

Second Reading

The Hon. PENNY SHARPE (Parliamentary Secretary) [11.55 a.m.], on behalf of the Hon. John Robertson: I move:

That this bill be now read a second time.

This bill represents the completion of regional forests assessments in New South Wales. It deals with the last piece of the puzzle, the cypress and woodland forests of south-western New South Wales. Previous assessments and agreements have been undertaken for the Eden, southern, upper and lower north-east, Brigalow-Nandewar and Riverina regions. This Government is proud of its history of forest reform since the commencement of the deferred forest agreement and interim forest assessments 15 years ago. When introducing the river red gum bill into the Legislative Council six months ago reference was made to the tradition of strong and balanced forest conservation decisions taken by the Government since 1995. With this bill the tradition continues.

I acknowledge the traditional owners of the lands managed as national parks and reserves across the State and their ongoing connection to and custodianship of these lands. I pay my respect to their elders, both past and present. I also acknowledge the commitment and work of community members and Aboriginal staff involved with the National Parks and Wildlife Service in managing these special places. Last year the Government tasked the Natural Resources Commission with carrying out a regional forest assessment and making recommendations on the use and management of the public forest land in the south-western cypress State forests. There are 197 previously unassessed State forests within this region, covering nearly 196,000 hectares. While the majority of the forests are dominated by white cypress and associated woodlands, there are also many forests that are eucalypt woodland dominated and are not being logged.

These forests are dotted across southern and central New South Wales, and are significant as some of the only naturally vegetated land in the most cleared part of New South Wales. The region also has some of the lowest levels of reservation in New South Wales. The forests support significant areas of three types of endangered ecological communities, as well as many threatened species, particularly birds. The Crown timber industry in the region is based upon two cypress mills, one at Condobolin and the other at Narrandera, both operated by Grants Holdings. The Baradine sawmill takes most of its timber from the Brigalow-Nandewar forests; however, it will occasionally access timber from the south-western cypress forests. Unlike in other forest assessments, these mills already have locked in 20-year wood supply agreements. These mills are important employers in their communities.

In May this year the Natural Resources Commission submitted its assessment and recommendations to the Government. The commission found that the forests support a range of environmental, social, cultural and economic values, and that they can continue to be managed to support all these values. The commission made 10 recommendations regarding the ongoing management of the south-western cypress forests. The recommendations address matters including the need for active management of the forests across all tenures, the development of an integrated forestry operations approval, reviews of forest management zoning, investment in silvicultural thinning, reservation of some forests and improvements in connectivity.

The Government supports and endorses the bulk of these recommendations. The bill represents a key component of the Government's response to the report and recommendations of the Natural Resources Commission. The bill achieves the balance that the Natural

Resources Commission said could be delivered for the south-western cypress forests. The forest industry will be able to continue in its current form. The Minister has been advised that this will not affect the existing 20-year cypress wood supply agreements. More than half of the forests being transferred are eucalypt woodlands that are of no commercial timber value.

The Government is committed to expediting an integrated forestry operations approval providing the legal certainty that has not existed in the past. The Natural Resources Commission recommended that 29 of the 197 forests, totalling 26,256 hectares, being eucalypt woodland forest with little or no cypress resource, be managed for their conservation values. The Government endorses this recommendation, and 24 of these forests will be reserved under the National Parks and Wildlife Act. The other five will be protected and managed by the Land and Property Management Authority. The Natural Resources Commission recommends that the other 168 cypress State forests remain in State Forest tenure. It recommended also additional rules around harvesting and grazing in some of these forests.

The Government has considered the balance of these two recommendations and determined that a better result would be achieved through the reservation of a further 19 whole State forests and part of another three under the National Parks and Wildlife Act, along with streamlining the additional rules regarding harvesting and grazing. These additional forests total 20,609 hectares and will contribute to a significant increase in reservations in central and southern New South Wales, improving the representation of white cypress pine in the reserve system, and contributing to New South Wales and Commonwealth reservation targets without affecting wood supply agreements. In the Government's view, this places an additional emphasis on the reservation targets that have been critical to all other forest assessments.

In making this decision the Government has been cognisant of the minerals potential of some of these forests. As a result, three forests will be reserved as State conservation areas. Part 2 proposed section 13 will require the directors general of the Department of Environment, Climate Change and Water and Industry and Investment NSW to give reasons why—

Debate resumed from an earlier hour.

The Hon. PENNY SHARPE (Parliamentary Secretary) [2.43 p.m.], on behalf of the Hon. Tony Kelly: Prior to question time I was speaking in debate on the second reading. At this point I seek leave to incorporate the rest of the second reading speech in *Hansard*.

Leave granted.

