

## New South Wales Government response to

# Natural Resources Commission's Riverina Bioregion Regional Forest Assessment River Red Gums and Woodland Forests Final Assessment Report

April 2010



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#### **New South Wales Government Response**

## Natural Resources Commission's Riverina Bioregion Regional Forest Assessment River Red Gums and Woodland Forests Final Assessment Report (December 2009)

#### 1 Background

In 2009, the Premier of New South Wales requested that the Natural Resources Commission (NRC) assess the river red gum and woodland forests in the Riverina bioregion in NSW so that the Government could determine the conservation and sustainable future for the forests, the forestry industry and local communities.

The NRC completed its final assessment report *Riverina Bioregion Regional Forest Assessment River Red Gums and Woodland Forests* (NRC Report) in December 2009. The NRC report contained an assessment of the environmental, heritage, economic and social values of the forests. The report also included recommended water management, conservation, protection, economic and ecologically sustainable use of public land in the bioregion to sustain the forests and their identified values.

The NRC also wrote to the Premier in February 2010 to provide further advice on long term sustainable wood yields and standing stock volumes of quota sawlogs on public land in the river red gum assessment area.

This report addresses each of the NRC's recommendations outlined in the recommendations report, and provides details of the Government's responses to these. It also incorporates responses to additional advice on the long term sustainable wood yields from the region.

The Government recognises the significant environmental and social importance of the river red gum forests in NSW and accepts the key recommendations from the NRC that these forests are currently suffering severe stress and require additional protection. The Government response addressees these key issues by enhancing the protection of the forests, maintaining and improving recreation opportunities, and providing significant assistance to the timber industry and local communities to help them adjust to the changes and remain viable.

Irrespective of any decision by the Government to create national and regional parks, it is clear from the NRC report that timber harvesting yields would have to be virtually halved to provide for sustainable forestry. Considered together with recent water supply experience, future competition for scarce water, the ecological values of the red gum forests and uncertainty due to climate change, the government has determined that there is a compelling case for further forest protection through the creation of a system of national and regional parks covering a significant part of the Riverina red gum areas.

In accepting the findings of the NRC's assessment and key recommendations, the NSW Government has decided to create 85,721 hectares of new national and regional parks and allocated up to \$80 million, mainly from the Environmental Trust, to support the structural adjustment of the timber industry including workers; community assistance and development; park management and the implementation of other NRC recommendations.

To oversee the implementation, the Government has established the river red gum steering group consisting of senior representatives from the Department of Premier and Cabinet, Treasury, Department of Climate Change Environment and Water and Department of Industry and Investment to oversee the implementation of the government's response. The river red gum steering group has been meeting weekly since the government announced its decision in March 2010.

#### 2 Detailed responses

These responses address each of the recommendations made by the NRC and follow the thematic outline of the NRC's report

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NRC recommendation	Government response	
Undertake collaborative     water reform		
State and federal governments should collaborate on water reforms to save the red gum forests, including:		
Increasing existing adaptive environmental water entitlements by 1,200 GL, targeting 54 per cent of the long-term, pre- development mean annual flow at Yarrawonga (or 2,000 GL)	Supported in principle. The NSW Government will continue to work with the Commonwealth Government to provide more water for the environment. The amount and timing of water recovery will be determined by the Basin Plan which is currently being prepared by the Murray Darling Basin Authority. The prioritisation of water purchases will be determined by the Commonwealth Environmental Water Holder under the Water for the Future Program.	
reforming carry forward rules to allow accumulation of environmental water year on year and delivery of water in line with floodplain forest ecosystem requirements	This recommendation is <b>not supported</b> because;  Environmental Water Allocations already have considerable accounting flexibility under Water Sharing Plans for the Murray and Murrumbidgee valleys. These plans can allow for the carryover and forward draw rules recommended by the NRC.  It is not possible to reform carry forward rules prior to the expiry of current Water Sharing Plans in 2014 because the accounting rules for adaptive environmental water (i.e. environmental water access licences) are the same as for other general or high security water access licences. They cannot be changed within the life of existing Water Sharing Plans without the potential for significant impact on water availability for other water access licence holders.	
building appropriate water-delivery infrastructure and funding eco engineering projects to deliver appropriate flooding regimes to river red gum forests across the region	Supported Infrastructure works planned for Torrumbarry Weir are a good example whereby both the environment and timber harvesting benefit. The government's decision provides almost \$12 million for capital works for the establishment of new national and regional parks. This funding will be used for building and maintenance of important equipment and infrastructure including for water delivery in the new reserves. It will aid the delivery of crucial environmental water such as the 220,000 megalitres recovered through The Living Murray program in NSW and the 45,000 megalitres which has been purchased for the Murrumbidgee and Lachlan areas by the Department of Environment and Climate Change and Water.	
maintaining and improving expertise in water infrastructure management.	<b>Supported</b> . The NSW Government has made significant investment in such expertise and will continue to do so in staffing strategies for state forests and the new national and regional parks.	

