

**SUBCOMMITTEE OF THE STANDING COMMITTEE ON  
ESTIMATES AND FINANCIAL OPERATIONS**

**2012–13 BUDGET ESTIMATES HEARINGS**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
THURSDAY, 5 JULY 2012**

**SESSION FOUR  
CONSERVATION COMMISSION OF WA**

**Members**

**Hon Philip Gardiner (Chair)  
Hon Ken Travers  
Hon Ljiljana Ravlich**

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**Hearing commenced at 4.21 pm**

**MR BRIAN EASTON**

**Chairman, sworn and examined:**

**MR JAMES SHARP**

**Deputy Director General, Parks and Conservation, Department of Environment and Conservation, sworn and examined:**

**MR KEIRAN McNAMARA**

**Director General, Department of Environment and Conservation, sworn and examined:**

**The CHAIR:** On behalf of our committee, welcome to this afternoon's hearing. It is going to be a little bit late. Before we begin, I must ask each of you to take the oath or the affirmation. If you prefer to take the oath, please place your hand on the Bible in front of you.

[Witnesses took the oath or affirmation.]

**The CHAIR:** You will have signed a document entitled "Information for Witnesses". Have you read and understood that document?

**The Witnesses:** Yes.

**The CHAIR:** This hearing is being held in public although there is discretion available to the committee to hear evidence in private either of its own motion or at the witnesses' request. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the questions. Government agencies and departments have an important role and duty in assisting Parliament to scrutinise the budget papers on behalf of the people of Western Australia and this committee is grateful for that assistance.

These proceedings are being recorded by Hansard. A transcript of your evidence will be provided to you. It will greatly assist Hansard if, when referring to the *Budget Statements* volumes or the consolidated accounts estimates, members give the page number, item, program, amount and so on, in preface to their questions. If supplementary information is to be provided, I ask your cooperation in ensuring that it is delivered to the committee's clerk within 10 working days of receipt of the questions. Should you be unable to meet this deadline, please advise the committee's clerk immediately. The committee reminds agency representatives to respond to questions in a succinct manner and limit the extent of personal observations.

Do you wish to provide any opening statement? If you do not, maybe I might ask you to make one, because it would be helpful to me in particular just to understand the scope of your obligations. We have got budget papers here, but what we do not have is any line item. We would just like for you to just explain what the responsibilities of your organisation is.

**Mr Easton:** The Conservation Commission of WA is established under section 19 of the CALM act. We have a staff of only five. I am the chairman of a commission of nine people and we act largely through the agency of the Department of Environment and Conservation. The responsibilities of the commission are to have all national parks, conservation reserves, state forests, timber reserves vested in us as a body and we have responsibility for ensuring that management plans are written for the forests and for national parks. Our role is in working in collaboration with the department to have those plans written. Our role is more to carry out audit and performance assessments to ensure that those management plans are being followed by the department, which has the operational responsibility. We rely heavily on the department for allocating staff and really

catering for largely our administrative and financial arrangements. However, within their appropriation—certainly not our appropriation—there are funds made available for us to run our office and carry out our responsibilities.

**The CHAIR:** That is very helpful, thank you. Roughly what appropriation do you require or do you work on to fulfil the responsibilities that you have?

**Mr Easton:** We received in the financial year just finished a figure of \$1.142 million in total. That was our total budget. That was provided through the Department of Environment and Conservation.

**The CHAIR:** Which line item does that relate to in the Department of Environment and Conservation budget papers?

**Mr McNamara:** There is no line item, as I think you indicated in your opening comments. The work of the Conservation Commission relates to three of the services that the department has in the *Budget Statements*—nature conservation, sustainable forest management and parks and visitor services—but the million dollars or thereabouts that the chairman just referred is reflected in the parks and visitor services appropriation figure, which is on page 802 of the budget papers as an overall budget estimate for 2012–13 of \$89.5 million. So, it is part of that.

**Hon SALLY TALBOT:** Thanks for coming in today. You will not be surprised to know that a lot of my questions relate to the preparation of the next forest management plan.

**Mr Easton:** No surprise.

**Hon SALLY TALBOT:** I did not think it would be. Let us jump straight in if we can. Does the Conservation Commission have any staff?

**Mr Easton:** Yes. The Conservation Commission has a staff of only five people headed up by someone we call the director. Because this year has been particularly busy with the preparation of the forest management plan, we have an additional staff person allocated to us from—if I could refer to the department as DEC. That salary and his expenses are included in that budget allocation. Should I go on?

**Hon SALLY TALBOT:** Yes.

**Mr Easton:** The draft plan is actually written by the department in close collaboration with the staff of the commission. So, the reality is that under the guidance of the senior officers from the department, the research and the preparation of the documents across all aspects of that report, which, of course, is so varied because it covers so many aspects of forest management—as that report is written and the research is undertaken and eventually compiled into draft chapters, that is fed in through our staff to a forest management plan working group, which I chair. I am assisted by two of my commissioners in chairing that.

[4.30 pm]

**Hon SALLY TALBOT:** So you formed a subcommittee?

**Mr Easton:** We formed a subcommittee that would meet on a fairly frequent basis to deal directly with the staff members of DEC who have been given the task of presenting these draft documents, and then, together with two of our staff, we are being briefed as a working group. That allows us in turn to brief at monthly commission meetings on how progress is being achieved in the plan according to the requirements of the agreed chapter headings and the time frame that has been set.

**Hon SALLY TALBOT:** So you have two of your five staff working on it.

**Mr Easton:** We have one staff member working full time and he has been allocated full time to that task as an additional staff member over and above our five. However, because of the demand of the forest management plan, which is written only once every 10 years, naturally it is impacting on the reserves of our staff members, yes.

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**Hon SALLY TALBOT:** Let us be absolutely clear: you have five staff members working for the CCWA —

**Mr Easton:** The five are always there.

**Hon SALLY TALBOT:** — one is working full time on the FMP.

**Mr Easton:** No, that is a plus one.

**Hon SALLY TALBOT:** That is an extra one.

**Mr Easton:** Yes, and he —

**Hon SALLY TALBOT:** So your five regular staff are not doing FMP work.

**Mr Easton:** Correct, but they are contributing to that process of the forest management plan, because as a task for the commission and ultimately its advice and presentation back to the minister it certainly engages us as a group considerably.

**Hon SALLY TALBOT:** How many people do you have seconded from DEC? Is it just the one?

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** I am surprised it is not more people; it is a huge task.

**Mr Easton:** It is, but of course DEC itself has committed its own resources to most of the work, so most of the work in preparing the draft forest management plan is actually done inside DEC, acting through an agency arrangement with us. But then as that work progresses and those resources are spread throughout the agency—although my colleagues here would be better to answer that—they are funnelled into allocated staff, who then come to us, and our staff will work collaboratively in editing and dealing with that document.

**Mr McNamara:** May I just elaborate a little on what the chairman has said? The CALM Act provides at section 54 that management plans or proposed management plans for any land shall be prepared by, in this case, the Conservation Commission, through the agency of the department. That is the provision in the act, and it has always been the case that while the commission sits as a body of members—they are not departmental and not public servants—they sit there as a group of direct advisers to the minister and recommend management plans to the minister. The preparation of management plans is done predominantly by the department and then presented to the commission for that independent view and oversight. What I can say is that in this 10-year cycle that we have, the absolutely overwhelming priority of the work time of the director of sustainable forest management and many of the people in his division is dedicated to the forest management plan. That goes right through to my own time; there is a degree of my time being dedicated to it as well. That is the normal course of events in the preparation of management plans. The forest management plan is a special one, because it is a 10-yearly job. As the budget papers show, in the department's appropriation there was additional funding of about \$4.5 million over three financial years, I think, to add to the capacity to deliver the forest management plan.

**Hon SALLY TALBOT:** You said the subcommittee comprises three people.

**Mr Easton:** The three people are commissioners and then they are supported by some departmental officers who come and brief the committee and work with the committee. The person who is specially seconded to us and paid for in our budget also is part of that process. We are three commissioners but we do rely heavily on the material that has been prepared within the department and then that is fed through, I think, three officers who then attend the working group meetings to advise us and bring material to us to give us the opportunity of reading it, editing it and commenting on it.

**Hon SALLY TALBOT:** Then the next part of the process is that on a monthly basis you take it back to the full meeting of the commission.

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**Mr Easton:** Correct; updating the full commission on progress with that material.

**Hon SALLY TALBOT:** Do you have any commissioners who have declared a conflict of interest with the forest management plan preparation?

**Mr Easton:** No, not in the broader sense. On one occasion at a commission meeting, one of our commissioners declared a conflict of interest, if I can recall accurately, in that he was part of another organisation which made—not a submission, but certainly submitted comments into the process.

**Hon SALLY TALBOT:** Could you describe for us, please, what your declaration of interest involves?

**Mr Easton:** In his case?

**Hon SALLY TALBOT:** No, I was just asking in a general sense first. For example, with the Environmental Protection Authority, the chair makes a ruling on a pro forma basis.

**Mr Easton:** In this case I was being especially careful to ensure that any conflict of interest was declared because of the sensitivity and importance of this document and the fact that this document is to go out for public consultation for three months. In this case, the commissioner was occupying an office in local government and his local government authority had written a letter expressing a point of view about some aspect of the public plan. I am sorry, it is about three months ago and I cannot recall specifically the nature of what was contained in that letter, but I actually took the judgement that it was better to have a declaration of conflict of interest, because in the role that he played he was at least partly instrumental in and authorised a letter that expressed a view. I would have to get further information for you on the matter of that conflict of interest—the content of the letter.

