

Saving the Rubicon State Forest through a 'Modernised' Regional Forest Agreement?

Rubicon Forest Protection Group

Contribution to the DELWP / DAWR consultation around the 'modernisation' of the Victorian RFAs

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Introduction

The Rubicon State Forest is being devastated by unsustainable logging which has intensified since the 2009 fires.

In part it is being devastated because of provisions in the 1998 Central Highlands Regional Forest Agreement. These include the failure to give effect to key objectives of the NFPS, in particular:

- ensuring ecologically sustainable forest management;
- achieving a balance between the needs of the timber industry and those of other forest users;
- promoting the development of a plantation based industry.

The specification of an unsustainable minimum volume of wood production in the RFA contributed to over-logging from the outset.

The Rubicon Forest Protection Group (RFPG) is a community group based in the North Central Region which has been working since 2015 to protect what remains. See www.rubiconforest.org for more detail.

This paper is prepared as a contribution to the DELWP / DAWR consultation around the 'modernisation' of the Victorian RFAs. We structure our appraisal of the RFAs in accordance with the structure developed in Section 3 of the Consultation paper.

The RFPG does not support the renewal of the RFAs.

However, if the two levels of government are determined to proceed with the renewal of the RFAS by March 2020 this submission recommends provisions for a 'modernised' RFA that would protect the Rubicon State Forest from continued unsustainable logging.

Acronyms and abbreviations

CAR	Comprehensive, adequate and representative
CFP or Code	Code of practice for timber harvesting
DAWR	Commonwealth Department of Agriculture and Water Resources
DELWP	Victorian Department of Environment, Lands, Water and Planning
EPBC Act	Commonwealth Environment Protection and Biodiversity Conservation Act
ESFM	Ecologically sustainable forest management
EVC	Ecological vegetation classes
FMP	Forest management plan
FSC	Forest Stewardship Council
FWPA	Forests and Wood Products Australia
GMZ	General management zone
MSP	Management Standards and Procedures for Timber Harvesting
NFPS	National Forest Policy Statement
RD&E	Research, development and extension
RFA	Regional Forest Agreement
RFPG	Rubicon Forest Protection Group
RSF	Rubicon State Forest
SFTA	Victorian State Forests (Timber) Act
SPZ	Special protection zone
TRP	Timber release plan
VAGO	Victorian Auditor General's Office
VCAT	Victorian Civil and Appeals Tribunal
VEAC	Victorian Environmental Assessment Council
VF	VicForests

Executive Summary

The RFPG opposes the renewal of the Victorian RFAs, in particular the Central Highland RFA.

The RFAs have provided cover for the Commonwealth to turn a blind eye to the ongoing unsustainable logging of native forests by state governments. The Commonwealth has significant powers over taxation, expenditure, environmental protection and export control. In view of the crucial role that forests play in abating global warming and maintaining biodiversity, it is no longer tenable for the Commonwealth to abrogate its responsibility to apply these powers to ensure ecologically sustainable forests management.

The Consultation paper is a disappointment because of its:

- limited information base;
- confusion between the objectives of the RFAs and the mechanisms provided for in the RFAs to achieve those objectives; this is particularly a problem because the Consultation paper is structured around the putative 'objectives';
- failure to inquire as to the causes of shortfalls in achievement, in particular, flaws in the first generation RFAs, or into the provisions needed in a 'modernised' RFA to effect the suggested improvements;
- naïve presentation of the purposes and logic of the RFAs.

The first generation RFAs have failed to achieve ecologically sustainable forest management and have failed to implement key sections of the National Forests Policy.

The RFAs should not be renewed. Moving to ecologically sustainable forest management in Victoria does not require 'modernised' RFAs.

However, if both levels of government are determined to conclude 'modernised' RFAs by March 2020 we propose the inclusion of the following provisions:

- annual independent audit of Victorian forests management against the principles of the EPBC Act
 and the commitments of the NFPS with provision for the lifting of export controls exemption in
 the event of significant breaches;
- a ban to be placed on the export of unprocessed sawlogs and restrictions on woodchip exports to ensure sufficient resources for local processing;
- immediate review of the overall representativeness and adequacy of the existing system of conservation reserves with a view to the promulgation of new 'modernised' FMPs which provide for the realisation of the CAR principles across the forest estate;
- rigorous review and revision of the Code and the MSPs; including review and reform of the handling of community reports of breaches of the Code;
- reform VicForests' governance and mandate;
- repeal of the Wood Pulp Agreement Act;
- review and revision of the principles and methods applied in developing the Resource Outlook;
- review and revision of the methodology underpinning the Allocation Order;
- the resource outlook, TRP and coupe plans to be appealable at VCAT;
- improved specification of silvicultural requirements in the allocation order and the FMPs;
- development of plantations;
- · social impact evaluation of local harvesting activities; and
- funding for R&D with five yearly reviews of research priorities and performance;
- fully funded transition policies.

Part 1. Comments on the Consultation Paper

The Consultation paper is a disappointment for the following reasons.

Restricted information base

The Consultant has drawn on an unduly limited range of reference materials, relying almost exclusively on government reports. There are many relevant documents in the public domain which could have been drawn on including Burns et al¹, <u>SCS reports</u>, the <u>Independent Review of Timber Harvesting</u> not to speak of factual information presented on many conservation websites, including that of the Rubicon Forest Protection Group (<u>rubiconforest.org</u>).

Confusion of objectives and mechanisms

The Consultation Paper is presented as an analysis of the level of achievement of "the overall objectives of the RFAs" and the governance and management of forests in Victoria more generally.

However, the paper is based on a confusion between the objectives of the RFAs and mechanisms provided for in the RFAs to achieve those objectives.

The establishment of the CAR reserve system is presented in the Consultation Paper as an objective but it was in fact a mechanism for achieving the proposed objective of ecologically sustainable forest management (ESFM).

However, while the CAR reserve system could be regarded as a mechanism to achieve ecologically sustainable forest management, in fact, it has had the effect of focusing the issue of ecological sustainability on reserves and allowing unaccountable access to the GMZ. It is significant that under 'complementary management' (S3.1.4) the Consultant is 'Unable to assess' a level of achievement because of the lack of outcome data on 'complementary management' in the GMZ which is to say, he is unable to assess the effectiveness of the State Government's system of regulatory mechanisms.

Preambulatory para B² notes that the RFA 'provides for' ecologically sustainable management and use of forests' which is defined as being 'in accordance with the specific objectives and policies for ecologically sustainable development as detailed in the National Forest Policy Statement'. Ch4 of the NFPS includes 11 specific objectives and policies, including in particular Plantations (4.5) and Tourism (4.7). Astonishingly the only 'purpose' actually identified in the RFA is to provide for "long-term stability of forests and forest industries" (preambulatory paragraph B).

While the NFPS identifies 'complementary management' as a key mechanism for ensuring ESFM (in S4.1 'Conservation'), the term is not mentioned in the RFA and the regulatory mechanisms which might contribute to complementary management are flawed. The provisions for the assurance of complementary management are absent.

In para 7 of the RFA the Parties "confirm their commitment to the goals, objectives and implementation of the National Forest Policy Statement (NFPS)". Among the mechanisms incorporated in the RFA, are the following provisions which in several respects run counter to the goals of the NFPS:

restriction on any nomination for World Heritage listing to be restricted to CAR Reserves (#28)
 preventing any nomination of any part of a GMZ;

^{1.} Burns, Lindenmayer, Stein, Blanchard, McBurney, Blair & Banks. (2015). *Ecosystem assessment of mountain ash forest in the Central Highlands of Victoria, southeastern Australia*. Austral Ecology 40:386-399

^{2.} The particular clauses cited in this paper refer to the Central Highlands RFA.

- the provision for Commonwealth compensation payments if the Commonwealth were to do anything which impacted on available area (#90);
- the exemption of forest products from State forests from export controls (including for plantations, #76);
- the commitment to a 'sustainable yield' of at least 415,000 m³ or perhaps 345,000 m³ (#71), which has proven to be disastrously excessive;
- the commitments to allow mining in state forests including, under certain circumstances, in SPZs (#79);
- the specification of the Victorian forest management and planning system (ESFM) in which ecological sustainability is focused almost entirely on the CAR Reserve System with very weak provisions for 'complementary management';

Notwithstanding the section on plantations in Ch4 of the NFPS there is no commitment in the RFA to plantation development.

