



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard 20 July 1999

MINISTERIAL STATEMENT

Cypress Pine Industry

Hon. P. D. BEATTIE (Brisbane Central— ALP) (Premier) (9.35 a.m.), by leave: I am proud to offer further evidence that my Government is a Government for all Queenslanders and that it is a Government that is determined not to let National Competition Policy ruin viable industries that provide hundreds of jobs in rural Queensland. Under the previous coalition State Government, the cypress pine industry operated on a year-by-year allocation basis. This industry generates more than \$30m per annum and employs more than 2,000 Queenslanders directly and indirectly. Can members imagine an industry of that size having to operate on such an insecure, hand-to-mouth basis?

We have sought to secure the future of this major industry. Mills obtaining sawlogs from the Government will be offered a 15 year supply agreement. If the industry had been made to comply with the National Competition Policy, the yearly allocation system would have been forced to go out to tender. This could have resulted in a major processor outbidding the small operators and gaining a monopoly that would have taken jobs out of the bush and into the cities.

Cypress community chairman Bob McKay from Roma said that the Government has saved more than 2,000 jobs in the west. He said—

"For about the last five years our communities have faced great uncertainty."

He also said—

"Western Queensland is grateful to the Beattie Government for sorting the matter out only seven months after the full facts had been brought to his attention."

Indeed, an article in the Brisbane Valley-Kilcoy Sun of Thursday, 15 July, which I refer all honourable members to, refers to another supportive quote from the Queensland Timber Board. The article states that the Queensland Timber Board—

"... has applauded the recent announcement that the Government will offer a 15 year supply agreement to mills which harvest and process cypress pine from State forests.

...

General Manager of the Queensland Timber Board, Rod McInnes, congratulated the Government for a positive response to the plight of rural communities in western Queensland which depended on the cypress industry for their continued existence."

The Government has delivered the certainty that industry needs to grow, particularly by targeting the key overseas markets of Japan and the United States. I applaud plans by the industry for an even more concerted export push following my Government's commitment of certainty to the south-west and western Queensland based industry. I also applaud the efforts of the Primary Industries Minister, Henry Palaszczuk, who has done a very good job in this area. I say to him, "Well done, Henry."

We are also seeking to secure jobs in regional Queensland through the regional forest agreement. I have asked for goodwill from all parties as my Government continues to work through this process and as my key Ministers are involved in negotiations. I have also asked the parties to seek common ground. We have extended forestry arrangements until September and talks are continuing with the stakeholders. I have called together the Queensland Timber Board, the Forest Protection Society, the AWU and representatives of the conservation movement. They met with my key Ministers

and myself only recently to discuss this issue. That meeting went very well and we are now talking to individual parties. As well, a three-member backbench committee has been out among the timber communities discussing the issue with them. We are still working it through. Our focus is on protection of jobs and protection of our forests, the future of our country towns and the need for a vibrant timber industry.

What we are seeking is a balanced outcome. But what we need more than anything else is a commitment from the Federal Government to come up with the cash so we can achieve this win/win situation. In broad terms, this involves a move towards plantation timbers. It also involves adding more value to the raw product. Currently only 28% of timber in south-east Queensland has value added to it before leaving the area. What we need is that Federal Government support. We have asked for \$50m so that value-adding and plantation moves can take place. So far, we have nice words from the Commonwealth, but what we need from them if this process is to work is simple: "Show me the money." We look forward to that level of commitment from the Commonwealth.
