

Sustainable Water Strategies Branch
Office of Water
Department of Sustainability and Environment
PO Box 500
East Melbourne
VIC 3002

19 March 2008

Dear Sir/Madam

SUBMISSION ON NORTHERN REGION SUSTAINABLE WATER STRATEGY

The Victorian Association of Forest Industries (VAFI) appreciates the opportunity to comment on the Victorian Government's discussion paper for a *Sustainable Water Strategy for the Northern Region*.

The VAFI is the peak representative body for the Victorian timber industry. We represent our members' interests to governments, communities and markets. Our members include forest producers, sawmills and processors and associated bodies.

The VAFI welcomes the development of a Sustainable Water Strategy for the Northern Region of Victoria. Timber plantations are an important sector in this region. They provide a renewable resource which can provide benefits for carbon sequestration, salinity mitigation and provision of habitat.

Chapter 3 of the Discussion Paper considers the relationship between commercial timber plantations and water resources and how water interception by timber plantations might be managed.

The VAFI welcomes a scientific assessment of the impact of land-use changes on water resources, including the establishment of timber plantations. We recognise the role of the study under Action 2.20 of *Our Water Our Future* in examining this matter and providing management options.

Plantation forestry is a dryland (non-irrigated) agricultural land-use. Any policy discussion in relation to interception should include other relevant land-uses including dryland agriculture and native revegetation. The North Central Regional Catchment Strategy sets a target to increase native vegetation to 20 per cent of the region (approximately 210,000 hectares) by 2030 and to 50 per cent by 2050. The impact of native revegetation is not considered in the discussion paper.

The VAFI has serious concerns with the reference to the current regulatory approach for interception by commercial timber plantations in South Australia. This approach is not consistent with the principles of the National Water Initiative (paragraphs 55-57) or the approach set out in *Our Water Our Future*.

There remain important questions about the environmental, social and economic impacts of South Australia's current regulatory approach. The current draft water sharing plan for the Lower Limestone Coast, developed by the South East NRM Board, will likely result in forced deforestation of around 14,000 hectares of blue gum and pine plantations (i.e. plantation managers will be prevented from replanting these forests following harvest).

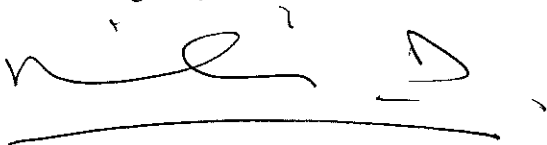
Where water policy is developed in isolation from climate change and other policy objectives, perverse policy outcomes can occur. A regulatory approach which overly restricts plantation development will impact on Victoria's (and Australia's) carbon accounts.

We encourage the Victorian Government to support a science-based approach to the management of land-use change and interception of water within the context of Action 2.20. The outcomes of this process should be incorporated into the Sustainable Water Strategy for the Northern Region as appropriate.

The VAFI welcomes the opportunity to answer any queries from the Department of Sustainability and Environment in relation to this submission and we look forward to further consultation during this strategy development process.

Should you have any queries please contact me via email (pdalidakis@vafi.org.au) or telephone (9611 9000).

Kind regards,

A handwritten signature in black ink, appearing to read 'Philip Dalidakis', with a horizontal line underneath it.

Philip Dalidakis
Executive Director

Cc: The Honourable Tim Holding, Minister for Water