In making this decision, the Government has been cognisant of the minerals potential of some of these forests. As a result, three forests will be reserved as State Conservation Areas. Part 2 section 13 of the bill will require the Directors General of the Departments of Environment, Climate Change and Water, and Industry and Investment, to conduct a review of these State conservation areas within 12 months, and to give reasons why each area of land should not be reserved as national park based on evidence of mineral values. Where a decision has not been made within 12 months, the land will automatically be reclassified as national park.

The reservations under the National Parks and Wildlife Act will be done in two parts, the first, covering 41 forests, will take place on 1 January 2011. The second, a group of five forests, will be reserved on 1 January 2012. This will

allow Forests NSW to conduct an "exit harvest", in order that these reservations have a minimal impact on the available timber resource. The "exit harvests" will be carried out in line with updated standards agreed between the Department of Environment, Climate Change and Water and Forests NSW. Forests NSW will not be permitted to enter into any new interests for these forests without the approval of the Director-General of the Department of Environment, Climate Change and Water.

I wish to emphasise that this bill will not impact the existing cypress timber industry. 149 forests (3 of which will be part reserved), covering nearly 150,000ha, will remain as State forest. The majority of the forests being reserved are eucalypt woodland, and not of value for the cypress timber industry

Part 3 of this bill provides other significant benefits for the forest industry, by way of improved certainty. Firstly, logging operations in the forests will be subject to an interim approval through until the end of June 2011, to ensure harvesting can continue while an updated approvals arrangement is negotiated. Secondly, an Integrated Forestry Operations Approval will be completed by 30 June 2011, bringing the south-western cypress forests into line with the best-practice standards operating elsewhere in NSW. And lastly, the bill waives the need for a forest agreement between the Ministers for Climate Change and the Environment and the Minister for Primary Industry, in order to expedite the process of the development of an Integrated Forestry Operations Approval. These provisions mirror those which were approved early this year for the River Red gum forests, which have been very successful.

Part 2 clause 12 of the bill requires the Minister administering the Forestry Act 1916 to declare a special management zone within Manna State Forest, which is one of the 149 State forests which will remain as State forest tenure. This is to recognise the Aboriginal significance of Manna Mountain, and Forests NSW will commence discussions with the Aboriginal community of the region to determine the appropriate area to be covered by this zoning. Logging will not be permitted within the special management zone.

Joulni addition to Mungo NP and Joulni SCA

This bill also provides for three other important reservations in New South Wales. The first of these is the formal protection of the property known as Joulni Station, addressed in part 2 section 9 and schedule 5 of the bill.

The property adjoins the southern boundary of the World Heritage Listed Mungo National Park in the rangelands of the south western corner of NSW, about 140 kilometres north west of Balranald.

The township of Balranald markets itself as the gateway to Mungo National Park. Over 50,000 people a year visit Mungo National Park. They come from across the world and Australia to this World Heritage area.

The Government is moving now to fully protect the World Heritage values of Joulni by adding the World Heritage section of the property to Mungo

National Park. The eastern third of the property, outside the World heritage Area, is to be reserved as a State Conservation Area. This part of the property is affected by an exploration licence under the Mining Act and reservation as SCA will allow for that exploration work to be completed. The exploration relates to titanium.

Two other matters should be noted. The Travelling Stock Route that runs through Joulni will be reserved as part of the national park and State conservation area. On the rare occasions that stock are moved on foot through this area they actually travel along the Western Lands road located to the west of the TSR. The road of course will not be reserved as part of the park and to replace the TSR a 60 metre wide corridor centred on the road will be left unreserved. This has been agreed with the local Livestock Health and Pest Authority.

The other matter relates to an existing permit held by a neighbouring grazier that allows him to graze sheep in Joulni. The grazing arrangements are managed so as to not impact on the World Heritage values of the property and so as to avoid any impacts on the lunette. The grazier has the support of the Tribal Elders for continued access for grazing and the permit will be allowed to continue, in line with the existing use provisions in the National Parks and Wildlife Act, for the foreseeable future.

Brigalow and Nandewar Crown lands

In 2005, 352,000 hectares of forested public lands with high conservation value were permanently protected through the creation of the Brigalow and Nandewar Community Conservation Area. This area is located on the western side of the northern tablelands and extends westward to include the north west slopes, generally north of Dubbo.

The Community Conservation Area incorporates a balance between conservation and continued industries in the timber, gas, minerals and apiary sectors plus ongoing community input to land management.

The area encompassed by the Brigalow and Nandewar Community Conservation Area has experienced great modification, largely for agricultural development, for over 100 years. This has included the clearing of some 70 per cent of the original vegetation and has subsequently resulted in high rates of species decline through habitat fragmentation.

