



Speech by

Hon. RUSSELL COOPER

MEMBER FOR CROWS NEST

Hansard 30 November 1999

FORESTRY AMENDMENT BILL

Hon. T. R. COOPER (Crows Nest—NPA) (11.35 p.m.): I noted in the Minister's second-reading speech that one of the objectives of the Forestry Amendment Bill is to implement part of the Queensland Government plan for the south-east Queensland regional forestry agreement. The Forestry Amendment Bill 1999 is misleading on two fronts. Firstly, this is not a plan. This is in fact just a deal between the Beattie Labor Government, the Australian Rainforest Conservation Society, the Queensland Conservation Council, the Wilderness Society and one representative of the Queensland Timber Board. Secondly, it is not a legitimate agreement either, because most of the actual stakeholders were ignored and left out when the deal was cut.

We have heard a lot of rhetoric from the Government ever since this so-called deal was announced as being the saviour of the timber industry, which is something that it is not. It is far from it. A lot of people were conned into thinking that this would in fact be the answer to our prayers as far as a regional forest agreement was concerned. As I have said, it is not an agreement. The main peak players have been left out. It was just a set of so-called principles with no detail and no consultation. As such, we are now finding that the people who were conned in what was just a cruel hoax are now realising that they have been conned.

At a meeting yesterday in Gympie there were some 20 mayors and local authorities represented. I have resolutions from that meeting which I will read into the Hansard which demonstrate very clearly that this is not a legitimate agreement at all. In fact, it is full of holes. It will not hold water. It will not stand up. As far as we are concerned, it certainly has not yet received support from the Federal Government, so it can hardly be billed as a genuine regional forest agreement.

Where was the workers' endorsement of this deal? I will read into the Hansard some press releases that indicate clearly where they stand. What happens to the 80 workers who are to lose their jobs at Nandroya? Where was their endorsement? Obviously, there was none. Where were the shire councils' endorsements of this deal? Where was the Forest Protection Society's endorsement of this deal? The Forest Protection Society was one group that actually stood up for its members. I cannot say the same for the Timber Board or the one representative who supposedly was going to represent them. But the Forest Protection Society has played its part and will continue to play its part, because this issue is not dead yet. In fact, it is just beginning to spring to life once more now that the confidence trick has been exposed.

I say from the outset that we will not be opposing the Bill, but it is certainly very difficult to support it as it stands. We do so because of the so-called 25-year guarantee. I will speak more about that later, as well as the 10-year extension under the Trade Practices Act. Therefore, in order to give as much support as we can to the industry, we will not oppose it, but I will certainly be moving amendments in the Committee. We will divide on at least three occasions to demonstrate clearly that we are not happy and that the 25 years is in fact another con. The period needs to be not just at least 35 years, but 35 years where the industry has access to timber that has some sustainability and some life. Quite obviously, what it has been left with for 25 years will not last 25 years at all. Those in the industry know it and we know it. Again, it is just one of those dreadful, cruel tricks that has been played on them.

I would also like to know where the rural and regional communities' endorsement of this deal is. There is none. I would like to know where the contractors' endorsement of this deal is. There is none. The graziers, who are certainly affected by it, and the leaseholders in the forestry areas, again, were not involved in any consultation. The beekeepers, trail riders, four-wheel-drivers and campers have not been included, in spite of endless promises that they would be. They are aware of it. They are not stupid. If anyone thinks this thing has been put to bed, they have another think coming.

None of those people I mentioned have endorsed this so-called plan because they were not privy to the wheeling and dealing that was conducted behind closed doors. All of these groups of the community have more stake in the forest industries than those three conservation organisations will ever have, yet they were not included. These people depend on forest industries for their livelihoods, their way of life and their futures. In the Beattie Government's haste to strike a deal, it maintained its commitment to the Greens in exchange for their preferences. They did not bother consulting the community. One thing and one thing only came first.

We have seen it before. We saw it in north Queensland in relation to the rainforests at Ravenshoe. In spite all of the promises of jobs—people catching butterflies, three-fingered waiters and all of that sort of thing—none of that ever came true. There were no jobs for them. That industry was closed completely. All we have left is silence. The second was the Hervey Bay/Maryborough/Fraser Island farce, when all of that was virtually closed, too. Very little continues in that area. Again, all there is is silence. Even Labor mayors in that region say that not one job was created. Here we have promises of more jobs. It is absolute rot. This is the third time people will be burnt. No science is used in formulating this. It is purely a political deal. It is a case of the devil take the hindmost.

The communities of the timber towns will suffer. If anyone thinks the timber they have left will last for 25 years, they are kidding themselves. If it lasts five years they will be lucky. That is when the industry will collapse. That is good enough for this Labor Government. It can buy time with these sorts of deals and after that it will not have to worry, because all the mills will be closed down anyway. We all know very well that that is the aim.

Mr Palaszczuk: What did you do in two and a half years?

