

Inquiry into the long term sustainability and future of the timber and forest products industry

Hearing – Tuesday 24 May 2022

Responses to Questions on Notice

Question 1 (Page 33)

The Hon. MICK VEITCH: In that biosecurity research, are we putting a cost on weeds? For instance, we were at Tumut, I think, and the Softwoods Working Group presented some figures. I think it was a \$2,500 per hectare per year impact on the productive gain from softwood plantation arising just from blackberry. In that biosecurity research that you were talking about a bit earlier, are we looking at the cost impact on price of weeds and pests?

NICK MILHAM: No, not within my group. We're not looking at weeds. In that biosecurity space, we're primarily looking at pests that actually affect the trees themselves.

The Hon. MICK VEITCH: Is there anyone in DPI looking at that?

NICK MILHAM: Within forests, I don't believe so. More broadly, I would need to take that on notice in relation to that.

ANSWER

The DPI Weed Research Unit participates in research on three weeds that may have a significant impact on forestry, as follows:

- Pereskia leaf cactus- Host-specificity testing for a stem-wilting bug has successfully been completed in South Africa under the supervision of NSW DPI and the bug has been introduced into quarantine in Orange for additional testing prior to release. DPI is also contributing to a project funded by the NSW Environmental Trust to undertake genetic studies on pereskia leaf cactus, understand its impacts on biodiversity (which can be extrapolated to include forestry) and to introduce a second biological control agent (a leaf feeder).
- Gorse- DPI has provided in-kind support to Australian Government's Rural R&D initiative to introduce various biocontrol agents such as gorse soft shoot moth and gorse seed weevil
- Blackberry- DPI maintains contact with weeds researchers in Victoria that are currently progressing the introduction of a new biological control agent for blackberry - a saw-fly - which is currently being screened before entering quarantine in Australia.

The Invasive Species Biosecurity unit is not looking into the cost impact of weeds on forestry operations. Forestry Corporation staff are best placed to provide that information. In 2014, a report commissioned by the Natural Resources Commission estimated the annual economic cost of weeds to NSW to be \$1.8 billion, not including the significant impacts to environmental and social amenity which have not been monetarily quantified. NSW agricultural businesses incur the majority of these costs - more than \$1.3 billion per annum - due to lost productivity, labour, machinery and chemical costs.

Biosecurity is a shared responsibility between government, industry and the community and all land managers have a general biosecurity duty, established under the NSW *Biosecurity Act 2015*, to prevent, eliminate and minimise the risk of weeds on their land from having an adverse impact on agriculture, the environment and the community. DPI works closely with the 11 Local Land Services regional weeds committees to develop Regional Strategic Weed Management Plans that identify state and regional priority weeds and clearly articulate the minimum obligations of owners/occupiers in relation to those weeds. Weeds like pereskia leaf cactus, blackberry and gorse are prioritised for management and enforcement in some regions but not others, and owner/occupier obligations and the associated control costs vary according to the obligations established in the Plans.

Question 2 (Page 34)

Mr JUSTIN FIELD: How many hectares of new hardwood plantation has been established in New South Wales in the last decade?

NICK MILHAM: I would need to take that question on notice.

ANSWER

Answered later in hearing (see transcript at p46).

Question 3 (Page 41)

The Hon. MICK VEITCH: I'm not sure who is responsible for this, and I would suggest you take it on notice, but on page 16 of the whole-of-government submission—for the sake of tidying up because the submission was lodged last year and we have now moved on a fair way—talks about "Current and upcoming reviews include". On reading it, I would suggest that maybe some of these have now concluded. Would it be possible to get an update from the Government on where those reviews are up to? For instance:

Remake of the Forestry Regulation – due for staged repeal on 1 September 2021—we are past that date—

Western IFOA reviews – due to commence in 2021

...

12-month health check of the Coastal IFOA, commencing in mid-2021 ...

Can you update that information for the sake of putting together our report? I'm not sure who takes that on board on behalf of the whole of government, but if someone could that would be nice. I might look at Mr Orr.

STEVE ORR: We will ensure that you get a coordinated response, Mr Veitch.

ANSWER

The current status of the matters listed in the NSW Government submission to the Inquiry under the heading, "Current and upcoming reviews..." at page 16, is as follows.

- Remake of the Forestry Regulation – postponed in 2021 and underway currently (to be remade by 1 September 2022)
- Plantations and Reafforestation Act and Code review – completed and currently under consideration by Minister Saunders
- Western IFOA reviews – pending
- Natural Resources Commission's independent bushfire recovery review – completed and currently under consideration by Government
- 12-month health check of the Coastal IFOA – commencing in mid-2021 (postponed due to the bushfires) – pending

The same page of the NSW Government submission also noted that the Private Native Forestry (PNF) Code review was on foot at the time (May 2021). Since then, new Private Native Forestry Codes commenced on 2 May 2022.

Question 4 (Page 41-42)

(Conversation about the Softwood Industry Advisory Group and the Hardwood Industry Advisory Group)

The CHAIR: How often do they meet?

NICK MILHAM: They are advisory groups to the Minister, established by the Minister and for the Minister's consultation purposes. We've had several changes of Minister in the recent period, and those groups have not met since—sorry, I would probably need to take on notice exactly when they last met, but I think it might have been in early 2021.

ANSWER

The Softwood and Hardwood Industry Advisory Group's last met (with former Deputy Premier Barilaro) in August 2020.

Minister Saunders has since met with both groups in June 2022.

Question 5 (Page 43)

The CHAIR: We have already had them. Do you have a figure on what equity funding you provided? Do you know what the figure was?

NICK MILHAM: I should know that offhand, but apologies.

The CHAIR: That's all right.

NICK MILHAM: I shall take that on notice and come back to you with that number.

ANSWER

In FY 2018 the NSW Government announced \$24 million in funding for the Forestry Corporation to purchase private land to expand the NSW plantation estate. Following the 2019/20 bushfires, \$22.6 million of this funding was redirected to replanting efforts. Further questions in relation to this equity injection should be directed to the Corporation or NSW Treasury.

Question 6 (Page 44)

The CHAIR: I am just looking at the submission that says it was \$34 million over four years, but you said that it is going to remain open. We are sort of at that four-year mark now and you have only spent \$11.3 million. That was in May last year. Is it the intention that you will keep going until you spend that \$34 million or is there an intention to keep rolling this fund over?

NICK MILHAM: I can update those figures.

ANSWER

Answered in hearing (see transcript at p44).