

River Red Gum Forests Investigation

INFORMATION SHEET

Timber harvesting

State forests along the River Murray and tributaries have been a source of River Red Gum wood products since the region was settled. The forests are also used for grazing of stock, apiary, and a wide range of recreation pursuits. State forests also support threatened riverine ecosystems, flora and fauna and have great significance to Aboriginal communities.

VEAC has recommended that the timber industry continue in Gunbower, Benwell and Guttram state forests. Timber harvesting is recommended to cease in all other areas.

The reduction in areas available for timber harvesting is a result of important River Red Gum, wetlands and associated ecosystems and habitats being included in the parks system. This addresses VEAC's Terms of Reference dealing with the requirement to consider the nationally agreed criteria for a comprehensive, adequate and representative reserve system.

Timber harvesting is recommended to cease in:

- Barmah state forest to enable creation of the Barmah National Park. This recommendation constitutes the most significant change to the industry's access to timber resources.
- parts of Gunbower state forest to enable creation of the Gunbower National Park. Most of the area currently zoned as available for harvesting will continue to be available, as the recommended park largely encompasses the zones that are already excluded from harvesting.
- in the Ovens and Goulburn state forests and Murray state forests, where small volumes of timber are harvested.

Specific impacts on the timber industry

VEAC's recommendations reduce the area of merchantable state forest—from 37,390 hectares to 9880 hectares.

Tree growth has slowed substantially as a result of the drought and lower levels of flooding in River Red Gum forests. Revised timber resource figures indicate that a 29 percent reduction in current levels of harvesting will be required for long-term sustainability (i.e. reduction from a current sawlog allocation of 6072 cubic metres per year to a revised sustainable yield estimate of 4294 cubic metres per year) without VEAC's recommendations.

With VEAC's recommendations, the estimated sustainable yield would be reduced further to 1366 cubic metres per year, equivalent to 22.5 per cent of the current sawlog allocation. These estimates are based on adequate environmental water being provided. With less water, the estimated sustainable yield will be lower, in the order of 800 to 1000 cubic metres per year, depending on the water provided.

In financial terms, the move to a revised sustainable yield plus VEAC's recommendations would together reduce the net economic contribution of the timber industry to the Victorian economy from \$2.6 million per annum, to \$0.6 million per annum (with adequate environmental water).

The industry currently represents 0.08 percent of the regional economy. Employment may reduce by up to 57 direct jobs (fulltime equivalents) in the investigation area with a flow-on reduction of 22 indirect jobs. Approximately 38 per cent of the impacts on employment will occur even without implementation of VEAC's recommendations, due to reductions required to sustainable harvesting levels, based on revised timber resource assessments.

VEAC is very conscious of the consequences of its recommendations for the timber industry and dependent communities and families. VEAC recommends that government examine a restructure of the industry that could provide assistance for affected businesses, as previously provided in the Otways, East Gippsland and Bendigo state forests.