

BARRY WALSH

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Topic 1. Sustainability of current and future forestry operations in NSW

As with the mining industry in Australia, native forest timber has always been considered to be a resource available at no cost to the state other than the cost of logging, processing and selling it. But unlike minerals which have no value to anyone sitting underground, native forests have ongoing value that increases steadily for as long as the timber is NOT extracted, processed and sold. That value is provided via the role of forests in maintaining the purity of the air and water, the fertility of the soil, in nurturing biodiversity and in moderating planetary climate, matters of high value to humanity in general, if only economists had a way of attaching monetary values to those benefits.

This value in leaving forests alone, however, was not recognised by economists until the turn of the 21st Century when climate change denialism began to wane and governments began to accept that global warming and its economic consequences are real, substantial and imminent. It is no longer possible for any industry to argue that, for as long as the state provides native forests to log, the industry can be sustained. This is because, when the true value of leaving forests alone is factored into the equation of profitability of the native forestry industry, the net social cost will always be greater than the benefit the industry claims can be gained.

Today Australia is bound by the Kunming-Montreal Global Biodiversity Framework. It is a done deal, not capable of being denied or ignored by state governments or panels of inquiry as they deliberate on whether native forest logging in NSW is a sustainable industry. Native forest logging is intrinsically unsustainable. The proportion of native forest land practically available to be logged in NSW has never increased since white settlement, but has shrunk inexorably year by year to the point that only a tiny percentage of what was once forested still has undisturbed native forest today. And after a native forest is logged, it will take hundreds of years to re-establish it with the same attributes it once had. Its biodiversity will remain impeded for as long as it lacks old growth timber on which the survival of so many species is dependent.

If it is accepted that Australian governments are bound by international agreements to reduce global carbon emissions, and if it is accepted that reduced emissions can only be achieved by reforestation, i.e. by net increases in forested land in pursuance of nature positive policies, then it follows that all native forest logging should cease and that new forests be urgently established on a massive scale on land that has already been cleared.

If the NSW government is intent on pursuing nature positive policies, as the current government claims to be pursuing, then we say that native forest logging should be banned immediately and that in lieu of having a delay to allow existing logging contracts or agreements to be fulfilled, compensation should be paid by the state to those who incur legitimate financial costs as a consequence of the logging ban.

Topic 2. Environmental and cultural values of forests, including threatened species and Aboriginal cultural heritage values

It is regrettable that the panel, and all who make submissions to the panel, are put in the position now of having to explain the value of native forests in terms of culture and the environment as if

that value ought to be considered differently from monetary or economic value. Extractive industries and the governments who licence them to log native forests have historically only attached value to things they have to pay for, or be paid for. So if governments give timber companies the right to log a forest without charging them the cost of damaging the environment, increasing carbon emissions, reducing biodiversity or not compensating indigenous communities for the loss of an asset they formerly owned, then those costs will not be counted on public balance sheets. Those disregarded costs will instead serve as undeclared subsidies by the state to the logging company and their customers that are effectively deferred for future generations to make up for.

The list of environmental and cultural benefits lost or curtailed as a result of native forest logging in NSW is long and substantial. They include damage relating to air quality, biodiversity, carbon storage, water quality, water security, climate moderation, recreation, tourism and the rights of indigenous communities considered to be traditional custodians of the damaged forest.

Our hope is that legal reforms now under consideration by state and federal governments, such as carbon trading schemes that allow forests to be conserved as carbon sinks, will introduce quantifiable monetary values to forests and other habitats. Unfortunately, these considerations are not likely to have an impact on decisions of government for some years yet, as industry groups including the forestry industry in this state, continue to push the implicit line that forests only have real value as harvested timber extracted at a state-subsidised price.

Topic 3. Demand for timber products, particularly as relates to NSW housing, construction, mining, transport and retail

The proposition that there is a need for a native forest logging industry can only be based on the view that supply from plantation timber alone will be insufficient to meet demand for timber products.

We say, however, that plantation timber is sufficient to meet the demand for timber in Australia. The loss of native forest timber may have the effect of temporarily increasing the market price of plantation timber, but not its supply. Also, if there was a spike in demand for Australian plantation timber after a full native forest logging ban, it could be met from overseas plantation timber. Further, even if there is an initial shortage of locally sourced timber, then it would be short-lived because investments in plantation timber would increase, incentivised by government carbon emission reduction policies.

Producing net increases in forested land is an essential element of any nature positive program to meet Australia's carbon emissions reduction objectives. So it follows that whether or not there is a ban on native forest logging, there needs to be a significant increase in plantation timber grown on land that has already been cleared.

