



# PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP  
JOINT PRESS CONFERENCE WITH MINISTERS COLLINS AND  
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PM: As most of the people in this room are very well aware, we have had a somewhat seminal debate in Australia about the twin objectives of being able to protect those areas of native forest and wilderness that are pertinent to the heritage of Australians, and the need to maintain and develop further, a sustainable wood products industry. This debate, of course, has raged in Australia for a very long period of time, and while the Commonwealth Government doesn't operate the forests, they are operated by the States. The community looks to the Commonwealth for leadership, to see that these great national assets are protected, or at least define the basis in policy upon which we can arrive at a system where we can seek both to protect them and at the same time, allow a wood products industry to prosper. Today the Cabinet met to consider a strategy for the long-term future of Australia's native forests and its industry, and agreed to a number of measures - I suppose prime amongst them was to ensure that by the year 2000, Australia will have a system of reserves comprehensively representing all forest types, while at the same time, a diverse wood products industry. As the first step in this - and this is against the backdrop, of course, of the National Forest Policy Statement, and the commitment of States to it - the first step in this is a discussion paper which will be released by the Government, detailing the Commonwealth's position for a future forest reserve system. The aim will be to stimulate public comment on the appropriate criteria, and during the six-week consultation phase, the Commonwealth will be working with State and Territory governments to develop nationally agreed criteria for application in the development in Regional Forest Agreements for more regions. Now, we think that with the co-operation of the States, the Commonwealth can use these criteria to undertake a preliminary reserve analysis to set aside areas pending completion of Regional Forest Agreements. And this should enable the 1996 woodchip export licences to be issued on a regional rather than a coupe-by-coupe basis, which of course you will know is a change from that which we have had.

So our strategy will be to make sure that the Government's policy of protecting high conservation value forests, in perpetuity, will not be compromised while Regional Forest Agreements are being developed, and industry will enjoy more certainty about the availability of resources. These Regional Forest Agreements will identify areas for incorporation in the National Reserve System, and adequately and comprehensively represent all forest types and areas which may be harvested on a strict basis of ecological sustainability. And we hope that we will be able to undertake over the next ten weeks consultations with a view to finalising this document by the middle of the year. Now, can I also say that Cabinet today has also agreed to recommend to the Minister for Resources that he ask woodchip companies to refrain from sourcing woodchips from 264 coupes that Cabinet believes might be required for a future reserve system, and that were originally proposed for the States in 1995.

Now, I will go to those in a moment, but let me take you through quickly for our own memory a little bit of mathematics: originally the Commonwealth set aside for investigation as to the representativeness or otherwise, 509 coupes. During the course of that setting aside, 110 coupes were released for logging on two lots - there were 57 and 53. This left 399: of the 399, 37 have been withdrawn but the states, because they no longer want to log in those areas for woodchips, which left 362, and of that 362, the Commonwealth is seeking - or the Cabinet is seeking - with the agreement of the Minister for Resources, to oblige companies to refrain from sourcing from 264 of those coupes. So, I will be...as a consequence of that change, I will be asking the States to fully protect all those coupes, including the non-national estate coupes we set aside pending finalisation of the Regional Forest Agreements. Now, the Government recognises - of course - that requesting companies to stay out of areas proposed by states for logging will have consequences for the livelihood of some forest workers. The Government will provide income support under existing programs for those people. For any self-employed people, the Government will consider the payment of transitional assistance. And, of course, local CES offices will be active in ensuring that workers are made aware of their programs and are eligible to join, and that other forms of assistance are immediately available to them. The Government has developed a tailored package of assistance available immediately for self-employed workers, employees and their families affected by structural adjustment to the industry. The Forest Industry Special Assistance Package will provide individuals with access to training and employment programs under Working Nation, including the National Training Wage, JobStart and JobSkills, and assist with relocation and travel costs. And so we will then talk with the States about a range of projects that may be employed for employment opportunities, such as plantation and farm forestry etc.