Failure to inquire as to the causes of shortfalls in achievement or the provisions needed in a 'modernised' RFA to effect the suggested improvements

The Consultant separates his assessment of achievement (Section 3) from his listing of potential improvements (Section 4). He does not link the identified failings ('Improvement needed') to any flaws in the first generation RFAs nor does he specify provisions in 'modernised' RFAs which might support his proposed improvements nor show how such provisions might give effect to those improvements.

This kind of causal analysis and theory of change are necessary links between assessment, directions for improvement and mechanisms which would characterise 'modernisation'. This kind of analysis is almost completely missing from the Consultation Paper, notwithstanding the advice in governments' forward that the paper would:

... support the discussion about how the Victorian RFAs are operating, and where they can be strengthened. It will also help inform the Victorian Government as it implements its program of reform and improvement to forest management.

Naivety

The Consultant's presentation of the RFAs is naïve. It completely fails to acknowledge the difference between stated objectives and the *real* political objectives.

A strong case exists to conclude that the *real* political objective was to allow the Commonwealth to abrogate its responsibilities for forest policy and to create an *appearance* of ecological sustainability by creating CAR Reserves while in effect freeing up the rest of the forest for unsustainable logging. (Clause 69 in the RFA: *The Parties therefore acknowledge that this Agreement must provide enhanced security of access to resources on forested land for the life of the Agreement*).

Part 2. Shortfalls in achievement and suggestions for improvement

Ecologically sustainable forest management and the conservation of forest biodiversity (3.1)

CAR Reserve system (3.1.1)

The Consultant rates the CAR Reserve System as Satisfactory.

In our view it is not satisfactory. The combination of past logging and mega-fires, across a juvenile forest estate in much of the Central Highlands, particularly the Central FMA, makes the existing parks and reserve system no longer 'comprehensive, adequate and representative', particularly in view of continued logging and the risk of further mega-fires.

The Consultant sees a need to support "collaboration between stakeholders to drive improvement in biodiversity conservation" and for "better information on the effectiveness of the informal reserve system and forests on private land in protecting biodiversity, and for this information to be made available to the public". However, he does not explore why the existing RFAs failed to support such collaboration, or to drive improvement in biodiversity conservation, or to collect and publish better information on the effectiveness of the informal reserve system and private forests. Nor does he explore what kinds of provisions in modernised RFAs would guarantee correction of these failures.

In S4.1.1 the Consultant concludes that "The Victorian RFAs should more clearly incorporate the wide range of values and benefits that forests provide". Superficially it would appear that Ch 4 of the NFPS provides for this wide range of values in which case we need to ask why the RFAs have not fully incorporated them even though the NFPS is cited as the authoritative reference in the RFA. We need to ask, given this apparent failure of the first generation of RFAs, what kind of provisions should be included in modernised RFAs to correct this failure.

Conservation of forest bioregions and ecological vegetation classes (3.1.2)

The Consultant judges bio/EVC conservation as 'Satisfactory' but points to the need to

incorporate EVCs that have low levels of representation into the CAR reserve system ... [O]ther strategies including restoration and improving connectivity between fragmented EVCs and working with private landholders to conserve under-represented EVCs may also provide effective conservation outcomes

He doesn't inquire as to whether these low levels of representation are a consequence of flaws in the RFAs and if so what flaws.

The Consultant has not fully weighed the question as to whether the bioregion and EVC approach is sufficiently ecologically granular to capture the scope of areas needing protection, given that several forested bioregions, such as the Victorian Alps, are disconnected and EVCs, such as wet forests, are ecologically diverse, comprising both mountain ash and alpine ash).

In S4.1.2 the Consultant advises that

To conserve forest biodiversity and maintain ecosystem health, the modernised RFAs should include a range of conservation strategies, including changes to the formal and informal CAR reserve system, restoration of EVCs, improving connectivity between fragmented EVCs, and working with private landholders to conserve under-represented EVCs.

These are constructive suggestions but the Consultant doesn't point to any particular mechanisms (such as a VEAC review) which might be included in modernised RFAs which would drive such changes to the CAR

reserve system or improve connectivity or support work with private landholders. Or even whether such improvements could or should be driven by 'modernised RFAs'.

Threatened species and threatening processes (3.1.3)

The Consultant judges achievement in this area as 'Improvement needed'. We agree.

However, biodiversity continues to be lost in Victoria. More effort is needed to stop the overall decline of threatened species and improve the extent, condition and connectivity of forest habitats.

Peer reviewed research shows that mountain ash forests themselves are a threatened ecosystem, a threat potentially exacerbated by evidence of increasing mountain ash psyllid (lerp) infestation. It is also necessary to recognise the extent to which blackberry spread in forests is exacerbated by timber production (logging and roading).

In Attachment 1 we present an age class analysis of Victoria's state forests, the Central Highlands FMA and several blocks within the Rubicon State forest. The analysis demonstrates a seriously skewed age profile within the ash forests, particularly in the Central Highlands. Further removal of post 1939 forests would greatly exacerbate this already highly skewed forest age profile and would be unequivocally at odds with the first principle of the 2014 Code of Practice for Timber Production, namely, to maintain "biological diversity and the ecological characteristics of native flora and fauna within forests".

The Consultant calls for a re-examination of how:

the Victorian RFAs, and the forest management system they accredit, can best support biodiversity conservation. This includes:

- Broader scale threat management that benefits multiple species and provides a preventative approach, reducing the risk of species becoming more threatened.
- Specific threat management to meet the unique needs of individual species or situations (including for endangered and critically endangered species).

The likely impact of climate change on threatened species, threatened ecological communities and key threatening processes, and the adaptation mechanisms needed to address these impacts, requires attention in the modernisation of the RFAs and Victoria's forest management system.

We agree.

In S4.1.2 he concludes

The modernised RFAs should respond to the likely impact of climate change and other environmental pressures on threatened species, threatened ecological communities and key threatening processes by including the adaptation mechanisms needed to address these impacts. The RFAs should support Victoria's biodiversity plan ... [and] Matters of National Environmental Significance under the ... EPBC Act.

We agree but regret that the Consultant did not inquire as to whether flaws in the first generation RFAs contributed to the continuing loss of biodiversity (particularly in relation to the exemption from the EPBC Act) nor what sort of mechanisms might needed to be included in modernised RFAs (or whether these improvements need or would be helped by 'modernised' RFAs).

Complementary management (3.1.4)

The Consultant's findings in relation to complementary management are shocking.

He quotes Wilkinson as concluding that

[T]he contribution of complementary management of public forests outside reserves to nature conservation is an ill-defined and contentious issue.

[T]he differing expectations of the community with respect to the use of native forests is not helped by a lack of clarity and consistency within the legislative, policy and institutional framework with respect to the relative contribution that forests outside of reserves should make to the maintenance of biodiversity.

The complementary management provisions of the RFA are flawed. They rely entirely on the accreditation of the planning system and a promise of published indicators and regular reports and public consultation.

The promise of complementary management is clearly not being met. RFPG urges further attention to the impact of intensive clearfell logging and mega-fires on the diminishing ecological values of state forests, especially ash forests, outside the reserve system, including loss of mature forests (declining age), loss of understorey diversity, loss of arboreal fauna habitat, invasive species proliferation and forest fragmentation.

The Consultant's judgement that "publicly available data does not allow an assessment of the effectiveness of complementary management of forests outside the CAR reserve system" is an indictment of DELWP's custodianship. The availability of such data was the only mechanism included in the first generation RFAs to assure complementary management. For example, there are no data on the ongoing loss of biodiversity due to logging. The threatened species focus is a very limited approach to biodiversity.

The threat to biodiversity consequent upon over logging can be measured in terms of loss of habitat trees but perhaps more profound is the loss of ecosystem complexity as when rich and complex native forest is replaced by a heavily simplified ecosystem. This is a process of degradation which threatens the stability and resilience of a myriad of ecosystem relationships, many of which have yet to be fully characterised.

This threat is greatly exacerbated by the 1939 fires, because harvesting in recent years has been so focused on 1939 regrowth. This has led to a severely skewed age class profile State wide but especially in the Central Highlands. Not only is the species complexity of regrowth forest reduced but there is a severe dearth of older trees. This is reflected in the loss of habitat trees but independently threatens the stability and resilience of existing ecosystem relationships. (See Attachment 1, 'Skewed age class distribution as a biodiversity threat and breach of Precautionary Principle: Rubicon State Forest as a case study '.)

The provision for complementary management in the GMZ should have been judged as 'Improvement needed'. 'Unable to assess' is unsupportable.

In S4.3.1 the Consultant recommends that modernised RFAs should support the Victorian Government's efforts to improve forest management planning. He goes on to list a number of Key elements of an improved forest management planning system in Victoria (p45).

