

TRANSCRIPT OF PROCEEDINGS

NORTH EAST FOREST ALLIANCE

INDEPENDENT FORESTRY PANEL: MR PETER DUNCAN AM (CHAIR)
PROFESSOR MARY O’KANE AC
THE HON. MICK VEITCH

INDEPENDENT FORESTRY
PANEL SECRETARIAT: CLARE MILLER
OLIVER COPE

NORTH EAST FOREST ALLIANCE: DAILAN PUGH
LYN ORREGO
ANDREW MURRAY

LOCATION: VIA VIDEOCONFERENCE

DATE: WEDNESDAY, 6 NOVEMBER 2024

<THE MEETING COMMENCED

MR PETER DUNCAN: All right. We can see you now but just the screen froze, so I was wanting to make sure I still had you online. We're going to record this and
5 transcribe it and we put it on our website like we are with all of the other external meetings going on. So really it's for us to listen to you today, so Dailan, I think you asked for the meeting and maybe you can introduce your group and we can take it from there.

10 **MR DAILAN PUGH:** Okay. So the North East Forest Alliance was established in 1989 to protect rainforests, old growth forests, wilderness and threatened species as our main aims and we've been working ever since then to do what we can to protect our native forests, primarily in North East New South Wales but we do deal with other areas as well.

15 And with me today – so I'm Dailan Pugh, I'm the president of NEFA and we've got Andrew Murray, who's a botanist and he's our current vice president. And we've got Lyn Orrego, who has had a long-term involvement with NEFA as well but from 1995 to 1998 she was on the Ecologically Sustainable Forest Management Committee as
20 part of the CRA process and NEFA were heavily involved in that whole process of assessing forests as part of, to identify a comprehensive, adequate and representative reserve system and to supposedly implement the ESFM. So we've had long-term involvement.

25 And so without further ado, I'll start off by well one issue I'd like to raise to start with is particularly of relevance to Mary O'Kane is that as part of the koala inquiry, the recommendation was identify important areas of koala habitat and to protect them. And so the Office of Environment and Heritage did that in 2017, they analysed koala records to delineate highly significant local scale areas of koala occupancy currently
30 known for protection. So that was implementing the advice.

Now, I raise this as an example of the problems we face in dealing with forestry in North East New South Wales. So it identified 100,000 hectares across the whole of
35 New South Wales, not a large area. These were really the key areas where there were significant numbers of koala records and evidence of persistence over time. So these were a limited number of areas. And so of that 100,000 hectares, 20,000 hectares was on state forest, public land and but that report was suppressed. It was never released and still hasn't been released.

40 We got it through a GIPA request and what really concerns us though is having identified these particularly important areas for koalas, they just went on logging. They just treated them as if they didn't exist. They've logged thousands of hectares of them since and they're still doing it. They finally protected them within The Great Koala National Park last year in September but outside The Great Koala National
45 Park, they get no protection whatsoever.

So it's an example of identifying exceptional areas for a threatened species, now an endangered species, and doing nothing about it. There's been no progress whatsoever.

As recently as late last year, the Environmental Protection Authority recommended increased protection for them outside The Great Koala National Park, not just within it. All they were saying is let's not intensively log them. All they were recommending to the Forestry Corporation, stop intensively logging them but the Forestry Corporation would not have a bar of that.

So this just goes on throughout our public native forests, there's all these identified needs to increase protection for threatened species and they're just ignored time and time again. But that's a particularly grievous example. And we've also got currently controversy over logging high density greater glider areas and conservation groups have been going out and doing the surveys the government should be doing to identify where these high densities of greater gliders are.

We've had to go and identify where their den trees are because Forestry don't do a good enough job on it because they're legally required to protect 50 metres around all den trees but unless we identify them, most of them are not being identified, even though they've reinstated a need for surveys for them, they're of very limited extent. So we've just got to protect the homes of our threatened species I think is the key message there, particularly when we know there's these exceptional areas that need protection.

But I'd like to probably start off on resources if that's okay, the sustainability of forestry operations. So as I said, we've been involved for a long time but back as an outcome of the comprehensive regional assessment process before the RFA because New South Wales made its decision in 1998 and the RFA didn't come into play until 2000. The environmental outcome was limited by a timber commitment. So they committed a certain volume of timber had to be provided to the industry and any conservation outcomes had to be within that limitation. So that volume was 269,000 cubic metres per annum of large high quality sawlogs.