Mr COOPER: One thing is for certain: we were not going to ram this sort of rubbish down the then Opposition's neck. We were not going to do sleazy deals behind closed doors with the Greens just for the sake of a few lousy preferences. That is all Labor has done. That is all it has ever done. This has not been based on science; this has not been based on proper data; it has been based purely on a sleazy deal. We know it, the Government knows it and the Greens know it. That is all they care about. All they want to do is close the industry down. They have said so. They have said that their bottom line is to close it down. That is all they want. They will creep up on it bit by bit.

When the Government is finished with the South-East Regional Forest Agreement, it will move to the west—out into western Queensland. Any of those native forests out there will be next on the list. We know the agenda. We have seen it time and time again. I know that the mayors and those people out there in the rural communities that we met with the other day will not be conned any longer. They are not going to take this any more because they know it is their livelihoods that are at stake. It is about the livelihoods of their timber towns, their workers and all of those people who depend on the spin-off effects of the timber industry.

They have had that for 150 years, yet this Labor Government is going to close them down. They know that they are fighting for their livelihoods. I sincerely believe that they will fight, because they know that if they do not they are finished. We will certainly revisit this when we get back to office so that these timber towns will have a chance to actually live again and also to maintain a decent livelihood. All of those workers in that area will have a life ahead of them again. What is ahead under this sort of deal is nothing but hopelessness.

The Minister and his colleagues have made much of the timber industry's apparent support for this regional forest deal. The feedback we are receiving is that sawmill operators are far from comfortable with this deal. As I usually do, to ensure that the views of primary producers in this State are being represented in this Parliament I wrote to a number of sawmill operators and others with a stake in the forest industry throughout the south-east Queensland RFA region seeking their comment and views regarding this Bill. The range of responses I received was interesting, to say the least. Far from echoing the glowing endorsements of the Beattie Government regarding its regional forest deal, many of those mill owners expressed real concern and a fear for their futures—for the future of their work force and for the future of their communities—under this shabby deal. I will quote a couple of those responses.

Mrs Lavarch interjected.

Opposition members interjected.

Mrs Lavarch: I am just asking for somebody to be honest here.

Mr COOPER: We are being honest with the people who are being affected. The first response states—

"We confirm that as members of the Queensland Timber Board we reluctantly supported the 'In Principal Heads Of Agreement' that was negotiated. We do have some ongoing concerns that we have been assured will be progressively addressed and seek your support in ensuring that commitments made and assurances given will be actually put in place."

We will do all we can to see that the detail that is gradually worked out is favourable. Of course, we know that we do not have the numbers in this place. Another response states—

"We are very concerned about the RFA as we do not feel it is the best outcome for Queensland. We could have had an income from forestry and tourism if controlled properly. We do not feel the government can supply the timber needed to fulfil their obligations to sawmillers for the next 25 years, now that they intend to lock up many hectares of previously logged forest."

They are far from glowing endorsements. If the sawmills and the members of the Queensland Timber Board are concerned, the shire councils, the contractors and the communities are arguably even more concerned. While this Bill provides 25-year wood supply agreements for sawmill operators, it gives these other stakeholders very little in the way of guarantees to allay their concerns.

Such is the concern mounting in regional and rural south-east Queensland with this regional forest deal that 21 shire mayors met on 22 November and unanimously carried a lengthy resolution conveying the following concerns. It is important that I quote that resolution for the benefit of the House. It states—

"That representations be made to the state government outlining the following issues which relate to the development and implementation of the Regional Forest Agreement:

(a) Lack of consultation"—

How often do we hear that? It goes on—

"Whilst there was some acknowledgment of limited direct consultation in local communities some years ago, there was an absence of consultation at the local level particularly prior to the signing of the agreement.

(b) 25 years is too short a period—there was concern expressed that 25 years is too short a period for a hardwood tree to be grown to a millable size."

Any idiot would know that 25 years is not long enough. It continues—

"It was suggested that the 25 years for the closure of logging on State forestry should begin after substantial and successful planting of seedlings.

(c) Including people with practical experience—the meeting acknowledged that many people with substantial useful experience in the timber industry that would provide useful practical expertise and these should be accessed to allow a more balanced perspective.

(d) Social Impact Assessment at the Local Level—there was some acknowledgment of work undertaken regarding social impact assessment, however the extent and scale of the work was inappropriate. The focus should be at the local level particularly looking at the social impact in communities and associated local businesses including transport and other subcontractors.

(e) Loss of Rate Income—concern was expressed that the local government rate base might be undermined as changes occur in the forestry industry resulting the reduction of grazing leases over Crown land. The State government should consult with local government directly on these issues.

(f) Future Forestry Agreements in Western Areas Need More public consultation—it was understood that a forestry agreement in the western areas will be developed in due course and local government in those areas were anxious to see a more consultative process particularly looking at social and economic issues at the local level.

(g) Support for Tree Planting in Dry Areas—It was acknowledged that the major portion of tree planting was to occur in the higher rainfall areas and this was clearly planned to ensure a high growth rate. Whilst this was acknowledged it was argued that there should be greater direct support for tree planting in the dry areas which would provide future resources for local mills in the area.