It is not clear whether the Consultant has concluded that the first generation RFAs <u>did not</u> support the necessary improvements in forest management planning. If so what were the flaws? He does not provide any argument as to why the improvements he is calling for would be facilitated by 'modernised' RFAs and if so how.

Long term stability of forests and forest industries (3.2)

These are not the same! The paper makes no mention of failure to expand plantations in the Central Highlands as para 69 of the Central Highlands RFA supposes. There has been no investment in expanding plantations in Eastern Victoria since the RFAs commenced, while forest jobs in the Central FMA have

plummeted over RFA period. Forty four jobs were lost in Alexandra in 2010 when Gunn's mill closed down and 15 were lost when the Dindi sawmill closed down in 2017.

Maintenance of productive capacity of forest ecosystems (3.2.1)

The Consultant judges this objective as 'In need of improvement'.

The Victorian RFAs have not achieved long-term stability of supply for the timber industry. Reductions in the area available for harvest have resulted from increases in the area of formal and informal reserves and from the effect of fires.

Climate change is likely to lead to changes in the productivity of forests and to further reductions in the area available for harvest.

In our view a major cause of the apparent 'reductions in the area available for harvest' has been repeated over-estimates of resource availability including in the RFAs themselves. The consequent over logging (ref VAGO 2013 report, *Managing Victoria's Native Forest Timber Resources*, p.24) has contributed to the continuing decline in estimates of 'sustainable' yield, not just Leadbeater's possum reserves and fires. Below are VF estimates for D+ ash sawlog sustainable extraction levels across the Central Highlands and East Gippsland:

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2011: 405,000 m³ pa (quoted in VAGO report, Dec 2013)
2012: 443,000 m³ pa (quoted in VAGO report, Dec 2013)
2013: 350,000 m³ pa (quoted in VAGO report, Dec 2013)
2013: 215,000 m³ pa (VF Media Release, May 2013)
2014: 210,000 m³ pa (VF Resource Outlook 2014)
2017: 132,000 m³ pa (VF Resource Outlook 2017)
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The RFPG has highlighted the *commercially and* ecologically unsustainable scale of logging in the Rubicon State Forest and Central Highlands since 2016. (See <u>RFPG 2016 'Unsustainable'</u>). The intensity and scale of logging since then has not abated.

The Consultant concludes that the RFAs have not achieved long term stability of supply but does not inquire as to why. Clearly it was never a realistic objective at the yield specified in the RFAs.

The Consultant recommends that modernised RFAs should address climate change and other large-scale disturbances and support the development of forest-dependent industry and discusses what these might entail.

He does not specify the kinds of provisions that should or might be provided for in 'modernised' RFAs to achieve these goals nor whether modernised RFAs are the most appropriate vehicle to advance such policies.

Maintenance of ecosystem health and vitality (3.2.2)

The Consultant judges this area to be one where 'Improvement is needed'. Increased effort is needed to address the key pressures affecting forest health. This includes research into the state and trend of pressures on forests, and the effectiveness of management actions to address those pressures.

He makes it clear that the first generation RFAs have failed across a number of considerations although he doesn't analyse the reasons for these failures.

In terms of improvements, S4.3.1 lists a range of key elements in an improved forest management planning system in Victoria. As noted above he does not provide any argument as to why the improvements he is calling for would be facilitated by 'modernised' RFAs and if so how.

Soil and water (3.2.3)

The Consultant judges this area as 'Good practice'.

We underline the importance of water-related values that Central Highlands forests provide, including water quality, which is of particular importance in Snobs Creek – whose catchment is currently being logged - given its importance for the Hatchery.

In context of a drying climate, maximising the opportunity for '39 ash regrowth forests to reach maturity will result in reduced forest transpiration and so higher stream flows.

The contribution of forests to the global carbon cycle (3.2.4)

This area is adjudged 'Good practice' but the paper makes no reference (in this section) to plantations!

The development of plantations should have been encompassed by the RFAs through the reference to Ch4 of the NFPS. Clause 7 of the (CH) RFA:

Parties confirm their commitment to the goals, objectives and implementation of the National Forest Policy Statement (NFPS) by: ... facilitating the development of an internationally competitive wood production and wood products industry.

Why did this not occur?

Maintenance and enhancement of long term multiple socio-economic benefits (3.2.5)

This area is adjudged to be 'In need of improvement' and this is supported by an extended discussion of wood products (value, plantations, R&D, technology and value adding), recreation and tourism, traditional owners and employment). The Consultant highlights the widening gap between the demand for and supply of wood products.

The Consultant attributes some of the failure of the RFAs in this area to the lack of indicators which might be used to assess the balance of different uses. We are sceptical.

We believe he has given insufficient attention to the conflicts between different uses, including the forest tourism opportunities foregone due to the impacts of logging over past 20 years. This has been particularly egregious in the Rubicon State Forest.

The paper gives insufficient attention to the implications of continued over-logging on tourism opportunities, especially in view of growing tourism demand due to Melbourne's population growth and the growth in tourist numbers. For the Rubicon State Forest, the potential tourism opportunities – many of which will be further compromised by current logging plans – are significant.

In a statement of the bleeding obvious "governments need to consider the role of plantations in the long-term security of supply for the forest products industry". This has been one of the starkest failures of the RFAs notwithstanding the reference to Ch4 of the NFPS.

The <u>1992 National Forest Policy Statement</u> announced (S4.10) the establishment of the Forest and Wood Products Research and Development Corporation. In 2007 the Corporation was converted into a

membership organisation (including wood processors, forest growers, and Australian importers of forest products) and renamed Forests and Wood Products Australia (FWPA), half funded by the Commonwealth.

Since the NFPS was adopted there has been a significant decline in government support for research, development and extension (RD&E) within the timber and forestry sector, exemplified by the closure of the Cooperative Research Centre for Forestry in 2012. The situation is now so dire that in their latest strategic plan the FWPA note that the sector faces a potential shortage in technical skills to address future problems and opportunities.

In S4.3.2 the Consultant brings forward a number of suggested priorities regarding R&D and recommends that "The RFA modernisation process should facilitate negotiations on forest research priorities between the Victorian and Australian Governments, including identifying how existing research programs and investment can be better utilised." He doesn't inquire into the complete failure of the R&D commitment in the first generation RFAs nor suggest any mechanisms which might enable such commitments in 'modernised' RFAs to be more effective.

In S4.2.2 the Consultant recommends:

The RFA modernisation process should consider how governments can best support the development of forest-based industries, including the forest and wood products industry, tourism and recreation industry, apiary, and the water industry, and ensure that these industries are sustainable into the future.

This process should include consideration of climate change, severe fires, invasive species, Matters of National Environmental Significance, and other factors that present a challenge to the viability of forest dependent industries.

The RFA modernisation process should also consider opportunities to encourage investment in innovation and new market opportunities.

He offers no suggestions about how these needs might be supported through a modernised RFA or whether the RFA is the appropriate vehicle.

Governance and management of Victoria's forests (3.3)

Institutional arrangements (3.3.1)

This area is judged 'Improvement needed'.

A shared vision and an improved policy environment that ensures clear allocation of responsibilities can contribute to improved coordination between agencies and a stronger focus on community engagement.

No argument is presented as to how or why a modernised RFA might facilitate improved coordination and community engagement nor whether it is the most appropriate vehicle.

Regulatory mechanisms (3.3.2)

This area is judged 'Satisfactory'. The Code is seen to incorporate good practice but needs further transparency.

This is surprising as the Code and the Management Standards are the instruments which are directly responsible for the failure of compensatory management discussed under 3.1.4. Whether or not the Code reflects 'good practice' has been challenged in court repeatedly and on several occasions significant failings

have been identified, most recently when VicForests and DELWP submitted different interpretations of Clause 1.3.1.1 of the Management Standards and Procedures, a key clause.

The paper does not mention, under this heading, the exemption from the Export Controls Act which is the central instrument by which the RFAs have allowed the Commonwealth to abrogate its forest management responsibilities.

The Consultant has not recognised the regulatory shortcomings – including enforcement delays, errors and ambiguities in the Code - identified in the <u>Report of the Independent Review of Timber Harvesting</u>

<u>Regulation</u>. These make the 'Satisfactory' finding in relation to the legislative framework untenable.

