



Timber Communities Australia Ltd

NSW / ACT Office

31 Kambalda Crescent

FISHER ACT 2611

PO Box 7454

FISHER ACT 2611

Ph: 02 – 6288 0707

Fx: 02 – 6288 5352

<http://www.tca.org.au>

ABN 33 008 665 736

Private Native Forestry
Department of Natural Resources
GPO Box 39
Sydney NSW 2001

**Re: Draft code of practice for private native forestry
Submission by Timber Communities Australia**

Timber Communities Australia Ltd (TCA), representing and supporting rural communities, is disappointed that the NSW Government has seen fit to introduce a code of practice for private native forestry that will contribute to long term rural decline as a result of the closure of a large proportion of the private native forestry timber industry, following the introduction of this code.

This draft code of practice fails to deliver equitable outcomes that will ensure the long term social and economic prosperity of our rural communities.

The Government is failing its rural constituents by declining requests to conduct a comprehensive Regulatory Impact Statement that gives explicit consideration to the social and economic impacts of the code.

That the code fails utterly to provide clear and concise objectives, that can be monitored and assessed, is a disappointment as is the lack of flexibility measures embodied in the code.

We trust that there is recognition of the vital role that Private Native Forestry has on the development and maintenance of social, economic and environmental values when considering your recommendations for amendments to the draft code.

I have attached the TCA National Submission and am available for follow on comments should you require them.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Peter Lezaich', written over a horizontal line.

Peter Lezaich
NSW State manager

1. Overview

Timber Communities Australia (TCA) is Australia's peak national grassroots community support organisation. TCA supports and represents rural communities and their people, who rely to varying degrees on timber and timber products for their viability. We are proud of our 13,000 strong membership database and openly acknowledge that we not only support our membership but the wider rural community through our extensive national branch network, with twenty branches in NSW alone.

Our members represent forest growers (private native and plantation), foresters, sawmillers, forest harvesting and haulage contractors, forest nurseries and most importantly their staff and families. In addition our membership represents the broader community including doctors and hospital staff, teachers and other local school staff, family businesses and people who are supported by the flow on effects that arise from our vibrant, healthy and wealth creating forest sector.

Australia's forestry sector is a major employer group (over 134,00 people). We are proud that forestry is included in the top ten of Australia's manufacturing sector; indeed, when forest growers and wood procurement are factored in, forestry manufacturing is ranked second of all Australia's manufacturing sectors.

TCA strongly advocates the adoption of sustainable forest management practices by our members and the broader community. At its most fundamental level sustainability requires that its social, economic and environmental components are treated equally in all decision making processes. For if one of these primary components of sustainability is absent, true sustainability cannot be achieved.

The proposed draft code of practice (COP) for Private Native Forestry (PNF) skews sustainability towards environmental outcomes and foregoes the social and economic outcomes required to achieve long term sustainable forest management.

The importance of this sector highlights that sustainable private native forestry is about more than just the natural environment, it is about the social and economic environment as well. More importantly the goal of achieving sustainability of the natural environmental cannot be reached in isolation of either the social or economic environment. TCA takes issue with the single focus on achieving questionable environmental outcomes at the expense of social, economic and real environmental sustainability. The social and economic impacts, that the draft code of practice (COP) for private native forestry (PNF) will have on our rural communities, must be examined and taken into account as this code is redrafted.

This submission will address how the proposed COP for PNF will have a detrimental impact on rural communities and in its current form is incapable of achieving sustainable environmental outcomes. To achieve the environmental outcomes that the Government of NSW desires a partnership is required, with rural and regional landholders, those that own and manage the land, that takes into account the interdependence of social, economic and environmental outcomes.

2. Background

Private native Forestry has been conducted in NSW for over 150 years. Table one shows the extent of the forested area in NSW that is covered by a Regional Forest Agreement (RFA) and the tenure under which it appears.(

Table 1: Forested area (Hectares) by tenure (Eden IFOA, 1998; Lower North East IFOA, 1998; Upper North East IFOA, 1998 and Southern Region IFOA, 1998),

Total forested area	7,716,486
Forest in Car Reserve	3,768,141
Forest on private property	3,279,938
Forest within State Forest	668,407

The proportion of forested area that is contained in CAR reserves accounts for approximately 49% of the forest estate in those regions and questions the need for the prescriptive approach to PNF that is required by the draft code.

