



Speech by

Mr JIM PEARCE

MEMBER FOR FITZROY

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VEGETATION MANAGEMENT

Mr PEARCE (Fitzroy—ALP) (6.39 p.m.): When the minister moved the amendment, which I support, to the motion earlier tonight, he talked about the vegetation management system put in place in Queensland by this government, the reduction in the clearing of trees and the impact that that has had across the state. As a government, we understand that there will always be some losers when the government implements change—in this case, much-needed change. However, the reality of life is that some people are affected by change. There are also many positive things which come as a result of decisions of government such as this.

For example, responsible vegetation management has a major role to play in the reduction of greenhouse emissions through an international carbon credit scheme. In Queensland, the key sources of greenhouse emissions are from rural land use activities such as emissions from tree clearing and livestock as well as our lifestyle patterns, in particular high energy use and transport. Because we are a can-do government, cabinet recently approved the preparation of the Forestry Act Amendment Bill 2001, which will allow Queensland to take advantage of a range of opportunities associated with carbon credits. A lot of interest is being taken in carbon credits around Queensland at the moment. My office has had quite a few inquiries about it.

A carbon credit is an amount of credit stored or sequestered in a carbon sink such as a forest plantation which can be used by governments or industry to offset their greenhouse gas emissions. There are two ways in which vegetation management links to carbon credits. Firstly, it can be linked as formally sold carbon credits. This will generally only apply to new sources of carbon such as new plantations and farm forestry, with the credits sold through an emissions trading system. This offers opportunities that the rural sector is already considering in both formal forestry and increased farm forestry. Secondly, carbon credits can also be associated with the reduced emissions that come with a reduced rate of tree clearing. While people currently talk about carbon and carbon credits, we have not yet legally recognised carbon, making any formal transactions difficult. Therefore, the proposed amendment to the Forestry Act takes a critical step in actually recognising carbon as a tradeable commodity.

The proposed amendments seek to set the legislative framework for commercial dealings between landowners and industry in carbon absorbed or stored by trees and other vegetation on freehold land in Queensland. Under the amendments, landowners will be able to register carbon credit trading agreements on their land title. With the introduction of any future emissions trading scheme, high emitters such as energy industries would have to purchase credits while groups which could generate such credits, in particular rural producers and forest growers, would have a strong market on which to sell.

There are also a number of potential economic and ecological benefits to Queensland from such a scheme. For our energy industries, purchasing carbon credits created through a carbon sink is often seen as the most cost-effective option for offsetting greenhouse emissions. For landowners and forest growers, a carbon credit trading scheme may mean a new source of income, a new source of funding environmental restoration works and sustainable soil and land management activities, together with improved agriculture and land management practices and environmental benefits such as reduced

land degradation, reduced salinity and enhanced biodiversity—all of which are important things to landowners who are switched on and interested in managing their land in a sustainable way.

While an international scheme is yet to be ratified, the Beattie government is ensuring that the legislative structure is in place so Queensland landowners and industry have the opportunity to participate in a carbon credit trading scheme in the future. The first step for Queensland in establishing a carbon credit trading scheme is ensuring the legal recognition of a carbon right and clarifying the contractual mechanisms that can be used to trade in those carbon rights. By recognising carbon credits, we are already generating national and international interest in our carbon. Queensland rural industries are also looking at how they may move to capture such opportunities.

It is all very exciting. It is out there and it is happening. While these opportunities depend to some degree on future developments such as the establishment of an international trading system and the final form of international greenhouse agreements, major industries are already taking action in anticipation of such moves. The Forestry Act Amendment Bill 2001 will ensure that Queensland stands poised to participate in an international carbon credit trading scheme and fully exploits such opportunities.

Time expired.