NRC recommendation	Government response		
2 Complete water delivery infrastructure at Koondrook-Perricoota			
The planned infrastructure project to improve water delivery to the Koondrook-Perricoota forests should continue to provide for emergency environmental watering and meet Australia's obligations under the Ramsar Convention to maintain the ecological character of this wetland of international significance.	<b>Supported</b> . The project at Torrumbarry Weir, which is funded under The Living Murray program, is due to be completed by mid - 2011. The NSW Government is working cooperatively with the Commonwealth Government to ensure the success of this important project.		
3 Implement forest management principles			
The river red gum forests of the Riverina require active management. All forest managers on public land, including those managing forests as reserves, should implement the forest management principles developed in the NRC's final assessment report. In particular those principles cover appropriate implementation of:	This recommendation is <b>supported in principle</b> , Active management forms a key part of the broader conservation and adaptive management strategy for red gum forests. The types of active management techniques used depend on the key management goals for the different tenures. Forest management principles should be fully considered and investigated to ensure they will deliver the desired results. The Government has committed \$3.5 million to the development and implementation of an adaptive management program for the red gum forests in addition to \$12 million for park establishment and \$3 million in annual park management funding.		
ecological thinning	Supported. Ecological thinning is a new concept and should be carefully considered and investigated to ensure it will deliver the desired results. The \$3.5 million adaptive management program will trial ecological thinning on a large scale as recommended by the NRC so we can be confident ecological thinning produces suitable environmental benefits.		
grazing by domesticated animals	Supported. The Government accepts that the NRC considers grazing has caused significant degradation of red gum forests in the past and that it should only be conducted where it can be clearly shown to meet certain management objectives. Grazing will be excluded in the new national parks and regional parks, unless it is essential for achieving a particular conservation objective.		

NRC recommendation	Government response
• fire management	Supported. River red gums are very fire sensitive,- fires can cause butt scarring or kill red gum trees. Any fire management regime must be consistent with a timber production focus to avoid losses because of fires. There should also be further capacity building in local Rural Fire Service and an upgrade in equipment such as tankers where appropriate.
• silviculture	Supported. The NRC's silvicultural recommendations will be reflected in an Integrated Forestry Operations Approval which will be prepared for areas where forestry will continue. The Australian Group Selection method will be prohibited in the transitional areas, as ongoing harvesting is not planned.
• firewood collection	Supported. It is noted that the NRC considers that firewood collection is generally not compatible with conservation reserves unless undertaken for specific ecological or management objectives, or in-park recreational use. However, some local residents rely on firewood for heating and wish to maintain firewood collection opportunities. A firewood strategy will be developed by Government within the next twelve months in consultation with the community.

## 4 Trial ecological thinning on a large scale

Government should task the Department of Environment, Climate Change and Water (DECCW) with conducting large-scale trials of ecological thinning across all main river red gum forest groups. These trials should be instigated promptly, applying the forest management principles in the NRC's final assessment report. They should be designed to investigate impacts of ecological thinning on conservation attributes so as to improve our knowledge of how to manage the consequences of ongoing drying on the ecological character and biodiversity values of river red gum ecosystems across the region

Supported. The Government has tasked DECCW with conducting large-scale trials of ecological thinning. The trials will be based on achieving ecological outcomes not on the achievement of commercial objectives, although this could be an additional benefit. It is proposed that the trials and the broader conservation and adaptive management strategy will link with the current Victorian river red gum forest health program. The program will benefit from cross border cooperation in achieving broader environmental objectives, and learn from the work already started in Victoria. The trial should be conducted as a key part of the broader conservation and adaptive management strategy proposed in NRC Recommendation 10.

#### **Government response**

#### 5 Codify forest management operations

Government should codify all forest management operations by red gum forest managers on public land as a priority. In addition to developing an Integrated Forestry Operations Approval for remaining forestry operations, plans of management for new reserves should be completed to a similarly rigorous standard. This work should build on the principles for river red gum management in Chapter 11 of the NRC's final assessment report, and should be developed in consultation with relevant NSW, Victorian and Australian Government agencies.