We complained at the time and gave abundant evidence that that was an overestimation and so we tried to get it down to a more sustainable level then. But their intent was and quite explicit intent was to log above sustained yield estimates for 20 years and then reduce down after that, significantly reduce down after that. So they issued wood supply agreements for those 20 years and then found they couldn't meet the supply requirements. There wasn't enough timber.

So in 2003 they did another estimate of timber volumes with using their FRAMES model and that identified the large high quality sawlogs over 20 years as 205,000 cubic metres per annum. So a significant reduction from 269 down to that in a few short years and but then they went and committed in wood supply agreements 215,422 metres cubed per year in guaranteed wood supply agreements and in addition to that, they had these sort of type B agreements which were for an additional [7,655] cubic metres per year. So they overallocated what they thought was a sustainable yield yet again with the intent to reduce the yield down after that time

So the yields were predicted to go down by two thirds after 20 years, so it was all predicated upon overlogging for 20 years and then reducing down to a reducing

sustained yield, like as they went on, continued overlogging, the amount of timber for the future was less and less. So they did that, they overcommitted, but the timber wasn't there again and Boral took the Forestry Corporation to court I think for every year from 2004 until 2010 for failure to supply and they got – for the first three years they got \$550,000 in compensation from the government.

This is timber that was committed to the mills for free. They don't pay for it. They just get these wood supply agreements and these are based on historical allocations. There's no tendering process, there's no open transparent processes, it's because 30 or 40 years ago that mill got allocated a volume of timber and it's gradually been reduced over the years. And so at the same time they did that, there were people within forestry agencies saying, "Hey no, there's problems with this FRAMES model, it's not working properly. It's got all these errors in it."

But nonetheless, they went ahead and did that and then by 2012, the industry began to freak out because they could see the brick wall coming in 2023 when the volumes for the wood supply agreements ran out would collapse. And so they started asking for a million hectares on national park to be converted back to state forest so they could log it.

Then in 2014, Forestry redid their FRAMES model, their forestry model and identified over – they modelled over a hundred year period, they identified over that period twice, almost twice the amount of timber as what was identified in their most recent 2010 model. So suddenly we had this massive volume of timber appear just out of FRAMES, just from nowhere. But that still wasn't enough to get on to sustained yield basis, so the government then bought back 50,000 cubic metres of high quality logs from Boral. So this is again timber that was given to them for free. We paid \$8.55 million to buy it back off them to retire that quota and then the government assumed they would be on a sustained yield, a hundred years sustained yield is what they were claiming.

So our concern is that was based on an overestimation and it's also all based on this idea that after 2023, timber volumes would plummet. But now suddenly they're all going to be good, they bought back a little bit of timber and it would all be fine. There was a – Forestry Corporation did a yield review, as they were required to do, comparing the actual yields to the modelled yield for northeast New South Wales. They did that between 2010 and 2019 and so it was 87.3% of prediction. So again, getting less than what they predicted.

And then we had the 2019-20 fires where huge areas of our – over half the state forest were burnt. Forestry identified on average across northeast New South Wales there's a loss of around 10% of sawlogs and 25% of smaller trees. And this was based on a desktop assessment based on plots done in Eden and extrapolating those across the North Coast based upon the fire intensity. So a really shoddy process.

But despite identifying significant loss of trees, they then said really that would have virtually no impact on sustained yields and then the government issued new wood supply agreements to the other millers because Boral's got extended to 2028 when

they got bought back. To the other millers to extend it from 2023 to 2028 at the same volume. So we just got this perpetuation of overallocation of what resource that are estimated to be there and overestimation of resources.

5 So over the past two years, the average yield of large high quality of sawlogs including power poles and girders for northeast New South Wales has been 114,541 cubic metres. So again, a major reduction in the volume of timber they're taking off and I still have concerns that there was this cliff meant to be happening in 2023 and I think it's probably having an effect already. So I just think the estimations of sustained yield
10 have been proven to be unreliable over time and to maintain those volumes, to maintain a semblance of those volumes, they've had to reduce environmental protection, they've had to buy back timber at the public's cost and it's just – they've also reduced the size of the sawlogs.

