Regional Forest Agreements

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ABSTRACT

Regional Forest Agreements are an integral part of a larger policy framework of the Commonwealth Government concerning the conservation and protection of the environment and the ecologically sustainable use of natural resources. Queensland has signed a Stakeholder / Government Agreement with conservation groups and the peak timber industry organisation. The Agreement runs for a period of 25 years and will increase the forest reserves in the region as well as the establishment of more timber plantations. The Agreement has been forwarded to the Commonwealth Government for approval. Approval is required before any Commonwealth funding for industry restructuring will be made available. Irrespective of whether Commonwealth funding is forthcoming the State Government has indicated that it will proceed with the Agreement as signed.

The Nature Conservation and Other Legislation Amendment Bill 2000, introduced into the Queensland Legislative Assembly on 22 June 2000, provides the legislative provisions for the legal protection of State forests and timber reserves that have been identified as worthy of conservation within the South East Queensland Forests Stakeholder/Government Agreement.
1 INTRODUCTION

There is no specific power in the Australian Constitution to allow the Commonwealth to legislate for the management and control of forests.¹

The powers of the Colonial Parliaments that remained with the State Parliaments after federation included the control and management of public forests and subsequently the determination of forest policy.²

At the State level, many pieces of legislation including environment and conservation legislation impact upon the control and management of forests.

The entry into force in December 1975 of the United Nations Convention for the Protection of World Cultural and Natural Heritage obliged the Commonwealth to identify and protect any world heritage values in existing forests. This is contained in Articles 3 and 4 of the Convention. Australia formally ratified the Convention in 1983 and passed the World Heritage Properties Conservation Act 1983.

The conflict between the States (having the responsibility for forests) and the Commonwealth’s obligations under the Convention was highlighted by the disagreement between the Commonwealth and the Queensland Government over the nomination of wet tropical rainforests on the World Heritage Register in 1988. The Commonwealth’s nomination of the wet tropical rainforests of north-east Australia was opposed by Queensland who sought a declaration in the High Court that the nomination was invalid under Section 51(xxix) of the Australian Constitution.³

¹ Section 51 of the Australian Constitution lists forty ‘heads of power’ for which the Commonwealth Parliament shares concurrent powers with the States and three ‘heads of power’ that are the exclusive powers of the Commonwealth Parliament. The management and control of forest generally, is not included within Section 51. Section 107 of the Australian Constitution prescribes that every existing power of the Colonial Parliaments at the time of federation would remain a power of the State Parliaments unless exclusively vested in the Commonwealth Parliament or withdrawn from the State Parliaments.


The issue of regional forest planning was first raised in a recommendation by the 1989 Forest and Timber Inquiry headed by Justice Stewart:

*Intergovernmental cooperation is needed to develop a national forests management strategy...taking account of the full range of economic, ecological, social and cultural attributes of the forest estate. Development of the strategy should have a national context and incorporate national policy goals. It should be based on balanced expert advice, relating particularly to the regional level.*

2 REGIONAL FOREST AGREEMENTS IN CONTEXT

At a national level, the South East Queensland Regional Forest Agreement is only one of a number of such agreements aimed at the long term protection of native forests and long term access to timber resources by the timber industry throughout Australia. A number of these agreements that have already been entered into are listed in Part 4 of this Research Bulletin.

The policy framework of which Regional Forest Agreements are a part consists of:

- the **Strategy for the Conservation of Endangered Species** released in 1991
- the **Intergovernmental Agreement on the Environment** signed in 1992
- the **National Strategy for Ecologically Sustainable Development** released by the Council of Australian Governments in 1992
- the **National Greenhouse Response Strategy** released by the Council of Australian Governments in 1992
- the **National Forest Policy Statement** released in 1992
- the **National Strategy for the Conservation of Australia’s Biological Diversity** released in 1994
- the **Wood and Paper Industry Strategy** released in 1995
- the acceptance by the Ministerial Council on Forestry, Fisheries and Aquaculture of **Plantations 2020** in 1997.

This Research Bulletin covers the Regional Forest Agreements stemming from the National Forest Policy. The Wood and Paper Industry Strategy and the Plantations 2020 are also covered as they are relevant to the overall objective of the protection of native forests under the National Forest Policy.

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3 NATIONAL FOREST POLICY STATEMENT

The National Forest Policy Statement was agreed to by the Commonwealth, the States (excepting Tasmania), and the Territories in 1992. The Tasmanian Premier signed the Policy Statement in 1995.

The Regional Forest Agreements are seen as the central package of measures designated to implement the National Forest Policy Statement with respect to native forests. The Statement established goals in 11 areas, namely:

- conservation: where the goals are the maintenance of permanent native forest estates and the protection of nature conservation values in forests
- wood production and industry development: where the goal is the sustainable economic use of native forests and plantations
- inter-governmental arrangements: where the goal is to minimise any fragmentation and duplication occurring in the land use decision making process between the Commonwealth and the States
- private native forests: where the goal is to ensure that they are managed and maintained in an ecologically sustainable manner as part of the permanent native forest estate
- plantations: where the central goal is to increase the total area of commercial plantations of both hardwoods and softwoods to provide a quality resource for industry
- water supply and catchment management: where the goal is to ensure that forested lands are provided with reliable, high-quality water supplies
- other economic and social opportunities: where the goal is to exploit in an ecologically sustainable manner, other economically viable activities such as tourism, recreation, grazing and mineral exploitation
- workforce education and training and employment: where the goal is the expansion of employment opportunities and the improvement of the skills base of those working in forest management and maintenance
- public awareness: where the goal is the fostering of community knowledge of ecologically sustainable management
- research and development: where the goal is to increase the effort expended on research and development for native forests
- international responsibilities: where the goal is to ensure Australia fulfils its obligations under relevant international agreements.5

Both levels of government agreed to the participation of the Commonwealth in a Comprehensive Regional Assessment Process when invited to do so by a State or

This Regional Assessment Process is aimed at the protection of forest values, as well as the assessment of the appropriate level of sustainable use of the existing forests, and the development of future forest resources. The two levels of government also agreed that any Commonwealth-State regional agreement resulting from the assessment process would take into account the existing regulatory framework of the States in relation to forests as well as forest management strategies and practices.

The purpose of cooperative Regional Assessments is for both levels of government to assess all matters that are relevant concerning their obligations for the forests of a particular region.

The National Forest Policy Statement recognised and acknowledged that the effective implementation of the policy required a funding commitment by both levels of government.

The process of designating regional forest areas can be broadly divided into:

- the signing of Scoping Agreements, or initial agreements that are either Interim Agreements or Deferred Agreements (Queensland and Tasmania entered into Interim Agreements with the Commonwealth whilst Western Australia and Victoria entered into Deferred Agreements)
- assessment, where Comprehensive Regional Assessments are made after the initial agreement is entered into; and
- the signing of Regional Forest Agreements.

Scoping Agreements are agreements whereby the signatories confirm their intention to proceed to the negotiation of a Regional Forest Agreement for a particular designated area. Queensland and Western Australia also earlier entered into a Scoping Agreement with the Commonwealth.

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9 Bartlett, p 334.
11 Interim Forest Management Agreement for South East Queensland, signed by Hon Robert Borbidge MLA Premier of the State of Queensland on 16 March 1998 and by Hon Tim Fischer MP Acting Prime Minister of the Commonwealth of Australia on 24 April 1998.
Interim Forest Agreements identify ‘Go Zone’ areas where commercial timber harvesting may take place during the life of the Agreement. Harvesting is not to be allowed in any other areas within the designated forest area.

Deferred Forest Agreements identify Deferred Forest Areas (being all National Estate places) and old growth areas (areas that have been subjected to negligible unnatural disturbance such as logging, transporting and clearing) that cannot for the life of the Agreement be subject to commercial timber harvesting. Commercial harvesting activities may be permitted in areas not defined as Deferred Forest Areas.