(h) The impact of vegetation management issues and security of resources for private plantations— members expressed the view that there is considerable anxiety and confusion among private landholders who are grappling with not only the impacts of the Regional Forestry Agreement, but the potential impact of the Vegetation Management

legislation. Of particular concern is the need for some form of resource security for private landholders wishing to retain timber for future harvesting."

Those sentiments were reaffirmed unanimously in another meeting of 16 shires, called at very short notice—shires which are impacted on by this regional forest deal and the imminent introduction by the Beattie Government of tree-clearing restrictions on private freehold land—which a number of my coalition parliamentary colleagues and I attended at Gympie on Monday.

The regions are starting to boil. They know that this so-called regional forest agreement is little more than policy on the run. This Bill represents the first plank of the Beattie Government's regional forest deal, and yet there is little or no detail as to how this plan will work. There are grave doubts about plantation developments. In reply to my recent question on notice, the Minister conceded that no trees have yet been planted in the apparently planned plantations.

A report released last week by the Bureau of Resource Sciences and ABARE found 1.4 million hectares of agricultural land suitable for hardwood plantation development, but only 200,000 hectares of that land exceeded just 75% of the estimated agricultural land values. A total of 47,700 hectares were identified which could generate plantation values that exceed 95% of estimated agricultural land values. That is great. The Opposition supports plantation development. But despite those findings, the Beattie Government has no strategy on how it will convince farmers to sacrifice up to 25% of their earning potential and convert from their current farming activities to invest in a long-term venture where there is no guarantee that they have an iron-clad right to harvest that investment.

And while it may be achievable to develop plantation resources in some areas in 25 years, those plantings must start immediately and there must be certainty to encourage that development. With little land available for immediate conversion to plantations, little incentives on offer for private landholders to do so, and many doubts about the commercial viability of doing so, this is a gamble that rivals Labor's net bet. Commonsense would dictate that it would be far wiser to defer the conversion of at least some of the 425,000 hectares of forest to be set aside as reserve until those plantation developments come on line. Again, that is one of those commonsense things. These are the sorts of deals that are nipped out by people who do not have the faintest idea of what they are trying to do.

Mr Rowell: How long does it take to get a return on a 25-year forest? How much money does it cost you to go and plant a forest and wait for 25 years?

Mr COOPER: The figure would be endless. I could not give the member a figure off hand. It would be massive.

Mr Palaszczuk: Invest in farm forestry.

Mr COOPER: But there has to be right-to-harvest legislation. They would have to be convinced that, at the end of that 25 years—and they need more than 25 years; 35 years would be more applicable—and even if it was sensible and 35 years, then at the end of that time, or even during it, they would not know whether they were going to be allowed to harvest it. So there must be guarantees that they will be allowed to harvest it. That must be part and parcel of it. Also, what do they do for an income in the meantime while they are waiting for those 35 years to go by? There must be arrangements whereby there are payments along the way.

Mr Palaszczuk: Diversification.

Mr COOPER: What of? I see, grow a bit of timber, a bit of wheat and a bit of barley?

Mr Palaszczuk: Come with me to Boonah and Beaudesert and just see what has happened out there.

Mr COOPER: Been there, done that!

Commonsense would also allow for some margin of error and err on the side of caution in forecasting the development of plantations in only 25 years—a largely unproven claim for many areas. Commonsense would dictate that if the Beattie Government remained intent on phasing out this viable and renewable Crown resource, it would do so over 35 years rather than 25 years, and that

would be the sensible thing to do. According to the people with whom we have spoken, that was to be the arrangement. But again, because of the Greens, that was negotiated down to 25 years. It is just so pointless and stupid.

This Bill provides for 25-year wood supply agreements, and yet there are concerns about the ability of the remaining loggable area to meet those needs, let alone on a sustainable basis. The Beattie Government claimed that no clear felling would be allowed under its plan, but the harvesting practices to be employed in the remaining area of Crown forest able to be logged where the minimum girth size of millable logs is to be reduced so that every tree 40 centimetres or greater in diameter will be harvested is virtually clear felling. It is cutting down the size of the girth, so that they can go for the smaller trees and knock them down within five to 10 years at the most. But then there will not be any timber left to cut. Then, of course, in will go the cameras and in will go the Greens saying, "Isn't this terrible!"

Mr Palaszczuk interjected.

Mr COOPER: The Minister will not be here then. We are trying to look ahead to ensure that people are looked after for the next 25 or 30 years. People are saying, "That should shut people up. It is 25 years. Who cares?" We are saying that the timber will not be there because most of the good timber areas have been put into reserve where people cannot get at them; so what is the point?

Mr Palaszczuk: Twenty-five years will be manageable.

Mr COOPER: It is easy for the Minister to say that, but he does not know. Generations of people who have been involved in the industry for 150 years know that, by taking out that timber and putting it into reserve, they do not have a hope.

