

Public submission

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OBERON COUNCIL

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SUBMISSION INTO THE FUTURE OF FORESTRY IN NSW FORESTRY INDUSTRY ACTION PLAN

Oberon Local Government Area is a proud Forest LGA and has worked with NSW Forestry Corporation (and its previous incarnations) to value add the primary benefits the forestry industry brings to the community.

However, the Forestry Corporation of NSW, a state owned corporation, manages approximately 350,000 hectares of forest including approximately 225,000 hectares of softwood plantation in NSW and in the financial year 2022/23 realised over \$57 million in profit back to the State of NSW. Although these landholdings are unrateable, clearly they produce a commercial resource which places FCNSW in direct competition with private plantations owners who are required to pay rates which in turn contribute to local service provision including maintenance of local road and bridge infrastructure used for residential purposes and for the transportation of timber product.

In years past NSW Forestry Corporation under other incarnations contributed to road maintenance – even road building, in the main this is no longer the case. The previous State Government indicated a 'special reserve' for LGA's effected by the impact of State Forests under a Roads for Regions Fund however this never eventuated.

So not only do local ratepayers forgo rates but also pay for the substantial impact of heavy timber haulage on the local road network needing to rely on grants to maintain this infrastructure at an acceptable level for logging operations. In turn this impacts on councils ability to apply for the same grant funding to improve and maintain the local roads for their communities.

Road Assets and the Reviews

In February 2019, the NSW Government announced that up to 15,000 kilometres of council-owned Regional Roads would be transferred to NSW State Government management as part of a broader package of support for local councils to better manage and maintain the rural road network.

The Regional Road Transfer initiative applied to Regional Roads, in which the road management responsibility is transferred from a council to the State but the road was to remain classified as a Regional Road. Only regional councils outside of Greater Sydney, Newcastle and Wollongong were eligible to put forward applications for transfer under this initiative, as defined by Restart NSW boundaries.

Under the new State Government this review has been scrapped, which is of great disadvantage to Oberon Council. Currently, Abercrombie Road is a Regional Road running from Oberon to Goulburn. Over 75kms of that road is within the Oberon LGA. It is subject to substantial logging activity and in turn requires substantial contribution from Oberon Council to maintain. This road was acknowledged as a high priority under the previous fund with business cases made to the State. Nothing has come from that assessment. We are sure Oberon is not alone!

A Level Playing Field is vital:

Other commercial organisations such as quarries, mines and private mills are not only rateable but also pay a per tonne haulage rate to local councils why is Forestry Corp not included? The situation economically disadvantages and discourages private business to invest in plantation planting.

Expansion of the Forestry Estate and its effect:

With a scarcity of timber resources acknowledged by both the Federal and NSW Governments, funds have been made available to purchase land to expand the Forestry Estate.

This raises the question and concern - will this rateable land become unrateable when purchased further impacting and depleting Local Council income while at the same time increasing infrastructure and maintenance costs when harvesting scheduled. Local road infrastructure struggles to accommodate the ever increasing size of logging trucks in conjunction with local residential traffic.

Council urges the Independent Forestry Panel consider the information provided above in any development of future Action Plans with consideration of these snowballing consequences currently being experienced in the Oberon Local Government Area.