

# The unsustainable nature of native forest logging

25<sup>th</sup> February 2016

News of a messy logging operation in the Nymboida State Forest led to the Clarence Environment Centre checking it out in February, 2016.

No logging operation is a pretty sight, and I can understand people's concern at the destruction wrought by modern mechanical logging which gives no thought to native fauna and flora that are inevitably killed during the process.

However, an inspection across the southern half of Compartment 607 revealed that, generally, the logging impacts were relatively benign (see below), and the basal area removal rates, quoted at an estimated 25% in the Harvest Plan, appeared to be close to the mark.



In recent years, most logging operations have gone for the maximum allowable basal area logging rate of 40%, but in this case it was clear that 25% was all that was available to them. This was really unexpected to me, as the harvest plan had also stated that the last logging in those compartments (607 and 608) had taken place about two decades earlier in 1997 and 1994 respectively.

The harvest plan estimated that some 95% of the 274 hectares (c260ha) available for “harvesting” would be logged, yielding a total of 2,266 cubic metres of timber, or about 9 cubic metres per hectare. The breakdown is shown at left with almost half described as “low quality”

<i>Products</i>	<i>Total (m<sup>3</sup>)</i>
High Quality Large	770
High Quality Small	340
Low Quality	1042
Poles/Piles	114
<i>Total</i>	<i>2266</i>

The Integrated Forests Operations Approval (IFOA) defines the difference between large and small saw logs. Stating: “*High Quality Large Sawlogs*” means sawlogs, having a ***centre diameter*** under bark of at least 40cm”.

For this particular logging operation, the stand-out feature was that the **average** diameter of the freshly cut stumps was only about 45cm, (see below) with the largest (excluding old-growth trees felled alongside the tracks, apparently for Occupational Health and Safety purposes) still less than half a metre diameter.

The hat used for perspective in the following photographs measures 37cm x 32cm



Old-growth tree bulldozed for occupational safety reasons.



Typical of the smaller stumps



Average size of stumps



This was the largest stump recorded on the day. Still less than half a metre in diameter. Logs are measured without their bark

The point that must be remembered is that the smaller the log, the smaller percentage of that log can be salvaged. On 29<sup>th</sup> October 2012, the late Spiro Notaras OAM, a highly respected and experienced timber industry leader, who ran the family mill in Grafton for more than 60 years, gave evidence to NSW Upper House Inquiry into the management of crown land. The hansard for that hearing records the following.



Imperfections such as this lead to excessive wastage at the mill

**Mr NOTARAS:** *“You wanted to know the recovery figures. I can tell you that with small logs it is between 30 and 40 percent - it varies in species - but roughly you could work on about 28 per cent recovery”.*

**The Hon. RICK COLLESS:** *“What is it for large logs?”*

**Mr NOTARAS:** *“Thirty-eight. You will get up to 40 to 45. We have an allocation of girdle logs, which is large. They have to be dead straight, dead solid – perfect - and they have to be over a certain diameter, 450mm. We cut that into high-value products like internal step treads, mouldings, which we get a lot of money for. The trouble is you have to do that to pay—the delivered price is double.*



**Huge amounts of unrecoverable timber is discarded on the forest floor.**

According to Forestry Corporation:  
***“The Hardwood Forests Division (HFD) returned a positive earnings before interest and taxes for the first time in over ten years. This is a landmark result as the Division endeavours to stand on its own financially. The result was underpinned by over \$5 million of cost savings achieved through implementation of a new functional operating model”*** (source - CEO's Report, FORESTRY CORPORATION OF NSW ANNUAL REPORT 2014–15).

It certainly is a landmark result, but don't you just love that the stated period when losses were recorded is “*over 10 years*”. Don't they know exactly how many years losses were incurred? This is only the 15<sup>th</sup> year that the Hardwood Forestry Division has operated under the Integrated Forests Operations Approval, so “*over ten years*” could mean they have never made a profit or, at best, turned a profit in only 4 years.

Unfortunately, we do not have adequate resources or time to research that topic. Suffice to say the annual report admits: ***“The Hardwood Forests Division returned a positive EBIT (earnings before interest and taxes) of \$1.98 million, its first profit result in over a decade”***. We don't yet know how much of that profit will be reduced after interest and taxes are paid.

Either way it's a piddling amount out of a total profit figure of \$52 million, made up courtesy of Forest Corporation's plantations division, and one wonders, given the universal abhorrence at the destruction of natural environment and killing and displacement of unique native animals that results from native forest logging, why would they persevere with that destructive activity, **and more to the point why does the general public put up with it?**

So there you have it. After leaving 50% or more of the tree's mass on the forest floor, as much as 72% of small saw logs is then discarded as waste at the mill; and the very best we can expect from extra large fault-free logs, still sees half the log ending up as mill waste. Is it any wonder that the biomass idea is so popular with the industry?



**With the small end of logs sometimes measuring as little as 20cm, is there any wonder salvage rates are so small.**

The Annual Report goes on to explain that: ***“This achievement has been the culmination of a concerted strategic effort over several years and the turnaround driven by increased efficiency, reduced costs and improved accountability”***. We understand how increased efficiency and reduced costs can contribute to profitability, we'll deal with that shortly, but how does “improved accountability” fit in?

So exactly how did Forests Corporation finally manage to turn a profit through increased efficiency and reduced costs, and who or what were the losers?

For that information we referred to Forests Corporation's Sustainability Supplement where we found the number of flora surveys dropped from 40 in 2013-2014 to just one in this latest financial year, and fauna surveys dropped from 2,011 to 1,991 over the same period (down from 4,793 in 2012-13). So the job of identifying threatened flora and fauna prior to logging operations was slashed, netting a saving of \$219,000. Expenditure on weed control, a serious problem in all state forests, dropped by \$55,084, and pest animal control expenditure dropped by \$70,207. However, the biggest cuts were to post-harvest compliance auditing, saving them \$2,549,000.

To make the figures even worse, the Sustainability Supplement explains that: ***“Recreational hunting in State forests was reinstated in January 2014. At this time the Expenditure Review Committee of Cabinet approved (straight out of taxpayers pockets) a funding package for NSW Department of Primary Industries to manage recreational hunting. The package included funding for Forestry Corporation of \$425,375 in 2014-15 covering three pest control positions in Hardwood Forests Division and liaison functions in Hardwood Forests Division and Softwood Plantations Division of \$160,000 split equally. Funding has been approved for the next two years”***. Another \$100,000 tax payer injection into Forestry Corporation's Hardwood Forest Division.

**Native forests are being trashed, biodiversity is being decimated, and unique native animals are being obliterated and we, the taxpayers, are paying for it to happen. We need to stop native forest logging on public land NOW.**

Compiled by John Edwards

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