I can imagine the howls of outrage from the environmental groups. They will be calling for this dreadful practice to be stopped. And if Queensland is so unfortunate as to have a Labor Government, the so-called forced rethink on this plan and the premature closure of all Crown native forest ahead of the 25-year deadline will be a fact.

There are also concerns about the varying impact on different sawmills and different communities throughout the RFA area.

Some mills have done well out of the Beattie Government's plan, and there is no denying that. Others have done very badly, like the Nandroya mill, which has been made the sacrificial lamb and where 80 workers will lose their jobs. Still others will suffer a more prolonged but nevertheless heavy impact. Under the interim forest management agreement, those mills are receiving assistance to offset the added cost to their operations of hauling timber, processing different timber types and so on pending the outcome of the RFA.

Some of those mills have informed me that they may not survive under the Beattie Government's regional forest deal unless they continue to receive assistance. This Bill alone and 25-year wood supply agreements will not guarantee their continued operation. They will need assistance for additional log haulage costs, structural adjustment assistance to cope with a change in species mix and an industry development package to assist in improving sawing technology, downstream processing and value adding. But there has been no commitment from the Beattie Government to maintain that assistance, and there is no provision in this Bill to do either, let alone for 25 years.

What I am saying there is that we had assistance under the interim arrangements to assist with transportation. But by taking more and more timber out of the equation, those mills will have to transport their product even further, the transportation costs will be even greater, and they will not be able to afford them. The powers that be know that. Therefore, the mills will close and people will say, "That was not our fault. It was the fault of the mill. They could not keep going." They can see that coming just as well as we can.

Even if it had the detail, the Beattie Government has no money to implement its regional forest deal. That is why we have witnessed yet another in a long list of ambit claims on the Federal Government by the Premier for \$36m. We ask why should the Federal Government—in reality the taxpayer—fund this plan to put people out of work, to close down an industry and hurt other rural industries. I ask the Minister to address how this legislation will now provide long-term security of wood supply to sawmillers after his Federal ALP colleagues backed the Australian Democrats' amendment to give the Senate the power of veto over RFAs between State and Federal Governments.

In doing so, the ALP showed that it was more interested in playing politics than in delivering certainty for the timber industry and the workers it purports to represent. The industry knows it, the community knows it and the workers know it. The National Association of Forest Industries issued a media release on 24 November—not so very long ago—headed "Labour denies timber resource certainty." This is a statement from the NAFI acting executive director. The statement reads—

"The ALP's decision to vote down the Regional Forest Agreement Bill has left the timber industry high and dry.

It is hard to believe that the ALP any longer supports the National Forest Policy Statement.

No specific faults have been found with any RFA. Yet the ALP wants the right to expose all RFAs to possible Senate disallowance.

Amendments to the Bill proposed by the ALP do not withstand close scrutiny. They are a retrograde step, and are difficult to explain on any basis other than as part of a continuing quest for green second preference votes.

That the ALP should bid for so small a prize—at such a potentially high cost to regional communities, timber industry workers and value adding investment—does not reflect confidence in the Party's electoral standing or in the policy achievements of the previous Labor government.

The industry has embraced extensive restructuring, and resource reductions based on thorough scientific research, but the goal of long-term resource security— which should have been the end product of the RFAs—has been snatched away by the ALP's decision.

The industry is at a loss to know what the ALP wants.

It set up the RFA process to put complex forest management issues beyond the reach of political horse-trading. Now that the RFA process has been shown to work, the ALP wants to draw the RFAs back into the political arena.

This does not look like a principled policy. It looks like political manoeuvring."

The Forest Protection Society issued a media release entitled "Labour abandons timber communities." Once again I quote from the media release.

Mr Palaszczuk: What date was that?

Mr COOPER: This was 24 November— only six days ago. The media release reads—

"Timber communities around Australia have been betrayed and abandoned by the ALP and its Leader— as the party voted to amend the Government's RFA Bill in today's Senate debate.

At his insistence Mr Beazley has driven Labor to ignore the plight of timber communities and workers despite pleas from within the ALP and the union movement.

In fact support for this Bill has come from communities, industry and unions which begs the question—who is the ALP, and Mr Beazley responding to by not supporting this Bill?

Clearly Labor has some higher priorities above the security, investment opportunities and jobs in regional Australia because their role in the Senate's amendment of this Bill clearly says to timber communities, workers and industries—'we are prepared to trade your future.'

It is a sad day for workers, communities and firms involved in forestry as it would appear that the ALP is willing to reopen the politics of forestry despite the bitter and divisive lessons of 1994/95—as once again all pro-forestry groups oppose the party's position.

Labor initiated the National Forest Policy Statement in 1992 as a direct result of the poisonous impact forest politics was having on timber communities, workers and industries. Since 1992 forest policy has enjoyed bipartisan support—until today!

If the Government's Bill somehow did not provide security in line with the expectations of timber communities—we could understand the ALP's position. However, Labor has rejected the Government's legislation because it wants RFAs to be subject to parliamentary disallowance.