Supported. The NSW Government will develop an Integrated Forestry Operations Approval (IFOA). The IFOA will set out the code and standards for forestry operations in the remaining timber production areas. The Commonwealth Government will also need to be involved in discussions on the IFOA. The new national and regional parks will have plans of management prepared under the National Parks and Wildlife (NPW) Act. These plans of management will meet required standards and address the NRC's principles for river red gum management.

## 6 Employ a diversity of management approaches

Government should use a range of existing and novel reserve types and land tenures across major forest groups to provide a base for more rapid development of innovative responses, adaptive learning and novel management strategies. Red gum forest on public land in the Riverina should be managed consistent with the management objectives and tenures recommended in Appendix 2 and illustrated in Figure 1.

The Government **supports in part** the use of a range of *existing* reserve types and land tenures to achieve environmental conservation. The Government's decision employs a broad range of land tenures and management types, including State Forest, National Park, Regional Park, Indigenous Protected Area, Crown land and leasehold land. This existing range of land tenure types and the laws governing the uses allowed on these tenures is sufficient to meet the NRC's recommendations without requiring the unnecessary development of additional *new* reserve types and land tenures requiring *new* laws.

## 7 Implement transparent governance

All red gum forest management should include transparent governance arrangements such as:

- clear allocation and definition of roles and responsibilities
- spatially explicit targets and
- independent review of management plans independent audit and public reporting at five-yearly intervals of management outcomes at forest group and bioregional scales to ensure accountability
- monitoring and knowledge management systems to promote adaptive learning across different forests, tenures, river systems and the southern Murray-Darling Basin.

This recommendation is **supported**. All red gum forest management should include transparent governance. Rather than creating additional governance and review processes, the existing independent review processes will be used where they are available. The NSW Government already has independent oversight and governance arrangements for its reserve management and forestry management through statutory audit committees including a conservation audit and compliance committee and regional advisory committee. Existing frameworks and processes, including legal requirements, plan of management processes, conservation audit and compliance committees, regional advisory committees, State of the Parks and likely Murray-Darling Basin Plan requirements address the NRC's recommendations for national parks and regional parks.

NRC recommendation		Government response
8	Prioritise additions to the National Reserve System	
Government should add to the National Reserve System by establishing national parks and regional parks (under the National Parks and Wildlife Act 1974) and Indigenous Protected Areas or jointly managed national parks as recommended. These detailed recommendations would create		This recommendation is <b>supported in part</b> . The addition of areas to the national reserve system is supported. The Government's decision about areas to be reserved as national or regional park is detailed in Appendix 1. The Government has decided to create a larger area of regional parks and slightly smaller area of national parks than recommended by the NRC to better facilitate existing community uses such as recreation and domestic firewood collection.
•	national parks and reserves covering the Barooga and Millewa groups of forests, and the riparian forests on the Lachlan and Murrumbidgee Rivers	The NSW Government <b>supports in principle</b> the recommended creation of national and regional parks and reserves, and has largely accepted the NRC's recommendations about where these reserves should be, the details of which are provided in Appendix 1. New national parks and reserves will be created in a two staged process to help local communities adjust to the change. The majority of the area will be reserved in July 2010, however timber harvesting will continue in part of the Millewa State Forest for a transition period of 5 years after which it will then be reserved in national and regional parks.
•	Indigenous Protected Areas or jointly managed national parks in the Werai forests and the Taroo group of forests (Lake Victoria, Wangumma and Moorna) on the Lower Murray River	The establishment of Indigenous Protected Areas is supported in principle. Indigenous Protected Areas are an agreement between relevant Indigenous communities and the Commonwealth Government. The NSW Government supports and will facilitate the creation of Indigenous Protected Areas in the areas identified by the NRC through the transfer of the Werai and Taroo groups of state forests through a managed process over time from Forests NSW to be owned and managed by traditional owners for conservation. The government has committed up to \$2 million to assist the establishment of Indigenous Protected Areas. It is important to note however, that the creation of Indigenous Protected Areas requires further discussion with the Commonwealth and Indigenous communities involved before they can be established.
•	regional parks in forests with significant ecological values and recreational values near towns across the river systems of the region.	This recommendation is <b>supported</b> and is reflected in the Government's decision to create regional parks in forests close to towns with both ecological and recreational values. The Government's decision includes a slightly larger area of regional park than was recommended by the NRC to better address local community uses and needs.

#### **Government response**

#### 9 Establish trans-border iconic national parks

The NSW, Victorian, South Australian, and Australian Governments should work towards establishing trans-border national parks and collaborative management in red gum forests along the Murray River. This will maximise the ecological and regional development benefits of larger-scale reservations, and enhance the 'key environmental asset' status of the red gum forests in the context of opportunities provided by water reforms..