4 EXISTING REGIONAL FOREST AGREEMENTS

By May 2000 there were 9 Regional Forest Agreements in place:

- an agreement covering all of Tasmania’s forest areas signed in November 1997
- an agreement covering the East Gippsland area of Victoria signed in February 1997
- an agreement covering the Central Highlands of Victoria signed in March 1998
- an agreement covering the South-West forest region of Western Australia signed in May 1999
- an agreement covering the Eden region of New South Wales signed in August 1999
- an agreement covering the North-East region of Victoria signed in August 1999
- an agreement covering North East region of New South Wales signed in March 2000
- an agreement covering the Western region of Victoria signed in March 2000
- an agreement covering the Gippsland region of Victoria signed in March 2000. 13

Regional Forest Agreements between the Commonwealth, and the States and Territories that are established under the National Forest Policy run for 20 years with formal reviews at 5 yearly intervals.

The 20 year Forestry Agreements are aimed at creating:

13 A copy of the Gippsland Regional Forest Agreement between the Commonwealth and Victoria is held at the Parliamentary Library. The Agreement can also be viewed and downloaded in either PDF or Word Versions from the following internet address site http://www.rfa.gov.au/rfa/nsw/ne/index.html and then click on Gippsland Regional Forest Agreement.
• an adequate reserve system; and
• an ecologically sustainable management system for forests that are to be used for timber harvesting.\textsuperscript{14}

4.1 RESERVE SYSTEM

The intention behind the creation of a reserve system of forests is to conserve and maintain permanent native forests that include biodiversity, old growth and wilderness values.

4.1.1 Bio-diversity

The bio-diversity of the reserve system is based on the three elements of comprehensiveness, adequacy and representativeness. Comprehensiveness relates to the reserve system covering a full range of forest bio-diversity. Adequacy refers to the level of reservation that will be required to ensure that species remain viable. Representativeness refers to the areas selected for inclusion in reserves reflecting the biotic diversity of the communities that live within them.\textsuperscript{15}

4.1.2 Old Growth

Old growth forests are forests that are ecologically mature and have not been subjected to unnatural disturbances such as logging, road construction and clearing to a negligible degree. Old growth forests can have high timber values and significant economic value as water supply catchments.\textsuperscript{16}

4.1.3 Wilderness Attributes

Wilderness attributes exist on land that has not been substantially modified by, and is remote from, European settlement and is of a sufficient size to be maintained in that wilderness state whilst being capable of providing opportunities for self-reliant recreation.\textsuperscript{17}

\textsuperscript{14} Bartlett, p 335.
\textsuperscript{17} Australia. *National Forest Conservation Reserves: Commonwealth Proposed Criteria*, p 9.
5 REGIONAL FOREST AGREEMENTS BILL 1998 (COMMONWEALTH)

For meaningful agreement to be reached between the parties it was felt necessary for legislation to be passed that gave a degree of certainty to the process. This was felt to be in the best interests of all the parties.\(^{18}\)

The Commonwealth introduced the Regional Forest Agreements Bill 1998 into the House of Representatives on 30 June 1998 to provide legislative underpinning for its involvement in Regional Forest Agreements. However, this Bill lapsed when the Parliament was dissolved for the 1998 general election.

An identical Bill was re-introduced into the House of Representatives on 26 November 1998. It passed the House of Representatives on 9 February 1999. During the passage of this second Bill through the Senate it was referred to the Rural and Regional Affairs and Transport Legislation Committee, the report of which was debated in the Senate on 8 and 10 March 1999. The Senate Committee recommended that the Senate pass the Bill without amendment.\(^{19}\)

The Bill did not however pass through the Senate without amendment and was returned to the House of Representatives in November 1999 as amended by the Senate. The government did not accept the Senate amendments to the Bill, and withdrew it.

Under this proposed Commonwealth legislation there were to have been a number of conditions to be included in any Regional Forest Agreement. Under Clause 3 of the Bill, Regional Forest Agreements were to have regard to assessments of the following matters:

- the environmental values of forests including old growth, wilderness, endangered species, national estate values and world heritage values;
- indigenous heritage values;
- economic values of forested areas and forest industries;
- social values;
- principles of ecologically sustainable management.

Regional Forest Agreements must also provide for:

- a comprehensive, adequate and representative reserve forest system;
- the ecologically sustainable management and use of forested areas in the region concerned;
- the long-term stability of forests and forest industries.


\(^{19}\) Australia. Senate Rural and Regional Affairs and Transport Legislation Committee, p 67.
Clause 7 of the Commonwealth Bill prescribed that the Commonwealth would be required to pay compensation to the States in line with any compensation provisions of the particular Regional Forest Agreement that had been entered into.

The Bill did not contain any provision for the review of Regional Forest Agreements. Any such reviews were to be negotiated between the parties and included within the Agreements themselves.

The Explanatory Memorandum to the Bill stated that the purpose of the Bill was to ensure that both forest reserves and conservation values would be appropriately protected.20

6 ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION ACT 1999 (COMMONWEALTH)

With the demise of the Regional Forest Agreements Bill 1998 provisions concerning forestry operations in regions covered by Regional Forest Agreements were inserted into the Environment Protection and Biodiversity Conservation Act 1999. Section 38 provides that forestry operations that are being conducted within areas covered by Regional Forest Agreements are to be exempt from approval that is normally required under the Act provided they are being conducted in accordance with their respective Regional Forest Agreement. As the Regional Forest Agreements Bill 1998 was not passed, s 38(2) Environment Protection and Biodiversity Conservation Act 1999 is proposed to be amended by the Environmental Legislation Amendment Bill (No 1) 2000 now before the Commonwealth parliament. Under the Amendment Bill the definition of a regional forest agreement contains the same elements as in Clause 3 of the Regional Forest Agreements Bill 1998 that did not pass.

Section 39 of the Act applies this same approval principle above to forestry operations that are being conducted in areas for which a Regional Forest Agreement is being negotiated. To these provisions there is the proviso (s 42) that such forestry operations cannot be conducted in any property that is:

- included in the World Heritage List
- included in a wetland on the List of Wetlands of International Importance kept under the Ramsar Convention
- incidental to another action whose primary purpose does not relate to forestry.

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Despite the fact that a Regional Forest Agreement has not been concluded between the Commonwealth and Queensland, the South East Region is designated under s 41(1)(h) as a Regional Forest Agreement Region.

7 GENERAL FACTS OF THE SOUTH EAST QUEENSLAND REGIONAL FOREST AREA

The area intended to be covered by the South East Queensland Regional Forest Agreement has an approximate population of 2.5 million residing in over 44 local authority areas. The region is the fastest growing in Australia, taking in greater Brisbane, Gold Coast and the Sunshine Coast.

The forest resources of the region are divided into native forests and plantation forests. The native forest area is made up of 689,000 hectares in State Forests, 358,000 in National Parks and just over 1 million hectares in freehold areas. Freehold plantation forests account for about 15,700 hectares whilst State owned forests account for about 159,500 hectares.\textsuperscript{21}

The forests of South East Queensland currently contribute 75% of the sawlog volume that is processed in Queensland.\textsuperscript{22}

Noosa National Park, Lamington National Park, Fraser Island and Cooloola National Park together account for over 1 million visitors per year. The value of the commercial tour sector operating mainly in National Parks is estimated at around $29 million per year providing direct employment for about 800.

8 AGREEMENTS THAT HAVE BEEN SIGNED TO DATE IN QUEENSLAND

8.1 SCOPING AGREEMENT

The first formal step toward the establishment of Regional Forest areas in Queensland occurred in February 1997 with the signing of a Scoping Agreement between the Commonwealth Government and the Queensland Government. Formally, the Commonwealth invited Queensland to enter the Scoping Agreement. This Scoping Agreement confirmed the intention of the two levels of government


\textsuperscript{22} Regional Forest Agreements, Queensland, \textit{Queensland Fact Sheet Jobs and Forest Industries}.\texttt{http://www.rfa.gov.au/rfa/qld/se/fs/fact2j.html}
to proceed to the negotiation of a South East Queensland Forest Agreement in accordance with the National Forest Policy.