In other words despite the science of the RFA process which Labor established, Mr Beazley now wants to reinstate Federal politics, emotion and backroom deals as the primary drivers of forest policy. State Premiers with signed RFAs must be looking on in disbelief.

Mr Beazley's position is now clear. Under Labor, workers, communities and forest-based industries in towns like Morwell, Traralgon (Victoria) and Smithton and Scottsdale (Tasmania) could have their region's RFA disallowed by the politics of the ALP in Federal Parliament.

So much for relying on science to guide the RFA process and supporting legislation to provide security to timber communities and industrial development in forestry.

Clearly, the lessons of 1995 have been forgotten, as have the results of the recent Victorian election, as Labor seems determined to rob regional timber communities of a secure future within investment growth and development opportunities."

Mr Palaszczuk: Not one mention of Queensland.

Mr COOPER: They have got their RFAs. This is supposedly starting here. This is the Federal legislation which now allows political deals to be done by way of disallowance in the Senate. No RFA is now safe. We are heading in this direction in Queensland. It is not an agreement; it is a sleazy deal.

The cracker of them all was from the ALP's very own Construction, Forestry, Mining and Energy Union, whose media release was entitled "Forest union lashes Labor". I quote from that media release for the benefit of the House—

"The Construction, Forestry, Mining and Energy Union today slammed the ALP Federal Opposition for failing to support jobs in the Forest and Forest Products Industry and turning its back on regional communities.

Mr Trevor Smith, the National Secretary of the CFMEU's Forestry Division, condemned the Federal ALP for its position on the Regional Forest Agreement Bill. The Union has accused the ALP of breaking commitments made to the Union during the last Federal Election.

'The Leader of the Opposition made public commitments to the Union and he has failed to deliver' Mr Smith said.

The Union will consider its response to the ALP's actions in the Senate within the next week.

Let no one in the Parliament think that this issue will go away. Every regional community reliant on the forest and forest products industry is going to be informed of this betrayal and the Union will urge the Government to reintroduce the Bill as soon as possible.'

The union will also approach Labor MPs in regional seats seeking their support for the RFA Bill.

It will be up to Labor members in regional seats to educate the ALP leadership on this issue. It is obvious that the ALP Parliamentary Party has lost touch with regional Australia,' Mr Smith said."

That just about says it all. As I have said, this is not over yet; in fact, it is just starting. More and more is going to be exposed when this Government brings its Bill before the Parliament. This Government will be brought to account.

After reading those press releases— particularly the one from the union—I want to know where the Beattie Government has been in relation to this issue. As far as the coalition can see, the Government has gone to ground. It has ducked for cover. The Beattie Government is always willing to blame someone else for its own failings; it is always the Opposition's fault or the Federal Government's fault.

That Act was crucial to making RFAs work, giving the long-term security that the timber industry needs. The Act was crucial to giving the Bill we are debating some legislative teeth. But when it was time for action on the part of the Beattie Government—when it was time for those opposite to influence their Federal ALP colleagues for the benefit of the industry, they were nowhere to be found.

By the Government's silence, it has condoned the acts of its Federal ALP colleagues. That is why I cannot see how this Bill will give the industry, the workers and the community any security. Until the Labor Party stops playing politics with the timber industry and supports the Federal Government's RFA Act, this Bill is of little or no value.

The Bill provides for 25-year wood supply agreements which, according to the Minister, have been agreed by those groups privy to the negotiation of the Government's regional forest deal. I have highlighted already the Opposition's concerns about the phasing out of the Crown hardwood forests from use for logging and our misgivings about the forecast replacement of that resource with plantations that have yet to be developed. They have not been even planted.

The coalition does not support the closing down of the Crown native forests to logging, or indeed, to other uses such as grazing, beekeeping and leisure activities. Many people in the community share those concerns and have highlighted the need for, at the very least, greater flexibility and, at best, the continued sustainable use of the Crown resource. In acknowledging the Government's policy to close down the Crown forest, I would still like the Minister to address just how the figure of 25 years was reached. As I have said, initially 35 years was sought by the timber industry. The coalition remains to be convinced that this was not a more desirable objective than the 25 years provided for in this Bill. I also noted that there is provision in the Bill for compensation to be paid in certain stated circumstances. The Minister made fleeting reference to that in his second-reading speech. I would like the Minister to explain what those "stated circumstances" are. During the Committee stage, I will be asking for those things to be addressed. On two or three occasions, the Bill says "stated circumstances". We would like to have what that means spelt out. Again, in the correspondence that I am getting from the industry the question is asked, "What are these 'stated circumstances'?" So all I can do is ask the Minister. Nowhere in the Minister's second-reading speech, the Bill or the Explanatory Notes is there any detailed explanation of what constitutes a stated circumstance.