**Hon SALLY TALBOT:** I am interested in the actual process of a member declaring a potential conflict of interest. Is it your role as the chair to rule on that?

**Mr Easton:** Absolutely.

**Hon SALLY TALBOT:** So in that particular case you ruled that it was not a disclosable interest and that person could continue to participate.

**Mr Easton:** I commence each meeting of the commission by calling for any declarations in respect of a possible conflict of interest. That is how such declarations come forward.

**Hon SALLY TALBOT:** With that case you have just described, you ruled that that person could continue to participate.

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** There has not been any other occasion.

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** That includes the shire president of Manjimup who was involved in the logging industry.

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** Are you in a position to elaborate on your decision?

**Mr Easton:** I really believe I would need to recall the details of that particular letter, which was signed off; I cannot recall whether he was a signatory to that letter or I rather think it was a CEO of a particular local government authority who signed the letter—I am trying to recall the content. If I can just fast forward; in the event the draft forest management plan is approved by the minister to go out for public consultation, which will be for a period of three months and that local government authority chooses to make a submission in relation to that, if in my view in any way that affected any discussion within the commission then I would have to make a ruling. But the commissioners

are not directly involved in the preparation of documents at all. However, the working group of which I am chair certainly is privy to progress documents as they are being prepared by the department. That has been going on now since prior to my appointment on 1 January this year. The commissioners will be consulted in relation to the final draft of the forest management plan.

[4.40 pm]

**Hon SALLY TALBOT:** If I can just recap: you do not have any of your commissioners at the moment who are excluded from deliberation or decision making on the draft FMP because of disclosable interests.

**Mr Easton:** There has not actually been any decision making on the part of the commission, other than to endorse the process that we are going through. In terms of having the commissioners provide any opinion or comment in relation to the manner of the wording used within those chapters that point is yet to come because it is the working group of three commissioners who certainly are directly inputting to the process.

**Hon SALLY TALBOT:** I assume Mr De Campo is not one of those.

**Mr Easton:** No.

**Hon SALLY TALBOT:** Can I ask, and you may not be in a position to answer: are you intending to exclude Mr De Campo from the decision-making processes when you get to them?

**Mr Easton:** That is something that I have to consider at the time.

**Mr McNamara:** If I may just add an observation? This is not my business in that I am not a member of the commission; I am not the chair of the commission and obviously it is a matter for the chair of the commission to address and to deal with. The CALM Act is clear that a person is not eligible to be appointed a member of the commission if they have a material personal interest in a production contract or in a company or business that is party to a production contract as that term is defined in the Forest Products Act, and there have been a series of questions in the Parliament about that matter in relation to the member referred to. There are judgements that always have to be exercised in this space as to a personal interest versus perhaps being also a member of a local government. We have had other local government representatives on the commission and its predecessors in the past. We have had executive office holders of the WA Conservation Council as long-term members of the commission and its predecessor. So there is an issue—I will not get the legal terminology right—in that space of direct personal interest and an interest held in common with another organisation that you may be a member of.

**Hon SALLY TALBOT:** I am familiar with that section of the act, which deals with appointment to the Conservation Commission rather than —

**Mr McNamara:** Yes, I understand.

**Hon SALLY TALBOT:** What I was asking the chair about was the process for disclosing an interest before a meeting, which presumably is a separate process that is not actually outlined in the act, I believe.

**Mr McNamara:** I agree with that. I was adding a little context around the broader issue, as I think you will appreciate. I think there are public sector codes of conduct and so on that apply and that statutory authorities have to use as model codes, but that is a matter for the chairman once again.

**Hon SALLY TALBOT:** Who does the CCWA director report to?

**Mr Easton:** Perhaps Mr McNamara could help me here. The director has responsibilities to the director general of the department and I understand, in the context of accountable officers, he does have a reporting link through the director general. In addition to that he heads up the services to the commissioners, including me. But as an employing agency—I would have to seek clarification—I understand that is the department.

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**Mr McNamara:** If I may add, the commission made an explicit decision some years ago that rather than directly employ the staff, it would rather they were staff of the department. That gives people broader career flexibility and mobility and those sorts of things. That transition was made several years ago in about 2006, I think. But there is a dedicated service unit that the department provides to the commission and the Director of the Conservation Commission is not subject to any direction by me or by any other officer of the department in respect of his role of servicing the commission, servicing meetings, assisting the chairman and members, providing advice or preparing papers and the like. Where the Director of the Conservation Commission is accountable and responsible to me is in the areas of financial management, human resource matters and disciplinary matters. So I have responsibility for those corporate matters in respect of the staff, but I have no operational or policy direction role in relation to those staff whatsoever.

**Hon SALLY TALBOT:** The director has a reporting line to you, Mr McNamara, but only about administrative functions, if you like.

**Mr McNamara:** That is a neat summary, yes.

**Hon SALLY TALBOT:** Is there a parallel line of reporting to the chair of the Conservation Commission?

**Mr Easton:** Yes, there is. He provides direct advice to me and provides the management of the service unit that provides the services for which we are responsible as a commission. When the management plans are actually prepared the auditing that is carried out of those management plans is conducted under the direction of that director. When the commission makes decisions on matters before it, then I as chairman direct it to implement those decisions. Sometimes, and perhaps Mr Sharp might add to this, those directions to him involve him with departmental officers in carrying out those instructions. For example, activities that may be considered to be undertaken on reserve land, so it is a very close relationship.

**Mr McNamara:** May I just add —

**Hon SALLY TALBOT:** I am just trying to tease this out, if you understand what I am getting at.

**Mr Easton:** Yes.

**Mr McNamara:** If I may just add, there is an agreement or an operational relationship document signed between the then chair of the commission Patricia Barblett, AM, on 11 October 2011 and me later in that year which makes this very clear —

Notwithstanding the obligations of various Acts, policies and administrative instructions, the Director of the Commission is responsible to the Chairman of the Commission on a daily basis.

That is one phrase in a broader document, but that document clearly sets out the relationship that we have both described.

**Hon SALLY TALBOT:** That is the current document that is in force at the moment that sets out the guiding principles for the relationship.

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** Can we ask you to table that?

**Mr McNamara:** I am happy to do that. It is titled “Operational relationship agreement between the Conservation Commission of Western Australia and the Department of Environment and Conservation”, signed by the chairman on 11 October 2011 and myself on 21 December 2011.

**Hon SALLY TALBOT:** The time lime that we have been given so far for the FMP is to see the draft forest management plan by mid-2012, which is just about now.

**Mr Easton:** It is very close, yes.

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**Hon SALLY TALBOT:** Are we on time for that?

**Mr Easton:** Absolutely.

**Hon SALLY TALBOT:** You practised that outside.

**Mr Easton:** If I said I was consumed in my new appointment by the forest management plan, I would be close to correct. It is a process that we are working to, within the time frame, to have the draft forest management plan ready for public consultation. When you say “towards the middle of the year”, we are getting very close to that time frame. We are within the time frame. I know we are in July, so I can assure you we are very close to that document being finalised and made available for public consultation.

[4.50 pm]

**Hon SALLY TALBOT:** And the rest of the time lines are in place, still, for the periods of public consultation? You have not made any announcements since the environmental scoping document —

**Mr Easton:** Yes, they are. As you know, the environmental scoping document was through the EPA and back-amended and approved, based on the website of the EPA. The end-of-term audit of the current plan accompanied that, and we have moved to progress the draft of the draft FMP according to our time frame. We would see that document being made public in August.

**Hon SALLY TALBOT:** Let me ask you some questions, if I may, about the environmental scoping document. You will be aware that there has been some controversy about the area that has being set aside for logging, and I wondered if you would care to talk about that? We have a series of different figures.

**Mr Easton:** In fact, it is not in the final environmental scoping document; that area is not in it.

**Hon SALLY TALBOT:** I can refer you to the page in the environmental scoping document; it is page 9. I think this is what has caused you the problems; it took me a while to work it out. At the bottom of that page you have a paragraph headed “Timber Harvesting”, it talks about 6 500 hectares of plantation harvesting and 10 000 hectares of native forest harvesting. I think that is what has caused the confusion here. I may not be right; I want to hear your views about that.

**Mr Easton:** If I can tell you what caused the confusion when the draft environmental scoping document first went to the EPA and went out for consultation, some people took the opportunity to refer to it a specific reference to a cut-over area in the order of 10 000 hectares and there was some concern that that represented an increase from what is presently the cut-over area, or the area from which native timber can be cut. I will not go into the detail now, but in fact that was actually put up, really, as a point of scale—10 000 hectares. It was not in any way to suggest an agreed amount; it was a point of scale to which we were working to go into the public consultation process.

**Hon SALLY TALBOT:** Why would you choose a point of scale that is significantly higher than the current logging areas?

**Mr Easton:** Over the last eight years, the average cut-over area has been something like 9.27 thousand hectares. I am flanked by experts here; I am not the expert in this area, but in fact, because one year in particular, one of the more recent years, there was a lower area cut over because a particular mill was not operating and now is, that pulled the average down for that period of eight years. But the actual cut-over area referred to, it was thought advisable for the sake of the exercise to continue using that 10 000 as a point of scale. It was thought, when we went towards the final document, the ESD, that perhaps that might be presumptuous to have such a point of scale even mentioned. In relation to that particular paragraph—I am sorry, I do not have the document; I did not know that I would be asked questions on that document and I had not anticipated that—my recollection is that that particular reference has been removed.

