



**PRIME MINISTER**

113/94

**STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP**

**WOODCHIP EXPORTS**

I am pleased to announce that the Government is to implement a firm program under which Australia's native forests will be properly protected and preserved.

Under the program, the amount of woodchips exported from native forests not covered by Regional Forest Agreements will be reduced by about 20 per cent per year to nil in the Year 2000.

The decisions I am announcing today are calculated to meet our obligations to the environment and at the same time, protect the interests of communities which presently depend on forest industries.

For 1996, the maximum permissible level for export will be 5 million tonnes, about one million tonnes less than 1995. In 1997, the figure will be around 4 million tonnes and declining, except where the conditions outlined in this statement are met in respect of Regional Forest Agreements and domestic downstream processing.

By the year 2000 the Government will ban the export of woodchips from those areas of Australia's native forests which are not covered by Regional Forest Agreements incorporating a reserve system that comprehensively represents all forest types.

The decisions taken by the Minister for Resources in relation to the 1995 woodchip licences are legally binding and irrevocable. But the conditions in the licences which protect the environment - those relating to the national estate and endangered species, for example - will be rigorously enforced.

Importantly, the Government is considering rescheduling existing logging operations in some situations to protect environmental values and broaden the options for future reservation of forests.

The Tasmanian proposal referred to the Minister for Environment, Sport and Territories for environmental impact assessment for the export of up to 700,000 tonnes is not included in, and will not be added to, the base figure for 1995 .

Export woodchip licences in future will only be granted in relation to areas where there has been significant progress towards, or the completion of, both a Regional Forest Agreement (RFA), as required under the National Forest Policy Statement (NFPS), and the establishment of a comprehensive, adequate and representative reserve system. The Regional Forest Agreement will include appropriate environmental protection measures to ensure ecologically sustainable development. In these areas companies which increase their domestic downstream processing capacity, or have a demonstrable commitment to doing so, will have this taken into account when the Government is determining export licence quotas from 1996 - 2000.

Under the current policy, the Commonwealth is required to be invited by a State or Territory Government to participate in an RFA. However, in the two years since the NFPS was finalised, no formal requests have been received by the Commonwealth and so no agreements have been reached.

A strict timetable will now be developed for each Regional Forest Agreement. These agreements will be developed on the basis of scientific and technical assessments of the values of all forests, particularly old growth and wilderness.

The Government is aware of the possible regional economic and social effects of these measures, and will consider helping industry make the transition to greater use and development of plantation and re-growth timbers. The woodchip export phase-out will not apply to plantations.

These policies represent a significant step towards a sustainable forest products industry by the end of the century. That industry will operate within a framework of agreements which protect environmental values and at the same time maintains an active value-added wood products industry.

The Government is to alter the process for considering the terms, conditions and size of woodchip exports. In future, the process for advising the Minister for Resources will be coordinated by the Department of the Prime Minister and Cabinet. The Minister for Resources will formally consult me before making his decision.

Reaching the Government's goal on woodchip exports will require an orderly transitional process. The Government recognises that all parties must be provided with incentives to work together.

The Government will also consider measures to improve administrative arrangements available to the Commonwealth to undertake Regional Forest Agreements.

Today's announcements move us significantly closer to a regime under which Australia's native forests will be protected forever; and it should leave us in no doubt that with goodwill on all sides we will take the final steps by the year 2000.

**CANBERRA**  
**22 DECEMBER 1994**