



SUBMISSION No.

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21 July 2008

Hon John Pandazopoulos MP  
Chair  
Environment & Natural Resources Committee  
Parliament of Victoria  
Parliament House  
Spring St, East Melbourne, Vic 3002

### **Inquiry into Melbourne's Future Water Supply**

Thankyou for your invitation to prepare a submission to the ENRC Inquiry into Melbourne's Future Water Supply.

VicForests is the Victorian State-owned business responsible for commercial management of Victoria's State forest estate. An important component of VicForests' business is undertaken within water catchments which service metropolitan Melbourne. Timber production from these catchments makes a significant contribution to Victoria's regional economy, particularly in the Yarra Valley, West and Central Gippsland and Central Highlands. The timber produced is some of the highest quality and most sought after native forest timber in Australia, and forms the basis of a substantial and high value-added business base in Victoria.

VicForests' operations in these catchments is undertaken within a strict regulatory and legislative framework, with oversight from the Department of Sustainability and Environment, the Environment Protection Authority and Melbourne Water. VicForests' operations are also independently verified as sustainable through its third party certification to the Australian Forestry Standard.

As a key stakeholder for Action 2.21 of the Government's Water White Paper, VicForests has been working for the past 3 years with the Department of Sustainability and Environment and other stakeholders to analyse the implications of various scenarios for future timber harvesting from Melbourne's water catchments.

One of the most important ways that forestry can contribute to increasing future water availability from Melbourne's water catchments is through the judicious application of active management strategies which manage the water uptake of forest stands, particularly with the use of forest thinning. This approach is currently being used in Perth's water supply catchments, and is also being considered by the Government in its analysis for Action 2.21. I encourage the ENRC to consider this as part of its deliberations.

If you require any further information please do not hesitate to contact me.

Yours sincerely

**(Dr) David Pollard**  
**Chief Executive Officer**