

## **REGIONAL FOREST AGREEMENT (RFA) REVIEW AND RENEWALS**

This submission provides brief comment on both the Report on the Second and Third yearly Review of the implementation of NSW RFAs (2004-14) and on the extension of the RFAs.

Representatives from DPI and EPA advised, at the Eden RFA session I attended on February 13, that combined submissions were acceptable and would be passed between and examined by both agencies.

I state at the outset that most of my colleagues have decided to boycott this process on the basis that key policy decisions, primarily the automatic RFA rollover, have been made without community consultation. I am of the view, that even when faced with arrogance and unethical behaviour, it is better that dialogue continues.

Comments on the mechanics of the limited RFA consultative process are presented as an attachment to this submission.

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Many residents of the Far South Coast (Eden Management Area) had hoped that the 2019 RFA expiry would be a catalyst for a comprehensive review of logging based forest management and whether its continuation constitutes the best use of our native forests. There have been significant changes in economic and environmental circumstances since the RFAs were signed almost 20 years ago, which require detailed analysis.

- Biodiversity in NSW is under increasing pressure as evidenced by the growing list of threatened and vulnerable species. 142 species of plants and animals are listed as threatened in our region.
- The hardwood industry has become largely unprofitable with the predominant woodchip sector impacted by market forces. Employment in the sector has declined to the point of insignificance in terms of a rapidly growing regional economy based on tourism, service industries and the retirement demographic.
- Increasing recognition of the importance of carbon stored in native forests and the emergence of carbon credit funding mechanisms, are likely to offer environmentally responsible revenue alternatives.
- Climate change, not on the radar when the RFAs were signed, has emerged as a major threat to native forest ecosystems. Predicted hotter and drier conditions will alter fire regimes and ecological processes. The resilience of our native forests will be enhanced if we can avoid the fragmentation and disturbance caused by logging.

The 2004-14 Review of the operation of the native forest timber industry, under the RFAs should have provided historical context to facilitate an evaluation of industry performance in both financial and environmental terms. Unfortunately, this has not been the case.

Firstly, the failure to deliver this Review in any any reasonable time frame has detracted from its value. Delays of this magnitude, which indicate problems in terms of process, intent and policy priorities, have had a negative impact on public confidence.

Secondly, the RFA Review is on many levels inadequate.

It is a largely uncoordinated mass of material, which I understand has been cobbled together from the output of 7-8 different government agencies. There is no linking narrative which provides perspective on the subject areas covered. Its 384 page length rendered it unapproachable for many

members of our community.

### **Native Forest Timber Industry**

Yet, despite the intimidating length of the Review, there is much that has been left out. For instance, the unpalatable decline of the NSW hardwood timber industry in terms of financial performance and employment levels is hard to detect amongst the deluge of information, much of it irrelevant.

I found it galling that this 384 page tome contained no regional employment figures specifically for the hardwood timber industry. Where employment figures appear in the Review, they are generally bundled together with the larger softwood industry, making the rapid decline in hardwood employment hard to discern. It is difficult not to conclude that this has been done deliberately in order to conceal.

The reality is that Forestry Corporation, between 2009-12 lost \$85 million in native forestry in NSW. A small financial improvement in more recent times has been achieved through drastic labour force cuts rather than through market improvement. It has been put to me that one could read the entire Review without really being aware of the difficulties that the hardwood sector has faced over the period 2004-14. This is an important point. A central tenet of the RFAs and the 2016 Forestry Road Map is that the NSW hardwood timber industry should be both economically and environmentally sustainable.

### **Environmental Aspects**

RFA legislation which permits government to log, essentially exempts the hardwood industry from complying with Commonwealth environment laws and from citizens taking legal action related to logging breaches. Logging in habitat containing federally listed threatened species can proceed with legal protection under the RFAs. This places an extraordinary level of trust and stewardship responsibility in both the hands of the Forestry Corporation and the audit role of the EPA.

There is no avoiding the fact that forestry operations have an environmental impact. Industrial scale logging causes habitat destruction, modification and fragmentation which is particularly detrimental to hollow-dependent fauna, given that short logging cycles preclude the formation of breeding hollows in regrowth forests. Current logging rotations of 5-15 years are in stark contrast to the

NSW Scientific Committee's assessment that a safe rotation period for species conservation is 150-220 years. The dramatic shift in forest age-class distribution and in tree species composition caused by logging and subsequent regenerative burning carries long term ecological implications. Catchment management, soil stability, wildfire regimes and landscape aesthetics are also affected.