Forest management planning (3.3.3)

This area is adjudged 'Satisfactory' notwithstanding the Consultant's recognition of the need to revise and update the FMPs and the lack of transparency under the Allocation Order. The updating of Forest Management Plans for each RFA area is set to be a drawn-out process. In view of current plans for logging in the Central Highlands any improvements arising from 'modernised' FMPs will come too late to properly protect the range of non-timber values under threat in heavily logged areas.

The provisions for determining ecologically sustainable harvest limits is a major weakness of the existing forest management planning framework. The allocation order partitions the 'area available for harvest' and the 'five year harvest limits' by ash and mixed species but aggregates all of the forests and districts in one figure. This gives VF complete discretion in terms of sourcing logs across forests and districts without regard to the specific conditions in those districts determining ecological sustainability. Up until 2010 the allocation order partitioned both total area and harvest limits by FMA as well as by tree species. Clearly this restriction was removed to give VF more discretion but at the cost of ecologically sustainable forest management in the GMZs.

The calculation of the five year harvest limit in the allocation order is based on the total area available divided by the replacement rate (83 for ash and 113 for mixed species). This assumes an even age class distribution (which we know to be wrong). The planning framework includes no provision for ensuring coupe selection has proper regard to landscape level features such as local age class distribution, locally prevalent fauna, and fragmentation.

Forest management planning in the Central Highlands is far from 'Satisfactory'.

The Consultant notes that "Managing divergent societal expectations for Victoria's multiple use of forest estate is a challenge that the program to modernise the Victorian` RFAs will need to face." This was a challenge in 1998 and clearly the RFAs failed to manage these conflicts. The Consultant offers no suggestions about how modernised RFAs might better manage these conflicts, except for better metrics.

Monitoring and reporting (3.3.4)

This area is judged 'Good practice' which is surprising, in view of the several suggestions for improvement which the Consultant advances both in S3.3.4 and 4.3.3. In S4.3.3 under *Improve monitoring* and reporting the Consultant suggests a range of actions to be considered in the modernisation process.

He does not explore why the first gen RFAs failed to drive these kinds of improvements. He offers no argument about how or why 'modernised' RFAs are the appropriate vehicle to progress these improvements now.

The Consultant recognises in several places the problem of fragmentation of bioregions and EVCs but there are no metrics among the *State of the Forests* indicators to monitor fragmentation within the State forests. A new fragmentation metric is required to examine fragmentation of 'intact' old forests (>80 years) and whether retained vegetation in heavily logged forests is of sufficient size and extent to serve as wildlife corridors.

RFPG analysis of logging in the Rubicon State Forest west of Snobs Creek, including the Rubicon Historic Area, shows that once all the coupes on the TRP are logged, of a total ash forest area of ~13,000 ha, only 17% will be intact '39 ash regrowth forest, while 42% of the ash forest area will be <20 years old due to logging and fires.

In our current submission to the VF consultation on its High Conservation Strategy and its Harvesting and Regeneration System Strategy (Attachment 2) we point out that coupe by coupe assessments focusing largely on particular threatened species and habitat trees fail to properly address the wide ranging impacts of logging activities on landscape scale biodiversity and population trends of representative indicator species including pre and post logging surveys.

It is untenable to judge 'monitoring and reporting' as 'Good practice' given the limited reach of the 5 yearly RFA reviews which have focussed only on whether specified milestones have been met, not whether Victoria's 'accredited' forest management regime was actually being followed and should continue to have been accredited.

Any RFA renewal should provide for a formal mechanism to allow revocation of accreditation of Victoria's forest management regime, and the reimposition of export controls where the Code is breached.

Audit and compliance (3.3.5)

Reliance on the forest audit program for monitoring compliance with the 2014 <u>Code of Practice for Timber Production</u>, overlooks the multitude of breaches reported to DELWP by the community that are always examined in terms of a black-letter interpretation of the MSP requirements rather than with the Code principles. There is a complete lack of transparency in the reporting of outcomes of breach reports.

No reference is made in the Consultation paper to published expert independent third party opinions, such as <u>SCS Global</u> which audited <u>VicForests</u> under Forest Stewardship Council rules and found evidence of Illegal logging and of failure to protect high conservation values

How can this be judged 'Satisfactory'?

Consultation (3.3.6)

Consultation is judged to be 'Satisfactory'.

SCS Global found evidence of inadequate consultation with stakeholders on harvesting plans. The development of the Allocation Order takes place behind closed doors. The Timber Harvesting Schedule is not published. Coupe plans are only available on request. The FMPs have not been reviewed (or consulted upon) for over 20 years.

This is not satisfactory.

Part 3. RFPG evaluation of the proposed Modernisation of the RFAs

The RFAs should not be renewed

They have been directly responsible for loss of ecosystem health; unbalanced management of different uses; and declining timber supply and wood production.

The RFAs have provided cover for the Commonwealth to turn a blind eye to the ongoing unsustainable logging of native forests by state governments. The Commonwealth has significant powers over taxation, expenditure, environmental protection and export control and, given the crucial role that forests play in abating global warming and maintaining global biodiversity, it is no longer tenable for the Commonwealth to abrogate its responsibility to use these powers to ensure ecologically sustainable forests management.

The CAR reserve system and the weak provisions for 'complementary management' coupled with the exemption from the disciplines of the EPBC Act were designed to reduce restrictions on logging while appearing to address the challenge of ESFM. The over-estimation of wood supply (agreed to as a minimum volume of harvesting) coupled with the fires has devastated ecosystem health and failed to maintain timber supply (in part because of the failure to encourage sufficient investment in plantations).

There are many options for improving ESFM in Victoria, some of which have been identified by the Consultant. However, no arguments have been assembled regarding whether or not progressing these option would be facilitated by 'modernised' RFAs and if so how. There has been no public discussion of the kinds of mechanisms which might be included in modernised RFAs which might give effect to these options for improvement.

If the RFAs are to be renewed we propose inclusion of the following provisions³:

EPBC Act exemption and export controls

Modernised RFAs should include provision for an annual audit sponsored by the Commonwealth to check whether the forestry practices of the Victorian Government would be consistent with the EPBC Act and if not to initiate steps for the lifting of the Export controls exemption.

This could be implemented through an official Commonwealth statutory position – the RFA accreditation inspector –to be established in the Department of Environment to conduct annual reviews of compliance with the Code and other RFA provisions and produce annual reports to be tabled in both State and Federal Parliaments.

At present there is no routine process for Commonwealth accreditation of Victoria's compliance with fundamental RFA requirements to be assessed, much less challenged. RFAs are intended to prevent the application of Commonwealth law on the grounds that state law, such as the Code and the Flora and Fauna Guarantee Act, if properly applied, allow the objectives of the Commonwealth Environment Protection and Biodiversity Act to be met. However the lack of any provision requiring the Commonwealth to satisfy itself that the state is adhering to its legal obligations (the current 5-yearly review provisions in the RFAs are wholly inadequate in this regard) is a serious oversight and must be remedied.

Further, we propose a ban on the export of unprocessed sawlogs and restrictions to be placed on woodchip exports to ensure sufficient resource is available for local processing.

^{3.} See 'Rescue the Rubicon (RFPG's six point plan to save the Rubicon), August 2017

Overall CAR review

Victorian Environmental Assessment Council (VEAC) should be commissioned to undertake an immediate review of representativeness and adequacy of the existing system of conservation reserves in terms of protecting the full range of forest values across all forested land in Eastern Victoria.

Scientific and general understanding of forest values has expanded dramatically since the RFAs were agreed to in 1990, as have the competing pressures on the remaining forests. The forests of Eastern Victoria have experienced three massive fire events and accelerated logging that have radically changed the overall ecological context. It is over 20 years since the last comprehensive review was conducted of the Central Highlands (LCC Melbourne Area 2 review) which contains the forests under the greatest logging pressure.

The review needs to be undertaken by VEAC review using its normal 2-stage process with widespread public input. The outcome of the review should be reflected (a) in new parks and reserves and (b) in specific protections that should be incorporated in a revised forest management plan.

Provision for the extension of parks and reserves and amendments of FMPs in accordance with such a review should be mandated through the new 'modernised' RFAs.

Code review

A rigorous and transparent review of the 2014 Code of Practice for Timber Harvesting (including the Management Standards and Procedures) should be undertaken. Such a review is envisaged in the Code itself (Section 1.1 last para) and the Management Standards and Procedures (see para 1.5.1.1(b)).

There are numerous gaps and inconsistencies in the Code of Practice for Timber Harvesting that must be remedied before anyone can have confidence that its proper application can protect the ecological and social values of public native forests from logging.

New provisions need to be instituted to ensure that breach reports by community members are evaluated in a timely and transparent manner and that there are appropriate appeal provisions.