**Hon SALLY TALBOT:** No, this is the final ESD I am looking at.

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**Mr Easton:** The particular paragraph I am referring to is cut-over area.

**Mr McNamara:** I do not wish to comment on the environmental scoping document as such; I do not have it with me, but in the 2010–11 DEC year book, we have published the areas of native forest harvested from 1976 through to 2010. I will average these, but since 2004, the area of jarrah forest has ranged in all years between 6 220 hectares and 8 990, with one year of 4 500. Then there is some jarrah-wandoo forest, which is relatively small figures, and then there is karri forest, which is in the hundreds of hectares. There is an averaging-type figure there, if you add the three components. It is generally in the vicinity of 9 000 hectares for most of the last eight or so years.

**Hon SALLY TALBOT:** I have 2010 figures for jarrah, which is 7 255 hectares, and karri was 1 456. That sounds about right, does it not? Which gives us a total of about 9 000. The fact that that figure appears in the final document has led to these headlines about 20 per cent increase, 15 per cent increase. I hope that that was not an ambit claim so that when the final comes out it will be less than that and people will think that you —

**Mr Easton:** It has been made very clear that the consultation period that is planned for that three months between August and November, whatever the dates will be, is that there is not a presumption as to such areas. But to write the report without any reference material of what has been happening over the past 10 years seems to be pointless as to meaningful consultation over realistic levels of what has been happening. Again, I would have to say that I would probably need to defer to my colleagues to talk in detail about those matters of action—cut-over areas or areas harvested. I can emphasise, as chairman of the commission, that there is no commitment to any particular area or size of cut at this point, but there is history and there are points of scale that are indicative to give some reference points, which I think otherwise would be quite meaningless.

**Hon SALLY TALBOT:** Has Mr McNamara read section of the act at the beginning, which made it clear that it is the Conservation Commission's forest management plan?

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** Is it your intention to keep the area of logging roughly where it has been the last 10 years?

**Mr Easton:** I could not comment on that at this point. It would be premature for me to even suggest any such comment.

**Hon SALLY TALBOT:** Even though you now have two EPA reports that suggest, as boldly as I have ever seen a public servant write in a report, that the current levels are unsustainable? You are not prepared to make a comment on that?

**Mr Easton:** All the research that has been done by the department as to sustained yields, and all the modelling that has been done across the forest, it would seem pointless until that material is presented to our commission for me to even hazard a guess.

**Hon SALLY TALBOT:** That is a fair comment, and that segues beautifully into my next question. I understand that the Conservation Commission is carrying out an independent review, or has commissioned an independent review of sustainable timber yield?

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** Is that going to be completed before the draft FMP is released?

**Mr Easton:** No. It was thought highly advisable that the panel, yet to be appointed, of independent assessors of what sustained yield might be, needed to have the benefit of the submissions of various people, experts and representative interests, including government agencies and local government agencies and community groups, that they would like the benefit of all those submissions and the points to consider before they take into account the modelling and the other material or data that is

going to be brought forward by the department as to what extent it is considered that the yield is sustainable.

**Hon SALLY TALBOT:** So that review has not started yet?

**Mr Easton:** It has not started yet and it will not start during the period of the public consultation. It is probable that the independent panel will be appointed during that period, but the work that they are going to do will, in part, be linked to what advice comes through or concerns, suggestions et cetera from the public submissions.

**Hon SALLY TALBOT:** So their basic working documents will be the public submissions, or at least a substantial part of their —

**Mr Easton:** No, they will also receive expert data, modelling being done by the department, as to the material the department is bringing forward, extensive research, and combined with a review of silvicultural guidelines. It is a very complex business, as you know. So they will be receiving material as well.

[5.00 pm]

**Mr McNamara:** If I might just add briefly, we have had similar panels in the past, as I think is well known; independent panels, so the department is the custodian of the relevant information on forest types, forest productivity, forest inventory and all the associated databases, the silvicultural guidelines and so on, and wood flow scheduling models and those sorts of things, including particularly the sustained yield models that are used, so that the job of the panel is to independently interrogate all those matters as it will see fit in the light of the settings that they believe are being applied. The department does the modelling and presents figures that the model produces. The model has settings in it, obviously, around climate, dieback, silviculture, areas available and those sorts of things. But it has been a long-term feature of setting sustained yields in the 25 years or so I have been in this state that there is always an independent group that scrutinises the validity of the department's modelling and adds an independence and a second voice into the process around that modelling.

**Hon SALLY TALBOT:** I would absolutely agree that that is an appropriate process; I am just slightly dumbfounded—if that is not a contradiction in terms—that this independent review is not going to be done until after the draft FMP is written. Why would you not want to have that scrutiny of the data, of which DEC is the custodian, as you are putting together the draft forest management plan?

**Mr Easton:** Could I ask one of my colleagues to perhaps respond to that? I am not removing from my responsibility, other than that I totally agree with the process that they will benefit from all of the information that is being brought forward through the public submissions and the department's expert modelling activities.

**Mr McNamara:** There are limits to what I can say. I do not attend commission meetings; I remain briefed, if you like, at what I might call a higher level. But it is not the function of an independent panel to deliberate around policy settings and parameters; that is a matter for experts, for consultation within the department, for consultation with the Forest Products Commission, for the judgement of the Conservation Commission in what it then sees should be presented in a draft forest management plan. The independent panel is not a judge of those matters; it is an independent scrutineer of the veracity and the products of the modelling, the sustained yield modelling and estimation in the light of the parameter settings and the policy settings that are set for it, so it comes in after those matters have been established, firstly in the draft forest management plan and then, as they are refined, towards a final forest management plan. The way I see it, the final figure—the sustained yield that is set in the final management plan approved under both the CALM act and through the Environmental Protection Act process, with ministerial conditions if necessary—will have a sustained yield figure in it that we would expect to have a quality assurance check from the

independent panel saying under these parameters and these policy settings and this area being available, this is a valid figure that gets produced, that then becomes the maximum harvest over the 10 years of the forest management plan and the maximum amount that the Forest Products Commission can contract. They do not do the job early; they check during and after, or during, if you like, that it all stacks up—that the model is valid, and that the products of the model stand scrutiny.

**Hon SALLY TALBOT:** Have the commissioners got access to the data?

**Mr Easton:** When all the material is presented for the draft management plan, yes, it would.

**Hon SALLY TALBOT:** So the commissioners do have access?

**Mr Easton:** Not at this point. That information is still being prepared.

**Hon SALLY TALBOT:** Sorry, what will the commissioners have access to?

**Mr Easton:** It will be available when it comes to us. At the moment there is fairly feverish activity getting all aspects of the draft plan finalised. Over there somewhere, we have these expert officers who are undertaking the modelling exercise to bring forward something tangible that we can examine in relation to sustainable yield. We do not have that information at this time, but yes, we will have information.

**Hon SALLY TALBOT:** You will have the information. Will the information be the data, or will it be the report of the independent review group?

**Mr Easton:** I understand that we will have the data and the comments made by the experts who have brought together these figures for our consideration as part of the draft forest management plan, and then public submissions will put forward their point of view. At the end of the process, the independent panel then has the benefit of the modelling, the data that is brought forward by the department, together with the public submissions which will comment on that, as well as other aspects of the plan.

**Mr McNamara:** A key part of the independent panel is that it is an expert panel. At the end of the day there is a model at play here. All models, I think, are at some level a black box full of inputs, number crunching and a number or a range of numbers that are produced. The value of the expert panel is that they are experts who interrogate that and do a quality assurance around it. In terms of information and data, the commissioners would not be insulted by me saying that they are not silvicultural experts and modellers who can give themselves that assurance that the independent panel will; that is the job of the independent panel. The commission has access to any information that it wants from the department, remembering that sometimes that means sitting, looking on screen, at complex data layers and so on.

**Hon SALLY TALBOT:** Will the final FMP have a sustainable yield figure in it?

**Mr Easton:** Yes. The only way that we can actually approve a forest management plan is to be able to demonstrate that there is sustained yield, so there will be a decision made in relation to the data brought forward, the work done by the independent panel, and then the final plan will—there has to be a justification on the basis of sustained yield for us to proceed with timber harvesting.

**Hon SALLY TALBOT:** Indeed. In fact, you could say that that is the point of the forest management plan.

**Mr Easton:** The forest management plan goes a long way past harvesting and sustained yield. The whole issue of managing our forests in Western Australia is really one of serious complexity when it comes to looking at the whole range of issues of the impact of declining rainfalls, the incidence of weeds, pests, predatory animals on our native fauna, issues of soil, erosion, irresponsible recreation at times by certain elements of the community, despite others who do it very positively and enjoy all our forest areas and our national parks. It is just a myriad of issues in terms of management.

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**Hon SALLY TALBOT:** I entirely agree with you, and I made a blanket statement. I guess what I was referring to was the fact that, if we are going to decide that there is room for a timber industry, a logging industry, in a forest management plan, then having a sustainable yield figure is a key part of the forest management plan.

