

Submission on the Renewal of the Regional Forest Agreements in NSW

Key Points:

- Why continue with an outmoded and underperforming system?
- Why not adopt best practice in sustainable forestry management based on the benefit of 20 years of scientific and management research and understanding?
- Why perpetuate a system that fails on so many levels of normal good practices in both business, operations management and managing the environment?
- and is supported by less and less people?
- Why deliver a "consultation" system which disenfranchises the public?

It seems clear that both global and national communities are growing in recognition and understanding of the increasing impacts of climate change and that in Australia we are moving towards more of a majority consensus that expects our government at both State and Federal levels to take significant action to mitigate our contribution to global warming and manage our natural environments for triple bottom line benefits.

It would also seem that moving towards more up to date and forward looking forest management systems is a very easy win on a number of levels – environmental certainly, but also social and economic. I refer you to the "Wedding Cake" approach that is being used by governments and organisations working towards the UN 2030 agenda of the Sustainability Development Goals.



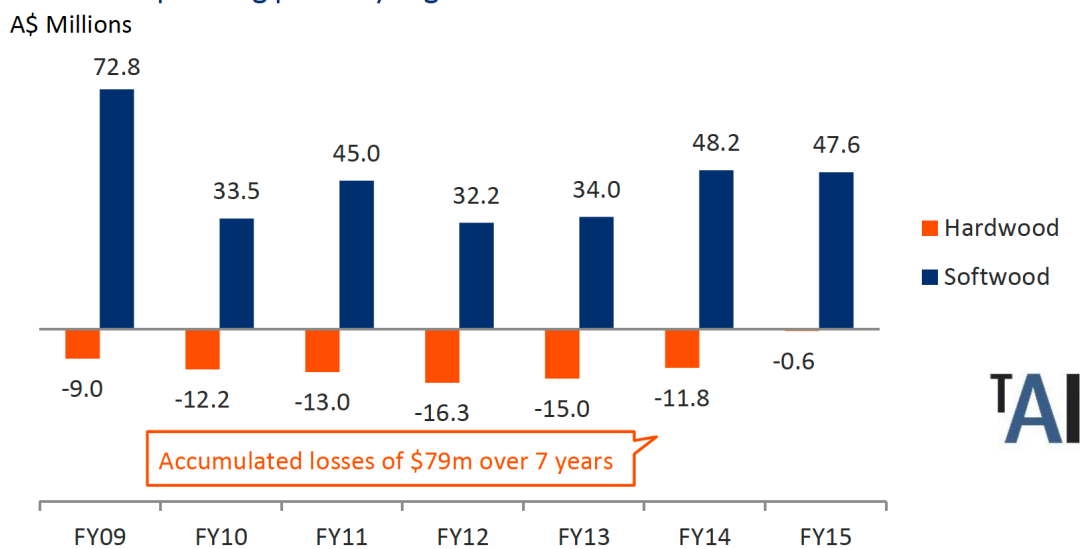
Having now read quite a lot about the RFA's, it is evident that they deliver against none of these criteria.

When new more effective models of Forest Management are available based on well proven science, economic and social research, it seems perverse for the NSW State government to insist on adhering to a model of management that fails on every important level. On what grounds can you allow this to continue?

It is not necessary or economic to continue to extract native timber from natural forest areas, when there is now sufficient plantation timber for all apparent needs.

Analysis of the profit /losses made by the Forestry Corp demonstrates that the logging of native forests has been loss making (to the tune of \$79 million AUD over 7 years- Hardwood Forests Division (native forestry) Australian Institute report 2016)

Exhibit 3 Operating profit by segment



Source: Forestry Corporation of NSW, "Annual Reports 2008-09 to 2014-15"

I speak as a business owner and operator and having held a number of Directorships of for-profit and not-for-profit enterprises, and from any economic or commercial point of view, re-licensing an operation which allows this continuing trend of loss-making seems bizarre in the extreme.

