

We are now accepting email submissions. The form below must be filled out and attached in an email and sent to <u>ifoa.remake@epa.nsw.gov.au</u> If this form is not attached or incomplete the submission will be lodged as confidential and will not be published.

Make a submission – Contact Details

First Name*: Andrew

Last Name*: Hurford

Phone:

Email*:

Postcode*:

Country*: Australia

Stakeholder type (circle)*:

Community group	Local Government	Aboriginal group
Industry group	Other government	Forest user group
Environment group	Individual	Staff

Other, please specify:

Timber producer / Forestry Corporation Customer / Long Term Wood Supply Agreement Holder

Organisation name:

Hurford Hardwood Australia Pty Ltd

What is you preferred contact method:

Email

Would you like to receive further information and updates on IFOA and forestry matters?

Yes

Can the EPA make your submission public* -

Yes

Have you previously engaged with the EPA on forestry issues? -

Yes



<u>Make a submission – Form</u>

1. What parts of the draft Coastal IFOA are most important to you? Why?

Hurford Hardwood is a Timber producer based on the North Coast of NSW since 1932.

Our group of companies currently employ 300 staff engaged in sawing, processing, marketing & distribution of high quality kiln dried appearance grade hardwood products plus tree farming, harvest & haulage contractors.

Hurford's hold Long Term Wood Supply Agreements with Forestry Corporation NSW (FCNSW). These agreements form a critical part of Hurford's resource mix.

It is vital to Hurford's ongoing business that the new IFOA continues to supply a quality timber resource of the current specie mix at a commercially viable cost in a sustainable manner.

2. What parts of the draft Coastal IFOA do you think have a positive outcome on the management of environmental values or the production of sustainable timber? Why?

We think that greater use of new research & technologies such as LIDAR, GIS mapping & habitat modelling will better inform appropriate regulation for our industry. One example would be greater accuracy & removal of uncertainty around accurately locating mapped & unmapped drainage lines with the current IFOA & paper based mapping systems.

The use of catchment area rather than the Strahler method (wherever appropriate data exists) for determining Stream Order should provide a more objective way of determining the correct buffer distance for a given drainage line or stream.



3. What parts of the draft Coastal IFOA do you think have a negative outcome on the management of environmental values or the production of sustainable timber? Why?

Permanent mapping of Threatened Ecological Communities & Greater retention of Koala feed trees in areas of High Koala Habitation may be helpful in addressing concerns around Koala numbers & their ability to survive & thrive in timber production areas pre & post harvesting. However this does not seem to be based on any research or scientific data. In fact recent studies by Dr Brad Law are indicating that koala numbers are far higher than anyone thought.

These measures will come at a cost to the supply of key hardwood species such as Spotted Gum & Tallowwood particularly from Grafton north. This area is FCNSW's Supply Zones 1 & 2 & is Hurford's traditional supply area.

The Natural Resource Commission (NRC) notes in its November 2016 report – Advice on Coastal Integrated Forest Operations Approval Remake, page 2 "in particular, the Commission has identified two individual settings that pose a significant constraint to wood supply: (1) koala protections; and (2) improved knowledge of areas where permanent harvesting is excluded due to threatened ecological communities. Taken together, these two settings are likely to have a material effect on the operation of specific mills due to reduced supply from certain supply zones, and related reductions in availability of key species such as tallowwood & spotted gum."

Further the next paragraph states "The risks to wood supply identified in this report should be considered in the context of ongoing trends in tenure change and the broader wood supply issues already affecting the NSW North Coast native forestry industry following the outcomes of project 2023. In mid 2015, the Commission advised government on the risks associated with the species-specific contract and five year contract extension provided to Boral as part of the high quality wood supply quota buyback on the North Coast. Any further restrictions on wood supply brought about by the Coastal IFOA, particularly those that reduce access to key species, are likely to significantly exacerbate existing North Coast supply issues and potentially impact mill viability.

This situation is of extreme concern to Hurfords. Spotted Gum & Blackbutt are the most important commercial native hardwood species in NSW & of these Spotted Gum is the most important species to Hurford's Kyogle, Casino & Tuncester. Our operations have already been severely impacted by the specie specific agreements given by FCNSW to Boral. The nature of the Boral supply agreement, which guarantees to them a minimum annual volume of each of the key species, means that the full impact of any dimunition of specie supply mix following the application of the Coastal IFOA Remake will be borne by Hurfords and other independent processors. It is clearly inequitable that the largest corporate processor is protected from any impacts to supply mix brought about by changed environmental regulation, but the smaller processors, who compete in the same market place are expected to pick up all of the impact. As the NRC warns, this is likely to impact the viability of our business.



The NRC produced a report for Government titled NRC North Coast Equity Advice – 2015. What has happened to this report? It is now urgent that the government act to provide a more equitable supply arrangement for distribution of specie mix to High Quality Wood Supply Agreement Holders on the North Coast. The current agreements which are highly favoured to Boral are anti-competitive & unless something is done then the current government agreements will risk the viability of Boral's competitors on the North Coast. If the Government wishes to change the ruleset around harvesting to reduce the availability of key species then at the very least all of industry should bear that cost proportionately.

4. What are your views on the effectiveness of the combination of permanent environmental protections at the regional, landscape and operational scales (multi-scale protection)?

The permanent environmental protections should provide a better solution for habitat & recruitment tree retention than the current system. However there should still be options for active & adaptive management within these zones eg controlled burns, weed control, feral & pest management etc. It is also vital that ongoing monitoring & assessment is undertaken to confirm that these areas actually provide the benefits they are projected to make.

5. In your opinion, would the draft Coastal IFOA be effective in managing environmental values and a sustainable timber industry? Why?

Across the whole of the Coastal IFOA area the IFOA remake should provide the dual commitments as set out by the government at the outset & as reviewed by the NRC. Hurfords are concerned however that some of the regional impacts to specie mix, timber quality & haulage distance will disproportionately affect our business when compared to that of largest competitor.



6. General comments

Burning

Chapter 4 Division 7 – Burning

This chapter on burning appears to be all about continuing to limit FCNSW's ability to flexibly utilise fire as a vital landscape management tool across its estate.

This is out of step with current & traditional thinking on the importance of fire in the Australian ecology.

The restriction of fire in many parts of the forest estate is having a negative effect on forest health & eco systems.

EPA's past activities of prosecuting & fining FCNSW following burns has had the effect of limiting burning practices by FCNSW.

A more contemporary approach (& less heavy handed regulatory approach) to burning would better inform this section of the IFOA.

On a broader view the IFOA draft May 2018 appears to provide for some modest improvements to environmental settings & efficient timber production over the current version.

It provides for the same volume of timber to continue to be produced from the (largely) same estate as pre the remake, so no big change really.

For those interested in Forest health & biodiversity in our NSW public forests it is worth remembering that of the 8 million hectares of publicly owned forests in NSW 6 million are fully conserved in National Parks & reserves. Of the 2 million hectares managed by FCNSW less than 1 million hectares are available for timber harvesting & of that area around 3.0% is harvested & regenerated each year. The IFOA ruleset applies only to that minor portion of the estate which is subject to harvesting.

There is little or no monitoring of the outcomes or processes involved in managing the larger part of the public forest estate which is in reserves.

There needs to be far greater focus on outcomes from the whole forest estate at the landscape level than the current approach to detailed compliance at the coup level which is unlikely to make much difference to the overall picture.