**Mr McNamara:** It is a requirement, because otherwise the Forest Products Commission cannot contract the harvesting and felling of timber.

**Hon SALLY TALBOT:** I wanted to get that on the record. I am not asking questions I do not know the answer to, necessarily, but the draft FMP is not going to have the sustainable yield figure?

**Mr Easton:** The draft management plan is very much a draft that goes out to the public for extensive consultation. There will be information in it where people will make a judgement as to whether they believe the indications are that taking timber from the forest is sustainable. I really cannot go much past that almost generalisation that we are inviting public submission to express any support, concern for added value to the report, where they believe that we could improve the content of our draft report.

[5.10 pm]

**Hon SALLY TALBOT:** Are you going to just leave it blank or are you going to take a punt on a sustainable yield figure?

**Mr Easton:** I think really I am not in a stage to say I have seen the final of the draft forest management plan. We are working through various parts of information, which slowly are being collated to form the draft forest management plan. So, again, it is probably premature of me to indicate what that report might contain and what we might recommend for approval for the minister to submit to the public. It is a little premature for me to comment on it.

**Hon SALLY TALBOT:** If I am missing something here, Mr Easton, I am sure you will help me see what it is I am missing. I understand that you have just said that the draft forest management plan may or may not have a sustainable yield figure in it. Whether or not it contains that figure, you will not have done the independent review of the sustainable yield number because that is being done by an expert panel. Mr McNamara is shaking his head, so he might be able to tell me what it is I am missing.

**Mr Easton:** As I said before, it is premature for me to give a detailed response to your question. However, it is likely that within the report there will be some scenarios put that give us a point of scale to consider. I do not have access at this point to the data that will come forward that helps us look at sustained yield at this point. So, I am really not in a position while we are going through this last part of the process to actually say what precisely will be in the approved draft forest management plan and the extent to which that would give you comfort in relation to sustained yield. I just cannot comment in detail on that.

**Hon SALLY TALBOT:** I am just at a bit of a loss to understand what it is that the public is supposed to be commenting on as far as the timber industry goes if there is no sustainable yield figure in the draft report.

**The CHAIR:** Let me say, too, I think we have gone as far as we are going to go on this one. I think we need to move on.

**Hon SALLY TALBOT:** Thank you. I just see Mr McNamara shaking his head. Is there something that you wanted to add that will —

**Mr McNamara:** Perhaps I should not shake my head! What I was reacting to was simply part of the statement, which once again goes back to the role of the independent panel. The department runs the wood inventory and the modelling. The department is doing modelling in accordance with various scenarios and settings to inform the draft management plan. Those models are robust; they have been tested in the past. After the draft forest management plan goes out and there is a three-

month public comment period and then the final management plan is prepared through the process of the CALM act and is also subject to independent assessment by the EPA, those bodies and the minister or ministers—the government—and the public will ultimately want to be assured that the yield figure that goes in the final plan is robust and defensible and is the logical product of the parameters that are ultimately decided upon. That is where the independent panel comes in—in that process. The independent panel is not needed to put the first cut, if you like—that is probably a poor choice of term! It is not needed to put the first indications on the table through the draft forest management plan. It is a quality assurance and an interrogator and a tester of the modelling as you go through subsequent parts of the process.

**Hon SALLY TALBOT:** Okay, thank you. I do agree with you, Mr Chairman; we have probably wrung that sponge a bit dry. Hopefully, we can get over my next question a bit more quickly! The socioeconomic study, has that been done?

**Mr Easton:** It is in process.

**Hon SALLY TALBOT:** Will you have seen the results of that by the time the draft FMP is released?

**Mr Easton:** I would say possibly not.

**Hon SALLY TALBOT:** Can I then ask you the same question: isn't the whole point of a socioeconomic study supposed to inform the drafting of the forest management plan?

**Mr Easton:** Yes. The socioeconomic aspects of the report are very important and, again, people will make submissions with or without an expert panel providing input into the FMP process. I would have to take advice on a likely conclusion date for that report being available for public consumption.

**Hon SALLY TALBOT:** And the report will be made public?

**Mr Easton:** Yes it will.

**Hon SALLY TALBOT:** Could I ask that as a supplementary question: when the socioeconomic study will be released?

**Mr Easton:** Yes, it will be made public.

*[Supplementary Information No D1.]*

**The CHAIR:** Can I just come in and question a little bit? I just want to get a sense of the value adding and how this works in a complementary way. So the modelling and the development of a lot of the material comes from DEC through that agency and then the environment commission has been appointed to bring a different set of skills to look at that work and scrutinise that work—I think that word was used. What are the additional skills in the environment commission which are going to add value?

**Mr Easton:** We are not suggesting the commission brings additional skills —

**The CHAIR:** Or judgement is it?

**Mr Easton:** We work through the agency of the department. When that culminates in a draft forest management plan and it is signed off by the commission, that plan will contain various options and scenarios and considerations for public submission. That public is in some parts very expert public; it is not just, you know, sort of Johnny in the street. I mean, there are local government organisations, commonwealth and state organisations perhaps, expert bodies, universities—others will all wish to make a submission and they will carry that expertise through those submissions into our consideration. So, the commission has to be convinced that those submissions are encouraged and treated openly. When the plan is actually written as a final, it will look quite different from the draft because the draft is deliberately somewhat expansive to attract submissions and further input. It is a very genuine consultative exercise. So, we as a board of commissioners of nine people are not

suggesting we bring any scientific or technical expertise to those matters. We need to be convinced that the expert advice that comes into the document and then is considered by the two panels and by the Environmental Protection Authority, that then ultimately the commission signs off on a document that they are convinced based on expert advice meets the requirements of a proper forest management plan for the next 10 years.

**The CHAIR:** Yes, I think I understand. Just if I do have it right, so the commission in a way in the first step receives the technical work from DEC—the agency—and that is going to go out to public review, if you like, or getting public submissions as a result. At that stage, the commission is going to ensure that the options are robust yet transparent and are of a sufficient breadth to encourage those submissions to come in.

**Mr Easton:** Absolutely.

**The CHAIR:** So that is the value that you are ensuring is there.

**Mr Easton:** Yes, and the document is sufficiently broad to encourage and trap those submissions.

**The CHAIR:** Yes, the different perspectives to come in.

**Mr Easton:** To bring other perspectives but, notwithstanding that, the draft FMP is based on a lot of work of expert scientific and other staff who cover all the facets of such a forest management plan. As I said earlier, the whole of, not just half a sector, forest —

**The CHAIR:** For example, you would have options saying, “If you do this, this might be the result”, or “If you do this as an option, this might be a result”—that kind of thing, so we can all —

**Mr Easton:** That is the general flavour. I mean, it will not sort of be a tick box arrangement, but it will certainly have options there for people to actually comment on, yes.

**The CHAIR:** Okay, I think I understand it to that point at least, yes.

**Hon SALLY TALBOT:** One tiny little question on that dry sponge, will you make the report of the independent review of the sustainable timber yield public?

**Mr Easton:** It was my understanding that it will be made public. I would have to, based on history that I am not familiar with, ask Mr McNamara whether that has been customary.

[5.20 pm]

**Mr McNamara:** My recollection is that was done with the Ferguson panel in the last forest management plan, and I would have every expectation that it would be the same. The reality is forest management has been contentious in this country for several decades. Every time there is a process of arriving at new settings, it is a matter of community debate and interest group debate and industry debate. The community says over and over again—it does not matter what state you are in in Australia—they just do not want to hear a department’s sort of proposition on what the yield would be; they want some university professors or an independent panel with these other people to have a second look at it. For the credibility of the process that has been deemed to be necessary in the past, it has been deemed to be necessary on this occasion, and obviously it would defeat the purpose if that report of that group were not made public—it would totally defeat the purpose.

**Hon SALLY TALBOT:** I want to ask you a couple of questions about ESFM—the ecologically sustainable forest management principles. The first FMP was supposed to be grounded on those principles. Is this FMP grounded on the same principles?

**Mr Easton:** Yes.

**Hon SALLY TALBOT:** Still just as valid now as they were in the early 2000s?

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** No change has been made to that principled basis?

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**Mr Easton:** My understanding is no change has been made to the basic principles that apply to ESFM. If anything, you may see in the next report some certain improvements in rigour which will reinforce those principles rather than detract from them or change them.

**Mr McNamara:** If I may just add to the point, please, the principles of ESFM are defined in the act. As far as I am aware and I am pretty sure I am right, they have not been amended in the last 10 years. The CALM act has been amended, though, in a very important way to recognise the objectives of protecting Aboriginal culture and heritage on CALM act lands and to provide for Aboriginal customary uses. I am not saying that they become a principle of ESFM per se, but those are now objects of the CALM act and while we would take the view that we have tried to reflect those things and believe we have done so in management plans in the past, there is now a clear expectation and requirement that those objects will now be very explicitly addressed.

**Hon SALLY TALBOT:** Is the commission working with the south west land and sea council on those aspects?

**Mr Easton:** Yes.

**Hon SALLY TALBOT:** To what extent are you working with them?

**Mr Easton:** Again, through the department there is ongoing and very close consultation with them. In relation to the amendments to the CALM act and the FMP, yes, there is direct consultation and that is continuing.