So, perhaps I might return to this theme, and say that what we are seeking here is to take the view that the best policy for Australia is to

have both of these things: one, a policy that protects forever the unique and irreplaceable nature of our forests, and develop the profitable and sustainable forest industry. Now we think there is a point of computability here, and mutually reinforcing quality to that. It is possible that Australia can develop a model industry, and in the development of representative reserve systems, do so with the injunction to think global and act local. Because I think it is possible for Australia, at this juncture where we have had this debate running now for so many years, it will get back to the development of these Regional Forest Agreements around the comprehension of the paper - the discussion paper we are now to present - while in the interim, keeping those 264 coupes until their qualities can be assessed in terms of those representative reserve systems. Were we able to reach that point, Australia would truly have a representative forest system, where all species are adequately represented. And I think you will find, also, we are talking there about a broad benchmark roughly of the order of 15% of the pre-1788 distribution of each forest community, and that is in terms of representing it in statutory conservation reserves. So, we are talking here to a very high standard about the representativeness of any such reserve system, while at the same time, seeking to move the industry into a position of sustainability and so we avoid this position of coupe-by-coupe discussions every year, rather than discussions on a regional basis where we can actually agree to regions having a capacity to export and not simply us looking - or being obliged to look - coupe-by-coupe.

Now, there have been many critics of this process, but you have to understand that the Commonwealth is not the manager of forests. The Commonwealth database could only and always depend on the information given to it by States, forestry authorities and by scientific analysis and re-analysis of the information which is sent. These are the things that Nations have to do to move towards that sort of a system, but let me say - it is a far better approach than the approach of our opponents who believe - and this is the belief of the Spokesperson for the Environment - that the Commonwealth shouldn't be using its external affairs powers, should not be signatory to international treaties and wouldn't be using the export powers to advance this debate in any way, shape or form, and where the coalition is taking the view that even a policy of restraining clear-felling is not one that they should adopt. This is - difficult as it is - the only way to move towards this sort of a system, and let me say clearly, building on, what I think is the very significant and internationally significant environment record of the Government over now a long period of time, that it was only ever to be this Government that would come to terms with our native forests and the timber being taken from them, in the context of some sustainable reserve system. And those who have been chortling at the difficulties of evaluation, should understand that no great endeavour such as this would ever be easily attained, and it can never, of course, be secured without there being a systemic approach to forest management in Australia. So I think that says in the general that which I wish to say. Could I just say I would like to express my appreciation to my two

colleague Ministers beside me for a long process of consultation and negotiation and discussion that they have had - including, of course, with the Minister for Resources, and the Minister for Industry, Science and Technology - towards arriving at this position, and I think again this is what marks out the Government from the Coalition that we have people of this calibre able to take on these sensitive tasks, who understand the nuances of them and try to reach at a position that they can defend. Now, I'm not sure whether either of them wish to complement my remarks - they are very welcome to, and I would invite Senator Collins should he choose.

BC: I'll just take questions Paul.

JF: I'm happy to take questions.

PM: Well, they are happy to take questions - I think we all are.

J: Prime Minister, you have announced 264 coupes which won't be given approval for woodchip exporting - the State governments still have control over land-use matters in terms of logging - how confident are you that logging won't go on in any of those coupes, or could it be that logging will go in some of those coupes?

PM: What we are saying is this - we have asked the States to protect these coupes until we go into this broader discussion about representative reserve systems - it has always been a State prerogative to...the Commonwealth export powers have only ever gone as far as woodchips, and if the States wish to continue to give approval to logging - for saw-log or veneer - they are able to do that. This still remains the position, but I think States do want to get on with the development of a representative reserve system - and I think we are at the stage where a number of projects which value-add to the pulp and paper and timber industry in this country - are in the offing, but may never come to fruition without the development of such a system. So I think States will bear upon, will consider this question. Can I say that some of these coupes, of course, are in NSW that is to be released for export woodchipping, and these will be the subject of discussion with the incoming Carr Labor Government in NSW.

J: Prime Minister, what is your estimate of the employment impact of this decision?

PM: It varies in certain places, I think we do have a compilation of the number - I don't have it with us. I don't think we can accurately say that here....