It has been put to the Opposition that compensation should be paid in all circumstances to permit holders if the agreed wood supply is not met. I would like the Minister to address why this has not been reflected in the Bill. The Forestry Amendment Bill also provides that where a mill seeks to sell its wood supply agreement or its business, the Queensland Government will have the first right of refusal over purchasing the agreement and business at a fair and reasonable market price. This amendment is extremely concerning. It appears short-sighted, impractical and unworkable. How will a fair and reasonable market price be determined in a climate where mill owners and other potential purchasers know that the Government will, in exercising its intention to close down the Crown resource, inevitably purchase a wood supply agreement or sawmill business? Again, that is another crucial part of this Bill. Why does the mill owner have to go to the Government for a first right of refusal? That is something that they cannot understand and that is something that we cannot understand. It seems to me as though the Government will have them over a barrel. They will not have anywhere else to go. The Government gets first crack. It can name its own price. If that price is not acceptable, the mill

closes. That is something that the Minister can explain not just to us but to those mill owners who are extremely concerned.

This amendment stifles competitive market activity. As the Bill reads, the mill owner wishing to sell his agreement or business would have to somehow identify a buyer who would ordinarily be expected to spend considerable time and money investigating the viability of the purchase. However, against a backdrop of inevitable acquisition of that agreement or business by the Government, what possible incentive is there for that prospective buyer to even consider the purchase of the agreement or business? The short answer is that there will be no incentive to do so and the seller will be left at the mercy of the Government in the price received.

We are not talking about pocket money, either. Mill owners and contractors have invested millions of dollars in their businesses with the intention of realising a gain on that investment. However, under this amendment legislation, if they wish to exit the industry, they will have no hope of realising any recoupment of their investment. As one mill owner put it to me—

"The statement that states first right of refusal to an assignment or transfer of the permit is very scary for a sawmiller."

Another issue that relates to this amendment and which is of vital concern to the communities is that the assurances given by the Government that existing mills have 25 years security and that jobs will be retained cannot possibly stack up. If a mill owner decides to get out of the industry within the 25-year period and is inevitably forced to sell his allocation and/or business to the Government, the mill closes down, the jobs go, and the community suffers.

Mr Rowell: Who would want to buy a mill?

Mr COOPER: Who would want to buy a mill? That is exactly what this Government is looking for—to be able to close them down in that sneaky way and achieve its end. That is the sneaky part about this legislation. In many of these rural towns, the timber industry is the economic backbone of the community. This amendment legislation exposes the cruel hoax of this regional forest deal. It undermines the supposed 25-year security.

The Opposition has no problem with the second objective of the Bill, namely the extension of the legislative exemption from the provisions of the Commonwealth's Trade Practice Act 1974. In his second-reading speech, the Minister stated that he expected wholehearted support for the Bill. He certainly will not get wholehearted support from the coalition. Although we begrudgingly accept the need to pass this Bill to provide the TPA exemptions, that is by no means an indication of our support for the Beattie Government's grubby regional forest deal to close down the native hardwood industry.

I refer to some of the comments contained in the submission by the Local Government Association of Queensland in response to this South East Queensland Regional Forest Agreement directions report. Firstly, I want to let the Minister know of some of the councils that attended the Gympie meeting yesterday.

Mr Palaszcuk: Could you table the list after you have read them out?

Mr COOPER: The only problem I have with that is that I know how the members opposite will persecute them. I will not read out the names. I will read out the councils: Cooloola Shire Council; Mundubbera Shire Council; Hervey Bay City Council; Maroochy Shire Council; Eidsvold Shire Council; Gayndah Shire Council; Noosa Shire Council; Cooloola Shire Council, again; Burnett Shire Council; Perry Shire Council; Kilcoy Shire Council; Monto Shire Council; Kolan Shire Council; Gatton Shire Council, which was well represented; Tiaro Shire Council; Woocoo Shire Council; Burnett Shire Council—over and over; and Gympie, which was represented by various timber industry people.

Obviously, those people showed their grave concern by voting for the resolution. Those are some of the organisations that attended. I can tell the Minister that they expressed a very, very real concern. They fought it in the first place when these so-called negotiations were taking place. With the grandstanding, the media hype and publicity that came out with the first announcement, they then thought that all would be well. Ever since then, they have realised more and more that they are now faced with a total lack of detail and a total lack of assurances. They know that, although we might live on, their livelihoods are very much at stake. That is what is going to drive them, because they can see that they have been conned. They can see that their workers are not going to have jobs and that their industries are going to die—and they will over time. That is why they are going to fight. I hope that they do because, as I say, they are the ones who are going to be best placed to save their industry.

I was also worried and I asked questions in this place about the number of forest grazing leases that were involved in this 425,000 hectares of Crown native forest. The answer that I received to a question on notice stated that there are 570 current grazing leases and stock grazing permits over forestry reserves within the SEQRFA region and there are approximately 250 current grazing leases and stock grazing permits covering about half of the 425,000 hectares of the RFA identified secure

conservation reserve areas. We are concerned whether they, too, will be able to continue to operate or whether they are going to be tossed out of their leases.

