

## **Second Reading**

**Mr CRAIG KNOWLES** (Macquarie Fields—Minister for Infrastructure and Planning, and Minister for Natural Resources) [10.53 a.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce this bill, which builds on the Government's substantial achievements in forest conservation and timber industry reforms on the South Coast. In 2000, following a three-year comprehensive regional assessment, it increased the reserve system in the southern region of New South Wales by about 325,000 hectares and added a further 60,000 hectares to protected areas of State forest. Those 385,000 hectares helped to create a continuous corridor of national parks and reserves stretching 350 kilometres from the Victorian border to Macquarie Pass, north of Nowra, with important links from the coast to the escarpment. They gave permanent protection to areas such as Tallaganda on the southern tablelands, Murramarang, Conjola, the five lakes area south of Ulladulla, Deua, Gulaga and Monga. At the same time, we were able to deliver security to the timber industry—and the families reliant upon it—with 20-year agreements providing certainty of annual supply.

The outcomes of the comprehensive regional assessment were well received both by peak conservation groups and by the timber industry. It was generally recognised that this outcome for the southern forests met key targets for reserve design and for the protection of ecosystems and species habitat, while at the same time enabling a restructured timber industry to operate sustainably in the region. The 2000 decision of this Government was a balanced decision: it brought certainty and assurance to timber communities, it supported regional jobs in both the timber and tourism industries, and it brought the total area of reserves in the southern region—which takes in Kosciuszko National Park—to more than 1.3 million hectares. That is an outcome this Government is very proud of, and it is an outcome with which it would not wish to tamper.

This bill does not alter in any fundamental way that 2000 decision. It does not affect regional forest agreements or the timber volumes allocated to industry. They stay the same. What the bill does is provide for some final finishing touches to that decision. It adds a further 5,500 hectares of new national parks and more than 1,000 hectares of new State conservation areas to the reserve system, with zero impact on timber supply. It provides for additions to Monga National Park to protect under target old-growth, rainforest and other forest ecosystems. It gives additional protection of the upper catchment of the Mongarlowe River. Additions to Deua National Park will now fully protect the upper Deua River catchment, while additions to Murramarang National Park will protect a significant stand of old-growth spotted gum. The incorporation of a section of South Brooman State Forest into the Murramarang National Park will mean the last remaining timber production compartment east of the Princes Highway between Ulladulla and Batemans Bay is protected with a reserve.

The reason the Government is are able to make these additions without an impact on the committed regional forest assessment [RFA] timber supplies is because of changes to the Integrated Forestry Operations Approvals [IFOAs], which govern the way timber can be harvested in State forests. Following amendments to the IFOAs introduced in 2003, an assessment was undertaken to determine if the amendments could, when applied to the southern region, increase timber yields, thereby allowing conservation "offsets". This assessment had three steps: first, determining whether it was appropriate to extend the application of the amended Integrated Forestry Operations Approval [IFOA] rules for "buffer on buffer" to the South Coast without adverse environmental impact; second, quantifying the additional timber which might become available through any such amendments to the relevant IFOA; and, third, subject to the above, identifying potential conservation gains up to the limit allowed by the additional timber.

In order to ensure that the assessment was done in an open and transparent manner, the Government sought input and involvement from key stakeholder groups, including the Nature Conservation Council and the Forest Products Association. State agencies involved in this process include Forests New South Wales and the Department of Environment and Conservation. The assessment was co-ordinated by the Department of Infrastructure, Planning and Natural Resources [DIPNR]. The results of the assessment indicate that a number of important areas could be added to the reserve system in the southern RFA region without impacting on timber supply. However, the assessment also showed that it is not possible to reserve any areas nominated for reservation from the Eden RFA region without impacting on timber commitments. Therefore, this bill contains no changes to the near 250,000 hectares of national parks and reserves in the Eden region. In the southern region, however, the bill adds another 5,563 hectares of new national parks and 1,181 hectares of new State conservation areas to the reserve system.