15 So rather than talking about large high quality sawlogs now, they include small high quality sawlogs in doing their estimations of resources. So they've expanded their definitions, they've expanded the types of timber they take and it's all just mining our forestry and they're just cutting – and you look at the volume of timber in our forests and it's more than halved over time. We've taken out most of the big trees and the
20 trees are getting smaller and smaller and the volume of wood in the forest is getting smaller and smaller. We did an assessment of one area and it was reduced by about 60%, the volume of timber in the forest, due to logging.

So it's just they're not giving the forest time to recover, to regrow, to get back that
25 volume that's lost. But really at this point in time, I think we can meet all our sawn wood and composite timber needs and we can substitute composite timber for most of the structural hardwood purposes from plantations. And so hardwood and softwood plantations in Australia already provide 91% of Australia's log production and
30 hardwood plantations, which is heaps, we get 3.5 times the timber from them as we do from native forests. So we get more of our hardwood from hardwood plantations. The trouble is that we export 87% of that as woodchips. We're not using that for our sawn timber production.

MR DUNCAN: Dailan, could I just ask a question at that point? You know, you
35 talked about plantations. In northeast New South Wales, are they successful or not, from your point of view?

MR PUGH: We have problems in northeast New South Wales, historical problems. I mean, basically the Forestry Corporation decided to abandon plantations in northeast
40 New South Wales in 1980 and they started treating it as a continuum of plantations with native forests. So they actually stopped having plantations on paper then. They had about 9,000 hectares established I think at that stage. And in 1990, when they had the RAC inquiry, Resource Assessment Commission, I think it was, inquiry, they got criticised for not having hardwood plantations in New South Wales.

45 So they then did a reassessment of their forests and they asked their foresters to identify any areas that had been intensively managed in the past and then to claim them as plantations. And I think at that stage it was about 25,000 hectares they

claimed as hardwood plantations. Now, none of that was based upon fieldwork to assess how well they've grown, it was just whether some forester in the past had thrown some seed around or planted some jiffy pots or there was an aerial photo showing the area had been virtually clear felled or intensively logged at least.

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So we believe that's a very shoddy process. We were actually on a review committee in 1997 to review their claimed plantations and I asked for all the documentation for them and this was at a stage when they were trying to increase it again from the 25,000 to I think about 35,000 or something like that. And, you know, a lot of it just didn't stack up. There wasn't the evidence for it and most particularly at that time the definition of plantation was more than 50% of the canopy had to be formed by planted trees and they never did the field assessments to establish that and we went out and did some and found that that wasn't the case at all. There was no evidence in a lot of cases that the trees had been planted and that or the canopy was formed by trees claimed had been planted. So we've got problems –

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MR DUNCAN: If you took other types of agriculture that may be changing or failing or not been successful or cleared land for that matter and put hardwood plantations, is there any reason why they shouldn't work?

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MR PUGH: Sorry, I missed that.

MR DUNCAN: Is there any reason why they couldn't work on existing cleared land, old dairying land or macadamia plantations, is there a reason why they –

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MR PUGH: They have, they've been buying land and planting plantations on it. You know, trees in rows, quite obvious was cleared land beforehand and they're planting trees. So look, there are legitimate plantations, don't get me wrong, but there's also a lot that are within native forests that have been spuriously claimed as plantations and we don't believe the evidence is there.

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So that's our core problems with claimed plantations, hardwood plantations in northeast New South Wales is that sure, there's some legitimate ones but there's some that we believe aren't legitimate and some that even if they are legitimate, were established within native forests in areas that probably should be restored to native forest. And that could be done at the end of the harvesting cycle, when they clear fell it.

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Like there's a whole lot in the Border Ranges that were done in rainforest where they cleared the core out of the rainforest, the best rainforest on the good basalt slopes and then they planted pine. They're now removing the pine, hoop and bunya pine, and planting it with eucalypts in the middle of world heritage rainforest. We don't think that's appropriate.

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MR DUNCAN: So we've got a hard stop at 3.30. Is there anything the panel wants to ask at this stage?

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PROF MARY O'KANE: No, I'm good. I like listening to this.

MR DUNCAN: Yes, so we've got to wrap up about 3.30 but please cover anything you need to cover.

5 **MR PUGH:** Okay, so I'll pass across to Andrew now to –

MR DUNCAN: Andrew.

