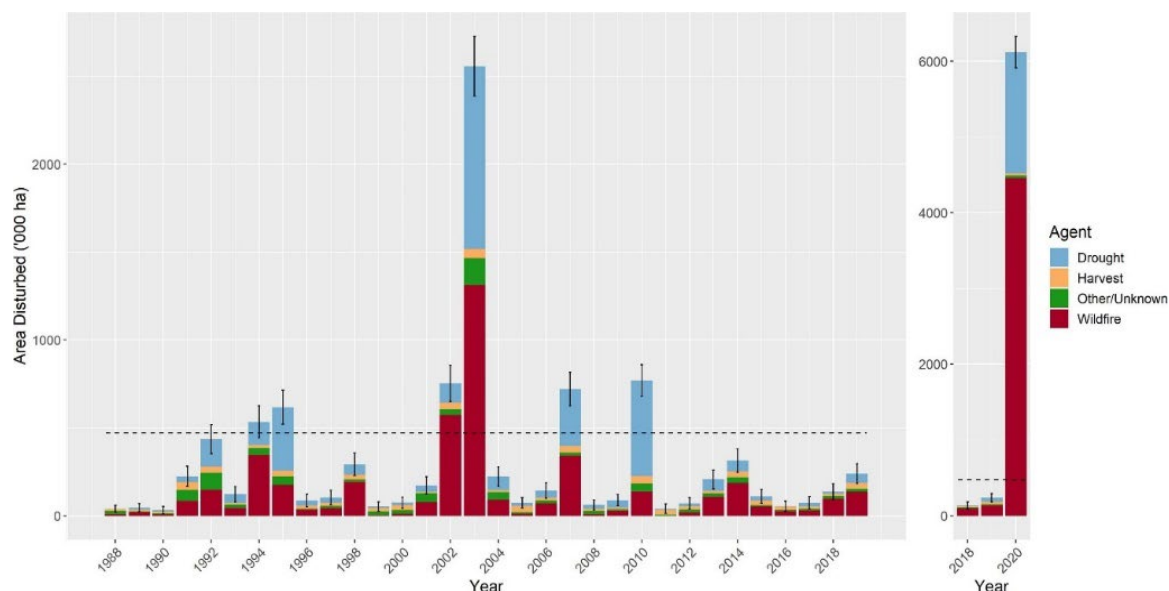


Figure 1 – Disturbance in NSW forests by type and year (source: [Hislop et al. 2021](#))

The Natural Resources Commission’s (NRC) report, “Insights for NSW forest outcomes and management”, did not identify native forestry as a cause of biodiversity decline. It found that “*NSW forests are under significant pressure from increasing shocks such as extended periods of drought and increasing fire frequency and severity coupled with ongoing threats such as pests and weeds.*”

The NRC found that carbon losses were attributed to the 2019-20 wildfires which released around 90 million tonnes of forest biomass carbon. Much of this loss occurred in NSW National Parks and Reserves where fire intensity was the most severe and canopy loss the greatest (refer light green bar for the year 2020 in Figure 2).

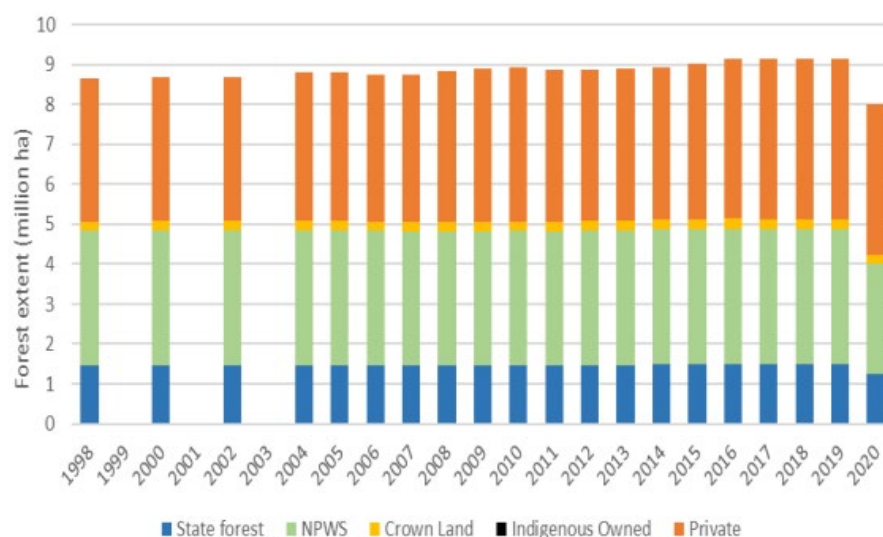


Figure 2 – Change in forest canopy cover extent by tenure in the Regional Forest Agreement area (1998-2020). (source: NRC 2022)

4. CONCLUSIONS & PROPOSALS

We need the NSW Government to understand that closure of public native forestry and a 'transition' to hardwood plantations is completely unworkable in the short term and will only realise a replacement supply in a minimum of 40-50 years. It would destroy communities across regional NSW and cripple supply to downstream manufacturers, exacerbating current shortages and cost of living issues.

The alleged benefits of such closure on biodiversity, tourism or climate change cannot be scientifically supported. The proposed transition to plantations is simply not workable.

Our members and timber communities have been the custodians of the forests across generations. There is in these communities a rich store of generational knowledge and experience and a commitment to providing for the next generations.

New South Wales cannot afford to lose an industry at the heart of its regional communities and at the centre of its construction and infrastructure activities. Our collective members are quite literally the pillars of communities across regional NSW. Many have extensive experience in forest and fire management as well as valuable equipment for fighting fires.

Regrettably, we have the examples of WA and Victoria to demonstrate the catastrophic implications of closing public native forestry. The situation is being monitored across the media and all NSW elected representatives should view the [recent Landline episodes on 13, 20 & 27 August](#) on the 'fallout from Victoria's ban on native timber harvesting' and the outlook for native forestry in NSW.

Our industry does not manage NSW's public native forests. The NSW government must remove the prohibition on the forest science and ecology professionals in Forestry Corporation NSW and DPI Forest Science from commenting in the media on the science of forestry and forest ecology. Their voices should be heard.
