

5 February 2026

Professor Karen Hussey
Committee Chair
Emissions Reduction Assurance Committee
GPO Box 2013
Canberra ACT

via email: accusecretariat@dcceew.gov.au

Dear Professor Hussey

Proposed Improved Native Forest Management in Multiple-use Public Native Forests method

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) welcome the opportunity to comment on the proposed Improved Native Forest Management in Multiple-use Public Native Forests (INFM) method. This submission does not comment on the technical or environmental design of the proposed method but instead highlights the importance of considering potential impacts on small businesses that operate within the forestry and logging sector.

Small businesses make up approximately 97% of all Australian businesses, employing around 39% of the private sector workforce and contributing approximately one-third of Australia's GDP.¹ The forestry and logging sector is characterised by a high proportion of locally operating small businesses and contractors, who are central to both forestry operations and its associated supply chains that include harvesting, haulage, processing and downstream manufacturing.² Native forests, while accounting for a smaller share of total timber volume nationally, provide an important source of high-value products such as sawlogs, veneer and poles used in housing, furniture, flooring and other value-added wood products that are not readily replaced by plantation timber.³

The ASBFEO acknowledges the proposed INFM method provides for the registration of projects that generate greenhouse gas abatement by stopping or reducing harvesting in multiple-use public native forests. However, we are concerned that, without adequate support, a moratorium on timber harvesting will have significant negative impacts on the small and family-owned businesses operating in the forestry and logging sector and on the adjacent small businesses in their local communities.

Harvesting activity is a critical source of income for many small and family-owned businesses operating in the forestry and logging sector, with many being long-standing, multi-generational enterprises. Moratoriums on timber harvesting can have disproportionate impacts on regional

¹ Australian Small Business and Family Enterprise Ombudsman (ASBFEO), *Small Business Data Portal: Number of small businesses in Australia; Contribution to Australian Gross Domestic Product; Contribution to Australian Employment*, ASBFEO, Australian Government, 2025.

² Australian Bureau of Statistics (ABS), *Counts of Australian Businesses, including Entries and Exits*, ABS, Australian Government, 2025.

³ Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), *ABARES Insights: Australia's native forests and wood production*, ABARES, Australian Government, July 2025.



communities, where these businesses often act as primary employers and support a range of adjacent industries such as truck servicing, financial and accounting services, and construction.

Without a comprehensive understanding of the effects of a moratorium on small and family businesses, many of which are located in regional areas; the government risks overlooking the second-order impacts on local communities. These flow-on effects may include business closures not only within the forestry sector but across other local industries that rely on the income circulated through the local economy, such as small businesses in the hospitality and retail sector.

It is critical that the government fully understands the economic and social implications for regional communities, particularly at a time when many feel they are being left behind due to regional bank closures, reduced access to essential services, and small businesses struggling to sell at retirement because of skill shortages and limited training pathways for younger people.

We encourage the government to also put in place genuine pathways of support for small and family-owned businesses in the forestry and logging sector and their local communities, enabling an effective and sustainable transition. This includes ensuring that these businesses have viable options to adopt more sustainable practices or diversify into other sectors, so that impacted regional communities can continue to thrive.

The ASBFEO encourages the Committee to recognise the operational realities faced by small and family-owned businesses in these communities and to ensure its economic and social impact analysis captures not only businesses in the forestry and logging sector, but across the broader community. Incorporating small business considerations into the finalisation and implementation of the INFM method will help mitigate the negative impacts of a moratorium on timber harvesting and support a transition that enables the long-term economic sustainability of affected communities.

If you require any further information, please do not hesitate to contact the Policy and Advocacy teams via email at advocacy@asbfeo.gov.au.

Yours sincerely

The Hon Bruce Billson

Australian Small Business and Family Enterprise Ombudsman