From time to time, certainly in Crows Nest, people have been told that they cannot continue running trail rides, trail bike rides and the like in the State forests, despite the assurances that we heard from the Premier himself that that would not happen. I put that on the record and I want it followed through, because those activities are used to raise funds for the P & C associations. If it is happening at Crows Nest, it is happening elsewhere. It must be happening elsewhere, but it was never supposed to. Of course, words are often not followed through with actions. Again, that leads to people feeling undermined.

The Dennings sawmill in the Brisbane Valley is one of the oldest sawmills around. It has been around a mighty long time. I hope that the owners of that sawmill will not be persecuted, although they are the sort of people who are prepared to stand up and fight for their industry. Thank heavens a lot of their timber comes from private sources, because more and more they are being isolated from the State forests, as all the other mills are. The owners of Dennings sawmill have raised a number of questions that I want to refer to the Minister. They are so concerned, agitated and filled with anxiety that they do not know where to turn. When they ask the Government about the future of their livelihoods they get no satisfaction, so often they turn to us and others.

In a letter dated 25 November 1999, Mrs Denning stated—

"With regard to my telephone call to you 23/11/99, and your request to outline my concerns with the Forestry Amendment Bill, the issues which concern me and my family are the amendments as follows:

(1) the Amendment of s. 58 (Power to cancel, suspend, permit, licence etc);

Clause 5 section 58

Under the RFA all sawmillers who cut from Gov. State forests have to have a sawmill licence plus a contract with the State Gov. If one does not have a contract with the compensation clause included then the miller can be closed down any time without payment of compensation.

Under clause 6 section 69C(2) the State Gov. can refuse to allow the mill licence to be transferred to anyone else ie son, wife, family, etc, without it first being offered to the State Government.

These clauses can be open for interpretation and would need to be clarified."

I will be raising that issue with the Minister in the debate on the clauses. The letter continues—

"My concern with the whole business is that the land holder, the person who is growing the timber, has not been consulted, nor has the miller who buys the timber from a private property owner.

Why is it that the big mill owners and their managers who have large timber allocations (forestry) are making most of the decisions?

No consultation has taken place with we the people who own Dennings Sawmill or the land holders in the Brisbane Valley who we get our timber from."

Those are some of the queries that people who have the courage of their convictions have raised in writing, as many have done. Those questions have to be answered, because they bring to the fore the concerns of those people. If their questions cannot be answered, that is proof positive that this has been a con job from the start—and we know that it has. The Minister will get his chance to respond to those queries and more, as I will be raising more questions in the debate on the clauses of the Bill.

At a conference held in Toowoomba earlier this year, the Local Government Association expressed its concerns about the lack of consultation. The association also raised concerns about the rural economic downturn; the impact on the timber industry, local communities and the loss of jobs; the impact on council planning, particularly in relation to open spaces and recreation; the impact on grazing leases and other non-timber forest uses and councils' rate bases; and sawlog timber allocations and sustainable forest management which largely negates the need for locking up resources, that is, transferring reserves to national parks. The association said that consideration must be given to other wood products, that is, non-mill locally sourced products. It stated that recognition of differences in community and local circumstances in specific areas will dictate alternative RFA outcomes, reflecting those differences. It recognised that there needs to be a strong commitment from both Commonwealth and State Governments towards the development of hardwood plantations on both State and freehold land.

The Opposition is particularly concerned that if, in addition to what has already been taken out, an additional 425,000 hectares is taken out of the State forests, the total will be very close to one million hectares of forest. Obviously that limits the resources available to timber mills. If one is going to replace those trees in 25 years, which we know cannot be done, or even in 35 years, one million trees

will cover about 10,000 hectares. We want to know where those plantations will be and how accessible they will be to the mills. Each mill will have its own individual problems and each mill is entitled to receive due and proper attention. We believe that quite a number of mills will then become isolated. Obviously, if they do not receive assistance in getting the mill product to the mill, they will have no alternative but to close down. As I said, that is exactly what the Government wants and certainly it is exactly what the Green movement wants.

In its submission in response to the south-east Queensland forest agreement, the LGAQ also stated that it wanted a return to best practice management techniques in all hardwood forests, based on the optimum utilisation of available resources. It outlined the need for local government and community compensation. While the compensation issue continually raises its head, one thing is for certain: compensation is not everything. Those people want to continue their businesses. As far as they are concerned that must be the first consideration, because otherwise the whole industry falls to the ground.

The LGAQ wants certainty of harvest on private land, which is a big issue. I have often heard it said that this issue is covered in the Integrated Planning Act, but a lot of people would disagree with that. I believe that legal advice needs to be taken on the point. As I have always said, that is a good idea if one is going to invest in a plantation. A lot of people would probably like to be involved in such an investment and receive the income that would flow from it, as I believe has been done in other States. However, at the end of the day it all depends on who is in Government and how strong the Greens are. After this Minister's time and mine, someone could easily come along and say, "That plantation is too nice. It is pristine. You can't have that." They could then make sure that it could not be harvested. In that case, the investment obviously falls to the ground. There has to be certainty in that situation.