**Hon SALLY TALBOT:** Can you tell me how the commissioners are handling the final ESFM principle—I know that the commission is on record as saying that it does not really fall within their statutory powers—that is —

(e) that improved valuation, pricing and incentive mechanisms should be promoted ...

How are the commissioners dealing with that principle?

**Mr Easton:** I may not be able to provide an expert response to that. But in terms of the socioeconomic study and the economic considerations to bring further value, I think from my reading of it, it is largely through recreation and tourism to some extent and then other industries that do attach to the forest. But in terms of pricing and incentive mechanisms, no, I could not comment on that; I would have to seek expert advice.

**Mr McNamara:** I will elaborate briefly by simply saying that in terms of that principle of ESFM, I also note that the CALM act section 54 in terms of proposed management plans stipulates that in the case of state forest or a timber reserve, the Conservation Commission is responsible for preparation of the management plan through the agency of DEC, as I outlined before. In respect of state forests and timber reserves, that has to be in consultation with the Forest Products Commission and we would expect the engagement of the FPC to have regard to that final principle of ESFM.

**Hon SALLY TALBOT:** I think it is still a relevant question, Mr Easton, for you to perhaps take back to the commissioners seeing as it is going to be your plan when it is finalised.

Let me ask some questions, please, about the EPA's end-of-plan audit. I guess what I would like your comments on, Mr Easton, is the fact that many of the conditions set out in the 2004–2013 FMP, we have had some pretty spectacular failures to comply with those provisions. I notice that the EPA's June end-of-plan audit report is much shorter than the midterm report because, basically, they have just referred back to the midterm report and said, "All that is still relevant". I guess my question is: is the commission going to suggest that we follow the same strategy as far as compliance with the FMP as we move into the next decade?

**Mr Easton:** For a start, it is proposed or it is being prepared of compliance arrangements between DEC and Forest Products Commission. In terms of those arrangements, my understanding is that there is a compliance model that has been developed. All I can say is that there is close consultation

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with the EPA in discussing their concerns that came out of the end-of-term audit report. The commission needs to be convinced also that the new forest management plan for the next 10 years will actually pick up and accommodate and seek assurances that those concerns are actually included in the next report. As the chairman, I have addressed that matter already in my discussions in the preparation of the draft to see to what extent those concerns as expressed in the end-of-term audit are being not simply rolled over—I do not mean that—but included for consideration and reporting because a large part of our role, as you would know, is performance assessment and auditing. That role will continue and those issues where it is felt that compliance was not perhaps achieved—either it may be that in some cases the bar was set a little high as to the practicalities, or in a strictly budgetary sense the department has to at times call for prioritisation; they cannot cover all aspects of all parts of what they would really like to do. I just think that what we are really pursuing is a strong collaborative approach between the commission and the department that deals with such issues. I am confident that the new forest management plan would include those concerns of the EPA, and it will work together to make sure that that compliance occurs. I believe that and it is my responsibility to ensure that.

**Hon SALLY TALBOT:** Yes indeed. Do you believe that there need to be changes to the act?

**Mr Easton:** Not to my knowledge, no. I would not be sufficiently expert at this stage to say that the act needs to be changed.

**Hon SALLY TALBOT:** I am hearing you say that you might have to lower the bar.

**Mr Easton:** Well, no we are not —

**Hon SALLY TALBOT:** I think they were your words; I am not putting words into your mouth.

**Mr Easton:** Okay. I just think that sometimes when one looks at the complexities of overall forest management at a time of declining rainfall, which in itself can bring forward more pest and disease and fire, it is extremely difficult for the department to always meet the standards that they would like to achieve. It is not a matter of lowering the bar —

**Hon SALLY TALBOT:** It is not just the standards they would like to achieve; it was the explicit conditions of the forest management plan when you think about the number of areas that were supposed to be put into formal conservation reserves, the protection of wildlife—all those KPIs that were not met during the 10 years.

[5.30 pm]

**Mr Easton:** Yes, but in saying they are not met—I will not go too far into this area because I am not expert—sometimes there are other factors. If you are about to refer to the number of species that were raised in status as to their being endangered or threatened, the predatory behaviour of animals was largely the reason for that outcome, which is very sad. But from other knowledge I have gained in dealing with native fauna in forestlands and national parks, the extent of damage, if you like—death—done by predatory animals is frightening. I refer in particular to the cat, and then the fox, and then of course there is the other disturbance to vegetation by feral pigs, and so on. It is not my game to go in there, but I am saying that it is not lowering the bar, it is really trying to look at the complexities of forest management that, at times, are very demanding with the other factors changing around us, some of them human-induced.

**Hon SALLY TALBOT:** I move on to a slightly different topic now.

**The CHAIR:** Can I just finish a bit further on that?

**Hon SALLY TALBOT:** Yes; sure.

**The CHAIR:** In your options you will be including the reference to the feral animals—the foxes and cats and so on—will you?

**Mr Easton:** Absolutely; yes, yes.

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**Hon SALLY TALBOT:** I just wanted to ask you a question about how the cut has changed as a result of the karri increase last year. Are you able to tell the committee what the proportion of first, second and third-grade logs were in the last financial year?

**Mr Easton:** I am sorry, I do not have the expertise to comment in that detail without taking advice on that.

**Hon SALLY TALBOT:** Is that something you would be prepared to take on notice?

**Mr McNamara:** I am sure we can take away the request for supplementary information and deal with it in that way. What I do need to say, though, is that I am not clear in my own mind right now of the degree to which we would be able to answer that, or whether we would need to go to the Forest Products Commission—I am sure the latter will be required. So, if you want us to be the agent to ask for that through another agency, we can do that.

**Hon SALLY TALBOT:** Can I submit questions afterwards?

**The CHAIR:** Yes, you certainly can.

**Hon SALLY TALBOT:** I might leave that one then, and I will phrase it in a different way.

**The CHAIR:** Okay, because they may not give it to you either! Sorry, no, I do not mean that!

**Hon SALLY TALBOT:** Can I talk to you a bit about soil carbon storage? You are doing a survey at the moment of the soil carbon inventory, I think you call—of soil carbon—but you will not be imputing an economic value to that. I understand that is a policy decision; Mr McNamara answered that question in estimates in the Council.

**Mr McNamara:** Yes, and I hope I am consistent in what I say; I am sure you will tell me if I am not!

**Hon SALLY TALBOT:** I just might!

**Mr McNamara:** There is a carbon stock estimation project as part of the preparation of the draft and final forest management plans, and that is underway. But I think the situation is that in the current circumstances we are not looking to ascribe a particular economic value to that stock of carbon; other people may choose to do so once they see a figure.

**Hon SALLY TALBOT:** Will that report be made public?

**Mr McNamara:** It is a project that is being done, I think, by the department to inform the draft forest management plan. Whether it is a separate project report that is intended to be published, I am not certain.

**Mr Sharp:** My understanding is, not at this stage as a separate stand-alone report; it will be incorporated into the document.

**Mr Easton:** But it is informing the FMP.

**Mr McNamara:** I have no problem with the principle, if you want to put it that way, that pieces of work that inform the draft FMP and are relied on by the Conservation Commission should be produced in a form that is available.

**Hon SALLY TALBOT:** In principle it will be made public?

**Mr McNamara:** Just speaking personally—I have not discussed this with staff—if a project is done and a project is going to inform the draft FMP, I would expect a project report that we would have no problem in making available. There is no point having a forest management plan out there with the things that inform it as secret; all you do is deny the public the chance to have confidence in the forest management plan.

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**The CHAIR:** That can be put on notice for you to see whether that can be made public either now, or, if not, when it might be able to be made public; and, if it is not to be made public, you can request here that it be private, and we can decide.

**Mr McNamara:** I am looking at the cash flow; the project is catered for in the 2012–13 extra funding the department has for the preparation of a forest management plan. I do not have the detail at my fingertips, but it is not complete. So, it is not a matter of coming to you with a report; it is a matter of me saying that when the work is completed, I would expect that it should be made public because it is a supporting document to the forest management plan.

**The CHAIR:** That is fine; you just give us an idea of when that time line is.

**Mr McNamara:** We can do that as supplementary information.

*[Supplementary Information No D2.]*

**Hon SALLY TALBOT:** Still, obviously, in the broader context of the forest management plan—both the current one and the one you are drafting—I have a couple of questions about dieback. I noticed the other day that the Conservation Commission released “Position Statement No. 7”. May I ask what the connection is between “Position Statement No. 7” and the 2010 performance assessment?

**Mr Easton:** The position statement, really, is an updated—it is very much that; a position statement of what is considered to be the state of dieback disease in Western Australian forests at this time. It is not a detailed report on the condition of the forest; it really spells out what dieback is and the extent to which it is a disease of serious concern et cetera. I do not think I can answer your question in detail. One, I think, is a report of the condition of the forest—I do not have it in front of me—but the position statement is an updated statement of how we as the commission view the matter of dieback and the disease. It is not an audit; it is a statement. It is a statement of the situation in a broad sense.

**Hon SALLY TALBOT:** Under the act, the CCWA is instructed, I suppose, to develop policies under section 19(1)(c). Has the Conservation Commission developed a policy on dieback?

**Mr Easton:** I would not call it a policy when it is called a “position statement”. To get into the definition of the word “policy” is a tricky one anyway. I think for a policy, the department follows policies that drive its operational programs, but a position statement, I think, is that; it is a document available to the public to read about the disease and extent of the disease, the threats it poses; it does not translate into a policy for operational practice.