The review should be carried out by a specially constituted tripartite panel from outside Government, perhaps comprising a forest ecologist, a lawyer and a forester. It should be a 2-stage process with public input at each stage: first considering provisions that should be changed or added and second to the consideration of a new draft Code.

The provisions for Code enforcement shall be strengthened. We acknowledge the establishment of the Office of the Conservation Regulator who will strengthen the compliance monitoring functions of DELWP. We urge further reform including: (i) establishing a new forest management planning division of the Victorian Civil and Administrative Tribunal (VCAT) with powers to modify, or order a halt to forest operations found to be non-compliant with the Code, and (ii) establishing an effective system of penalties and effective sanctions on individuals responsible where breaches are found.

The lack of independent accountability in the way the Code is implemented and the opaque way DEWLP conducts its investigations are major shortcomings. They stand in contrast to all equivalent areas of environmental regulation enforcement, such as through the EPA or the NSW Land and Environment Court. These proposals seek to establish due process that is open and accountable.

Reform VicForests governance

The Order-in-Council establishing VicForests should be amended to broaden its forest management obligations beyond simply harvesting and selling logs, with the Board to include at least one member with conservation knowledge and experience.

Under the Order in Council, VicForests' responsibilities are to undertake the sale and supply of timber resources in Victorian State forests, and related management activities, as agreed by the Treasurer and the Minister, on a commercial basis and to develop and manage an open and competitive sales system for timber resources. The disregard in its charter, of social and environmental obligations, assuming that they can be safely left to other parties to manage is inconsistent with contemporary ideas about unduly narrow organisational obligations, as the current banking Royal Commission has already amply demonstrated.

Repeal the Wood Pulp Agreement Act.

In her <u>second reading speech on the Forests (Wood Pulp Agreement) Repeal Bill</u>, in the Victorian Legislative Council, 22 August 2018, Samantha Dunn highlighted the ways in which unsustainable logging in Victoria's state forests is driven by the supply commitments under the Forests (Wood Pulp Agreement) Act. She demonstrates that the business model of the Nippon Paper Group in part relies on the compensation payments that Victoria will have to pay because of the lack of timber supply.

Ms Dunn demonstrates that the sustainability of Victoria's wood products industries depends on ceasing unsustainable logging in the State forests and that this will require repealing the Forests (Wood Pulp Agreement) Act.

Resource outlook

In a 'modernised' RFA the Resource Outlook should enshrine the following principles:

- forward sales commitments must be aligned with ecologically sustainable harvest levels;
- where available forest is not sufficient to meet forward sales commitments and maintain ecosystem health there should be provisions to ensure that supply contracts are redrawn accordingly.

VicForests should be required to review the 2017 Resource Outlook – with the modelling underpinning such a review to be published - so that: (i) ecologically sustainable sawlog and pulplog availability projections are made at an FMA or RFA level, by forest type; (ii) an allowance is made – on a probabilistic basis such as was used by VEAC– to account for future bushfire losses, and (iii) allowance is made for the outcome of the proposed Code of Practice review.

VicForests' 'Resource Outlook' is a key input to Government planning and regulation of timber harvesting. The Victorian Auditor-General was critical of the way the resource outlook was conducted and, although there have been some improvements, it is still far from adequate. The latest Outlook (2017) treats the ash forests and mixed species forests of eastern Victoria as single ecological units, counter to the ecological sustainability requirements of the National Forest Policy.

Allocation Order

The Allocation Order needs to be revised to reflect the resultant drop in estimated sustainable harvest levels and restore the setting of ecologically sustainable harvest areas at the FMA level as occurred prior to 2010, rather than being set on a statewide basis as at present.

The methodology underpinning the Allocation Order shall be modified to provide for:

- establishing the maximum harvest area compatible with continued ecosystem health, including at district level;
- the probability of future landscape level fires, including the likelihood⁴ of a further 20% loss of '39 regrowth being killed over the next two decades (with the Central FMA at greatest risk);
- the inclusion of criteria for identifying at landscape and district levels regions of forest which are vulnerable to further loss of ecosystem health if logging proceeds and imposing moratoria on further logging with a view to allowing those regions to recover;
- inclusion of criteria for adjudicating around the claims of different forest user groups where they are in conflict and for the Allocation Order to be adjusted accordingly and to include appropriate metrics to monitor and report.

RFPG calls for urgent amendment of the provisions of the SFTA which deal with the allocation order so that harvesting limits are set at the FMA and district level, as well as by ash and mixed species forest types.

TRP

RFPG also calls for more detailed and more timely release of information underpinning the TRP so as to enable properly informed community consultation on harvesting proposals.

We propose that the TRP and Coupe plans should be appealable at VCAT.

Harvesting methods

We call for improved specification of silvicultural requirements as part of Allocation Order and Forest Management Plans. We urge provisions which would encourage the adoption of harvesting methods other than clearfelling (not simply more trials) across a substantial majority of the ash forest area set for harvesting in any particular year.

The documents that VF has produced in relation to high conservation values and new approaches to silviculture include no guarantees with respect to outcomes of any new protocols adopted.

Clearfelling and subsequent regeneration burning has a superficial resemblance to the impact of major fire on ash forests, but only insofar as the dominant overstorey species is concerned. Clearfell harvesting and burning does massive harm to the multitude of understorey species that constitute a 'natural' forest as well as the native wildlife that the forest supports. It also results in wider and more severe habitat loss than other harvesting methods. As various expert reports have shown (e.g. FWPA 2011), ash forests can be regenerated successfully by other harvesting regimes.

VicForests determination to continue to use clearfelling widely in even-aged ash forests is ecologically unupportable, as it tacitly acknowledges in its latest HCV systems draft (p.24):

Adopting higher retention levels across the forest estate may have consequences for the composition of all regenerating plants, particularly light-demanding eucalypt species. If regenerating areas are 'over-influenced' by their proximity to retained forest, eucalypts and other species may suffer from insufficient light and competition for resources . Therefore, it is important to strike the right balance of tree retention (above and beyond protecting HCVs) to allow for the positive ecological outcomes of forest influence, as well as the requirements of successful eucalypt regeneration of harvested areas. For example, research indicates that more than 55% forest

^{4.} VEAC Fibre and Wood Supply Assessment (2017), page 43

influence is optimal to cater for potential wind throw and/or burning of retained areas, while influence levels of more than 85% are considered sub-optimal because of over-influence constraints on eucalypt regeneration.

Plantations

RFPG urges a review of the policy environment (including tax) within which plantation timber is grown with a view to accelerating the transfer of sawlog production from native forests to plantation.

'Modernised' RFAs should include a raft of provisions at both State and Commonwealth levels to assist in the development of plantations.

Social impact evaluation of local harvesting activity

A 'modernised' RFA would provide for enhanced community consultation regarding the TRP and the development and updating of FMPs. Such consultation should be informed by systematic social impact evaluation of local harvesting activity.

Meaningfully engaging with regional communities affected by logging is something that VicForests has not treated as a priority, apart from its community support grants program which, regrettably, requires recipients to refrain from publicly criticising VicForests. Businesses, community groups and individuals who disagree with what is happening are effectively sidelined. The Forest Stewardship Council is widely regarded as the leading the world in terms of the ecological and social perspectives underpinning its forest management accreditation, and its auditors have previously commented on the inadequacy of VicForests' assessments of the [adverse] social impacts on affected communities.

We propose that municipalities hosting timber harvesting be required and supported to conduct such social impact evaluation in the context of consultation around TRP and FMP development.

Research, development and extension

A 'modernised' RFA should include a commitment of a significant increase in RD&E funding from both sides as well as a commitment to a five yearly public review of research priorities and performance.

Transition policies

A 'modernised' RFA should drive the development and implementation of a comprehensive set of transition policies and roadmaps encompassing: building and paper technologies; employment transition; economic development options (both for regional communities and affected industrial sectors); and plantation development. In particular there is an urgent need for resources to support and promote forest tourism.

Attachment 1.

Skewed age class distribution as a biodiversity threat and breach of precautionary principle: Rubicon State Forest as a case study

Dr Nick Legge Rubicon Forest Protection Group 30 June 2019

RFPG submits that any further logging of the Rubicon State Forest (RSF), in particular ash stands and mountain mixed species stands, will be counter to a range of provisions of the *2014 Code of Practice for Timber Production* (the Code), including Clause 2.2.2.2, the precautionary principle (PP).