The LGAQ pointed to insufficient research and development and called for the encouragement of private grower participation in R and D and its associated gains by way of tax incentives. Again, that idea would be well worth pursuing. The association called for the assurance of supply and quality of sawlogs and forestry quotas for existing sawmills. Councils have stated that to achieve this, legally enforceable 20-year contracts are needed. Appropriate compensation provisions must accompany those contracts should a change occur which removes any rights associated with the contract.

The association pointed to insufficient consideration of the social assessments of local communities. It stated that councils have expressed concern that valuable time and resources that were dedicated towards reviewing the social implications of the RFA on certain communities have not been adequately incorporated in the directions report. This has meant that the information included in each scenario has not presented a comprehensive picture to ensure that all stakeholders are advised of their full implications.

The Local Government Association is one body that without any doubt must be taken notice of. These are councillors who represent hundreds of thousands of people. They certainly represent people in the timber towns and all that that means. If they are expressing these sorts of concerns and need for consideration, then any Government should sit up and take notice. The fact that this Government can just ignore them and proceed with this faulty and fake so-called regional forest agreement which, in fact, is just a political deal, I think is a massive slap in the face to local governments right throughout the State.

The association goes on to say that consideration should be given to 20-year tenures in stock grazing permits in State forests. Councillors recommended the development of an RFA provide a basis on which consideration should be given to the introduction of 20-year tenures for stock grazing permits in State forests, an eminently sensible suggestion providing again reasonable long-term security—not tenure on an annual basis. Graziers, farmers and cattlemen need to know for a little bit longer than a year into the future whether they are going to be able to hold that lease or not. Stock grazing is good for State forests. For a start they keep fuel down, but also they make use of an available resource.

The Local Government Association also wanted expanded opportunities to be provided for joint venture arrangements for lessees and the State Government with natural regeneration of State forests. The development of these expanded opportunities should be progressed to develop harvestable timber from existing stands. It also asked that consideration be given to the regional forest development plan being used as a primary reference document. Councils have stated that the regional forest development plan includes information regarding another scenario that should be considered throughout any further discussions involving the RFA. I think all of those suggestions coming from the Local Government Association are well worthy of consideration. They should have been considered. Quite obviously that is another group that was not involved in this clique—the so-called discussions that occurred in the first place. It, too, has been left out of the equation. It is no wonder that the association is angry.

Again the Minister can see that we have only just proceeded a little way down the track towards the so-called RFA. He cannot expect the Feds to tick off on and agree to something like this. He has seen that he has been duded by his own party in the Senate. That has upset even more unions and that again is going to cause even more trouble. It is the sort of thing that we predicted in the first place. It is the usual thing: the real stakeholders have not been consulted. The Government consulted only those to whom it wanted to talk. As far as I am concerned the Green movement has the Government by the short hair; there is no doubt about that.

The end result when we look ahead is that we are going to see the demise of the timber industry, and for what? A political deal! That is what is so sad and so cruel about this whole thing, because the development and management that the timber industry has employed since the time that it started has been exemplary. It has been an example for the rest of the world. Its management techniques are second to none. It has a sustainable product that can continue for hundreds of years. That is all being knocked on the head, and for what? That is what is so sad and so wrong and that is why we on this side of the Parliament intend to stick up for those workers, defend them and fight for them every inch of the way. We will carry their case for them as long and as hard as we possibly can.

When we return to Government, this coalition will most certainly revisit this so-called deal, this so-called agreement, and ensure that the timber industry in this State has a sustainable, long-term future based on the management, science and data that we have used and which should have been adhered to. I know that once the South-East Queensland RFA is in place, the Government's next step is to move on to western Queensland and those State forests, which other speakers will address. They, too, will suffer the same fate—there is not the slightest doubt in my mind—and I do not know why.

I cannot understand it when the people opposite purport to support unions, timberworkers and people of that ilk. So do we, but we believe that they are entitled to a future. Those opposite are making sure that they have no future, and that is what again is so sad. Some of them are their own people. How can they do it? The families and everyone else involved in keeping a town and district going are the social fabric, the glue that keeps those towns together. The Government is doing everything in its power to make sure that they come unstuck. That is what I think is so sad.

This legislation provides for a 25-year agreement. We will try to ensure that we can provide a 35-year agreement. There is a 10-year exemption from the Trade Practices Act. We have to support that. I think I have gone a long way towards exposing the Government's intent for what it is: a very shabby, political, underhanded deal that is going to impact very adversely on many of the people of this State, the sort of people who have worked so hard and who have done so much to build up country towns and rural communities and create jobs. They have also ensured that they have a product that actually brings in income to the State, be it export income or domestic income. They have gone a long way towards making this State great, and this Government is presiding over their destruction. That is what I find to be so sad about this.

I think I have made my point. I will leave the rest to other speakers on this side of the Parliament. Quite obviously the people opposite are not interested; there is only one Government member on the speakers' list for this Bill.

A Government member interjected.

Mr COOPER: I have seen the speakers' list and there is only one Government member on it. Time expired.
