



Speech by

Hon. HENRY PALASZCZUK

MEMBER FOR INALA

Hansard 12 November 1999

FORESTRY AMENDMENT BILL

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) (10.30 a.m.): I move—
"That the Bill be now read a second time."

The objective of this Bill is to amend the Forestry Act 1959 and, specifically, to—

- (a) implement part of the Queensland Government plan for the South-East Queensland Regional Forest Agreement; and
- (b) extend the legislative exemption from the provisions of the Commonwealth's Trade Practices Act 1974.

The amendments contained in this Bill will ensure that the objectives of the Forestry Act are achieved. These objectives relate to managing State-owned forests to ensure ecologically sustainable development, achieve efficient production and wood distribution and to promote the stability of the processing industry, including ensuring security of supply. I will now deal with each of these in turn in the order in which they appear in the Bill.

South-East Queensland Regional Forest Agreement

On 16 September 1999, the Queensland Government announced the Queensland Government plan for the South-East Queensland Regional Forest Agreement. The Queensland Government plan was underpinned by an agreement between the Australian Rainforest Conservation Society, the Queensland Conservation Council, the Wilderness Society, the Queensland Timber Board and the Queensland Government. The agreement is the outcome of two years of analysis and negotiation to determine the future of the forest and timber industry in south-east Queensland.

The agreement provides, inter alia, for the grant of 25-year wood supply agreements in the form of sales permits ending in the year 2024 with respect to Crown native forest hardwood sawlogs for most current allocation sawlog holders in south-east Queensland. Further, the agreement provides that the 25-year agreements will make provision for compensation in certain circumstances. Where a mill seeks to sell their wood supply agreement or their business, the Queensland Government will have the first right of refusal over purchasing the agreement and business at a fair and reasonable market price.

The 25-year sales permits are designed to provide long-term resource security to the forest and timber industry. They will promote economic and social stability in the industry and ensure job security and promote economic development in rural and regional communities. The permits will also encourage investment in the forest and timber industry and in remote communities. The Government is committed to moving out of logging the Crown native forests and the sales permits provide timber supplies at current levels in advance of the move to a plantation-based industry.

In giving effect to the agreement, there is an industry expectation that the Queensland Government will provide 25-year sales permits by way of legislation. The amendments contained in this Bill confirm the right of the Primary Industries Corporation to enter into 25-year sales permits with the Crown native hardwood sawlog industry in south-east Queensland. The 25-year sales permits are to commence on 1 January 2000, as announced by the Queensland Government in the agreement of 16 September 1999.

The Bill also provides for the 10-year extension of the legislated exemption from the provisions of the Trade Practices Act 1974. This exemption protects industry and Government from any possible prosecution under the TPA for behaviour that may be deemed to contravene the restrictive trade provisions of the TPA—Part IV. This exemption is currently valid until 27 November 1999.

The extension follows the results of a public benefit test on the non-competitive allocation of sawlog permits that underpins the native forest sawlog allocation scheme. The assessments considered economic and social costs and benefits on the timber industry, Government and rural and regional communities. The public benefit test demonstrated that the benefits of the scheme outweigh the costs. The extension is for 10 years because, under National Competition Policy, Acts are to be reviewed every 10 years.

This Bill is designed to implement part of the South-East Queensland Forest Agreement. In particular, the Bill is designed to provide for critical long-term security and certainty to the forest and timber industry and for our rural and regional communities. In view of the lengthy consultation with the various industry bodies that has preceded the development of this Bill, I expect the wholehearted support of all members of this House for this Bill. I commend the Bill to the House.