Although the Scoping Agreement was signed by the State Premier on 16 March 1998 and by the Acting Prime Minister on 24 April 1998, it did not give rise to any legally enforceable rights or obligations between the two parties. The Premier at the time, the Hon R Borbidge, said that in signing the Scoping Agreement “…Queensland had taken an important step forward in resolving long-standing conflict over the use and management of native forests.” 23

In signing the Scoping Agreement the two governments acknowledged that any Regional Forest Agreement that was signed would be consistent with the National Forest Policy Statement, the National Strategy for Ecologically Sustainable Development, and the Intergovernmental Agreement on the Environment.

The Scoping Agreement indicated that the funding of assessments required under the Regional Forest Agreement process would be jointly and equally shared by the two levels of government. The assessment process mentioned in the Scoping Agreement and the National Forest Policy Statement is known as the Comprehensive Regional Assessment process.

Comprehensive Regional Assessments are formally used to assess the issues of biodiversity, old growth forests, wilderness, endangered species, national estate values, world heritage values, indigenous heritage, social values, and ecologically sustainable management.

The two levels of government agreed to establish joint Commonwealth – State Steering and Technical Committees to oversee and implement the process and also agreed to establish a consultation and communication strategy to facilitate community involvement.

The Scoping Agreement was to remain in force until a Regional Forest Agreement was entered into by both the parties.

8.2 **INTERIM FOREST MANAGEMENT AGREEMENT**

The signing of the Interim Forest Management Agreement was completed in April 1998. It was originally intended that a Regional Forest Agreement for South East Queensland would have been signed by the two parties by 30 June 1998. However the Interim Agreement was to remain in force until such signing if one had not been entered into by 30 June 1998.24


As with the Scoping Agreement, the Interim Agreement did not give rise to legally enforceable rights or obligations between the two signing parties. Through the Interim Agreement the parties agreed to do certain things before a Regional Forest Agreement was signed. The Queensland Government could allow timber harvesting in designated ‘Go Zones’ within the South East Region. These ‘Go Zones’ had been identified in the Queensland Draft Interim Management Arrangements. Other activities such as quarrying, mining, grazing, beekeeping and infrastructure development could continue in ‘Go Zones’ until a Regional Forest Agreement for the area was signed. The text of the Agreement is contained in Appendix A.

8.3 SOUTH EAST QUEENSLAND FORESTS STAKEHOLDER / GOVERNMENT AGREEMENT

On 16 September 1999 the State Government announced the South East Queensland Regional Forest Plan. The plan was an Agreement between the State Government, the Australian Rainforest Conservation Society, the Queensland Conservation Council, the Wilderness Society, and the Queensland Timber Board. This agreement was the result of 2 years of negotiation between the parties.25 The text of the Agreement is included in Appendix B.

8.3.1 Australian Rainforest Conservation Society

The Australian Rainforest Conservation Society with its headquarters in Brisbane is a national, non-government organisation founded in 1982 with the goal of protecting biodiversity in the rainforests of Australia. The Society boasts the publication of landmark studies prepared by scientific advisers which it has used to influence government policies on the environment.26

8.3.2 Queensland Conservation Council

The Queensland Conservation Council is a peak body representing approximately 70 conservation groups throughout Queensland. The Conservation Council has Regional Councils operating in Cairns, Townsville, Toowoomba, Gold Coast, Rockhampton, Wide Bay-Burnett Region, and the Sunshine Coast. On behalf of


these conservation groups, the Council prepares submissions to the State Government on environmental issues.\textsuperscript{27}

8.3.3 The Wilderness Society

The Wilderness Society, formed in 1976, is Australia’s largest national, community based, environmental advocacy organisation. Its mission is to protect, promote and secure the future of wilderness and other high conservation areas. The organisation is based in Hobart from where it manages national conservation. The Society is not politically aligned but uses the political process to foster what it regards as wise conservation decisions.\textsuperscript{28}

8.3.4 Queensland Timber Board

The Queensland Timber Board is an Association representing approximately 80% of the State’s timber industry. It is a non-profit self-funding organisation with its membership being made up of national forest companies, small timber mills, retail merchants and wholesalers. The Board is committed to a growing industry that includes both native forests and plantation production and delivers world class environmental practices.\textsuperscript{29}

Response To The Agreement By The Signing Parties

All parties to the agreement have stated that they are satisfied with the outcome. For instance, the Queensland Timber Board believes that the agreement “stacks up pretty well” and that its members understand the agreement and are supportive of it.\textsuperscript{30} The Wilderness Society described the agreement in Queensland as being “light years ahead of those in other States”\textsuperscript{31} whilst the Rainforest Conservation Society stated “The Queensland Government deserves the highest commendation for their achievement”.\textsuperscript{32}

\textsuperscript{27} Queensland Conservation Council, \url{http://www.wildlife.org.au/groups/qcc.html}
\textsuperscript{28} The Wilderness Society, \url{http://www.wilderness.org.au/about/index.html}
\textsuperscript{30} Australian Broadcasting Commission, \textit{Queensland Country Hour}, 16 September 1999 and 27 September 2000, downloaded 20 March 2000, \url{http://www.abc.net.au/rural/qld/today.htm}
\textsuperscript{32} Australian Rainforest Conservation Society, \textit{The South East Queensland Forest Agreement}, downloaded 22 March 2000 \url{http://www.rainforest.org.au/}
8.4 Major Aspects of the Agreement

Major aspects of the agreement are:

- an additional 425,000 hectares will be added to the conservation reserve system
- an additional 17% of State forest and timber reserves will be categorised as last resort for logging
- all logging of native forest on public land will cease by the year 2024
- no export woodchip industry based on native forests and no harvesting of forest residues from native forests
- areas outside of native forests are to be logged once only in accordance with an established code of practice
- a program of establishing plantations will commence in the financial year 1999/2000 to provide alternate supply to mills receiving an allocation from public native forests
- three saw mills will be adversely affected - Boral will exit the native hardwood industry in the State (via a State Government buy out); another mill will receive government assistance to transfer its operations to Hoop Pine plantation timber, and the Duaringa-Dingo Zone mill will exit the industry within a ten year period
- a guaranteed resource supply to the remaining mills for 25 years at existing levels of access
- government incentives to provide for the ecologically sustainable management of forest and timber resources on private land within the South East Region
- the planting of 10 million trees by the State Government in South East Queensland
- a transition to plantation forests over a 25 year period to allow the discontinuance of the logging of Crown native forests in South East Queensland
- the enlargement of conservation reserves to 1 million hectares by 2025
- the creation of approximately 350 new jobs.

Direct environmental consequences of the implementation of the agreement will be:

- the quantity of native forest in conservation reserves will rise from 375,000 hectares to 782,000 hectares
- reservation of most of the identified high quality fauna habitat
- the establishment of the following new reserves: 37,000 hectares in the D’Aguilar Range North, North-West of Brisbane; 33,000 hectares in Bania; 28,000 hectares in Bulburin East of Many Peaks; 23,000 hectares in Boogooramunyah; and 22,000 hectares in Wrattens-Kandanga
• increases to existing reserves will result in an extra 7,000 hectares in the Conondales West of Maleny; an extra 7,300 hectares in the Kroombit Tops North, North-West of Monto; and an extra 33,000 hectares to the Main Range-Mt Barney area East-West of the Gold Coast along the Queensland – New South Wales Border.

The State Government has announced that over the next four years it intends to establish an additional 15,000 hectares of plantations. During the year 2000 there is an intention to plant 500,000 hardwood seedlings. 33

An important element of the Agreement is the issuing of sales permits by the Primary Industries Corporation for a period of 25 years commencing on 1 January 2000. This 25 year period is designed to provide long-term security and certainty to both the forest and timber industries in relation to the supply of hardwoods.