Support. The NSW Government will cooperatively work with the Commonwealth, Victoria and South Australia Governments to ensure consistency of approach and management outcomes associated with the red gum forests (regardless of land tenure). NSW will build upon existing relationships developed through the Living Murray program. New cross border partnerships with Parks Victoria would also be developed to coordinate management of the Millewa (NSW) and Barmah (Vic) national parks.

## 10 Implement an adaptive management strategy

Given the predicted impact of climate change and the need for active management of river red gum forests, the Government should ask DECCW to develop a conservation and adaptive management strategy for the red gum forest ecosystems of the bioregion. Specific management plans for all forest groups should be nested within this strategy, which should focus on:

- assessing and improving the resilience of the forests
- preserving wet refugia and riparian corridors on public land
- creating nodes on public land to build future ecological corridors across private land
- enhancing capacity to use water infrastructure to improve ecological outcomes
- establishing an adaptive management program, applying across the bioregion, including linking to Victoria and South Australia.

This recommendation is **supported**. DECCW will prepare an adaptive management strategy which addresses the issues identified.

The Government has committed almost \$12 million in capital over three years to establish the new national and regional parks and associated infrastructure, and management funding of over \$3 million per year. In addition to this the Government has set aside \$3.5 million specifically for the development and implementation of the adaptive management strategy for river red gum forests.

#### **Government response**

#### 11 Enhance ecological connectivity

The NSW Government should work with the Australian Government to improve ecological connectivity across public and private land by funding Catchment Management Authorities to deliver incentive payments to private landholders. These incentive payments should be targeted under catchment action plans, and in particular to areas adjacent to red gum forest reserves.

This recommendation is **supported**, the NSW Government will work cooperatively with the Commonwealth, Victorian and South Australian governments to improve connectivity. It will also continue to support the Catchment Management Authorities (CMAs). The CMAs play a critical role in delivering on environmental targets in the NSW State Plan in regional and rural communities. Over the past 5 years the CMAs have invested over \$2.1 billion in natural resource management in NSW, much of this in incentive payments and other on ground conservation measures.

### 12 Find a new way to govern and fund multiple-use forests

Government should ask the Department of Industry and Investment to explore alternate institutional and funding arrangements for forests managed for timber production such as Koondrook-Perricoota and Campbell's Island forests. Governance arrangements should continue to ensure 'wise use' for multiple values including maintenance of the ecological character of the forests under the Ramsar Convention. Funding arrangements will require methods to raise revenue to reflect the broad range of public and private values and benefits these forests can sustain.

This recommendation is **supported**, the government will investigate a range of options contained within current laws and land use types that will continue to deliver the values associated with the recommendations made by the NRC.

#### **Government response**

## 13 Provide exit assistance and support the industry to adapt

Government should assist some mills and mill workers to voluntarily exit the industry to reflect the drop in sustainable yields of high-quality quota timber, and should ask the Department of Industry and Investment to work with the forestry industry to prepare an industry development plan. The plan should assist the industry to transform to make best use of the declining volumes of high-quality saw logs, lower long-term yields, and relatively higher volumes of poorer quality saw logs and residue.

This recommendation is **supported**. The NSW Government and NRC have reviewed the sustainable yields for timber production which incorporate predictions for drought and climate change. The review (including the most recent advice from the NRC) forms the basis for a structural adjustment package for timber mills and workers.

The Government has committed up to \$80 million to assist the local community to adapt to the changes, this includes;

- \$16 million for worker assistance for those workers directly employed in the industry who are affected by the declaration of national and regional parks. The special redundancy package will be comparable to that given to workers in the Brigalow settlement,
- \$12 million for business exit packages for mills directly affected by the parks decisions, on a sustainable yield basis,
- \$5 million for structural improvement initiatives for the Riverina provided they are employment related

The Government has also established the river red gum steering group consisting of senior representatives from the Department of Premier and Cabinet, Treasury, Department of Climate Change Environment and Water and Department of Industry and Investment to oversee the implementation of the government's decision.

## 14 Engage communities in managing forests

Government should establish processes to engage Indigenous and non-Indigenous communities in the management of all forests regardless of tenure. Issues of particular community concern such as bushfire hazard reduction, open access camping and domestic firewood collection must be explicitly addressed early in the development of management and community engagement strategies.

This recommendation is **supported**, the Government is establishing a website to provide communities with access to accurate and reliable information about the changes and allow for questions and feedback about the changes.