These 6,744 hectares include areas in parts of Monga State Forest, South Brooman State Forest, and Dampier State Forest, regarded by some conservation groups as icon areas. An additional 2, 264 hectares of non-harvestable areas of State forest in Forest Management Zones [FMZ] 2 and 3a will be vested in the Minister for the Environment, with the possibility for eventual transfer to the reserve system. I shall explain these elements of the bill further when I turn to the details of the schedules. The bill also creates special management zones in State forests in the Eden region and the South Coast and Tumut sub-regions, giving further protection to areas that were formerly FMZ 2 and 3a. The extensive network of high quality parks and reserves which we achieved through the Eden and southern region assessments is widely recognised as a tremendous outcome, and one of which the Government and stakeholders who participated in developing it can be justly proud.

I deal now with the specific detail of the bill. The object of the bill is to transfer certain State forest land to the national park estate. The bill is divided into three parts, which I shall outline to the House. The first part is the preliminary section, which, among other things, provides for the commencement of the proposed Act on 1 July 2005. Part 2 deals with land transfers, including the necessary revocations and reservations. The descriptions of the land to which part 2 applies are in schedules 1, 2, 3 and 4. I draw attention to clause 10, which enables the Director-General of the Department of Environment and Conservation to adjust the descriptions of land in schedules 1, 2, 3 or 4.

These adjustments must be in order to alter the boundaries of the land for the purposes of the more effective management of national park estate land and State forest land, and to adjust boundaries to public roads. Any such adjustment must not result in any significant reduction in the size or value of any such land, and can be made only up to dates specified in the bill. Adjustments are also authorised in connection with easements. The director-general must have the agreement of relevant Ministers to make any changes. Part 3 covers a number of miscellaneous matters giving effect to the provisions of the bill. Clause 15 amends the Native Title (New South Wales) Act 1994 to preserve native title rights and interests in respect of a reservation, or vesting of, or declaration over, land or waters by the operation of the proposed Act.

I now turn to the schedules in the bill. Schedule 1 deals with State forest land to be revoked and reserved as either national park or State conservation area. Schedule 2 deals with a small area of Crown land to be reserved as Tallaganda State Conservation Area. Schedule 3 sets out the land whose dedication as State forest is revoked and is vested in the Minister administering the National Parks and Wildlife Act 1974 for the purposes of part 11 of that Act. If I may explain this schedule, the proposed additions to the reserve system may be augmented through the eventual transfer of FMZ 2 and 3a areas of State forests which were not included in the reserve system in 2000 because of their mineral potential.

However, the recently created category of "State conservation area" [SCA] will allow mining and exploration while protecting important conservation values, subject to consideration of the views of the Department of Primary Industries on the appropriateness of the SCA category in each case. At present, leases are held over some of the areas. Accordingly, this vests it in the Minister for the Environment with a view to reserving those areas at such a time that leases over them can be purchased. Schedule 4 sets out the land whose dedication as State forest is revoked and is vested in the Crown as Crown land subject to the Crown Lands Act 1989. As part of the assessment of areas suitable for addition to the reserve system, a number of areas of non-productive State forest were considered but found to be unsuitable either for addition to the national park estate or for timber production. They, a total of 1,369 hectares, are therefore to revert to Crown land.

Schedule 5 deals with areas in State forests in the Eden and southern region declared as special management zones under the Forestry Act 1916. Schedule 6 makes ancillary and special provisions with respect to transferred land. They include the exclusion of freehold and certain leasehold interests from the provisions of the bill. Schedule 6 also deals with existing interests and gives the Minister administering the National Parks and Wildlife Act the administration of interests where land is transferred to the management of the National Parks and Wildlife Service. Schedule 6 also contains special provisions with regard to access roads within national parks, nature reserves, and other reserves to ensure that right of access through the new national parks can continue and be formalised where it is necessary to do so, such as where the access road leads to a private landholding or to timber resources available for logging.

The aim of this Government's forest policy, introduced nearly a decade ago now, has been to create a reserve system that is comprehensive, adequate, and representative, and protects and conserves the biodiversity of the State's forests, while at the same time maintaining viable and ecologically sustainable forest industries. I am proud to introduce the bill, which builds on the great achievements of a decade and demonstrates our dual commitment to the forests of New South Wales and to the communities that live and work within them.

In conclusion, I recognise the efforts of people such as, particularly, the former Minister for Forests, Kim Yeadon, and people in the bureaucracy, such as Rex Bowen, who almost single-handedly crafted one of the great pieces of conservation and economic production legislation, working in twin to produce one of the great outcomes for one of the great parts of this planet, the southern regions of the forests of New South Wales. I commend the bill to the House.