10 **MR ANDREW MURRAY:** I'm Andrew Murray. I'm a botanist who's been working in northeast New South Wales, especially the far north east for about 40 years. The gist of what I'd like to talk to is the plight of endangered plants and ecosystems in our native forest estate and I've been working with NEFA doing audits of logging operations since about 2009.

15 And some of my experience there is that wherever we go in the forests after logging operations, we find breaches of the protocols for threatened species, we find inadequate surveys, we find even when we document these breaches in great detail and you can find many of these audits on the NEFA website if you're interested in looking, we have an inadequate response from the EPA in following up these and even when
20 they do rap the Forestry Corporation over the knuckles, the penalties are totally inadequate for the level of the damage occurred.

Some of the instances I'd like to bring to your attention are Cherry Tree State Forest in the northeast, west of Casino. In 2015, we went in there to look at the results of
25 logging there and we were frankly horrified to find that they'd bulldozed through a patch of lowland rainforest and as we explored the logging area, we found that many of the crossings that they'd constructed were similarly through lowland rainforest. And we even found evidence – well, we found felled trees of the rare *owenia cepiodora*, the onion cedar.

30 We documented all of this and it took nearly two years for the EPA to even come to take seriously our extensive records of the breaches that had occurred during the logging operation there, breaches of habitat trees poorly selected, habitat trees damaged during logging operations, the breaches of the marked areas of exclusion
35 zones. And yet there was a reluctance to actually hold the Forestry to account in –

PROF O'KANE: Could I ask a question, Andrew?

40 **MR MURRAY:** Beg your pardon?

PROF O'KANE: Could I ask you a question about that?

MR MURRAY: Sure.

45 **PROF O'KANE:** Presumably they would've known what they were doing in logging the lowland rainforest. I mean, would it have been a mistake [cross-talk]?

MR MURRAY: Well, it was very clear to myself, who has an experience, that the access that they'd desired to get through to the area they wanted was through rainforest and in logging, they'd knocked down rainforest species. So it was clear to me, whether it was clear to the operators, I don't know. The EPA, in their
5 investigations, actually denied that some of these areas were lowland rainforest except that during the operation in 2015, the OEH and the – well, whatever it was called then, and the Forestry were undertaking an extensive mapping operation of EECs, including the lowland rainforest.

10 And the other concern we had there was there were large stands of the steel box, which is a vulnerable tree, and it worked out while they continued operating and logging the whole of those compartments, it worked out that when they'd actually finished their investigations, that most of the area that we'd been concerned about the logging operation was actually in an EEC. That when the maps came out, it confirmed
15 that all our concerns were actually realistic. Now, these concerns –

PROF O'KANE: Thank you. That's very helpful.

MR MURRAY: Yes, well, as I said –
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PROF O'KANE: I'm sorry, I didn't mean to divert you. I just was curious because that point's been raised a bit.

MR DUNCAN: Yes, it has been raised, yes.
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PROF O'KANE: And since you're an expert in it, I just wanted to get your opinion.

MR MURRAY: Yes, well we were very concerned and, as I said, there's a full account of our audit on the NEFA website.
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PROF O'KANE: Thank you.

MR MURRAY: Including our interaction with the EPA, if you'd like to investigate that further.
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MR PUGH: I'm just aware of time, I know we were five minutes late but it'd be good if Lyn could maybe –

MR MURRAY: Yes.
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MR DUNCAN: Lyn, happy to hear from you. I'm sorry, we've run out a bit of time but we've got five minutes, I'm sure, if you want to make some points for us.

MS LYN ORREGO: Thank you, Lyn –
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MR DUNCAN: We'll take your submission as well.

MS ORREGO: Thank you. Lyn Orrego. I was the Nature Conservation Council representative on the Ecologically Sustainable Forest Management Committee during the CRA, when Carr was running that. I just want to make a quick comment and I'm just skipping through my two pages, which I thought I could read but I won't. About the term "sustainability" and today's style of intensive logging. "Sustainability" as a word on its own is not accepted by myself or scientists or by the legislation. It must be rephrased as "ecological sustainability."

Logging can be said to be sustainable, of course, if it doesn't matter what is downgraded in the logging, you can keep doing it. But it can only be ecologically sustainable if the forests themselves are dependent, fauna and flora, their water generating capacity, myriad other ecological values are also sustained while that logging is taking place.