Community members will also be encouraged to participate in and provide comment on issues of concern such as bushfire hazard reduction, open access camping and domestic firewood collection through the National Parks and Wildlife Service plan of management and regional advisory committee processes

#### **Government response**

## 15 Empower Indigenous communities to manage some forests

Government should prioritise investment of time and resources in engaging Indigenous communities in directly or jointly managing the Werai forests, and the Taroo (Lake Victoria) forests on the Western Murray River, as part of the national reserve system.

The establishment of Indigenous Protected Areas (IPAs) is **supported in principle**. The Government supports the creation Indigenous Protected Areas and the empowerment of indigenous communities to manage the Werai and Taroo forest areas. It has committed up to \$2 million to facilitate the establishment of IPAs by transferring Werai and Taroo groups of state forests from Forests NSW to be owned and managed by traditional owners for conservation. It is important to note however, that the IPAs are an agreement between the Commonwealth Government and Indigenous communities involved. The Commonwealth and Indigenous communities will need have detailed discussions before IPAs can be established. Indigenous communities will also be consulted and encouraged to participate in the management of the new red gum national and regional parks through the National Parks and Wildlife Service plan of management and regional advisory committee processes...

### 16 Identify and fund regional development opportunities

Government should ask the Department of Industry and Investment to work with local communities and Regional Development Australia to identify regional development opportunities and possible funding sources. This should also include engaging DECCW in regional development opportunities to capitalise on trans-border, iconic national parks.

This recommendation is **supported**, the Government has allocated \$10 million for regional employment and community development. The Department of Premier and Cabinet will lead a whole of government approach to engage local communities and regional development bodies in identifying opportunities and assistance that can be provided to help local communities adjust to the changes.

#### Appendix 1: Details of NSW Government decision: tenure changes Summary

Note: These area figures based upon the gazetted state forests. They differ slightly from those quoted by the NRC and elsewhere as modern analysis using Geographic Information Systems will vary from what was calculated for gazettals, not all of which involved surveys, many years ago

- State forest assessed by the NRC 147,982ha
- To be made national park on 1 July 2010 49,296ha
- To be made regional park on 1 July 2010 13,727ha
- To revert to Crown land on 1 July 2010 3,172ha
- To remain state forest 35,894ha
- Millewa transition zone 18,158ha
- National park and regional park reserved as part of this decision 81,181ha
- Indigenous Protected Areas (state forests in interim) 20,684ha

#### **Details: New tenure categories for former state forests**

#### **National Park**

Barooga State Forest Benerembah State Forest Billenbah State Forest **Booligal State Forest** 

Boomanoomana State Forest Cararbury State Forest Corowa State Forest

Cottadidda State Forest Cuba State Forest

**Dunnoon Lagoon State Forest** 

**Euroley State Forest** 

Gulpa Island State Forest (part)

Jurambula State Forest Kieeta State Forest Mallee Cliffs State Forest McFarlands State Forest

MIA I State Forest MIA II State Forest MIA III State Forest

Millewa (part) State Forest Moira (part) State Forest Moon Moon State Forest Murrumbidgee State Forest Native Dog State Forest

Niemur State Forest Noorong State Forest Oxley State Forest Pembelgong State Forest

Quandong State Forest Tholobin State Forest Thornley State Forest **Tuppal State Forest** 

**Uri State Forest** Wetuppa State Forest Whymoul State Forest Woperana State Forest

Yaradda State Forest

#### **State Forest**

Campbell's Island State Forest Koondrook State Forest Perricoota State Forest

#### Leasehold vested in Minister for NPW Act

Ki State Forest Manie State Forest

#### **Regional Park**

Bama State Forest Benarca State Forest Collendina State Forest Deniliquin State Forest **Euston State Forest** 

Gulpa Island State Forest (part)

Hay State Forest Hillston State Forest

Horseshoe Lagoon State Forest

**Kyalite State Forest** Liewa State Forest Mathoura State Forest Maude State Forest Millewa State Forest (part) Moama State Forest Moira State Forest (part) Mulwala State Forest Narrandera State Forest **Quat Quatta State Forest** Quat Quatta East State Forest Wilbriggie State Forest

**Future Indigenous Protected Area** 

Banangalite State Forest Barratta Creek State Forest Lake Victoria State Forest Moorna State Forest Morago State Forest Stevens Weir State Forest Wangumma State Forest Werai State Forest

Wooloondool State Forest

#### **Crown Land**

Barman State Forest Benjee State Forest Berambong State Forest Gol Gol State Forest **Green Gully State Forest** Thule State Forest Toms Point State Forest Wahwoon State Forest Waradgery State Forest Woorooma State Forest Woorooma East State Forest Yallakool State Forest