Hon JP Elder, Deputy Premier, Minister for State Development and Minister for Trade outlined the proposals under the Agreement for the planting of hardwood forests, that would be accessible over time to the timber industry:

Over the next five years we intend to plant about 7,000 hectares of land with hardwood timber which will be used by the industry in 25 years. The plantations will be a mixture of State-run operations and joint ventures with the private sectors. At this stage we intend to plant some 2,850 hectares near Miriam Vale, about 1,200 hectares in the Boonah and Beaudesert area; 1,100 hectares in the Lockyer and Brisbane Valley areas; and 1,800 hectares along the coastal flats which run between Brisbane and Bundaberg. 34

The South East Regional Forest area was intended to be an area that would form part of a Regional Forest Agreement between the Commonwealth Government and Queensland. Shortly after its signing, the Stakeholder / Government Agreement was forwarded to the Federal Government for its endorsement. However, by December 1999 there was an indication that the Federal Government was critical of the Agreement because it felt that it did not conform to the technical guidelines embodied in the Regional Forest process. 35

In context, Regional Forest Agreements between the States and the Commonwealth represent agreements whereby Commonwealth funding can be obtained for programs aimed at the management and preservation of hardwood forests.

33 Hon H Palaszczuk MLA, Minister for Primary Industries and Rural Communities, ‘500,000 Trees To Be Planted Next Year Under RFA’, Queensland Media Statement, 13 December 1999.


35 Hon JP Elder MLA, Queensland Parliamentary Debates, 10 December, p 6294.
In line with other States, Queensland has cooperated with the Commonwealth in assessing forest areas for their conservation values. There has been a joint Comprehensive Regional Assessment of the natural, cultural, social and economic values of the forests completed. The Comprehensive Regional Assessment provided the detailed information for the negotiation of a Regional Forest Agreement. However, to date the Commonwealth and Queensland have been unable to settle issues of disagreement that have obstructed the actual signing of a Regional Forest Agreement.

8.5 **Subsequent Events**

As previously stated, the Agreement as signed by the Queensland Government, the Queensland Timber Board and the 3 conservation organisations was forwarded to the Commonwealth Government for its acceptance and partial funding for industry restructuring.

The Commonwealth Government responded by informing the State Government that it would not provide financial assistance of up to $36 million to the State for industry restructuring consequential to the Agreement that the State Government signed. This $36 million of financial assistance would have been part of an estimated $80 million required over 4 years for the management of forest areas in South East Queensland.

The refusal was based on the argument that the agreement between the three conservation organisations, the Queensland Timber Board and the Queensland Government was drawn up without due concern for the population of the region that relied upon timber milling for their livelihood. The Commonwealth’s position was that the Stakeholder / Government Agreement, as signed, did not provide for future logging in areas of native forests making it fundamentally different from the arrangements that the Commonwealth had with other States.

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38 Hon W Tuckey MP, ‘Beattie can’t see the forest for the trees’, *Courier Mail*, 16 March 2000, p 13.

39 Hon P Beattie, Premier, ‘Beattie to hold urgent talks with PM on forest agreement’, Queensland Media Statement, 27 September 1999.


The Commonwealth has been critical of the Agreement on the grounds that it does not comply with the guidelines for Regional Forest Agreements and that it failed expert ecological analysis as well as resource criteria. Conversely, the Queensland Government has been critical of the Commonwealth’s argument that Queensland’s proposal is different from the proposals of other States and consequentially cannot receive Commonwealth funding.

Within the Interim Agreement signed by the State and the Commonwealth in March and April 1998, clauses 18 and 19 could be broadly interpreted as giving support to both sides of the debate.

Clause 18 of the Interim Agreement states that as between States, the same standards of forest management, and the same standards concerning environmental and other assessments, will be applied in any reviews conducted. However, Clause 19 allows for differences as between the States in obligations under the Agreement in order to take account of differences in forest types and the environmental, economic and social factors within each State.

Queensland is not the only State that has not obtained Commonwealth funding for its Regional Forest proposal. Western Australia has had $20 million of Commonwealth funding for its Central and Southern forests put on hold because it abandoned specific principles listed in the Regional Forest Agreement. This is despite the Commonwealth’s initial assertion that the RFA in Western Australia was a model to be followed.

The State Coalition released a Discussion Paper containing a plan for a South East Regional Forest Agreement in May 2000. The Deputy Premier, Minister for State Development and Minister for Trade, Hon J Elder responded that the coalition’s plan was similar to the agreement signed by the Queensland Government with the Queensland Timber Board and the conservation groups.

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Discussions between Queensland and the Commonwealth on federal finance for the timber industry in Queensland have stalled with the federal Forestry Minister, Hon Wilson Tuckey reported as having refused to negotiate further with Hon J Elder.  

9 WOOD AND PAPER INDUSTRY STRATEGY

A Discussion Paper was published in March 1995 on the formulation of a Wood and Paper Industries Strategy to be designed within the context of the National Forest Policy. After industry and public consultation, the Strategy was published in December 1995. The Strategy is an initiative designed to encourage investment, value adding and increased employment in the wood and paper industries.

The Wood and Paper Strategy has been designed to complement the National Forest Policy. The implementation of the policy through the creation of Regional Forests leads to a forest management regime that incorporates the needs of the wood and paper industries. The central need of the wood and paper industries has been identified as certainty of access to timber resources. A lack of certainty of access has been identified as the biggest impediment to investment, innovation and value adding within the wood and paper industries.

The creation of plantations that are an integral part of the National Forest Policy will give the wood and paper industries the certainty of access that they require for investment growth and to become net export earners. The importance of increasing the plantation areas for both softwood and hardwood species of timber for future industry growth was largely recognised in the cooperative approach taken by the two levels of government and the industry.

In line with the time frame of the Wood and Paper Industry Strategy, the Wood and Paper Industry Council was established in 1996 for a 4 year period to oversee the implementation of, and advise the Government on, further development of the strategy.

49 ‘Tuckey ringbarks forest talks’, Courier Mail, 7 June 2000, p 2.


10 LICENSING FOR WOODCHIP EXPORTS

Commonwealth control of Australian exports has been used in the past to stop operations regarded as damaging to the environment. For instance the Commonwealth used its power in 1976 to rescind export licences for the export of mineral sands from Fraser Island off the Queensland coast.

Section 41 of the Environment Protection and Biodiversity Conservation Act 1999 (Cth) designates the South East Queensland area as a Regional Forest Agreement Region that is exempted from the controls of The Export Control (Export Forest Agreements) Regulations made in April 1997.

Under the National Forest Policy, the Commonwealth has removed controls over the export of woodchips from areas covered by Regional Forest Agreements. Regional Forest Agreements may contain authority for the export of woodchips harvested within the Regional Forest provided the extent of the harvest falls within specified ecologically sustainable yields for the area concerned.

Despite the removal of export controls over wood chips, the South East Queensland Forests Stakeholder / Government Agreement provided for the cessation of the export of wood chips from native forests in the south east Queensland forest region: Clause 2.6.

11 PLANTATIONS 2020

In 1997 the Commonwealth Government, in conjunction with the State Governments and the national forestry industry launched Plantations for Australia: The 2020 Vision. The vision has a target of trebling the size of the plantation estate by the year 2020 by planting an average of 80,000 hectares a year nationally. The aim is to make plantation forestry a profitable long rotation crop by attracting a sufficient level of private investment.

Plantations 2020 is a tripartite strategy designed to enhance the growth in Australia’s forest industries and subsequently the contribution made by plantations to rural communities, regional development and the national economy.