Topic 4. The future of softwood and hardwood plantations and the continuation of Private Native Forestry in helping meet timber supply needs

State government management of native forestry constitutes a subsidy that reduces the comparative advantage of investing in timber plantations on private land that has already been cleared for agriculture. In an economic sense, this has resulted in a perverse outcome that only serves the interests of companies engaged in logging native forests on behalf of the government. Plantations already supply 91% of timber demand in Australia. Citizens of this state are entitled to learn why the government is still in the native forestry business when it is neither profitable nor influential on what the private forestry sector is doing. Citizens of this state don't understand this because the reasons remain obscure and inadequately explained. Consequently, NSW citizens are also entitled to worry that the inability of the NSW government to cut public losses by abolishing the native forest logging industry immediately is because it is a captive of the interests that

currently benefit from that industry. The reasons for this hesitancy are a mystery to us which we hope the panel is able to either justify or debunk.

Topic 5. The role of State Forests in maximising the delivery of a range of environmental, economic and social outcomes and options for diverse management, including Aboriginal forest management models

Our view is that all native state forests should be brought within the national parks estate and conserved, not for logging, but for enhancing biodiversity, improving water resources, carbon storage, recreation and tourism. The state should no longer be a purveyor of timber products or a sponsor of timber product industries.

In a world facing extreme climate change, there should be no place for a public policy that envisages logging state forests at some time in the future rather than sourcing timber products from plantations.

Bringing state forests within the national parks estate means, of course, that management of them should include applying Aboriginal forest management models.

Topic 6. Opportunities to realise carbon and biodiversity benefits and support carbon and biodiversity markets, and mitigate and adapt to climate change risks, including the greenhouse gas emission impacts of different uses of forests and assessment of climate change risks to forests

Native forest logging releases carbon into the atmosphere and destroys biodiversity with no prospect of remediation in the short term. Conserving a native forest preserves an extant carbon sink that continues to absorb more carbon and nurture increased biodiversity. Planting and protecting new native forests will accelerate these benefits further and, if pursued urgently, may help meet the 2030 targets we are bound by under the Kunming-Montreal Global Biodiversity Framework. In the context of the panel's terms of reference, the solution is so simple and obvious that it puzzles most ordinary people that the matter is still being deliberated upon as if there was a genuine public policy dilemma. The public policy we need now can only have one logical goal, to cease cutting down native forests and to dramatically accelerate the creation and protection of new forests.



A Branch of BirdLife Australia

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NSW Independent Forestry Panel

13 October 2024

Submission from BirdLife Southern NSW to the NSW Government Independent Forestry Panel

BirdLife Southern NSW is the largest branch of BirdLife Australia in this state and covers most of the state's coastline, central regions and southern regions. Our parent organisation, BirdLife Australia, is an independent not-for-profit and has over 360,000 supporters nationally.

BirdLife aims to conserve and increase the populations of native bird species, a goal directly aligned with both NSW and federal government announcements claiming an intention to implement nature positive policies aimed specifically at preventing further extinctions of native fauna and flora. With one in six bird species vulnerable to extinction in Australia, all NSW government agencies and corporations have a responsibility to act to cease causing more damage to natural systems and habitats.

Here is our response to the topics the Panel has raised for comment from the public:

1. Sustainability of current and future forestry operations in NSW

As with the mining industry in Australia, native forest timber has always been considered to be a resource available at no cost to the state other than the cost of logging, processing and selling it. But unlike minerals which have no value to anyone sitting underground, native forests have ongoing value that increases steadily for as long as the timber is NOT extracted, processed and sold. That value is provided via the role of forests in maintaining the purity of the air and water, the fertility of the soil, in nurturing biodiversity and in moderating planetary climate – matters of high value to humanity in general, if only economists had a way of attaching monetary values to those benefits.

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Today Australia is bound by the Kunming-Montreal Global Biodiversity Framework. It is a done deal, not capable of being denied or ignored by state governments or panels of inquiry as they deliberate on whether native forest logging in NSW is a sustainable industry. Native forest logging is intrinsically unsustainable. The proportion of native forest land practically available to be logged in NSW has never increased since white settlement, but has shrunk inexorably year by year to the point that only a tiny percentage of what was once forested still has undisturbed native forest today. And after a native forest is logged, it will take hundreds of years to re-establish it with the same attributes it once had. Its biodiversity will remain impeded for as long as it lacks old growth timber on which the survival of so many species is dependent.