**Hon SALLY TALBOT:** So “Position Statement No. 7” is not a policy; it is not produced under section 19(1)(c). Has the commission produced any documents under section 19(1)(c)?

**Mr McNamara:** If I may, I cannot recite a list, but I have a very clear recollection of a policy position by the commission, or its predecessor, on access to the conservation estate for exploration and mining, for example—a very explicit policy statement of the commission’s and the previous National Parks and Nature Conservation Authority’s own view on that matter—as distinct from what government policy might or might not be at that time. So there certainly have been occasions.

[5.40 pm]

**Hon SALLY TALBOT:** Perhaps we could take that as a supplementary. If I could have a list of policies produced under section 19(1)(c). The Conservation Commission was only founded in 2000.

*[Supplementary Information No D3.]*

**Hon SALLY TALBOT:** “Position Statement No. 7” says —

... there is still a need for an overarching strategy to define desirable and achievable outcomes for dieback management in the state.

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That tells me that we still do not have an overarching strategy. Does the Conservation Commission have any view about how we might go about developing that strategy or why we do not have one?

**Mr Easton:** I would defer, I think, to the department, that following the release of that position statement, which was only in the last two weeks, that there will now be discussion between the commission and the department as to where that might impact or where the department is at in relation to its strategies for dealing with dieback disease. For me as chairman of the commission, I cannot say that we have a strategy in place because we are not an operational body.

**Hon SALLY TALBOT:** I do not want you to take my comments, Mr Easton, as a criticism of the commission; I think these two documents are very fine documents.

**Mr Easton:** I think the position statement is an excellent document.

**Hon SALLY TALBOT:** Yes; I just worry that it is just a document, and seven pieces of paper do not stop dieback.

**Mr Easton:** No.

**Hon SALLY TALBOT:** I noticed that your main conclusion is that the best way of stopping the spread of dieback is to prevent it breaking out.

**Mr Easton:** Yes.

**Hon SALLY TALBOT:** I would have thought that would be absolutely front and centre of your thinking as you go into drafting the next forest management plan.

**Mr Easton:** And it is.

**Hon SALLY TALBOT:** Thank you. I think you wanted Mr McNamara to make a comment about the overarching strategy.

**Mr Easton:** I was not wanting to draw him in; I am just saying that translating a position statement and/or policy of the commission into practice is something the operational arm—the department—takes responsibility for. The commission does not drive the department; it is simply making a position statement clear as to what they believe to be the extent of the problem and how it is felt that an overarching strategy is needed to progress this to better effect. There is a very strong collaborative nature to the relationship between the commission and the department, which, in the six months I have now been chairman, I have been impressed with. I see that we can increase that collaborative arrangement to the point where we do not in any way compromise our statutory independence, but the practicality of getting things like that into action is how we can work in this way at officer level, and I think that is happening.

**The CHAIR:** Your role is really a little bit invidious in a way because —

**Mr Easton:** Good word!

**The CHAIR:** — you are almost a silent partner. You are relying on the executive of the agency, as capable as they might be, to pick up the position statement, for example, and then to actually get the prioritisation to get the funding to get the action.

**Mr Easton:** Yes.

**The CHAIR:** That must be frustrating for you at times. Do you then go to the minister or do you interact with the agency in another way as well to give them the support they might need to get something up?

**Mr Easton:** We do not have that role. If we have a matter of serious concern in the broad policy sense we would go to our minister for advice and discussion. But in terms of direct intervention or active support for the department to gain additional funds or to deliver programs differently, no, we cannot do that, but through our performance assessment and audit process we can bring to the notice of the department and the minister where we believe certain things need to be done more of,

differently, better. It is then up to the director general to determine the priorities against his budget, which is an extremely difficult task. Yes, we can write position statements, but we do not deliver the goods.

**Mr McNamara:** If I could just make a very quick comment.

**Hon KEN TRAVERS:** Defending yourself!

**Mr McNamara:** No; I do not need to do that.

I am the head of a normal department of state; I am subject to the direction and control of the Minister for Environment. Importantly, the minister hears, if you like, about our issues and about our performance in implementing management plans from an independent statutory body—the Conservation Commission; equally, he hears about us in the same way from the Marine Parks and Reserves Authority, for example. So the minister has other very formal sources of advice to himself about these matters, rather than just the department that the minister directs.

**The CHAIR:** So, in a way, the most powerful tool you might have is your audit function.

**Mr Easton:** That is correct.

**The CHAIR:** Because if you are auditing dieback—how much has been cut here, there or wherever—and you do a report on that and it says, “This is getting to be a more serious problem”, or it is being exceeded or something, that then becomes perhaps the most important tool for getting change and supporting the department.

**Mr Easton:** We are moving more into what we call “landscape management units”, which will be in the report, where we feel we have areas of similarity, whether it be flora or fauna or natural conditions. Therefore, in terms of a manageable sense across a local management unit, yes, some of these things can be tackled perhaps more effectively. We could only bring that to the attention of the minister or the department through our audit and advisory processes, but, yes, we do not deliver the product, as I said.

**Hon SALLY TALBOT:** Perhaps I could ask a question that will enable you to elaborate on that point the Chair just raised. You have, as you say, got an audit function under section 19(1)(g), which, from memory, talks about developing guidelines, setting the criteria for evaluations and conducting assessments of the way management plans are implemented. You have an audit function under that.

**Mr Easton:** Correct.

**Hon SALLY TALBOT:** Can you give us some examples of where the Conservation Commission’s audits have had an impact on DEC and/or the forest management plan?

**Mr Easton:** Yes, it is all available. I do not think I could pull it out of the air now through my lack of history, but I have been informed—again, we have a good process between the department and the commission staff—as to how that auditing of management plans is undertaken and the actions that accrue. There is evidence of those outcomes, but, I am sorry, I cannot refer to them now, only because I cannot —

**Hon SALLY TALBOT:** Shall we make that a supplementary?

**Mr Sharp:** Just by way of clarification: you were asking for an example of where a published audit has had an impact?

**Hon SALLY TALBOT:** Yes.

**Mr Sharp:** They publish them, and a response is given to them. Do you want to pick an example of one component or?

**Mr McNamara:** I think we can obviously answer that as a supplementary, but —

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**Hon SALLY TALBOT:** The Chair made the point about being in an invidious position; I am asking you to give examples.

**Mr Easton:** Yes, there are examples, and it is useful and collaborative and things get delivered, but I cannot pick the reference right now.

**Mr McNamara:** If I may just clarify: there is a long sequence or series of such audit reports, and the department responds to the findings and recommendations in each one, so there could be a great many such actions. So if we answer at a principles level with some examples.

**The CHAIR:** Yes, just two or three examples.

**Hon SALLY TALBOT:** Particularly in relation to the forest management plan. Do you think that would be useful, Mr Chair?

**The CHAIR:** I do not mind; any audit, really, just to show what the added value is.

*[Supplementary Information No D4.]*

**Hon SALLY TALBOT:** I have a couple of quick questions just to finish the dieback topic.

Having said that your main conclusion, Mr Easton, or the commission's main conclusion about dieback is that you best control it by preventing its outbreak, obviously the next thing we look at is hygiene. Do you know whether the dieback wash stations are manned? Does the commission have a view about how the hygiene issue is managed?

[5.50 pm]

**Mr Easton:** I do not know where they are and whether they are manned, but I do know that the department and the Forest Products Commission are very committed to hygiene practice. Over recent times even, there have been more stringent application of guidelines to contractors who are operating in our forest to abide by a set of rules, which are very clear and which are also overseen by the Forest Products Commission. Hygiene practice and extra rigour applied in that way to try and avoid or minimise the spread of the disease is evident.

One of our biggest problems is irresponsible recreational driving of four-wheel-drive vehicles and motorbikes in parks in wet conditions which really do accelerate and exacerbate the condition of spread of this fungus, which is terribly worrying. When it is wet, the compaction of the soil has a serious effect also and therefore harvesting is stopped during those periods. From what I have observed and from what I have been told, that is supervised very closely by the FPC because they are quite well aware of potential criticism in that regard into their role of managing the forest and the spread of disease.

**Hon SALLY TALBOT:** Do the commissioners intend, before they sign off, even on the draft of the FMP, to do any of their own investigations into the maintenance of those wash-down facilities? Are you going to go and look at the forests?

**Mr Easton:** You might be pleased to know that next week I am spending three days in the forest with Beth Schultz.

**Hon SALLY TALBOT:** That is the best news I have had all day!

**Mr Easton:** So you think I am short now! And her team—I thought I would go out to the forest with Beth for a day; I said that. Back came Beth and next thing there was the itinerary for three days. So, I think I am personally going to learn a lot about forest management.

**Hon SALLY TALBOT:** I hope you have not gone too far with the draft, have you?

**Mr Easton:** I am sorry; I have seen references to the wash-down facility but I am not sure to what extent.

**Hon SALLY TALBOT:** I am happy to leave it to Beth. That is absolutely fine.

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**Hon KEN TRAVERS:** You were just saying illegal four-wheel-drives and trail bikes in the forest are one of the biggest causes—did I hear you right?

**Mr Easton:** That is what I am told. Mr Sharp is in charge of all of the administration on national parks and forests. That is what I am told; that it is quite a problem. Not all of them.