The principles contained in the Strategy are:

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• different regions may make different contributions to achieving the national target in accordance with the availability of suitable land
• any State Government business enterprises established in the timber industry will comply with normal business principles and the principles of competitive neutrality contained in the National Competition Policy
• sustainable and profitable plantation forestry is to be achieved through greater private capital investment
• individual States are free to determine the level of State financial involvement in plantations
• the three levels of government and industry agree to collaborate with each other to ensure that the industry becomes competitive in the global market.\textsuperscript{54}

If the Strategy is successfully completed, the forest industry will:
• assist in the enlargement of the economies of agricultural areas through the provision of sustainable employment and investment income
• employ a highly skilled professional workforce recognised as world leaders in plantation management
• present itself as a model of environmental, social and economic sustainability
• contribute to national export earnings
• earn the respect of the community as a significant primary industry that is sustainable, desirable and reliable
• contribute to the conservation of important areas of biodiversity.\textsuperscript{55}

Estimates of the benefits of the strategy are:
• $3 billion to be invested on establishing new plantations by 2020 which will be mostly private capital
• existing national trade deficit of approximately $2 billion in wood and paper products will be turned into a surplus
• approximately 40,000 jobs will be created in rural areas.\textsuperscript{56}

The management framework for the 2020 Vision will lie mainly with the forest industry and the State Governments. Local Government will also be substantially involved as that is the closest level of government to the individual stakeholders, particularly the individual producers. The management structure at the national level is depicted in Diagram 1.


Each State is free to determine the most appropriate structure for implementing the 2020 Vision at a State level.

It is envisaged that every 5 years industry progress will be reviewed with the first review due in the year 2000.  

11.1 IDENTIFICATION OF POSSIBLE PLANTATION AREAS IN SOUTH EAST QUEENSLAND

11.1.1 Softwood Plantations

The Australian Bureau of Agricultural and Resource Economics (ABARE) was provided with funding under the Wood and Paper Industry Strategy to conduct research to identify possible areas for future forest plantations in regional Australia.  

Currently, the plantation resource that is available in South East Queensland is 90% publicly owned; the privately owned plantations being owned and operated by industrial investors who are vertically integrated within the industry.

The ABARE study indicated that there was within the South East region approximately 3.3 million hectares of cleared agricultural land that theoretically could be used for the establishment of new softwood timber plantations. However, there were a number of constraints acting on this figure: constraints such as suitability for planting, the quality of the land, the value of the land in its existing

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use, the existence of transport and processing infrastructure all combined to limit this possible 3.3 million hectares to 1.9 million hectares.  

Of the 13 areas across Australia covered by the ABARE study the South East Queensland region was rated the most valuable in its present agricultural use. The value figure placed on the existing agricultural land in South East Queensland that is currently in use is approximately $3,250 per hectare. The next most valuable area is Central Gippsland in Victoria where the estimated value is $3,100 per hectare. Consequently most of the cleared agricultural land in South East Queensland was found to be too expensive (or too valuable because of its current use) to convert to forest plantations.

ABARE’s research put forward 2 possible scenarios. Scenario 1 was calculated on existing processing capacity. This scenario allocated 57,900 hectares for plantations to cover the loss of access as a result of a possible South East Queensland Regional Forest Agreement. The study calculated that an additional 1,400 jobs could be added in growing, harvesting, loading, processing, transport and administration etc.

Scenario 2 was calculated at world scale production levels. Annual processing capacity was estimated in the order of 460,000 cubic metres of sawlogs, 175,000 cubic metres of sawn timber, 385 cubic metres of pulplog, 170,000 cubic metres of fibreboard product, and 460,000 cubic metres of woodchip. It was estimated that nearly 103,000 hectares of existing agricultural land would be required to be turned over to timber plantation in order to service this projected processing capacity. Under scenario 2 it was estimated that approximately 2,303 jobs could be gained in the activities mentioned in scenario 1. The scenarios put forward by ABARE were based on production of slash pine and native hoop pine.

11.1.2 Hardwood Plantations

ABARE, in conjunction with the Bureau of Rural Science, conducted an analysis of the commercial feasibility of establishing a hardwood plantation estate in South East Queensland. The study, which was restricted to the North Coast, Kilcoy-Woodford and Gympie areas, indicated that 450,000 hectares of existing agricultural land could support viable hardwood plantations. However, of this 450,000 hectares, only 18,400 hectares was found to have the potential of yielding higher returns for timber than agriculture. The species of hardwood offering the most potential are Gympie messmate, blackbutt, and spotted gum. ABARE

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59 ABARE, *Forest Plantations on Cleared Agricultural Land in Australia*, p 38.
60 ABARE, *Forest Plantations on Cleared Agricultural Land in Australia*, p 41.
61 ABARE, *Forest Plantations on Cleared Agricultural Land in Australia*, p 188.
concluded that further research would have to be conducted in other areas of South East Queensland to ascertain a more comprehensive assessment of the financial viability of hardwood plantations.\textsuperscript{64}

Reports of two further studies from the Bureau of Rural Sciences and the Australian Bureau of Agricultural and Resource Economics regarding future prospects for the establishment and management of hardwood plantations in South East Queensland are available from the Parliamentary Library and contain interesting information for those readers interested in the specific topic.\textsuperscript{65} The establishment of native forest plantations is an integral component of the stakeholder / government agreement. The success of the National Forest Policy depends on the successful replacement of wood from Crown native forest with wood from private native forest plantations by the year 2020. These two studies examined the potential for this to occur in South - East Queensland.

\section*{12 NATURE CONSERVATION AND OTHER LEGISLATION AMENDMENT BILL 2000}

On 22 June 2000, the Minister for Environment and Heritage and Minister for Natural Resources, Hon Rod Welford MLA, introduced the Nature Conservation and Other Legislation Amendment Bill into the Queensland Legislative Assembly. This Bill has been introduced as a direct consequence of the signing of the South East Queensland Forest Stakeholder / Government Agreement. The Stakeholder / Government Agreement provided for the addition of some 425,000 hectares of State forests and timber reserves to the conservation reserve system by 31 December 1999.\textsuperscript{66} This December date was a target date and not an essential date for the performance of the Agreement. The Nature Conservation and Other Legislation Amendment Bill, as presented, will facilitate the transfer of that 425,000 hectares to the conservation reserve by way of procedures under the authority of the \textit{Nature Conservation Act 1992} (Qld).

The designated 425,000 hectares is to be firstly designated as ‘forest reserves’ which will be an interim holding tenure. Lands thus designated will then have their conservation values further assessed to ascertain their final tenure allocation. The final allocation of this 425,000 hectares to their respective conservation categories

\textsuperscript{64} ABARE, \textit{Forest Plantations on Cleared Agricultural Land in Australia}, pp 182-194.


\textsuperscript{66} South East Queensland Forests - Stakeholder/Government Agreement, Clause 2.4.
will also be determined by negotiations with Indigenous groups as required by the Building Reconciliation Protocol. This protocol was signed by the Queensland Government and the Queensland Indigenous Working Group.

### 12.1 Some Important Clauses of the Bill


The Bill creates a new class of protected area called ‘national park (recovery)’ area that is to be covered by the Nature Conservation Act: s 14 of the Nature Conservation Act, as amended by Clause 7.

For areas designated as national park (recovery) areas, the following management principles will apply:

- the protection and restoration of the area’s natural condition, cultural resources and values to enable it to be designated as a national park;
- the manipulation of the area’s natural resources to restore conservation values previously lost;
- commercial or other uses of the area’s natural resources designed to restore conservation values are to be consistent with any approved regeneration plan for the area; and
- any other use of the park is to be nature-based: proposed new s 19A, as inserted by Clause 8.

Areas that are designated as national park recovery areas are to be the subject of a prohibition on mining: s 27, as amended by Clause 9.

Areas designated as national park (recovery) areas will fall within the definition of protected areas. The chief executive will have the authority to issue leases or licences over the areas so designated: s 34, as amended by Clause 17.

Clause 20, which inserts a proposed new Part 4, Division 2, Subdivision 4 into the Nature Conservation Act, authorises the chief executive to require the preparation of an environmental impact statement (EIS) when a licence or lease or some other interest is applied for in relation to land that is protected land. Any such EIS must be considered before the chief executive decides whether or not to create the interest over the protected land.

The chief executive is to prepare a regeneration plan for land designated as national park (recovery) land. Any such regeneration plan is to describe how the manipulation of the park’s natural resources to restore its conservation values is to be achieved. The chief executive is to publicly advertise that a draft regeneration plan has been prepared and to call for public comments on that plan. Any public
comments received must be taken into consideration by the chief executive before a final plan is settled upon and gazetted: **proposed new Part 4, Division 3A**, as inserted by **Clause 21**.