Within the framework of such inevitable environmental consequences, the RFAs contain logging practice environmental protections which is the task of the EPA to monitor and enforce. A colleague of mine, who is a lawyer and has undertaken a detailed analysis of EPA performance over the Review period, opines “The auditing mechanisms of the RFAs are not credible, lack the necessary comprehensiveness, are underfunded and understaffed, systematically abused, lack objective independence, are overly reliant on self-auditing processes, have not been utilised or been weak in the enforcement of non-compliance and have not resulted in demonstrably improved practices.”

There is widespread community perception of political and resource allocation constraints which result in remarkably few prosecutions relative to the number of breaches detected. I understand that there have only been 5 prosecutions in the whole of NSW since the signing of the RFAs.

### **Private Native Forestry (PNF)**

Such concerns are not confined to public native forestry, but extend to the regulation of Private Native Forestry (PNF). Privately owned forests are a critical element in protecting biodiversity across NSW. The Review advises that between 2007-14, 2923 PNF proposals were approved encompassing 553,463 hectares. Oversight is the responsibility of the EPA.

The regulations governing PNF, which include elements such as the requirement to retain a certain number of habitat trees per hectare, do provide some basic environmental protections. However, when inspecting a PNF approved property in my neighbourhood, and noting that no trees had been marked for retention, I was advised that the supervising authority lacked the resources to carry out such a task and that it was hoped that this would be undertaken by the landholder.

This reliance on self-assessment, brought about partly by lack of resourcing, is concerning. The number of PNF audits in relation to the scale of the logging and the almost total lack of prosecutions, reinforce the perception of a large gap between promised protections and what is actually happening on the ground.

Once again, the Review, despite its 384 pages, offers no indication of how many PNF inspectors there are across NSW, and whether allocated resources are in any way commensurate with legislative requirements.

### **Ecologically Sustainable Forest Management (ESFM)**

Through the RFAs the NSW Government commits to ESFM which includes the requirement to maintain or increase the full suite of forest values, ensure legislation, policies, codes and practices support ESFM and apply the precautionary principle for the prevention of environmental degradation.

In order to assess the environmental impacts of logging it is necessary to collect data before and after the event. It is understood that measures to protect environmental values cost money, and in an industry that is essentially unprofitable, the task of providing adequate funding is made harder.

There is a perception that inadequate resources are directed to this task and that there is a general reluctance to engage. Indeed, leaked government memos made public last year, reveal that Forestry Corporation has called for the scrapping of pre-logging faunal surveys and a reduction in streamside buffers.

Once again, the Review provides no detail of the level of resource allocation to surveys and data collection which are a prerequisite to meeting ESFM principles.

I consider the credibility of the RFA Review process to be in question. The tendentious nature of the Review, the recurring absence of key data, the lack of independent scientific input and peer review, and the degree of reliance on government self-appraisal render this process little more than a parody.

### **Conclusions**

- The RFAs have not delivered on their objective of economic and environmental sustainability for the native forest timber industry.
- The Government's commitment to properly monitor and regulate logging operations has not been carried out.

- Ecologically sustainable forest management has not been achieved.
- The limited and declining employment and economic benefits derived from native forest logging do not justify the resulting ecological costs.
- Rolling over the RFAs, without community consultation, constitutes a breach of ethical standards which is against the public interest.

## **Recommendations**

That the rollover of the RFAs should be subject to a properly constituted enquiry into the economic and environmental sustainability of the native forest timber industry and whether it constitutes the best use of our native forests for the next 20 years.

Such an enquiry should be based on the intellectual rigour of independent scientific and economic inputs rather than on the connivance of Government.

## **Attachment**

### **Consultation Process**

- As mentioned previously, the exclusion of the rollover of the RFAs from the so called consultative process constitutes a breach of ethics and public interest principles.
- The 384 page length of the Review was intimidatory and rendered the process inaccessible to many.
- The lack of a linking paper/narrative diminished the Review's accessibility
- The two-stage public submission format was overly complex and caused much confusion.
- The release of the Review just before Christmas, ensured that the bulk of the response period fell during the school holidays.
- The degree of Government agency engagement with the community was totally inadequate, with the only visit to RFA regions occurring a week or so before submissions were due.
- Community representatives were expected to travel to Sydney, at their own expense, to meet officials.