The combination of high likelihood and serious harm demands caution

In relation to the breach of the precautionary principle we are mindful of the findings by Justice Osborn on the precautionary principle in his My Environment case decision (MyEnvironment Inc v VicForests [2012] VSC 91, 14 March 2012). At para 268, His Honour found that:

... it will be easier to identify a threatened breach of the precautionary principle when a specific action threatens direct serious or irreversible damage to an aspect of the environment of extreme sensitivity and/or novel qualities. The more generalised the threat and the more indirect and less immediate the damage to a sensitive aspect of the environment, the more difficult it will be to be satisfied that the precautionary principle requires abstinence from a particular action.

The RSF already has a highly skewed age class distribution, limited old growth forest stands but exceptionally high conservation values. Further fires over the next 20 years (which are highly likely) would kill more old growth stands and exacerbate the existing skewed age class distribution with seriously detrimental ecosystem consequences. If VicForests continues to log the remaining '39 regrowth ash stands in the RSF at anything approaching the extent proposed in the 2019 TRP, the precautionary principle will be breached.

Using His Honour's logic, the breach of the precautionary principle will arise because the prospect of an even worse age-class distribution than currently exists is not a generalised or remote prospect of little consequence but rather threatens immediate and serious ecosystem damage. This serious and, given the impact of

global warming, quite probably irreversible, threat of ecological harm is both immediate and of high magnitude.

Given the increasing spread of invasive species, in particular deer and blackberries and the impoverishment of understorey species diversity as the result of past and current clearfelling, the further removal of post 1939 forests would greatly exacerbate the already highly skewed forest age profile. Any further logging of remaining areas of high conservation value forest, as is planned in the current TRP, would be unequivocally at odds with the first principle of the 2014 *Code of Practice for Timber Production*, namely, to maintain "biological diversity and the ecological characteristics of native flora and fauna within forests".

In demonstrating the looming age profile catastrophe we focus on several different partitions of the RSF to show the impact of (i) the 2009 fire in combination with (ii) the heavy logging that has occurred in the RSF over the past 40 years overlaid with (iii) the impact of future logging (as set out in the 2019 TRP) and (iv) the risk of future landscape-level fire or fires in the coming decades (as set out in VEAC's 2017 report *Fibre and Wood Supply Assessment*.

The VEAC report states, inter alia, that:

The modelling approach attempts to quantify the risk that bushfires pose to the 1939 ash regrowth in the Central Highlands. The results indicated that it is highly unlikely that the entire 1939 resource would be lost over the next 20 years due to its spatial distribution and varying risk of bushfire across FMAs. The risk to the 1939 resource is not spatially uniform, with the greatest risk in the Central FMA.

Across a range of simulations using historical fire data and a landscape fire succession model, it was found that the mean proportion of Central Highlands broadly and the 1939 resource specifically that can be expected to burn is 20 per cent or less over the next 20 years. While loss of 20 per cent of the 1939 ash regrowth would impact sustainable wood supply levels, it would be unlikely to eliminate the native forest industry.

This heightened risk for the Central FMA must also be seen in the context of the 2009 fire which had a massive impact on the age structure of the RSF as is seen in VEAC's 2017 *Conservation Values of State Forests Assessment Report*.

For additional context we also reproduce below figure 2.12 from the same report showing that the RSF sits in an area assessed to be at the highest level of generalised biodiversity. Even that ranking fails to recognise that the RSF is, in effect, a

biodiversity 'hotspot' containing the biggest diversity of ecoclines within the Central Highlands.

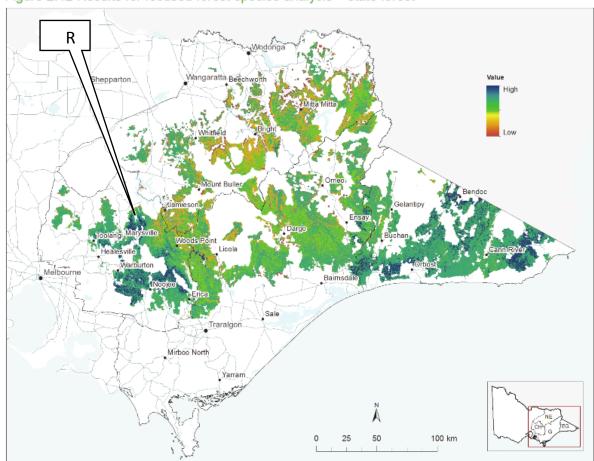


Figure 2.12 Results for focused forest species analysis – state forest

We acknowledge the steps that VicForests, in its latest High Conservation Values Management Systems document, proposes to protect what it considers high conservation value areas. However as our coming comments on that report made clear, by examining individual coupes only without regard for surrounding 'landscape-level' considerations, the proposals utterly fail to properly protect the area's HCVs.

VF's preoccupation with coupe by coupe assessments focusing largely on particular threatened species and habitat trees fails to properly address the wide ranging impacts of logging activities on landscape scale biodiversity and population trends of representative indicator species including pre and post logging.

To further illustrate the biodiversity threat presented by the 2009 fire and the unacceptably skewed age class distribution in the RSF we have analysed one scenario that, absent radical action, could well unfold over the coming decade. For forests comprising eucalypt species with lifespans measured in centuries and which take over a century to form high quality arboreal animal habitat, a heavy preponderance

of very young age classes, is unequivocally at odds with Code principle #1 that biological diversity and the ecological characteristics of native flora and fauna within forests are maintained.

Data shortcomings

While our analysis uses VicForests and DELWP data as provided to us, various data shortcomings mean that the situation may well be much worse than our analysis reveals. For example, data provided to us by VicForests which we have used in this analysis may substantially understate the extent of ash forest killed in the Central FMA in the 2009 fires. VicForests' 2010 Annual Report states (p8) that:

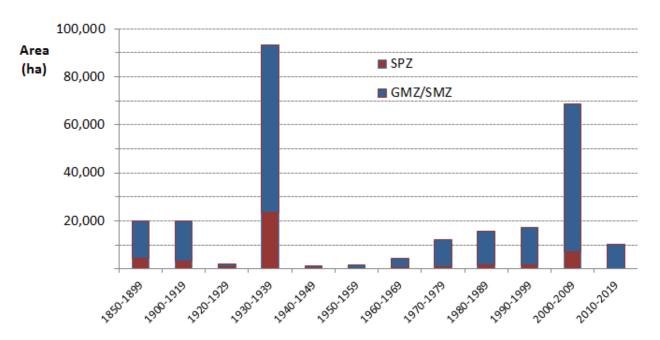
In 2009–10, VicForests spent considerable effort in determining an operational and economic level of harvest across the entire forest estate following the 2009 bushfires. The fires killed about 13,000 hectares of high-quality ash forest. Of this, about 7000 hectares were stands of a harvestable age. Of those stands, VicForests has salvaged about 1600 hectares. Our analysis indicates that existing harvest levels can be maintained for the medium term.

Yet the age class (decade of origin) data supplied to us by VicForests in 2017 indicates that in the Central FMA - the only FMA in the Central Highlands seriously impacted by the 2009 fires - there is only 10,173 ha in the 2000-2009 decade of origin class. Yet data held in the DELWP 'forest explorer' database indicate that in the same decade, 4,803 ha of ash forest in the Central FMA was logged other than salvage logging. Subtracting 4,803 from 10,173 implies that only 5,370 ha was killed – a far cry from the assessed 13,000 ha of ash in State Forest that was killed as reported in the 2010 Annual Report.

Age class profile State-wide

To give some context we turn first to the state-wide picture. The chart below reproduces the decade of origin data for ash stands as provided to us by VicForests in June 2017, which we understand to include logging seasons up to and including 2015-16.

Chart 1: Ash stands in State Forest in Eastern Victoria by decade of origin (VF data)



The two notable features of Chart 1 are the substantial area of 1939 regrowth and the substantial area originating in the decade 2000-2009 as a result of the three large landscape-level fires on the 2000s.

But the apparently reassuring extent of '39 ash regrowth remaining is wide of the mark. In particular, it takes no account of the fact that as shown below, much of this area has been fragmented by past logging and so is of much less value as habitat, including failing to serve as refugia or provide effective wildlife corridors.

Projected age class profile 2030

In order to estimate the age class profile that is likely to prevail in 2030, it is necessary to adjust the data on which Chart 1 above is based. Several adjustments have been made.