The creation of the Brigalow and Nandewar Community Conservation Area provides a secure foundation to assist in halting this loss of biodiversity. The areas identified in this bill add significantly to that foundation.

The Community Conservation Area resulted from five years of detailed scientific analysis through the Brigalow and Nandewar Western Regional Assessments and extensive community consultation. However until now, a consideration of Crown lands in the Area has been missing.

Recently the Department of Environment, Climate Change and Water, the Land and Property Management Authority and future, however these areas are

the subject of determination processes under the Aboriginal Land Rights Act and it may be some time before a further comprehensive assessment process is possible. Individual areas could however be dealt with through the well-established reserve referral process implemented by the Department of Environment Climate Change and Water with other Government agencies.

As a result of the assessment to date this bill will reserve 8446 hectares of Crown land, with 348 hectares to be added to reserves that existed prior to the Community Conservation Area (shown in schedule 4 part 1) and the remainder to be added to reserves established as part of the Community Conservation Area or as new Community Conservation Area reserves (shown in schedule 7). Areas with ongoing minerals interest have been reserved as Community Conservation Area Zone 3, and the review provisions that apply to State conservation areas in the Cypress forests that I outlined earlier have also been included in schedule 7 and will apply to these areas ..

This reservation will add significant diversity to the lands conserved within the Community Conservation Area. Over half of the Crown lands to be reserved contain at least one endangered ecological community. The Woods Reef Serpentine community has no representation as yet in the formal reserve system and the Serpentine Ridge and Woods Reef reserves will provide the only formal protection of this rare landscape by protecting 385 hectares (or 4.3 per cent) of its occurrence. Seven other communities to be protected by the bill have less than 2 per cent of their area reserved and two others have less than 5 per cent.

The reservation of 3,423 ha in the Tingha Plateau State Conservation Area, south of Inverell, will protect remnants of three endangered ecological communities: the 'McKies Stringybark I Blackbutt open forest', 'Howell Shrublands' and 'Box-gum Woodlands'. This new reserve contains what is thought to be the largest occurrence of the 'McKies Stringybark Blackbutt Open Forest' endangered ecological community on public land and this provides an irreplaceable opportunity to protect this community. It will also provide protection for at least 10 threatened species, including the squirrel glider and little lorikeet.

Important cultural heritage sites will also be protected, including in the Warialda, Breealong and Woodsreef and Goulburn River reserves.

As part of the administrative steps in identifying the Brigalow-Nandewar Crown lands for transfer, the Government has carefully reviewed the status of the land so it can exclude from transfer any land where a land claim is pending under the Aboriginal Land Rights Act.

In addition, the bill includes a provision in part 2 clause 14 in the instance that an administrative oversight has occurred and in fact a land claim exists over land reserved as part of the bill. Should this occur then reservation will remain in place until the land claim is decided. If all or some of the land claim is granted to the land council then the reservation will be automatically revoked over that land so it can then be transferred to the land council.

The Department of Environment, Climate Change and Water is aware that

some of the Crown lands will be affected by licences or other permits issued under the Crown Lands Act. These are usually annual licences and are mostly for rough grazing. The National Parks and Wildlife Act contains existing use provisions which recognise such licences and allow the Minister to renew them.

The Department will work with the Land and Property Management Authority to ensure that there is a comprehensive list of affected licence holders available. The Department will implement the same arrangements in relation to the licences as has occurred with other Crown land and forest transfers. The licensees will be contacted and advised of the changed tenure and administrative arrangements. There will be a thorough process of consultation, in which each licence holder will be contacted.

Merry Beach caravan park revocation—Murramarang National Park

The revocation of about 6.5 hectares of Murramarang National Park to become Crown land, covered in part 2 clause 11 of the bill, is to be undertaken to rationalise the management of the Merry Beach Caravan Park at Kioloa on the south coast. At present the caravan park extends across two tenures—Crown land for the larger northern section of the park and national park for the southern section. It makes sense to bring the entire area under the single administration of the Land and Property Management Authority.

The caravan park has been developed over many years and the water, sewerage, road and power infrastructure is common across both tenures. In earlier years the then National Parks and Wildlife Service had considered the potential for a separate commercial arrangement for the national park area of the caravan park, but this proved not to be feasible, both logistically and economically. The end result is a caravan park under lease for the Crown land and licence for the national park land.

Honourable members should also understand that the caravan park is comprised predominantly of hard-standing caravan sites, together with a large number of vans permanently on-site. The caravan park is located at the very northern end of the national park and its excision simply adjusts the location of the national park's northern boundary, without loss of conservation value and without creating an inholding within the body of the park.