The RFA's and NSW Forest Agreements both clearly state that additions to the CAR reserve system shall be voluntary and that conservation values on private land are complementary to the CAR reserve system (NSW Government, 1999).

Further the Government determined that the principles and mechanisms to achieve conservation on private lands would be voluntary in nature, clearly understood by the community, be real partnerships, provide benefits for all parties and consist of strategic and integrated actions.

Clearly, this draft code of practice for PNF fails to achieve a single one of these principles, that were signed off on by the ministers of the day. Either the Government had no intention of abiding by the principles it espoused at that time or those responsible for the drafting of the code chose to ignore, what a reasonable person would consider to a directive by the Ministers of the day, or were ignorant of these principles.

TCA calls on the NSW Government to withdraw the draft PNF COP and the Native Vegetation Act be amended to include private native forestry as a routine agricultural management activity (RAMA) underpinned by the existing Best Operating Standards (BOS) as the code of practice.

3. Sustainability

Under the *Native Vegetation Act 2003* PNF is defined as the practice of *sustainably managing a native forest for long term timber production*. This definition reflects an extremely narrow view of what constitutes forestry. It ignores the social, economic and environmental contribution that sustainable forestry makes to community and reflects the limited understanding of the authors of the draft PNF COP and indeed of the *Native Vegetation Act 2003*, of what constitutes PNF.

The late Jack Westoby, former Deputy Director of the Forestry and Forest Industries Division of the United Nations Food and Agriculture Organisation, made the famous quote that *"Forestry is not about trees, it is about people. It is only about trees in so*

far as they meet the needs of the people". In the context of sustainability the needs of the people are social, economic and environmental in nature. The draft COP for PNF fails the people of NSW by focusing almost exclusively on questionable environmental outcomes without consideration of the social and economical impacts that the code will have.

Many bureaucrats and members of the public are ignorant of the dynamic nature of Eucalypt forests and believe that they are unchanging and must be preserved. The reality is that dynamic ecosystems such as forests cannot be preserved as they are subject to change both temporally and spatially. Sustainable forest management recognises this and seeks to conserve those environmental values in an economic and social context.

TCA calls on the NSW Government to scrap the draft code and adopt measures that give consideration to real sustainability that incorporates social, economic and environmental considerations.

The stated objective of the native Vegetation regulation 2004 is:

To provide a clearly defined, equitable, consistent and streamlined framework for the management of native vegetation in New South Wales.

The draft COP for PNF fails to clearly articulate the conservation objectives that it is attempting to deliver. It makes reference to the improve or maintain test on page one of the COP, yet in place of a test provides a punitive set of prescriptions which are unsupported in the independent peer reviewed literature and are likely to have the net affect of *"perpetuating a landscape featured by low forest ecosystem variation and poor forage potential, perversely benefiting far fewer species than the authors of the code envisaged and demonstrating the lack of intellectual capacity applied to the development of the environmental components of this code."*

In 2004 the Productivity Commission reported on the impacts of native vegetation and biodiversity regulations, it recommended that all regulatory approaches to native vegetation and biodiversity should comply with good regulatory practice by including:

- Clear specification of objectives of the legislation so that guidelines and decisions link back to these objectives, and performance of the regimes can be monitored and assessed;
- Assistance to, and education of, landowners to meet and to understand their responsibilities by providing accessible information about those responsibilities, and how they relate to sustainable land management practices and environmental problems;
- Statutory time frames for assessing permit applications;
- Consideration of economic and social factors where applications to clear otherwise would be rejected on environmental grounds (a triple bottom line approach), with reasons for decisions to be given and reported; and
- Provision of accessible, timely and impartial appeals and dispute-resolution mechanisms.

TCA calls on the NSW Government to adopt these principles and incorporate them when redrafting the COP for PNF. This will result in landowner confidence in the natural resource planning and regulatory

environment and still deliver environmental outcomes and community confidence.

4. Planning and management

The planning and management components of the code do not allow the flexibility required to effectively manage a private forest. The requirements for a PVP, harvest plan and forest management plan are onerous and costly to implement for private landowners. In addition the reliance on discredited mapping, such as the CRAAFTI mapping, will result in many landowners requesting that DNR staff inspect and remap the vegetation on their properties. The 13 DNR staff committed to PNF will not be able to respond in a suitable timeframe that will allow forest operations to proceed in a timely manner.

