

14 December 2016

The Hon Mike Baird, MP Premier of New South Wales GPO Box 5341 SYDNEY NSW 2001

In reply, please quote: AC16/E1

Dear Premier

The Great Southern Forest proposal

At our recent 2016 Annual Conference October 23, the Nature Conservation Council of NSW endorsed the Great Southern Forest proposal to:

- a) end native forest logging of over 400,000 hectares of public land in the carbon dense Southern Forest Region; and
- b) implement a carbon emissions reduction fund linked to jobs in native forest landscape restoration, wildlife protection, and boost jobs in nature-based tourism.

The Great Southern Forest (GSF) proposal supported by the National Parks Association of NSW, National Trust far south coast branch, and the South East Region Conservation Alliance is a new initiative to manage public native forests in the Southern Forestry Region of NSW for carbon capture rather than wood chipping.

The Great Southern Forest encompasses over 400,000 hectares of public native forests currently managed by the Forestry Corporation of NSW on behalf of NSW taxpayers, between Nowra and Eden on the south coast and inland to Tumut. The GSF proposal will protect and connect forests and link national parks, state forests and private land.

These carbon and biodiversity rich forests could be managed by both current or alternative authorities. It is expected that any change in management and use will be funded by forest carbon sequestration credits. This is not a proposal for further national parks but promotes more appropriate protection of these forests and their natural carbon reserves.

The expiry in 2019 and 2021 of the two Regional Forestry Agreements (RFAs) covering this forestry region provides a crucial opportunity to re-evaluate loss-making, logging-based forest management and moving to more environmentally sustainable uses.

Major economic and environmental changes have occurred since the RFA process began 20 years ago. Climate change has emerged as the main threat to Australia's economic wellbeing and natural environment. Ceasing to log and woodchip these precious native forests is likely to be one of the cheapest methods available to Australia to reduce its carbon emissions.

Recent research from The Australia Institute has found that ceasing to log the Southern Forestry Region would reduce carbon emissions by up to 2 million tonnes per year (<u>http://www.tai.org.au/content/logging-or-carbon-credits</u>), which could earn NSW from \$20-40 million per year, depending on the current carbon price, which has recently ranged from \$10-\$20 per tonne.

A 2015 analysis of the NSW Forestry Corporation's public accounts found that \$79 million was lost from its native hardwood operations over the last seven years (<u>http://www.tai.org.au/content/money-doesnt-grow-trees</u>).

In 2012, the last year for which public data is available, private native forest loggers and processors in this region lost about \$1.4 million, mainly due to competition from South-East Asian woodchip exporters, while the Forestry Corporation lost a further \$700,000 (<u>http://www.tai.org.au/content/logging-or-carbon-credits</u>). Consequently, employment in the region's wood logging, chipping and sawmilling industries has fallen for many years and is now well under 300 people, and reducing every year.

The Great Southern Forest proposal also has major environmental benefits. Short logging cycles, the loss of breeding hollows and related burning are causing dramatic declines in the numbers of many unique native mammals and birds. These threatened animals include the iconic and endangered southern koala sub-species. Ending logging also would enhance nature-based tourism, increase long-term water run-off for agriculture and settlements, prevent soil erosion and reduce the risk of wildfires.

The income the NSW Government would earn in carbon credits from the Australian Government's Emission Reduction Fund's if it adopts this proposal, should be re-invested in the region. Investment in tourist infrastructure, forest restoration and wildlife protection could create from 200-300 jobs per year, and also facilitate further employment expansion in regional tourism.

The GSF proposal highlights the potential for the management of these biodiverse and carbon-rich forest assets to transition from uses based on environmentally destructive and loss-making activities to a more ecologically sustainable, creditable and profitable 21st century enterprise.

For more information and detail on the GSF proposal we recommend you visit <u>http://www.greatsouthernforest.org.au</u>

The Nature Conservation Council and GSF proponents would welcome the opportunity to meet with you in the near future to discuss this important alternative model of public native forest management.

We look forward to your response.

Yours sincerely

Prof. Don White Chairperson