If it is accepted that Australian governments are bound by international agreements to reduce global carbon emissions, and if it is accepted that reduced emissions can only be achieved by reforestation, i.e. by net increases in forested land in pursuance of nature positive policies, then it follows that all native forest logging should cease and that new forests be urgently established on a massive scale on land that has already been cleared.

If the NSW government is intent on pursuing nature positive policies, as the current government claims to be pursuing, then we say that native forest logging should be banned immediately and that in lieu of having a delay to allow existing logging contracts or agreements to be fulfilled, compensation should be paid by the state to those who incur legitimate financial costs as a consequence of the logging ban.

2. Environmental and cultural values of forests, including threatened species and Aboriginal cultural heritage values.

It is regrettable that the panel, and all who make submissions to the panel, are put in the position now of having to explain the value of native forests in terms of culture and the environment as if that value ought to be considered differently from monetary or economic value. Extractive industries and the governments who licence them to log native forests have historically only attached value to things they have to pay for, or be paid for. So if governments give timber companies the right to log a forest without charging them the cost of damaging the environment, increasing carbon emissions, reducing biodiversity or not compensating indigenous communities for the loss of an asset they formerly owned, then those costs will not be counted on public balance sheets. Those disregarded costs will instead serve as undeclared subsidies by the state to the logging company and their customers that are effectively deferred for future generations to make up for.

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tourism and the rights of indigenous communities considered to be traditional custodians of the damaged forest.

Our hope is that legal reforms now under consideration by state and federal governments, such as carbon trading schemes that allow forests to be conserved as carbon sinks, will introduce quantifiable monetary values to forests and other habitats. Unfortunately, these considerations are not likely to have an impact on decisions of government for some years yet, as industry groups including the forestry industry in this state, continue to push the implicit line that forests only have real value as harvested timber extracted at a state-subsidised price.

3. *Demand for timber products, particularly as it relates to NSW housing, construction, mining, transport and retail.*

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Producing net increases in forested land is an essential element of any nature positive program to meet Australia's carbon emissions reduction objectives. So it follows that whether or not there is a ban on native forest logging, there needs to be a significant increase in plantation timber grown on land that has already been cleared.

4. *The future of softwood and hardwood plantations and the continuation of Private Native Forestry in helping meet timber supply needs.*

State government management of native forestry constitutes a subsidy that reduces the comparative advantage of investing in timber plantations on private land that has already been cleared for agriculture. In an economic sense, this has resulted in a perverse outcome that only serves the interests of companies engaged in logging native forests on behalf of the government.

Plantations already supply 91% of timber demand in Australia. Citizens of this state are entitled to learn why the government is still in the native forestry business when it is neither profitable nor influential on what the private forestry sector is doing. Citizens of this state don't understand this because the reasons remain obscure and inadequately explained. Consequently, NSW citizens are also entitled to worry that the inability of the NSW government to cut public losses by abolishing the native forest logging industry immediately is because it is a captive of the interests that currently benefit from that industry. The reasons for this hesitancy are a mystery to us which we hope the panel is able to either justify or debunk.

5. *The role of State Forests in maximising the delivery of a range of environmental, economic and social outcomes and options for diverse management, including Aboriginal forest management models.*

Our view is that all native state forests should be brought within the national parks estate and conserved, not for logging, but for enhancing biodiversity, improving water resources, carbon storage, recreation and tourism. The state should no longer be a purveyor of timber products or a sponsor of timber product industries.

In a world facing extreme climate change, there should be no place for a public policy that envisages logging state forests at some time in the future rather than sourcing timber products from plantations.

Bringing state forests within the national parks estate means, of course, that management of them should include applying Aboriginal forest management models.

6. *Opportunities to realise carbon and biodiversity benefits and support carbon and biodiversity markets, and mitigate and adapt to climate change risks, including the greenhouse gas emission impacts of different uses of forests and assessment of climate change risks to forests.*

Native forest logging releases carbon into the atmosphere and destroys biodiversity with no prospect of remediation in the short term. Conserving a native forest preserves an extant carbon sink that continues to absorb more carbon and nurture increased biodiversity. Planting and protecting new native forests will accelerate these benefits further and, if pursued urgently, may help meet the 2030 targets we are bound by under the Kunming-Montreal Global Biodiversity Framework. In the context of the panel's terms of reference, the solution is so simple and obvious that it puzzles most ordinary people that the matter is still being deliberated upon as if there was a genuine public policy dilemma. The public policy we need now can only have one logical goal – to cease cutting down native forests and to dramatically accelerate the creation and protection of new forests.

Yours sincerely

A solid black rectangular box redacting the signature of Barry Walsh.

Barry Walsh
Secretary, BirdLife Southern NSW