First, the total areas of ash forest of '39 regrowth in GMZ/SMZ zones have been further partitioned into unlogged forest within logged coupes (hence labelled 'fragmented') and unlogged areas ('intact'). The estimated area of 'intact' '39 regrowth should be able to serve as biodiverse old-growth in the future; 'fragmented' regrowth will have significantly lower biodiversity attributes. This partition is based on an analysis of net:gross coupe area in recent times and an understanding of past (and projected) harvesting practices. The following factors have been applied to the remaining '39 regrowth in GMZ/SMZs:

Coupes logged 1980-1999-25% of logged coupes retained Coupes logged 2000-2019-30% of logged coupes retained Coupes logged 2020-2030-33% of logged coupes retained

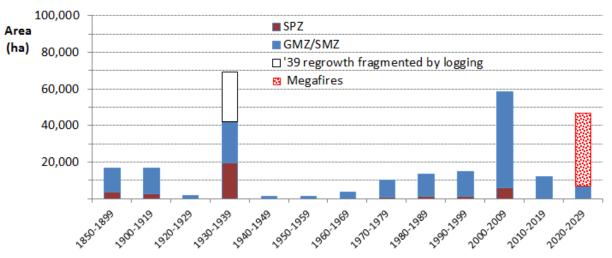
Two further adjustments of the projected area of '39 regrowth have been undertaken to allow for known logging in 2016-17 and 2017-18 and to allow for

projected logging from 2018-19 to 2029-30. This latter adjustment is based on VicForests' 2017 Resource Outlook, using an average yield of 167 m3 of D+ sawlogs per ha to convert yield to area).

The final adjustment assumes the killing of a further 15% of total ash forest in megafires in the decade 2020-29. The reduction in estimated areas is applied in proportion to the existing size of age class cohorts. The loss of area in each age class column in the chart is matched by the appearance of forest area in the '20-29 column (labelled 'megafires'). It should be noted that the assumption of only 15% of the forest estate burning in the decade 2020-29 – given the heightened fire risk for the Central FMA highlighted by VEAC – is probably conservative.

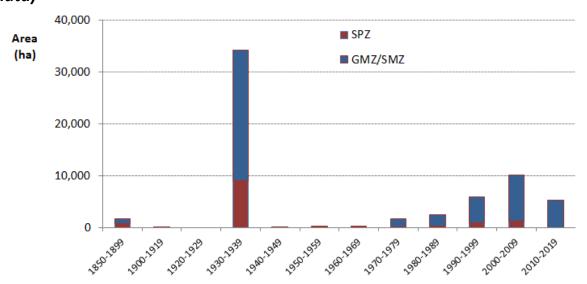
The resulting projected age class distribution is shown in Chart 2 below.

Chart 2: Ash stands in State Forest in Eastern Victoria by decade of origin, based on VF data, projected to 2030 and including provision for 15% loss due to megafires



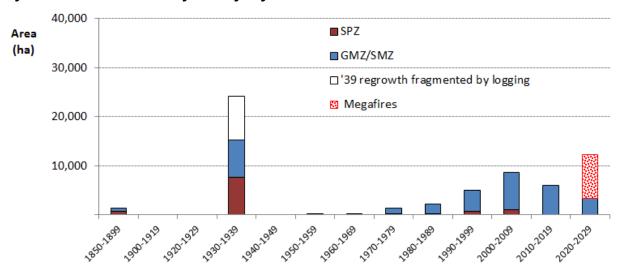
In order to better visualise the future facing the Rubicon State Forest, the equivalent transformations, based on the same data sources, have been applied to the Central Forest Management Area (FMA).

Chart 3: Ash stands in State Forest in the Central FMA by decade of origin (VF data)



Due to the data issues in relation to the 2009 fire discussed above, Chart 3 is assumed to substantially overstate the area of '39 ash regrowth in existence at 30 June 2016.

Chart 4: Ash stands in State Forest in the Central FMA by decade of origin, projected to 2030 and adjusted for fire



Bearing in mind the data limitations, Chart 4 extends timber harvesting out for another 14 years to 2029-30, based on what has already occurred and what is envisaged in the 2019 TRP and 2017 Resource Outlook.

In order to appreciate the RSF circumstances in more detail, the next analysis uses a more recent age class profile provided to RFPG by VicForests last month. Unfortunately this analysis only includes two forest blocks, Cathedral and Rubicon, these being the two areas of the RSF most heavily impacted by the 2009 fire. The extremely skewed age class distribution seen in Chart 5 is immediately apparent, but

should logging continue and another fire occur, the situation will be catastrophic as is seen in Chart 6.

Such a threat unquestionably brings the precautionary principle into play.

Chart 5: Ash stands in Blocks 285 and 286 in Rubicon State Forest by decade of origin (VF data)

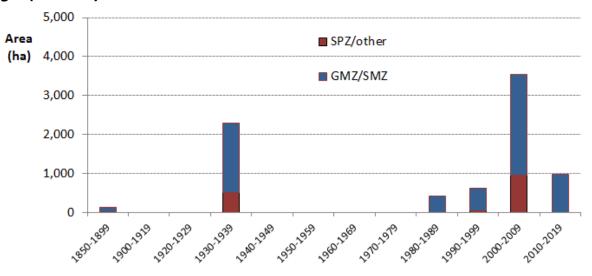
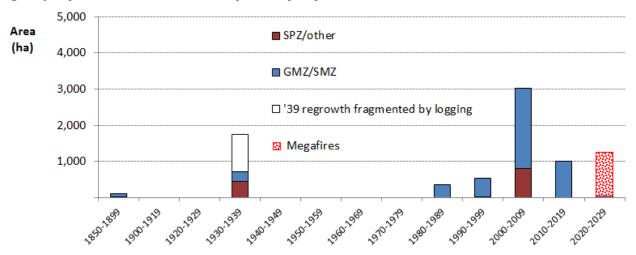


Chart 6: Ash stands in Blocks 285 and 286 in Rubicon State Forest by decade of origin, projected to 2030 and adjusted for fire



The bleak picture in Chart 6, which takes account of the likelihood of future major fires, is not confined to blocks 285 and 286 but a similar picture will prevail west of Snobs Creek generally (ie. in the Royston River Valley and on the Royston Range) covering block 287 and half of block 288.

A further analysis has therefore been conducted to understand the impact of logging across all the RSF west of Snobs Creek. This is set out in Chart 7 overleaf.

Chart 7. Crude age profile of ash forest area, including Rubicon Valley Historic Area, within Rubicon State Forest west of Snobs Creek, projected to 2022 with no allowance for future fire (total area = 12,900 ha)

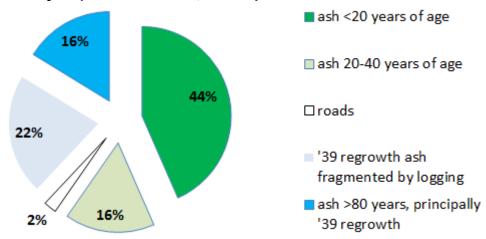


Chart 7 shows that once the coupes on the 2019 TRP are all logged, only 16% of the remaining ash forest will be 'intact forest' older than 80 years – a far cry from an ecologically appropriate distribution for trees whose life span is measured in centuries. Even more alarmingly, the data show that as a result of both the 2009 fires and the extensive logging that has occurred since, almost half (44%) the area of ash forest is now under 20 years of age. As we have been arguing for the past 3 years this is completely ecologically unsustainable, especially since forest of this age is still reproductively immature.

While the situation east of Snobs Creek (ie on the Torbreck Range) and east of Lake Mountain may not yet be as dire as the situation to the west, the logging proposed here under the TRP will ensure the near elimination of last vestiges of broadly intact areas of older forest within the RSF as well as destroying the ecological integrity (and tourist value) of the Snobs Creek Valley and the area north of Cambarville.

Under these circumstances, the only responsible action that the Government can take if the precautionary principle is to be adhered to is to require VicForests to cease all further logging of the RSF.

Should it not be agreed that this is the only way to comply with the precautionary principle, the Government must at least commit to a moratorium on all further logging in the RSF until a full independent analysis of the ecological integrity of the entire area, including a comprehensive biodiversity assessment, has been completed as part of the RFA modernisation project and a new FMP for the Central Highlands has been put into place.