**Clause 24** inserts a **proposed new Part 4A (proposed new ss 70A to 70R)** into the Nature Conservation Act. **Proposed new s 70C** authorises the Governor in Council to designate an area of land as a forest reserve if that land is already designated as being part of a State forest, timber reserve or Land Act reserve.

**Proposed new s 70F** sets out the management principles which are to apply to a forest reserve. A forest reserve is to be managed to:

- protect the biological diversity, cultural resources and values as well as conservation values of land included in the reserve;
- provide for the continuation of any lawful existing use of the land;
- ensure that any use of the land covered under an authority that was issued subsequent to the forest reserve dedication must be ecologically sustainable;
- ensure that any use of the land under an authority that was issued after the designation of land in the forest reserve as a proposed protected area is consistent with the management principles for the class of protected area that the land is proposed to become.

Under **proposed new s 70F(2)** the continuation of commercial logging will only be regarded as a lawful existing use if the purpose of the logging was to remove plantation trees to restore the land’s conservation values.

**Proposed new s 70F(3)** ensures that forest reserve dedications and proposed protected area designations will not extinguish or affect native title rights.

**Proposed new s 70F(4)** exempts from the use of the term ‘commercial logging’ the taking of timber for commercial gain where:

- the taking of timber is for the purpose of building, maintaining or repairing public infrastructure or utilities associated with the forest reserve;
- the taking of the timber is for the purpose of enhancing or protecting a lawful use of the land, or to ensure that the lawful use may be carried out safely;
- the taking of the timber is for the purpose of allowing native vegetation on the land to be regenerated under a written approval given by the chief executive;
- the timber is to be used for firewood;
- the taking of the timber is for a purpose incidental to a lawful use of the land that does not involve the taking of timber.

**Proposed new s 70J** places a requirement upon the chief executive to review each forest reserve area for the purpose of designating the most appropriate class of protected area for the land. The classes of protected areas listed under **proposed new s 70B** are:

- national park (scientific)
• national park
• national park (recovery)
• conservation park
• resources reserve.

Proposed new s 70K authorises the chief executive to designate a forest reserve as a proposed protected area of a kind listed in proposed new s 70B. Any such proposal must be publicly advertised and public comments called for. There is no formal requirement that a forest reserve that has been listed as a proposed protected area must be dedicated as a protected area: proposed new s 70L.

The authority to dedicate a proposed protected area as a protected area remains with existing s 29 of the Nature Conservation Act 1992.

13 CONCLUSION

Regional Forest Agreements are an integral part of a much larger environmental policy framework under which the Commonwealth Government has sought to obtain the cooperation of the States for implementation. Whether or not the Queensland Government and the Commonwealth Government come to an acceptable agreement over funding for industry restructuring, the Queensland Government has made it clear that it will proceed with implementing the Agreement that it signed with the Australian Rainforest Conservation Society, the Queensland Conservation Council, the Wilderness Society, and the Queensland Timber Board. In the event that no Commonwealth funding is advanced, the State Government is reported as announcing that it will either fully or partially fund the proposal by using surplus profits from the privatisation of the TAB.67

The Nature Conservation and Other Legislation Amendment Bill 2000 provides the legislative provisions for the legal protection of State forests and timber reserves that have been identified as worthy of conservation within the South East Queensland Forests Stakeholder/Government Agreement.

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**INTERNET SITES**


JOURNAL ARTICLES


CASES


QUEENSLAND MINISTERIAL MEDIA STATEMENTS

- Hon H Palaszczuk MLA, Minister for Primary Industries and Rural Communities, ‘500,000 Trees To Be Planted Next Year Under RFA’, Queensland Media Statement, 13 December 1999.

FEDERAL MINISTERIAL MEDIA STATEMENTS

- Hon W Tuckey MP, Acting Minister for Agriculture, Fisheries and Forestry ‘Queensland RFA could be a reality under Borbidge Forest Plan’, Federal Media Statement, 1 May 1999.


- JOINT FEDERAL/QLD MINISTERIAL MEDIA STATEMENT

- Hon W Tuckey MP, Federal Minister for Forestry and Conservation; Senator Robert Hill, Federal Minister for the Environment and Heritage; Hon J Elder MLA, Qld Deputy Premier and Minister for State Development and Minister for Trade; Hon R Welford MLA, Qld Minister for Environment and Heritage and Natural Resources; Hon H Palasczuk MLA, Qld Minister for Primary Industries and Rural Communities; ‘Regional Forest Agreement Directions Report’, 14 May 1999.

NEWSPAPER ARTICLES


- Tuckey Hon W, MP, ‘Beattie can’t see the forest for the trees’, Courier Mail, 16 March 2000, p 13.

APPENDIX A – INTERIM FOREST MANAGEMENT AGREEMENT FOR SOUTH EAST QLD

Preamble
WHEREAS the Commonwealth of Australia and Queensland wish to protect forest areas which may be required for a national forest reserve system, in keeping with commitments made in the National Forest Policy Statement, pending the negotiation of Regional Forest Agreements, the following is agreed:

Interpretation
1. In this Agreement, unless otherwise specified:
   “The Governments” means the Commonwealth of Australia and Queensland; and
   “Agreement Area” means the area of public native forest composed of the South East Queensland region defined in the Queensland Regional Forest Scoping Agreement, which is composed of the South East Queensland bioregion, including the northern extent of the Blackdown tablelands and extending to the Queensland-New South Wales border in the south.

2. The provisions of this Agreement are not intended to give rise to legally enforceable rights or obligations between the Commonwealth and Queensland.

3. Unless otherwise specified this Agreement shall apply only to public native forest within the Agreement Area which are not plantation.

4. This Agreement is subject to the provisions contained in the Regional Forest Scoping Agreement, signed between both Governments on 20 February 1997.

Permissible activities
5. Activities allowable with respect to this Interim Forest Management Agreement are intended not to pre-empt the development of the final CAR reserve system, and to ensure that the parties have available to them the broadest possible range of reserve selection and design options and industry development options for identification through the RFA process.

6. Queensland shall permit commercial timber harvesting operations to take place in the ‘Go Zone’ and other areas, as set out in Map I at Schedule I and the tables contained in Schedules 2 and 3, for the duration of this Agreement.

7. The ‘Go Zone’ Areas have been identified after a full consideration of the May 1997 report prepared by independent scientists on the appropriateness of the Queensland draft Interim Management Arrangements and other detailed information subsequently available.

8. Queensland will not permit commercial timber harvesting operations for sawlogs, pulpwood and or associated roading activities to take place in
any area not defined as a ‘Go Zone’ Area within the Agreement area other than detailed in Schedules 2 and 3 to this Agreement.

9. Queensland may permit other activities, including quarrying, mining, grazing, beekeeping, infrastructure development, harvesting of non-sawlog and non-pulpwood timber (including residues), and other forest products, and recreational activities in all public areas including the “Go Zone”, subject to the normal provisions of any applicable Commonwealth and State legislation, where the permissible harvesting of timber and other forest products in any area not defined as a “Go Zone” Area within the Agreement area does not remove more than 7 trees per hectare (measured over 5 hectares), and these activities do not foreclose options for a Comprehensive, Adequate and Representative Reserve System.

Regions

10. For the purposes of this Agreement, the region is the South East Queensland region as defined in the Queensland Regional Forests Scoping Agreement.

Duration

11. This Agreement commences from the date of signature and remains in force until 30 June 1998 or until signature of a Regional Forest Agreement. This Agreement will require review if an RFA is not signed by 30 June 1998 and may require amendment of the ‘Go Zone’ by 30 September 1998, in order to ensure resource supply to the timber industry.

12. Where a Regional Forest Agreement applies to a “Go Zone” Area or other area within the Agreement Area, the terms of the Regional Forest Agreement will supersede the provisions of this Agreement in respect of the specified area.