TCA calls on the NSW Government to provide the resources necessary to ensure that DNR is able to respond in a timely manner to requests from landowners so as to ensure that forest operations are not delayed.

5. The improve or maintain test for private native forestry.

This draft fails to deliver the mechanism for meeting the maintain or improve test. The silvicultural prescriptions, especially the minimum basal area retention tables, are a step back to the early decades of the last century when European forest management principals were rigorously applied to Eucalypt forests, with detrimental results. It was not until 1955, when Jacobs' seminal work, "*Growth Habits of the Eucalypts*," was published, that Eucalypt specific silvicultural practices were widely adopted.

The individual and combined effect of the silvicultural operations, protection of the environment and construction and maintenance of forest infrastructure measures contained in the PNF COP will result in a degradation of forest stands, as opposed to maintaining or improving the stands over time. Florence (1996) describes how tree retention impacts adversely on the regeneration and advance growth of Eucalypt forests.

TCA recommends that sections 3, 4 and 5 of the PNF COP become guidelines, as opposed to prescriptions which must be rigidly applied, when the code is redrafted. This will allow flexible forest management, that is adaptive in nature, and will ensure that management outcomes are environmentally suited to the stand.

6. Silvicultural operations

The silvicultural prescriptions on their own and combined with the Protection of the Environment measures are a return to the earliest days of forest management in Australia. Where management outcomes resulted in the high grading of the forests, a lack of regeneration, and a decline in the health and vitality of forest stands (Jacobs, 1955; Florence (1996).

Eucalypts area sunlight demanding species and are amongst the most intolerant to competition of all tree species. The silvicultural and protection of the environment measures contained within the draft COP for PNF will, due to the strong focus on

tree retention, over time result in the severe degradation of all forest stands managed under the PNF COP. For example Bauer describes how Blackbutt (*Eucalyptus pillularis*) requires a minimum canopy opening of 45m to ensure both adequate regeneration of the stand and the achievement of growth rates and tree quality to ensure the sustainability of forest management activities (Forestry Commission of NSW, 1989).

Blackbutt is at risk of localized extinction under the draft PNF COP. The proposed COP will result in a diminution of both the growth rates and quality of a stand, with a reduction in sustainability the end result.

TCA recommends that canopy openings may be applied to at least 50% of the net harvest area and that the basal area limits be relaxed so as to ensure that the regeneration of the treated stand is achievable in a cost effective manner.

7. Protection of the environment

The protection of the environment measures are unsupported in the independent peer reviewed literature. Derived from negotiated RFA outcomes and unpublished and unreviewed, internal DEC documents these measures may offer a level of comfort to those who developed them but they do little for the long term benefit of the environment.

With almost 3.8 million hectares of forest, within RFA regions, now in CAR reserves, all with a similar management intent, it beggars belief that the Department of Conservation is focused on more of the same for private forests. Metapopulation and patch dynamics theory suggests that a diversity of management intent will provide the greatest ecological benefit. To this end it is more appropriate to encourage alternative management regimes in private forests, to ensure the greatest potential diversity of habitat is achieved across the broader forest estate. This would complement the existing management regimes in conservation reserves, state forests and other crown lands.

The protection of the environment measures, as described in the draft PNF COP, are inconsistent with the objectives of the Protection of the Environment Operations ACT 1997, the Threatened Species Conservation Act 1995, and the Forests and National Parks Act 1998, and will result in forest stands comprising an overstorey of poorly formed, defective, trees without vigour and of poor health and fertility.

The riparian buffers are likely to quarantine from 12 to 25% of land from harvesting. This equates to 40 to 60% of stand volume (Northern Rivers Private Forestry, 2005) and will result in mill closures. In northern NSW alone 66% of sawmills are totally reliant on the private native forest, a further 18% are 50% reliant on the PNF resource and 16% are under 50% reliant on the PNF resource. To remove 40-60% of the volume from production on spurious grounds is poor governance and will have a severe negative impact on the community.

The exclusion and protection zones pertaining to the Cypress and Western hardwood forests are especially perverse and are without foundation. Dangerfield *et al*, (2001) reported that riparian exclusion and protection zones only required a very small buffer to protect stream features. The report confirmed that up to and including 4th

order streams riparian vegetation was not detectable beyond the immediate drainage feature. Drainage features needed to be of 5th order or higher before any detectable vegetation features associated with the stream are found.

