

29<sup>th</sup> January 2004  
Native Vegetation Inquiry  
Productivity Commission  
Melbourne Vic

Impacts of Native Vegetation & Biodiversity Regulations

Thank you for the copy of the draft INVBR report which I have read and greatly appreciated.

I think the PC and Commissioner Byron's approaches and investigations are fundamentally sound, and I welcome the contribution from a government agency which contributes factual and rational analysis into the land-clearing debate. In particular I support the findings and recommendations in regard to market-based incentives for improved land management outcomes.

Whilst time constraints prevent me from commenting in further detail, I would like, for the record, to attach the following submissions I made to the draft Richmond Regional Vegetation Management Plan (NSW), with particular reference to Private Native Forestry (PNF), duty-of-care, and stewardship programs.

The draft INVBR report is comprehensive with respect to agricultural issues and general policy; however I believe there could be further investigation and discussion of the impacts of native vegetation and biodiversity regulations on PNF and on the timber industry which is increasingly reliant on PNF as the production area of the public estate is diminishing. For example in north-east NSW PNF contributes some 35-40% of the supply to local hardwood mills. The viability of many of these mills, not to mention the value of public funds invested through FISAP into new processing technologies and markets, will be at risk if PNF supply volumes fall as a result of regulatory changes.

I believe the most serious impact of regulation on PNF and the timber industry arises because landholders whose future timber harvest rights are uncertain have no incentive to invest in silviculture which conserves or improves the long-term productive condition of their forests. Regulation creates a perverse incentive to cut and get out. The recent legislative changes in NSW requiring Property Vegetation Plans (PVP) have some merit, but since the operating protocols for PNF are yet to be made by regulation, and there is still uncertainty about the operation of PVP's in relation to PNF, not much more can be said at this point. However it is clear that the changes will introduce some costs to landholders by exclusion of some areas from harvest, and increased operating and compliance costs and OH&S risks. These costs are only worthwhile if the off-setting conservation benefits are higher, and to date there has been no convincing evidence that this will be so.

Yours sincerely

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- + submission to Richmond Regional Vegetation Committee
- + submission to DLWC on draft Richmond Regional Vegetation Management Plan