13. Any variation to the Agreement must be agreed in writing by both Governments and added to the Agreement by way of attachment.

Exceptional circumstances - review

14. Either Government may, at any time, request a review of the status of an area covered under the Agreement in the event of

(a) major losses resulting from significant bushfire events;

(b) extreme climatic conditions;

(c) major impacts resulting from either sub-paragraph (a) and (b) above on access to, or harvesting of areas;

(d) identification of unforseen and significant conservation values which this Agreement seeks to protect, and which may be threatened, or a newly identified and significant threat to existing conservation values which have been identified during the comprehensive regional assessment process;

(e) unforseen and significant changes in market conditions requiring major adjustment of the ratio of sawlogs to poles and sleepers and of the species
mix, provided that such changes do not significantly adversely affect the agreed protected values; or

(f) unforeseen deficiencies in the sawlog volume and species mix estimated to be available in the ‘Go-Zone’ areas during the period of this Agreement, which are sufficient to threaten the ongoing viability of mills.

15. The review process shall be initiated by agreement of both Governments and shall include provision for the public to comment on any significant proposed change to the areas specified in the Agreement. However, Governments may, where circumstances dictate the need for urgent review of areas covered under the Agreement, agree that the review process shall not include an opportunity for public comment and that a decision will be made expeditiously.

16. The Governments shall not unreasonably withhold agreement to review or redefine the status of an area or areas covered by the Agreement, noting that any such change must not have a significantly adverse effect on the agreed protected values.

Information and standards of assessment

17. The Governments shall make freely available to each other any information which may have bearing on the conduct of a review.

18. During the course of a review, the Commonwealth shall apply to Queensland the same standards with respect to forest management and environmental and other assessments as have been applied to other States.

19. In relation to such reviews, the Commonwealth shall allow for differences in the obligations to apply to each State only to the extent necessary to take account of differences in the forest types and in the environmental, economic and social factors in each State and differences in the level, quality and analysis of information about forest regions.

Compliance with the terms of the Agreement

20. The Governments agree to abide by the commitments set out in this Agreement and the Scoping Agreement for Queensland, being an Agreement between the Commonwealth and Queensland which sets out the methodology to be undertaken to reach a Regional Forest Agreement.

[Signed]

The Honourable Tim Fischer MP
Acting Prime Minister of the Commonwealth of Australia,
on the 24th day of April 1998
in the presence of T Ryan

The Honourable Rob Borbidge MLA
Premier of the State of Queensland,
on the 16th day of March 1998
in the presence of S Spence JP
APPENDIX B – SOUTH EAST QLD FORESTS
STAKEHOLDER/GOVERNMENT AGREEMENT

Agreement between the Australian Rainforest Conservation Society, the Queensland Conservation Council, The Wilderness Society, the Queensland Timber Board and the Queensland Government (the parties) on the South East Queensland Forest Agreement (SEQFA).

1. Objective
1.1 A world class conservation reserve system
1.2 Ecologically sustainable management of forests;
1.3 A competitive and efficient timber industry; and
1.4 Enhanced economic development and employment prospects for rural communities

2. The Agreement
2.1 The parties agree that:
2.2 The Queensland Government will immediately implement a strategy to develop substantial native hardwood plantations which will enable the industry to transition to a plantation based resource at 2025 or sooner where practicable
2.3 To facilitate industry transition, incentives will be available from government to move over the 25 year period into value-added hardwood products, hardwood plantation timbers and private native hardwood resource including farm forestry
2.4 There will be an immediate addition to the conservation reserve system of an estimated 425,000 ha (as defined in Attachment 1) to be completed by 31 December 1999 if possible
2.5 There will be no clearfelling
2.6 There will be no export wood chip industry based on native forests
2.7 There will be no harvesting of non-sawlog material and residues other than for products currently produced
2.8 Logging of native forests on State forests and timber reserves will cease at the end of the year 2024 by the latest
2.9 Supply level of 82,981m³ for the first year then 54,619M³ for 9 years and 49,119M³ for the next 15 years will be provided to industry, subject to 2.14, 2.15 and 2.16 (see Attachment 2)
2.10 Current crown allocation volumes will be provided to the end of the year 2024 to the mills listed in the attached allocation zones (Attachment 3)
2.11 Allocation zones will be utilised flexibly to provide the timber supply at approved volumes for the 25 year period
2.12 The current crown allocation to the mill at Dingo will be provided for a ten year period.

2.13 To provide timber supply to industry at the agreed volume for the 25 year period logging will continue on State forests and timber reserves and leasehold lands not included in the 425,000 ha reserve. This balance of the area of crown hardwood forest may be logged once in general accordance with the schedule attached (Attachment 4). This schedule has been developed to ensure that the government is able to deliver its commitments to the timber industry as outlined in 2.8, 2.9, 2.12 and 2.14 while avoiding logging on the areas of highest conservation value unless it is unavoidable to do so. The total area available for logging will be subject to two separate harvesting regimes (Part A and Part B) listed in the schedule. Where any logging occurs within Part A (an area of approximately 80,000ha) it will occur under current harvesting rules. Where logging occurs within Part B it will occur under modified harvesting rules. These modified rules, after making allowance for the DNR Code of Practice (including habitat tree retention) will involve a harvest of all the trees of commercial species that are 40cm or greater at breast height (DBH) and that meet compulsory sawlog standards, known as 40cm+ diameter limit cut.

It is understood that the harvesting schedule has been developed based on SKED modelling and will be subject to further refinement through operational planning.

2.14 Wood supply agreements with industry will be for 25 years and be compensatable and tradeable.

2.15 In the interests of either transferring additional areas in Part A to the reserve system or reducing the impacts of harvesting in the productive forest area the Queensland Government has a first right of refusal in terms of any mill seeking to sell their wood supply allocation or their business. The Queensland Government in purchasing a wood supply allocation or business will have regard to the social and economic implications arising from any such purchase. Where the Queensland Government chooses to purchase a wood supply allocation it will consider on a case by case basis, in consultation with stakeholders, reducing the impacts of harvesting in the productive forest area or transferring additional areas included in Part A to the reserve system.

The Queensland Government will maintain an adequate planning and monitoring program to avoid or mitigate significant environmental impacts.

2.18 The Queensland Government will institute a forest rehabilitation program.

2.19 There will be regular, periodic pricing reviews; prices will be market-based.
2.20 The Queensland Government will facilitate and provide incentives for ecologically sustainable management of forests and timber resources on private land

2.21 There will be a program of regional development to diversify the economic bases of regional communities

2.22 New institutional arrangements will be established to achieve the outcomes set by this Agreement

2.23 Other products currently allocated from crown resource will continue to be available consistent with current standards with the Government committing to address substitute resource from plantations as soon as practicable

2.24 Old growth and wilderness identified by CRA projects (and the attached maps) will not be logged

*This Agreement is Subject to completion of certain commercial arrangements between the Queensland Government and elements of the Queensland hardwood timber industry, on terms satisfactory to the Government.*

[Signed]

Hon Peter Beattie MLA - Premier

Dr Aila Keto - Australian Rainforest Conservation Society

John McNamara - Chairman, Queensland Timber Board

Dr Keith Scott - Queensland Conservation Council

Virginia Young - The Wilderness Society
SEQFA EXPLANATORY NOTES

2.18  This forest rehabilitation program will be limited in its extent across the productive forest area and will be developed as is appropriate following an assessment of impacts from logging by the proposed new forest industries management.