TCA recommends that the protection of the environment measures be redrafted ensuring that clear, concise and measurable objectives are provided for each measure and that any ensuing guidelines are fully supported by relevant research that has been published in the peer reviewed literature.

8. Construction and maintenance of forest infrastructure

The construction and maintenance of forests infrastructure measures do not permit adaptive management measures to be incorporated into farm management regimes. The overly prescriptive nature of the drainage requirements are costly to implement and take no account of the existing condition of the roads.

Where a harvesting event is to occur, on a 15 to 20 year cycle, the expense of upgrading a farm road to the required standard, for timber extraction purposes, will make the harvesting event uneconomical for private growers. Perversely under a PVP the roads must be upgraded prior to a harvesting operation, yet this is not required for other farm management activities. A thirty tonne truck is a thirty tonne truck regardless of its load. This is just one example of the discrimination inherent in the PNF COP.

The best operating standards (BOS) allowed for flexibility mechanisms. TCA calls on the NSW Government to make the construction and maintenance of forests infrastructure mechanism a guiding feature of the PNF COP as opposed to a prescriptive feature.

9. CONCLUSION

The draft PNF COP in its present form is a punitive and ecologically damaging code. It will result in a high level of unemployment as timber mills close down. The introduction of SEPP 46 in 1996 resulted in a downturn in private property timber removals in the Eden management area from 50,000 m³ per annum to 2,000 m³ per annum, from which it has never recovered (Thompson, 2006).

The PNF COP in its current form is contrary to the principles of ecologically sustainable development and ecologically sustainable forests management. It will fail any reasonable test of its triple bottom line credentials and will damage long term forest health.

On the north coast of NSW alone over 76 timber mills utilise private native forests for the some or all of their timber resource. Mill workers and their families are active members of their communities spending their wages locally in supermarkets, cafés, pubs and clubs, petrol stations, car dealerships, landscape suppliers, medical centres, pharmacies, hair dressers, and bakeries. Their earnings are finding their way into local banks, schools, hospitals, and other service, sporting, cultural and community groups.

This local earning and local spending is what really sustains our rural communities.

TCA urges the Iemma government to recognise that PNF is NOT a clearing activity and that the Native Vegetation Act 2003 must be amended to include private native forestry as a routine agricultural activity.

The demonstrated social, economic and environmental benefits that have accrued to rural communities as a result of PNF activities will cease to flow if the PNF COP is retained in its current form. Such an outcome would be perverse given the Iemma Governments stated commitment to the social, economic and environmental wellbeing of rural and regional NSW.

Our members have informed us that they are unable to absorb the costs imposed by the PNF COP, yet they are unable to pass most of the increased costs on as their major competitor, Forests NSW, has a commercial advantage due to its size and ability to utilise economy of scale across all its operations. TCA asks that the code be reviewed to ensure that such perverse commercial outcomes do not occur and that the NSW Governments own trading enterprise is not unduly given a competitive advantage.

References:

- Dangerfield, J.M., Pik, A.J., and Howden, C. (2001). Biological width of ephemeral streams in the Pilliga State Forest. Resource and Conservation Division, Department of Urban Affairs and Planning, NSW.
- Eden IFOA, 1998 Integrated forestry operations approval for the Eden region granted under the *Forestry and National Parks Estate Act 1998*.
- Florence, R.G. 1996. Ecology and silviculture of Eucalypt forests. CSIRO Publishing, Melbourne.
- Forestry Commission of NSW, 1989. Research Note 17: Forest types in NSW, Forestry Commission, Sydney.
- Jacobs, M.R. 1955. Growth habits of the Eucalypts. Forestry and Timber Bureau. Canberra.
- Lower North East IFOA, 1998, Integrated forestry operations approval for the Lower North East region granted under the *Forestry and National Parks Estate Act 1998*.
- Northern Rivers Private Forestry, 2005. A profile of the northern NSW private forest resource and the private native forest industry.
- New South Wales Government, 1999, Forest agreement for upper north east NSW, New South Wales Government.
- Southern Region IFOA, 1998, Integrated forestry operations approval for the Southern region granted under the *Forestry and National Parks Estate Act 1998*.
- Productivity Commission, 2004, *Impacts of Native Vegetation and Biodiversity Regulations*, Report no 29, Melbourne.
- Upper North East IFOA, 1998, Integrated forestry operations approval for the Upper North East region granted under the *Forestry and National Parks Estate Act 1998*.