



Forests:

Worth more standing!

State Forests in NSW

- NSW has 2.2 million hectares of public state forest managed by Forestry Corporation NSW.
- The Eden Forestry Region and the Southern Forestry Region (South Coast and Tumut forestry sub-regions) has:
 - 411,651 hectares of public native State Forest.
 - 146,603 hectares of softwood plantations.
 - 404,000 cubic metres of native forest hardwood (4500 hectares or about 100,000 mature eucalypts) harvested per year.¹
 - Direct employment in the two RFA regions is around 110-120 harvest and haulage jobs and 180-200 processing jobs (total 290-320)².
 - Between 2008 - 2014 the Softwood Plantations Division of Forestry Corporation NSW subsidised the loss-making native forestry sector \$79 million.³
- Nature based solutions avoid further carbon stock loss by retaining primary forests and allowing secondary natural forests to recover.⁴

In 2020 > 96% of logs from native forests in the Eden region were exported as woodchips.⁵

What is the shire and regional picture?

- The shires with the most native forest hardwood logging are Bega Valley, Eurobodalla, Snowy Valleys and Shoalhaven (see table).
- Switching from logging public native forests to 100% softwood plantations on marginal agricultural land increases forestry jobs and wood supply.
- Softwood plantation forestry generates many more jobs than chipping public native forests, as it involves planting, local milling and processing into wood and paper products for the domestic market.

Forestry Corporation NSW provides 14% of Australia's domestic wood products for building — almost all from softwood pine plantations.

What can State Forests earn in carbon markets?

- Stopping State Forest hardwood logging in South East NSW will prevent 950,000 tonnes of CO₂ emissions pa.⁶
- These avoided emissions equate to 66% of the Bega Valley shire's total emissions, 56% of Eurobodalla, 23% of Snowy Valleys, 9% of Snowy Monaro, 9% of Shoalhaven and 5% of Queanbeyan-Palerang shire's total emissions from electricity, transport, waste, gas and agriculture. Overall this equates to 20% of the emissions from South East shires that have native forest logging (see table).



Public native forest hardwood logs are mainly exported as woodchips

- At the current Commonwealth Climate Solutions Fund carbon price of \$17 per tonne, South East NSW could earn \$16 million pa from carbon credits.⁷ In emerging Australian private sector carbon markets, carbon credits are now trading for \$50 per tonne.⁸ If NSW sold emission savings into this market, it would earn about \$47 million pa from 950,000 tonnes of CO₂ saved by ceasing logging SE NSW public native forests.

What if the carbon price is higher?

- The current international carbon price is € 80 (\$AUD126) per tonne and climbing. At this price the SE NSW state native forest return would be \$200 million pa.⁹
- International markets are already looking to buy Australian carbon credits to meet demand.



A Beyond Zero Future
for South East NSW



Managing State Forests for carbon credits and nature-based tourism

- Managing native forests for carbon will generate employment in forest management, weed and feral animal control, wildlife preservation, fire management and nature-based tourism.¹⁰
- A carbon credit income of \$47 million pa could provide 522 jobs at \$90,000 per job including work maintaining state native forests for carbon, fire management & recreation facilities.
- There is a strong demand for nature-based tourism with 68% of Australia's international tourists looking for nature experiences.¹¹
- Increasing recreation facilities in State Forests would take pressure off National Parks.¹²
- In 2021 \$8 million was pledged to develop mountain biking facilities in Bodalla State Forest and \$8 million in Mogo State Forest however the forest is being logged right up to the mountain bike track.
- Continuing to develop the softwood plantation sector will provide employment for native forest harvest and haulage contractors. The Eden woodchip mill is already chipping pine as well as native trees for export as woodchips.

Table: Shire Breakdown - CO₂ Savings from Ceasing Public Native Forest Logging in South East NSW

South East Shires	Emissions	Eden and Southern Regional Forest Agreement Areas (Native State Forest)			Annual Emissions avoided from ceasing native forest logging	
	Annual Shire tonnes CO ₂ ¹³	Pine Plantations (hectares) ¹⁴	Native State Forest (hectares) ¹⁴	Native State Forest area as % of total	Annual Emissions Avoided per year (tCO ₂)	Emissions Avoided as % of Shire Emissions
	a	b	c	d = c/411,651	e=950,000 t CO ₂ x d	f = e/a
Bega	494,000	5,561	140,480	34%	324,197	66%
Eurobodalla	438,000	-	106,462	26%	245,691	56%
Queanbeyan Palerang	1,040,000	1,357	21,858	5%	50,443	5%
Shoalhaven	1,377,000	-	52,052	13%	120,125	9%
Snowy Monaro	735,000	34,315	28,883	7%	66,656	9%
Snowy Valleys	611,000	98,434	61,916	15%	142,889	23%
Total	4,695,000	139,667	411,651	100%	950,000	20%

End Notes

1. Perkins, F. & Macintosh, A (2013) [Logging or carbon credits](#), The Australia Institute
2. Frontier Economics & Macintosh, A (2021), p35 [Comparing the value of alternative uses of native forests in Southern NSW](#). Jobs per sector per shire also <https://economy.id.com.au>
3. Campbell, R. & McKeon R (2016) [Money doesn't grow on trees: The financial and economic losses of native forestry in NSW](#), The Australia Institute
4. Barber, C et al (2021) [The Nexus Report: Nature Based Solutions to the Biodiversity and Climate Crisis](#)
5. Parliament NSW, (2021) Legislative Council, Business Paper 5150, [Shoebidge Questions on Notice](#)
6. Frontier Economics & Macintosh, A (2021), p9 [Comparing the value of alternative uses of native forests in Southern NSW](#). Saved emissions are from onsite forest carbon, harvested wood products, landfill and fossil emissions (management, transport and wood processing) Appendix C—Carbon Modelling Table C1 p45.
7. Clean Energy Regulator Emissions Reduction Auction <http://www.cleanenergyregulator.gov.au/ERF/auctions-results/october-2021>
8. Australian and International Private Sector Carbon Price <https://carboncredits.com/carbon-prices-today/>
9. Ibid
10. Beaumont, R (2021) [Submission No. 3 to the NSW Parliamentary Inquiry into Long Term Sustainability and Future of the Timber and Forest Products Industry](#) Great Southern Forest
11. Eco Tourism Australia, (2017) [Nature-Based Tourism in Australia Manifesto](#)
12. National Parks Association (2018) [Forests For All](#)
13. Carbon Emissions (CO₂) Electricity, Waste, Transport, Gas, Agriculture not Land Use per shire (2019) [CO₂ Emissions Snapshots for municipalities](#)
14. Hectares of Softwood Plantation and Hardwood Forest Division in State Forest per council region, 2018/2019 [Forestry Corporation NSW](#) © State of New South Wales

Our trees are worth more standing. Promote eco-tourism & export carbon credits, not woodchips.

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