2.24  This is agreed on the understanding that loggable volume of old growth and wilderness in the productive forest area amounts to no more than 40,000m$^3$ over the 25 year period. Over the next two weeks, identified areas of old growth and wilderness within the productive forest area will be located on management maps and the wood volumes available from these areas estimated. The areas will be removed from the logging schedule to a limit of 40,000m$^3$ over the 25 year period, provided that alternative volumes can be made available to meet supply commitments to industry from any of the following sources:

- 45,000m$^3$ from Finlayson's former allocation
- additional volumes from State Forest 12 (Murgon-Wondai Zone)
- 23,000m$^3$ from existing hardwood plantations

It is also understood that in accepting this principle the Queensland Government’s commitments to supply merchantable timber to the timber industry under this Agreement can be effectively discharged.
STANDARD HARDWOOD WOODCHIP LICENCE CONDITIONS
DEFINITIONS
1. In this licence -
   “agricultural clearing” means clearing of native forest for the purpose of
   undertaking agricultural development, excluding plantation and agro-forestry
   operations;
   “Deferred Forest Assessment” means the Commonwealth Assessment,
   attached at Schedule A, of forest areas for the purpose of defining areas
   available for harvesting and conditions upon harvesting, including codes of
   practice protection of national estate and endangered species, pending
   finalisation of Regional Forest Agreements;
   “Deferred Forest Area” means an area that may be required for a future
   comprehensive, adequate and representative reserve system, as specified in
   the Deferred Forest Assessment;
   “Department” means the Department which is responsible for advising the
   Minister in respect of administration of the Export Control Act 1982;
   “exporter” means ______________ the registered office of which is at _______ or
   any other person or company acting by, or on behalf of, or under the authority
   of ______________.
   “hardwood wood chips” means wood chips that are controlled wood chips
   within the meaning of the Export Control (Hardwood Wood Chips) Regulations;
   “logging residues” means residual portions of trees taken for sawlogs and trees
   felled for sawlogs but found to exceed acceptable levels of defects, but does not
   include reject logs;
   “Minister” means the Minister responsible for administration of the Export
   Control Act 1982;
   “old growth forest” means a forest that is ecologically mature and has been
   subjected to negligible unnatural disturbance such as logging, roading or
   clearing;
   “rainforest” means rainforest types or rainforest vegetation communities as
   reported in the Deferred Forest Assessment;
   “Regulations” means the Export Control (Hardwood Wood Chips) Regulations;
   “reject logs” means material, other than sawmill residues, rejected from veneer
   mills, sawmills or other processing facilities;
   “sawlog-driven harvesting” means timber harvesting operations for which the
   primary purpose is the production of sawlogs;
   “sawmill residues” means material resulting from squared timber production
   rejected in normal sawmilling operations;
   “silvicultural thinnings” means material resulting from thinning of regrowth
   forest and plantations (provided that the land from which the residues are
   obtained is being maintained predominantly under tree cover) for the purpose
   of improving the sawlog potential of the remaining forest;
   “silvicultural residues” means culled trees from sawlog driven harvesting
   operations, tree clearing for road making, and salvage logging following
   natural disasters;
   “(name of region as in Schedule to the Regulations)” means the region as
   defined in the Regulations, as amended;
   “tonnes” means green metric tonnes; and
   “wood” means fibrous materials between the bark and pith of a tree or shrub.

QUANTITY
2. The quantity of hardwood woodchips exported under this licence shall not
   exceed __________ tonnes.
SOURCE MATERIAL
3. The exporter shall not export under this licence hardwood wood chips unless those wood chips are produced from the (Name of Region).
4. The exporter shall not export under this licence hardwood wood chips produced from wood harvested in an area (including an area on the Register or on the interim list of the Register of the National Estate) which is a Deferred Forest Area.
5. The exporter shall not export under this licence hardwood wood chips produced from wood harvested from areas of rainforest.
6. The exporter shall not export under this licence hardwood wood chips produced from wood harvested in old growth forest, unless produced from sawlog-driven harvesting operations.
7. The exporter shall give preference (in descending order) to wood chips produced from sawmill residues, reject logs, logging residues, silvicultural thinnings, and silvicultural residues.
8. The exporter shall not export under this licence hardwood wood chips produced from wood harvested from agricultural clearing, or from logs graded as sawlogs, other than as residues or from reject logs.

ENVIRONMENT PROTECTION
9. The exporter shall not export under this licence hardwood wood chips not produced in operations conducted in accordance with the requirements of the Deferred Forest Assessment.
10. All operations of the exporter associated with the production and export of woodchips under this licence shall be conducted by the exporter in accordance with undertakings given by the exporter in the (insert relevant EIS and in associated documents if applicable).

ENDANGERED SPECIES
11. The exporter shall ensure that all operations for the production of hardwood woodchips for export under this licence do not threaten with extinction, or significantly impede the recovery of, a species listed in Schedule 1 or an ecological community listed in Schedule 2 of the Endangered Species Protection Act 1992 and that the operations comply with any measures in the Deferred Forest Assessment concerning such species.

PRIVATE PROPERTY OPERATIONS
12. The exporter shall not, without the prior written approval of the Minister, export hardwood wood chips produced from wood harvested from private property which is on the Register or on the interim list of the Register of the National Estate.
13. If the exporter exports hardwood wood chips produced from wood harvested from private property he shall ensure that the property is subject to a re-afforestation program by regeneration and management or by plantation establishment.
14. The exporter shall ensure in respect of all operations on private property from which hardwood wood chips are produced for export under this licence, pre-logging surveys are undertaken and harvesting plans are prepared prior to harvesting, and are submitted to the Department upon request.

COMPLIANCE WITH LAWS, ETC
15. The exporter shall:
(a) comply with all Commonwealth, State and local government laws, including those concerning protection of the environment; and
(b) ensure that all operations for the production of hardwood woodchips for export under this licence comply with the relevant codes of forest practice, including appropriate training for persons carrying out harvesting.
DOMESTIC PROCESSING
16. The exporter shall as far as practicable give priority to domestic processors who seek to purchase the wood for export under this licence at a price that is not less than the export price net of export handling costs and charges.
17. The exporter shall, if requested by the Minister:
(a) carry out a study of the feasibility of establishing facilities for the further processing in Australia of wood available to the exporter for export as wood chips under this licence; and
(b) submit the final report of that study to the Department within such reasonable time as is specified in the request.
18. The exporter shall not export under this licence hardwood wood chips for which it can be demonstrated that there is an economic demand for their use in pulp and paper production in Australia.

PRICING
19. Before commencing negotiations for the price of hardwood wood chips to be exported under this licence, the exporter shall provide to the Department, on a commercial in confidence basis, particulars of the price sought by the exporter and of the basis on which it has calculated that price.
20. The exporter shall not export under this licence hardwood wood chips except with the prior written approval of the Minister of:
(a) an agreed price; or
(b) an interim or provisional price, and arrangements concerning the retrospective application of a price to be negotiated by the exporter.

INSPECTION
21. The exporter shall take all steps within its power to facilitate the inspection by officers of the Department, and of the (State Government) of any area where the exporter is carrying out operations connected with the export of hardwood wood chips under this licence.

REPORTING
22. The exporter shall provide the Department with a report in respect of the six months ending on 30 June 1996, as soon as possible after 30 June 1996 and no later than 30 September 1996, and a report in respect of the six months ending on 31 December 1996, as soon as possible after 31 December 1996, and no later than 31 March 1997, in relation to:
(a) compliance with the conditions and restrictions of this licence;
(b) the quantities of hardwood wood chips exported under this licence and the prices received for those wood chips;
(c) commitments to value adding undertaken and to be undertaken under this licence;
(d) the quantity of sawmill residues, reject logs, logging residues, silvicultural thinnings and silvicultural residues exported under this licence, and the average price and range of prices paid by the exporter for this material.

CONSULTATIVE ARRANGEMENTS
23. The exporter shall participate as required in consultative arrangements with the (State Government) and the Department with regard to the implementation of Deferred Forest Assessments.

MONITORING FEE
24. The exporter shall remit a monitoring fee for the monitoring of compliance with conditions of this hardwood woodchip export licence, in accordance with the terms of the Export Control (Hardwood Woodchips) (Monitoring Fee) Order No. HW1.

NOTE:
Failure to comply with the conditions or restrictions in an export licence is an offence under the Export Control Act 1982. Under the Regulations the Minister may also suspend or revoke the licence in certain circumstances.