**Hon KEN TRAVERS:** In light of that, have you been asked or have you given any advice with respect to the trail bike strategy, as a commission? Clearly, in terms of your responsibilities for effectively maintaining the biodiversity, trying to get that trail bike strategy funded and up and running must be a fairly crucial element to being able to support the goals of your organisation, I would have thought.

**Mr Sharp:** If I could intervene in the sense that the matter was dealt with before Mr Easton was chair of the Conservation Commission, the strategy was taken to the commission and they gave consideration of it. As this arrangement we have discussed is structured, the department is the agent of the commission. The department engaged vigorously in the development of that strategy and pursuing that strategy to come to an end, representing those views into the strategy. I can clarify the comment about vehicles, it was more broadly; it was not about just forest, it was about parks, in particular coastal heathlands, where we have the expression of dieback where vehicles, where places have been closed, and illegal use presents great difficulties.

**Hon KEN TRAVERS:** Does the commission have any ability to help progress that strategy actually coming to fruition in terms of requiring it to be implemented as part of your forest management plans et cetera? If the trail bike strategy is not put in place, then that will significantly affect what you can then allow, for instance, in terms of logging because if the trail bike strategy is not put in place, then your ability to protect and maintain that biodiversity is significantly reduced.

**Hon SALLY TALBOT:** Yes, because after all what the trail bikes are using are either logging tracks or DEC maintenance tracks.

**Mr McNamara:** Or the bush.

**Mr Easton:** Or create their own.

**Hon SALLY TALBOT:** Well, yes.

**Hon KEN TRAVERS:** It would strike me that if you do not get the trail bike strategy, that is going to have a dramatic impact in terms of doing the sums and the risk management about protecting and maintaining the various values. If you have not got a trail bike strategy in place, you would need to then factor that into what you can allow for.

**Mr Easton:** Again, it is referred to in the forest management plan, as Mr Sharp told us. The strategy is an active strategy in place by the department. But again, departmental officers will inform us that despite all of the best efforts to have such a strategy in place, you will always get a certain type of individual who will go out of their way to do everything to go into areas that they should not be in and also to remove barriers and just actually do things that are damaging our forests and spreading disease, notwithstanding—I am not the expert in relation to the strategies—that it is great the strategies are in place. But I am saying that there is also evidence that beyond the strategy, you will still get a certain type of individual.

**Hon KEN TRAVERS:** I understand that. I guess my point is that there is a strategy written but it is not in place. That is the point I am making. The elements of the strategy which is about identifying and providing alternate spaces, for instance, is not necessarily a responsibility of DEC or yourselves. But the failure to have that strategy enacted must then have some impact back on the way in which you would then look at what is available for logging, in the main, and even for other uses that, because of the illegal activity, is unable to be controlled because the strategy has not been put in place. That would have an immediate impact on what you can now allow to have happen, because you have got to make allowances for the illegal activity that is going to continue.

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**Mr McNamara:** That is one of the issues in developing a forest management plan in determining areas available for different uses, including timber harvesting, and in estimating the sustained yield and ultimately defining the sustained yield, because one of the parameters in the sustained yield modelling is an allowance around dieback and there are uncertainties in that space. The forest management plan is a CALM act management plan. It is binding on the operations of the Department of Environment and Conservation and it is binding on the operations of the Forest Products Commission. I do not think there is a legal linkage through to being able to say unless a strategy that is much broader is in place, you cannot do certain things. But the forest management plan can certainly stipulate to the department how the management of recreational access, inclusive of trail bikes, is to be catered for and what settings are to apply to that.

**Hon KEN TRAVERS:** But the point I am getting at is that there still must be a point where in setting the plan, the fact that there is not a funded strategy in place then impacts upon what you put into that plan. If there was that strategy in place, you would do something different in that you would be able to do something in the plan differently to the way in which you have to do it because that strategy is not in place. So, you may not have a formal linkage if this does not happen, but the fact that it has not happened must have some impact on what the commission then does when they are formulating their plans for you about restricting what you can do, making it even tighter, knowing that there is the risk of this illegal activity damaging the environment.

**Mr McNamara:** Mr Sharp probably wants to elaborate, but we are also facing up to the position that you cannot be King Canute in this space. It is about actively catering for some of these uses, which in the past some of us might not have wanted in some of these areas, but if you stand there in denial, then they will just happen and proliferate anyway. So, if you go to the Pinjar off-road vehicle area, for example, in the forest north of Perth—and we are looking at other areas where you very explicitly cater for these uses to deal with some of the problems that you are referring to.

**Hon KEN TRAVERS:** And as I understand it, one of the key elements of the off-road strategy is that you identify areas, you say, “This is where you can do it” and it might even be parts of the forest where dieback has already basically gone through and wiped out the majority of it and you say, “Go and use that because you’ve already destroyed it.” I accept that there are elements that you can do, but it strikes me that what you need though is that funding to be able to do it. I think is the big problem at the moment is we have got this great strategy, but we have not got the funding to do it. But by not funding it, it then has an impact back into the operations of the commission.

**Mr Sharp:** One of the comments I would make in relation to that is the plan operates at a higher order level in terms of raising the issues of dieback and what creates the threats. The way we would structure, as a department, responding to that issue is not to say, “We’ll wait for a strategy” or “The strategy needs to do that”; we are acting to meet our responsibilities in relation to preventing access and providing access in area management plans, as well as waiting for the forest management plan. So when we have national park plans or area plans, they deal with those issues of exclusion, which we have done, for instance in the Walpole wilderness series of parks that make up the Walpole wilderness plan, in allowing some areas where there will be access on tracks which are managed, which was part of the overall planning process.

[6.00 pm]

It would be highly desirable if you had implemented and funded a strategy which would, taking the point, fit in with that. In the absence of that, we will still proceed to have area management plans and have a response in policy and practice on the ground that deals with those issues.

**Hon SALLY TALBOT:** Why are we waiting for an overarching strategy?

**Mr Sharp:** We are not —

**Mr McNamara:** Our people in the bush deal with this all the time.

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**Hon SALLY TALBOT:** I am not talking about the trail bike plan; I am talking about dieback. Why are we waiting for an overarching strategy?

**Mr McNamara:** We are not waiting.

**Hon SALLY TALBOT:** We have not got one.

**Mr McNamara:** We have continuing efforts on a range of fronts. We have scientific research, we have threatened flora, ex situ storage of seed of endangered species, we have translocations to create dieback-free populations of dieback-susceptible species, we have phosphite spraying. We have actually had a successful trial of eradication of a small infestation. That requires very, very, very intensive chemical treatment and effectively the sterilisation of an area for quite some time thereafter, but that is probably, in my judgement, a reasonable price to pay if you can get an outbreak very early in an otherwise pristine area. It would be worth sacrificing that area, even if it were for years or decades, in my judgement, rather than have it spread everywhere. There are strong controls, which the chairman has already alluded to, in relation to harvest coupe planning and logging operations. Every recreational facility that we develop in the south west, and our work around the Munda Biddi trail and the Bibbulmun track and all those things, all involve dieback assessment. There is a strong element in our planning for any disturbance activities. It is something we try and do as much about as we can, but apart from this recent development of actually achieving eradication rather than containment, its description is a biological bulldozer, and it is a description that I have used a number of times, out of all the things we deal with that are threatening, you can actually pull weeds out of the ground, you can actually kill feral animals—it might be hard and it might be costly—but there has not been a way to deal with dieback. That is the challenge.

**Hon SALLY TALBOT:** Do the commissioners have a plan for an overarching strategy, Mr Easton?

**Mr Easton:** No; we do not have a plan. This statement has just been written and again, we rely, as we all do, heavily on the department to continue the work that they are already doing. As commissioners, again, it is not our role to be involved operationally in any way but in terms of our relationship with the department, we are required to bring to their attention issues of concern. That is mainly in line with our management plan, that we bring that to their attention. I believe that is effective; it is collaborative. But we can all do better and we can all try to be as effective but gee, the elements out there in these areas, as Jim was saying, not only in the forest but in other areas of the state in national parks and conservation reserves, there is a lot to deal with of a threatening nature.

**Hon SALLY TALBOT:** We are trying to stop people dumping illegally by fining them up to \$62 500, perhaps we should be doing the same if they are spreading dieback.

Mr Chair is giving me the wind-up sign. Can I just ask one more quick question?

**The CHAIR:** No; I was not quite winding you up. I want to get a word in, if I could!

The dieback is such a big issue. Is there a prioritisation? How do you see a strategy? I do not know how much money we are putting into research, for example, but should that be lifted if the danger of dieback is so serious? Should that be lifted five times or 10 times? Is there something which lays out what the prioritisation is for an attack on it?

**Mr Sharp:** I think the response we have been given is there is a range of practices and approaches which guide daily management and all the actions that we would take in relation to our responsibilities in relation to dieback. Research feeds into it at one level—research and understanding. My view would be I do not think research holds necessarily a magical answer in this place, but there is ongoing research, as Mr McNamara indicated, of actually obliterating dieback. There is research in terms of approaches of removing dieback which are being trialled. There is a range of activities being undertaken. We are not static in terms of our response to dieback. We are



using different approaches all the time. For instance, in the Fitzgerald, working with the South Coast NRM, we have developed—which is now being more widely used—a green card system that anyone who enters into the place to work goes through formal training and has to carry a green card to show. Do you know what I mean? They are innovative. There is a whole range of innovative as well as consistent tried and true approaches that are being used to deal with dieback. I think in a broad strategic sense, it is about stopping it from spreading. That is the proper strategic approach.