And the point about today's style of intensive logging is it is not ecologically sustainable. Today's industrial logging, which by the way is still called selective, uses giant plantation harvesters that need large clear felled areas for their long reaching mechanical arms to work in to even cut one tree and be able to swing it over to the pile for debarking, marking, et cetera. These machines work on a front, clearing as they go. It's extremely damaging. It's not like it used to be. The canopy is taken, the forest is taken.

And apart from destroying habitats of forest dependent species, it leaves vast areas of denuded forest floor, exposed to the elements, drying out and primed for sediment transport into waterways, weed invasion and bushfire. Forestry Corporation, even that on most of their harvest plans, these black spots that are called impenetrable areas. Sorry, I've skipped that. Trying to be quick. Anyway –

MR DUNCAN: Also, Lyn, there's the opportunity to submit your notes to us as well. We're more than happy to –

MS ORREGO: Good. I'll just talk to them as quick as I can.

MR DUNCAN: Yes, okay.

MS ORREGO: Yes. So once the canopy is gone, the light pours in and lantana beats the eucalypt seedlings to come back and here on the North Coast, the lantana forms tall, dense, literally impenetrable areas, somewhat like blackberries on the South Coast, I would imagine.

Under the thick lantana, there's hazardous skeletons of tree crowns and limbs and I once had to walk through one of these areas in Oakes State Forest. It was taller than I was, literally I could only advance one step or clamber at a time, having a slim crevice or tunnel to get through and it took hours. And these are areas of failed regeneration and we should be – we'll have to use the maps of the impenetrable layer to guide rehabilitation efforts to bring back the native forest that was there, not continue the logging to keep creating them.

So that was my main point. I'll skip all the rest except I had a whole point about the values of forest, but others have covered that. We know that the values of forest, the non-timber values are monumental compared to the small value of timber taking out and what is lost. So my last point is about the word "transition." I have a terror of the government announcing a transition policy attesting to the protection of our public native forests when their intent is to keep, even ensure, logging continues for every day of that transition time, even years. Terror because the logging part of the policy will not be stated except perhaps in some confidential form to the industry. And the public will believe the policy, believe the government cares about protecting public native forests.

This unfortunately is what has happened since March 2023 in The Great Koala National Park assessment area where I live and it is devastating to the forest, all their non-timber values, communities and to the lost legacy opportunity for the government, which instead will be remembered as the government didn't save the koala, nor the forest, the forest that they evolved in over millions of years. It's a danger to the forest, it's a danger to the government.

And when Carr was premier and we were working with him under the CRA, everything was calm. There were no protests in the forest because he created a moratorium over most of the area that was being considered for protection. So people sitting in the rooms knew that those forests were protected while we decided if they should be protected long-term. Now we sit in rooms and we know there's three logging operations happening right now in The Great Koala National Park. A new one – sorry, there's more than that, there's like 14 or 15 but there's three new ones right in my backyard and I'm not a NIMBY but it affects you more when it's close and when you know what it means.

And it's a bit like getting killed on the last day of the war, you know, which actually happened to one of my forebears. But anyway, I didn't mean to get upset but it is dire out here and Labor is losing support. They're getting famous for what's actually happening on the ground, not the words, but they shouldn't have this and they don't need this. The science is there to stop it, to end native forest logging now and it's all government generated science. We've just got to listen to it, do it.

MR DUNCAN: All right, Lyn, look –

MS ORREGO: Anyway, I'll stop there. Thank you.

MR DUNCAN: No, you've made the point quite well and Lyn, Dailan and Andrew, I'm sorry we've got to wrap up now but we do have your submission and if you wish to submit something more, we're happy to take it. So I think you have our contact details. Sorry we've had to finish at that point.

MS ORREGO: Thank you.

MR DUNCAN: We've got another meeting to go. Okay.

MS ORREGO: Thank you.

MR PUGH: Okay. I'd just like to remind you we're in a climate and extinction emergency and we need emergency action now. Thank you.

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MR DUNCAN: Thanks, Dailan. Thanks, good to see you all. Bye bye.

MS ORREGO: Bye. Thank you.

10 **>THE MEETING CONCLUDED**