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# PRIME MINISTER

27/1/95

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

## **WOODCHIP EXPORTS**

On 22 December last year I announced that the Government would implement a program calculated to preserve the environmental values of our native forests and protect the interests of communities which depend on forest industries.

As part of that program I announced that the Government was considering a rescheduling study of existing logging operations with a view to identifying areas of high environmental value which should be included in a comprehensive forest reserve system.

Today I can announce that the Commonwealth has identified 509 such areas (coupes) and will do everything within its power to ensure their protection pending more detailed assessment of their values.

Of the identified areas, 222 are on the Register of the National Estate. The remainder nevertheless have very significant wilderness, old-growth or other conservation values.

Government policy is to protect these areas until their values are properly assessed as part of a national reserve system through the Regional Forest Agreement process.

When applications for woodchip export licences are considered in future, and in administering licences, the Minister for Resources has indicated he will have regard to this policy and to the results of the rescheduling study.

The Government also recognises that the recent Federal Court decision brings into question the validity of the 1995 licences.

In view of the uncertainty this has created, the Government will invite woodchip companies to give up their licences and apply for new licences that will be issued in conformance with the Federal Court decision.

The Federal Court recognised the significant role for the Minister for the Environment in the process of considering export licence applications. In future, any new applications for licences will be considered by the Minister for Resources, and the Minister for Environment's role in this process under environmental legislation will be meticulously observed.

I have asked the Minister for Resources to inform all woodchip companies and State governments of the areas the Government intends to protect.

The Government believes that in future forest values should be assessed on a regional - not coupe by coupe - basis, to establish a representative reserve system and protect the future of communities. This underlies the Government's immediate concern to protect the 509 coupes already identified.

The Government will work with the States to find the most effective way to end logging in these areas, pending their full assessment through the Regional Forest Agreement process.

This will involve verification of the values of each area to ensure that all coupes proposed for rescheduling have retained conservation values sufficient for their incorporation into a national reserve system.

In some instances, after all possible attempts at rescheduling have been made, the resources remaining to industry may be inadequate.

In such cases, and in any others where the effects of the policy are detrimental to companies and communities, the Government will work in consultation with the industry, unions and the states to assess the need for industry assistance.

The Government will consider the measures necessary to create a vigorous and internationally competitive wood-products industry. In developing such a restructuring package we will be concerned to keep the degree of economic and social adjustment to a minimum.

Our principal aim is to end the present uncertainty so that workers and companies alike can feel secure about their future and investments can be made in value-added processing.

Accelerating the Regional Forest Agreement process was a step in this direction.

The Government's goal is to put in place, over the next five years, a program to adequately protect old-growth, wilderness and other high conservation value forests in a national reserve system, and to ensure that a high value added wood products industry can operate sustainably outside these areas.

As soon as possible the Government will meet with the leaders of the woodchip industry, unions and the conservation movement to work out the best ways of refining and implementing our approach.

National issues of this kind never have a simple solution. A great many people have a passionate interest in it, but it is the national interest which the Government must serve.

And the national interest lies in finding the means by which an industry that is moving towards an ecologically sustainable future will not be curtailed and our forests will be adequately protected.

**SYDNEY**  
**27 JANUARY 1995**