**Mr McNamara:** If you are inviting me to say that we would do better in conservation generally and park management generally with more funding, of course the answer is yes. But my job is that there is an appropriation that is made and we have to get the best outcome for that. We are not the only investor. Natural resource management funding goes into this space, both state and federal. There are university researchers, there are community groups, there is a wide range of activity.

**The CHAIR:** We could put dieback ahead of blowflies—that is how I rate it!

**Hon SALLY TALBOT:** Just a couple of quick questions about the monetary side of things. The Conservation Commission is engaged in compliance audits, preparation of management plans, reporting, things like this, position statement number 7, mapping of land categories and that sort of thing. What is the total expenditure that the CCWA puts towards that?

**Mr Easton:** In our budget, like a lot of budgets, a great proportion obviously goes on salaries and across only five positions you would have three of those positions applied to management planning and performance audits. Again, we rely heavily, through the agency of the department, to write the management plans which we are part of the process. Our main role is to then get draft management plans and discuss them et cetera. But then our role largely is to go out and audit against the management plan, which is in the act. Again, we are not operational, hands-on even in things like fully writing a management plan. We rely heavily on the resources and expertise of the department to do that.

**Hon SALLY TALBOT:** Those figures that you are referring to, is that from your annual report? Is that a document you can table for us?

**Mr Easton:** Do you mean the budget report?

**Hon SALLY TALBOT:** Yes.

**Mr Easton:** I have it here. I would need to look. I have not yet submitted an annual report, but I have read them.

**Mr McNamara:** If I can just refer to the Department of Environment and Conservation's annual report. I have page 97 of the 2010–11 one open. It does record the expenditure of the various bodies that receive support from the department in the same way that the Conservation Commission does. So that shows the expenditure for the year, but it is only a single line item in the department's annual report.

**Hon SALLY TALBOT:** What Mr Easton was looking at seems to me to be a more detailed breakdown of that.

**Mr Easton:** This is the detailed way in which of that amount of money we accommodate the various elements of our expenses in running the commission.

**Hon SALLY TALBOT:** Can you table that document for us?

**Mr Easton:** Yes, I imagine we could.

[6.10 pm]

**The CHAIR:** What is that entitled?

**Mr Easton:** "Conservation Commission of Western Australia Budget Listing Report 2012–13".

**The CHAIR:** Thank you.

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**Hon SALLY TALBOT:** Is the Conservation Commission in any sense a fee-for-service agency? Do you get any funding back? Does anybody pay you to do anything?

**Mr Easton:** No.

**Mr McNamara:** I think we do!

**The CHAIR:** There is not a conflict of interest here somewhere?

**Hon SALLY TALBOT:** So you do not get reimbursement from the Forest Products Commission for any of the services that you provide to the —

**Mr Easton:** Not to my knowledge, no, definitely not.

**Mr McNamara:** I will break this into a couple of bits. There are some direct services that the department provides to the Forest Products Commission. There are some corporate services. We fight fires on pine forest land, for example. They pay us for those direct delivery of services to them. The previous government broke the nexus between the FPC paying us directly for services some years ago. About 2003, give or take a year, there was a breaking of that nexus and the FPC pays, as part of their payments to Treasury, an amount in the vicinity of \$7 million, which we then get in our appropriation into the sustainable forest management appropriation. The total appropriation of the department and obviously the Conservation Commission's \$1 million or thereabouts a year, comes out of the total funds of the department.

**Hon SALLY TALBOT:** There is no NRM money or royalties for regions or anything like that as an income?

**Mr McNamara:** Not to my knowledge. I am not ruling it out. There might have been one or two small projects over a number of years, but because the commission is essentially a vesting and a policy and a management plan advisory and an auditing body, not a doing body, it is not generally in the business of doing the sort of things that those programs fund.

**Mr Easton:** You might rather pay us to stay away! But we do operate under the umbrella of the department so there are all of sorts of elements—office accommodation—that add to the mix.

**Hon SALLY TALBOT:** Yes, I understand that. Has the Conservation Commission been consulted by DEC or other government departments about prescribed burning activities?

**Mr Easton:** I would not imagine that we are consulted, but in terms of their programs to do prescribed burning, whether it is an operational matter —

**Hon SALLY TALBOT:** Is there any expenditure by the Conservation Commission on prescribed burning?

**Mr Easton:** No, other than audits.

**Mr McNamara:** Both the forest management plan and individual park or area management plans do address fire management as one of the fundamentals of land management. They address it at the level as is appropriate for an FMP being the whole south west or an individual park plan, be it the D'Entrecasteaux, the Leeuwin–Naturaliste or whatever, and you get quite particular strategies and so on in those plans for fire management. I am sure that over the series of audits, the Conservation Commission has done and DEC's implementation of management plans over the years, fire has been a consideration in those.

**Hon SALLY TALBOT:** Thank you. My last two questions are very, very brief and it is simply about whether the Conservation Commission's advice has been sought on two particular topics. The first one is the new biodiversity conservation act and the second one is the rangelands review—the rangelands tenure reform.

**Mr Easton:** My understanding is yes, but, again, my officers would have been directly consulted, not me as the chairman, at this stage anyway.

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**Mr McNamara:** The Conservation Commission going back some years has certainly been consulted in respect of the proposal for a biodiversity conservation act. I cannot personally speak to the rangelands project.

**Mr Sharp:** As I understand it, it was brought to the attention—they were raised about the opportunities to submit, but I will check that.

**Hon SALLY TALBOT:** Has the Conservation Commission had any input into a new biodiversity conservation act? Have you produced any reports or recommendations?

**Mr Easton:** I am not aware of that.

**Mr McNamara:** It is not a matter that there has been recent policy work on, but I have a very clear recollection in fact that the previous Chairman of the Conservation Commission put forward a substantial report on what a biodiversity act might look like.

**Hon SALLY TALBOT:** Can you give me a year for that?

**Mr McNamara:** It was in Dr Bailey's term but off the top of my head the answer is no.

**Hon SALLY TALBOT:** Was that the last time policy work was done on a new biodiversity conservation act?

**Mr McNamara:** The department has done policy work on a biodiversity conservation act proposal subsequent to that time. But at the time when it was actively being discussed, indeed the previous government did release a public discussion paper about a proposal for a biodiversity conservation act, I have a very clear recollection that the Chairman of the Conservation Commission put forward substantive advice to the minister.

**Hon SALLY TALBOT:** This is not a current activity of the Conservation Commission?

**Mr McNamara:** In terms of legislative program and legislative priorities—and we have spent a lot of time in the last year and a half on the Aboriginal joint management amendments to the CALM act, which has been the significant preoccupation legislatively within the conservation area of the department—there has not been active progression of the consideration of biodiversity legislation. Because it has not been active, it has not been a matter that has been before the Conservation Commission.

**Hon SALLY TALBOT:** And the rangelands review?

**Mr Sharp:** I will have to take that on notice. My recollection is that it was brought to the attention of the commission, but I am not quite sure where that is at.

**Hon SALLY TALBOT:** Okay, so the question is: what is the extent of the Conservation Commission's contribution to the rangelands review process?

*[Supplementary Information No D5.]*

**The CHAIR:** Just one last question I have in relation to the audit work that the commission does, in looking at the roles and responsibilities in this document, operational relationship agreement with the Conservation Commission, roles and responsibilities it goes into 3.1 of the commission first and then of DEC in terms of matters relevant to the commission. My question is: where is the reference made to audits that the commission undertakes?

**Mr McNamara:** 3(1)(g) uses the term performance assessments rather than audits. If I can go very quickly to the act —

**The CHAIR:** So that is really specifically of DEC only though. I assumed assessments could be audits but it is just limited to be of DEC. I thought it might have been wider than that.

**Mr McNamara:** It is of DEC in all cases in terms of CALM act lands. The document is probably a bit deficient in this respect, but it is also in respect of Forest Products Commission activities on the state forest and timber reserves.

**The CHAIR:** That was the reason for my question. So, maybe, in reality, you are taking it as being broader than it actually says there?

**Mr McNamara:** The law makes it broader because under section 19(1)(g) the law refers specifically to that function of the commission applying to the Forest Products Commission if it is state forest or timber reserve. As I say, the operational document is probably a bit deficient in its reflection of the law in that sense. On your question about the word “audit”, section 19(1)(g) uses words such as “monitoring”, “evaluating”, “periodic assessment”. It does not actually use the word “audit”. That is why the terminology is as you see.

**The CHAIR:** The final question is: how much of the \$1 million-odd is applied to that audit or assessment function?

**Mr Easton:** Of that salary vote, I would say a minimum of two FTEs on that, because we have a third on management planning. Yes, I would answer by saying two.

**The CHAIR:** Thank you. That brings us to the end of our time. Thank you for an interesting and engaging couple of hours. Any additional questions will be forwarded to you by the minister in writing in the next a couple of days together with the transcript of evidence, which includes the questions you have taken on notice. Members, if you have unasked questions, you will submit these via email to the committee clerk at the close of this hearing. Responses to the questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. This advice should include specific reasons as to why the due date should not be met. On behalf of the committee thank you very much.

**Hearing concluded at 6.20 pm**

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