Attachment 2

Critical deficiencies to be addressed in next iteration of VicForest's two FSC documents

Rubicon Forest Protection Group 30 June 2019

HCV Systems document

- 1. Table 2 on page 7 is misleading. DELWP shares responsibility with VF at the coupe and FMU levels it is not just a stakeholder.
- 2. Section 3.3.1 on p.7 need to be split into the regional/landscape scale and the State scale if the document is to accurately reflect VF's role at the landscape scale. Table 2 acknowledges that VF also has a role at the regional/landscape level as indeed it acknowledges in the 3rd dot point under HCV2 on p.14.
- 3. The suggestion that FMZs reflect available information on the uses and values of the forest (including natural, cultural, social, resource and economic (1st para, p.8) is incorrect. The only substantive FMZ changes that DELWP has introduced since the CH FMP was adopted relate to timber harvesting exclusion zones (THEZs) for leadbeaters possum. Protection of all other values is now 20 years out of date.
- 4. The claim that the forest management zones incorporate mapping of values that encompass known HCVs (2nd para, p.8) is incorrect. No FMZ changes have been made to protect the greater glider in the Central Highlands since it was listed as threatened.
- 5. The suggestion that the signing of revised RFAs in March 2020 will also have dealt with HCV protection (3rd para, p.8) is mistaken since there will still be many unresolved issues, including FMPs and CAR review not finalised. In the meantime VF is obliged to take its own steps to protect all threatened HCVs at the regional and coupe level.
- 6. The suggestion that "landscape-level conservation measures are addressed at the State and regional level through RFA and forest management planning processes" (last para page 8) implies that VF has no role in landscape level conservation. This would be incorrect. VicForests has acknowledged in Table 2 and elsewhere that it shares responsibility with DELWP for protecting HCVs at a landscape scale.
- 7. An example of a landscape-scale HCV protection that this document and the harvesting and regeneration systems document overlooks is the need for <u>effective</u> wildlife corridors as per Code clause 2.2.2.8. This Code clause relates to "long-term strategic planning" and the revised document needs to acknowledge that the TRP is in fact a long-term strategic planning tool, meaning that this is not simply a matter that can be left to DELWP.
- 8. Under the HCV Management section (p. 16 et seq) VicForests should disclose its understanding of its obligations under Code Clause 2.2.2.2 (the Precautionary Principle). As

part of this VF should include its internal "Instruction" relating to the precautionary principle as an attachment to this document.

- 9. The document states (p.14) that that HCVs 2-4 will be "identified" but gives no indication of how these are to be protected. This needs to be corrected. For example, in relation to HCV 2 we suggest that the only way of protecting the landscape-level ecosystems and mosaics within the Rubicon State Forest which certainly fall within the FSC definition of high conservation value will be to cease logging, at least until the evaluation of its values has been completed through the RFA modernisation process, including the adoption of a new Central Highlands FMP and an updated evaluation of the ability of the reserve system to meet the CAR criteria. Failure to do this would certainly breach the precautionary principle.
- 10. In relation to HCV 5 (page 14) we underline the importance of water-related values that Central Highlands forests provide, both water quality and yield. This is of particular importance in Snobs Creek whose catchment is currently being logged given its importance for the hatchery and people in the Snobs Creek community whose livelihood depends on it remaining viable in the long-term.
- 11. The document recognises the importance of stakeholder input into HCV identification and protection (4th para, p.16), so this document should commit VicForests to <u>routinely publishing in a timely manner</u> coupe plans and harvesting schedules.
- 12. The approach described for assessing HCVs at a landscape level (6th para, p.16) is deficient, relying as it does on current GIS data which will miss a raft of critical HCVs.

Coupe by coupe assessments focusing largely on particular threatened species and habitat trees fail to properly address the wide ranging impacts of logging activities on landscape scale biodiversity and population trends of representative indicator species including pre and post logging.

Extensive stakeholder consultation is clearly essential for the identification of all HCVs. This is acknowledged but the next iteration of this document needs to resolve the apparent contradiction that will see this process completed speedily (see last sentence, 1st para in section 4.2, p.13), and simultaneously take 5 years (Fig 5, p.17). Given the fact that many HCVs in the Rubicon State Forest and surrounding landscape are already highly compromised and could soon be lost, the expectation that the assessment and protection process may take 5 years is unacceptable.

13. No reliance should be placed on the retention of isolated habitat trees for HCV protection (para 2, p.24). Habitat trees should be retained along with surrounding trees in connected patches with a minimum size of at least 2 ha, recognising the needs of species such as the Greater Glider and other gliders for which isolated trees are of little value since they do not allow dispersed foraging.

H&R Systems document

1. This paper includes qualifications and ambiguities about exactly what the new systems will entail; the areas over which they will be applied; and the timelines for their application.

Without more precise and unambiguous specification it will be difficult to hold VicForests accountable.

2. The proposal to only "progressively reduce" (last para, section 3.2.2, p.7) current high levels of clearfelling is insufficient, especially since the specification of the system envisages it will continue to be widely used in even-aged '39 regrowth ash forests:

This system is designed primarily for relatively uniform regrowth Ash forests, which require a receptive seedbed and substantial gap sizes for effective regeneration. In these forests, there are typically very few if any hollow bearing trees, and coupes are marked out to ensure any HCVs are retained and protected outside the net coupe area. (p.16)

As discussed above the idea that HCVs are confined to HBTs, old growth stands, and threatened species habitat is incorrect.

Continuing the widespread use of clear felling in even-aged '39 regrowth ash is at odds with the commitment to recreate lost structural complexity:

On coupes or in areas where a history of timber harvesting, or other anthropogenic disturbance, has disproportionately removed habitat trees, structural complexity will be created by retaining both extant habitat trees and a selection of regrowth trees, i.e. the next habitat cohort. (last sentence of 1st para on page 7)

Many areas of '39 regrowth ash in the Central Highlands were extensively logged pre 1939 – especially the RSF – and so require the recreation of this type structural complexity, but the '39 fires are also in part an anthropogenic disturbance, so also bringing this provision into play.

The argument that "substantial" gap sizes are required for effective regeneration is similarly rejected, as both the Tasmanian (Warra) and Tanjil Bren silvicultural trials established. It is acknowledged that the 10 ha and 150m limit on clearfell gaps (as specified in the system definitions in Annex A), should constrain the sizes of the gaps, but without a Code definition of 'retained vegetation', including minimum widths of at least 60m, the practical outcome may be little better than at present.

- 3. The proposal to retain isolated habitat trees is flawed. Habitat trees should be retained along with surrounding trees in connected patches with a minimum size of at least 2 ha, recognising the needs of species such as the Greater Glider and other gliders for which isolated trees are of little value since they do not allow dispersed foraging. To ensure this is the case, the final words "where possible" should be deleted from the end of point 3b in section 4.1.2 (p. 11)
- 4. The stakeholder consultation provision that is focussed only on apiary sites (point 4.4 section 4.1.2) needs to be accompanied by a further provision encompassing all stakeholders, viz

Ensure that the design of coupes and the proposed harvest and regeneration system in each coupe incorporates feedback from community stakeholders with knowledge of the area.

- 5. No mention is made of widths of retained forest between coupes, as a commitment to ecological integrity would require. The Code refers simply to a minimum width of 20m for 'retained vegetation', without regard to the ecological value of what comprises the 'retained vegetation'. A minimum width of 60m should be specified.
- 6. The document includes the following uninterpretable provision in Annex A in the specification of all the proposed systems other than single tree selection

Clearfell and seed tree gaps will not exceed 10 ha in size, multiple harvest areas will be adjacent to variable retention, selective harvest or harvest exclusion areas

The question here is what is considered to be multiple harvest areas. Is it multiple coupes? And if so, how many is 'multiple'? Or is it separate clearfell patches within coupes? RFPG suggests that the constraint on multiple areas be expressed thus:

Clearfell and seed tree gaps will not exceed 10 ha in size, all CFE/RRH/STR coupes will be adjacent to variable retention, selective harvest or harvest exclusion areas and separated with retained vegetation with a minimum width of 60m.

7. The following preamble to variable retention system 1 in Annex A, is ambiguous:

Variable retention system 1 is based on the fundamental principles of VicForests' Regrowth Retention Harvesting (RRH) system, in which the retention of trees is principally in patches that collectively constitute an average of around 20% of basal area within the net coupe area. This system also provides scope for dispersed retention.

Since the "net coupe area" excludes patches, this statement is meaningless. All models should specify a minimum % of gross coupe basal area to be retained for each coupe. The depiction of the systems in Figure 5 suggests this should be: 30% for CFE, 45% for VRS1, 60% for VRS2.

8. The following provision that appears in Annex A in the specification of all the proposed systems apart from single tree selection is hard to understand:

For every 10 ha harvest area, an additional 0.5 ha of vegetation will be retained. Placement will consider the best ecological and safety outcome

It is unclear what this means, given that all the systems require far more than 5% of the gross coupe area to be retained.