Again, having worked to ensure good corporate governance in numerous organisations, I find it remarkable that the very poor operating practices of the Forestry Corporation, when measured against the agreed RFA's, have been allowed to continue for so many years, particularly in any organisation who is reporting to government who is in turn responsible for the management of its estates, to the general public. When we look at the quality of reporting against the criteria of the RFA's themselves, it is again evident that both this Corporation and the government management systems and the Agencies that are established to ensure conformity to

the requirements of legislation, are falling far below the standards that must be expected of them, both by government itself, and by the people on whose behalf they are managing the contractor's conformity to legislation and agreed management criteria.

In any commercial organisation, repeated failure to operate to agreed standards – over 4,000 examples of non-compliances, and failure to improve performance over many years, should lead to the government finding new contractors. It is very hard to understand why normal good operating procedures and processes have not been applied in this case. Perhaps this case should be referred to the Auditor?

I have recently read the recommendation 38 of the Hawke Review *Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999* conducted in 2009:

“The Review recommends that the current mechanisms contained in the Act for Regional Forest Agreement (RFA) forest management be retained, but be subject to rigorous independent performance auditing, reporting and sanctions for serious non-compliance.

The Commonwealth and States should agree on sustainability indicators by the end of 2010. Subject to the concurrence of the Environment Minister, these indicators would provide a basis for performance auditing.

The RFA reviews undertaken by the Commonwealth Forestry Minister (Forestry Minister) and the relevant State party, in consultation with the Environment Minister, should be expanded to focus on the performance of RFAs in meeting their agreed outcomes, including protecting biodiversity and continuous improvement of a State's Ecologically Sustainable Forest Management (ESFM) framework.

The Act should be amended so that the Environment Minister may apply the full protections of the Act, if, after consulting with the Forestry Minister, the Environment Minister is satisfied that the review:

- (1) has not occurred within the timeframe specified in the RFA;*
- (2) indicates serious non-performance, including*
 - (a) failure to implement and maintain forestry codes of practice;*
 - (b) failure to commit to and implement recovery plans for listed threatened species in RFA areas;*
 - (c) failure to establish management plans for Comprehensive, Adequate and Representative (CAR) reserves;*
 - (d) failure of the ESFM framework to protect species;*

- (e) failure to investigate alleged breaches of the RFA and correct any proven breaches; or*
 - (f) the audit outcomes are not implemented to agreed standards; or*
- (3) does not provide enough information to judge if there are serious non-performance issues.*

This eight year old Review is fascinating in the light of the continuing failure of the Forestry Corporation to improve its performance against all those criteria mentioned, also in the light of the continuing failure of the government's own Agencies in reporting within reasonable timescales and reporting transparently and truthfully the performance of the Forestry Corporation. This is a double failure of huge proportions, which is less and less defensible as time goes on and developing good forest management practices globally diverge from what is being allowed to happen on the ground here in Australia.

Those are my simple submissions about the RFA's as I understand them and how they are being managed by NSW government agencies.

I would also like to state that the current "community information" and "community consultation" is also bizarre and seems designed to prevent EPA and DPI learning what the community thinks.

The questions asked in this DPI questionnaire are not the ones which most people want or can answer. There seems no way for ordinary people to offer their opinions about any aspect of the forest management question.

What I would like to understand is whether it is the State Agencies who wish to prevent any real community consultation, or whether it is the politicians who direct them who have asked that a process is enacted which is of no value to advancing any facet of forest management in New South Wales.

I try to believe that we are moving towards a better process for decision making and that decisions will be made on the basis of sound evidence and for the benefit of the community and the environment in the long term. What I have observed while I am learning about forest management here, is that the decisions that are being made do not have any basis in any improvement in practices, engagement with the public or future stewardship of the environment.

This will undoubtedly change as climate change becomes more influential in all of our lives and in our environment, but it would be so much easier and more productive for everyone if the NSW government started to change its practices and

policies sooner rather than later – what is happening here seems so antediluvian and inappropriate to the modern world.

I suggest [Great Southern Forest](#) approach should be seriously considered as a more appropriate way forward which will have much more support regionally and globally than the long discredited RFA.

With all good wishes for our future, Elizabeth Hepburn March 11th 2018