In order to create a workable management area for both the Land and property Management Authority and the Parks and Wildlife Group of the Department of Environment, Climate Change and Water, the land to the east of the developed area of the caravan park to the national park boundary (which is the low water mark Tor Murramarang National Park) will also revert to Crown land, its prior tenure. Visitor and management access to the national park is provided for in the revocation, both through the caravan park itself and via the beach.

Clause 11 (3) that included a full survey of the excision area is yet to be carried out. The clause provides for the boundary to be adjusted to ensure that all caravans and parts of the caravan park that are lawful will be excised as a result of this bill.

The original caravan owners who remain within the national park area and who were advised in 1988 and again similarly in 2001 of continued occupancy, will be contacted regarding the change in the status of the land. The Land and Property Management Authority has committed to preserving the rights of the existing owners. The caravan park manager is well aware of the approvals provided to the original van owners in the national park section in 1988 and again in 2001.

An asset fire protection zone for the two sections of the caravan park is in place in Murramarang national Park and will be maintained by the Department for that purpose. The asset protection zone was established through the Murramarang National Park Fire Management Strategy which was developed in consultation with the Rural Fire Service and was publicly exhibited. The National Parks and Wildlife Service will continue to work with the Rural Fire Service and the Shoalhaven District Bushfire Committee on bushfire protection strategies for this part of Murramarang national park and the caravan park.

The undeveloped, bushland area of Murramarang National Park already shares a common boundary with the main Crown land section of Merry Beach Caravan park. There is of course also a common boundary, at least on paper, within the overall area developed as caravan park. As such, the use, management and development of the caravan park is a matter about which the Department of Environment, Climate Change and Water and the Land and Property Management Authority already have as matters of common interest. With the excision of the caravan park section from the national park the common boundary will essentially become one separating a developed area on the Crown land side and bushland on the national park side.

This is a significant point for several reasons. It will mean that the agency working arrangements are clear cut and it will allow the Land and Property Management Authority the ability to holistically manage what is essentially a single caravan park. However that is not to say that there is free rein in the caravan park for further development that would impact on water quality and the environmental values of the national park.

Regulatory processes will continue to apply to effluent treatment and disposal and the Department of Environment, Climate Change and Water will maintain an unfettered role in reviewing any proposed development of the caravan park and ensuring that any development is compatible with the environmental values of the adjoining national park.

In addition the Land and Property Management Authority has committed to the land remaining in Crown lease tenure, that there will be no increase in the number of sites and nor will there be a loss in the number of camping sites. The foreshore area in front of the existing caravan park will be maintained in order to provide public access to the full length of Merry Beach.

Consistent with departmental policy for the revocation of land from a national park, an offset area has been agreed to replace the area to be revoked. Ideally that area would be an addition to Murramarang National Park. Some land near

South Durras was assessed for that purpose but was found not to be satisfactory as an offset for revocation, and in fact was considered low priority for a park addition anyway. In this case a Departmental priority for offset land is in fact an addition to Meroo National Park. Meroo National Park is also on the south coast, to the north of Murramarang National Park. The park addition consists of the bed of Meroo Lake, an area of about 85 hectares and so very much larger than the area of about 6.5 hectares to be revoked. The lake is ninety nine percent surrounded by the national park and it has been a long-standing proposed park addition.

Meroo Lake is one of 16 lakes identified by the Healthy Rivers Commission in 2002 as priority protection lakes along the NSW coast. Meroo Lake is in near pristine condition and was recommended by the Commission as clearly worthy of comprehensive protection. I am pleased to say that the addition of Meroo Lake to Meroo National Park will bring to thirteen the number of lakes brought into the national park system, from the 16 identified, in line with the Government's Statement of Intent released in 2003.

Meroo Lake is a recreational fishing haven, with all commercial fishing licences acquired and retired using funds from recreational fishing licences. Recreational fishing will continue in the lake under the normal controls of the Fisheries Management Act.

General provisions

The bill contains a two-year provision that allows for the administrative adjustment of the boundaries of the new reserves, provided such adjustment is agreed between the relevant Ministers. It is primarily to enable the common boundaries between the new reserves and State forests or Crown land to be amended to more effectively manage the national park estate and State forest. There is to be no net loss of conservation value as a result. Any such boundary adjustments are usually quite small in area and this same provision has been applied in all previous State forest transfers to the national park estate.

Conclusion

This Government has always held as one of its proudest achievements the enlargement and improvement in the formal conservation reserve system in NSW. With the completion of the last forest decision in the south-western cypress forests, the addition of substantial areas to the Brigalow and Nandewar Community Conservation Area, the incorporation of the internationally significant Joulni property to the Mungo protected area system and the addition of the bed of Meroo Lake to Meroo National Park, this proud record has been continued. This bill will protect another 70,000 hectares of NSW.

I commend the bill to the House.