BC: It would be impossible, at this stage - can I say - to accurately predict that, but it is clear that there may be some job losses, and that is acknowledged in the Statement in the sense that this is the consideration Cabinet has given to what we do about that, but a lot of that will depend, I have to say, on a fairly intensive period of

discussions we will now have to embark on with the States in terms of what arrangements can be made to minimise that effect, and there will be arrangements that can be made in terms of rescheduling where it's possible and so on. But, I think the important thing to note - and I don't know if you have got them yet - but there are two important discussion papers that are being released here this afternoon. One on the criteria that will be used to establish reserve systems, and the other on an industry plan. Now, both of those papers - I have to say - have been developed after a very intensive period of consultation. The criteria paper is an important one that was developed after a high-level scientific group chaired by the Chief Scientist reported to the Government, and indeed, the Government has drawn very heavily on that report, in putting that criteria discussion paper together. And it is important to understand, I think, just how vital a document that is because if in negotiations with the States we can achieve that, it will be a world best in terms of reserve systems - there is no question about that. The International Union of Conservation and Nature - which is the international body that determines World Heritage status - has recommended a 10% reserve system of existing resources. Canada - which is a heavy forest nation - has around 13% of its existing resources in reserves, the United States [has] around 7%. This recommendation will secure 15% of Australia's original forest resource. Now the reason that this has happened, is that we are in the unique position in the sense that we still have 60% of that original resource in Australia, but that equates to around 25% of the existing forest resource - in aggregate - in reserves, which will be world best practice.

J: Prime Minister, you said that this system that you have just outlined should be removed by 1996, you need the coupe-by-coupe assessment because there will be regional agreements in place - does that mean in 1995 there will be another coupe-by-coupe assessment, will we have to go through this process again?

PM: Well, I'm saying that if we are able to advance this process at the speed I think we would like to, that is, that we are able to detect the position before we actually get to RFAs, it may be possible to do that. But again, that would depend on co-operation.

BC: And I might add, as I am sure you are aware, the situation in respective reserves differs widely across Australia from state to state. Some states are in far better shape than others.

J: Which states...of the protection of...coupes?

PM: Well, I think you will see that in the broad when we publish information. But of course, this will be published after the decision by the Minister for Resources.

BC: The important thing, I think, in that consideration is the same criteria applied across the board, and that is the central criteria of putting aside those coupes which the Government considered necessary to

establish a comprehensive, adequate and representative resource system in Australia. So even though there are regional differences it is important to note that those regional differences are reflected in the different states of the reserve systems in those states.

J: Is it true that...coups were in New South Wales and most of the ...(inaudible)...?

PM: Well, I think you will have to wait for the publication of the decision. As I have already indicated to you that we will be speaking to the New South Wales Government, so obviously we can't be saying to you what we might do in New South Wales before:

- a. the Minister the for Resources having made a decision and
- b. the New South Wales government being consulted.

J: Loggers are threatening to bring their trucks back if they are unhappy with the result. Are you confident that this is the end of the ramble over the 1995 logging...?

PM: Well, I said at the time to representatives of the timber industry that it is only under this Government will they get the option of having a sustainable wood forest products industry because I think only we have the inclination and the capacity to deliver a reserve system and you have already seen that. You are already seeing the Coalition spokesperson saying that they believe, he believes that these questions of land management are exclusively state issues. He is saying that he opposes any use of treaties or the external affairs power. Now, if that were to be the position of any Coalition government, I think it does follow logically that this Government is the only one capable of delivering any system that resembles sustainability in forest products.

J: Mr Keating, are you saying that the Minister for Resources hasn't yet given a tick to these Cabinet decisions?

PM: No, this is the Cabinet's recommendation to him and he will consider that and he will announce the decision.

BC: Which is the statutory process.

J: How confident are you of state co-operation particularly with Tasmania?

PM: Well, I think there is a general willingness on the part of the Premier to sign the Forest Policy Statement and to be in the development of a regional forest agreement. But there is no doubt a lot of stresses and strains within the Tasmanian cabinet with the former Premier, Mr Gray and others seeking to undermine the Premier. But, again, everyone there must think about the long-run interests of Tasmania and its

forests and its forest's industries. So, I think the nature of these decisions will encourage the Tasmanian government to be part of the process.

JF: I think the other thing that ought to be said in relation to state co-operation is this, that the most recalcitrant state in terms of working with the other states and the Commonwealth to develop a comprehensive, adequate and representative resource system has been New South Wales. From the middle of last year, New South Wales has refused to even release a discussion paper developed by the states on the criteria for a comprehensive, adequate and representative reserve system. We do have a change in government, of course, in New South Wales, a new Premier and new government elected on a platform of protection and conservation of areas of high conservation value of native forests and I think the Commonwealth can look forward to a lot more co-operation from the New South Wales government and in the area of the development of the Carr reserve criteria and comprehensive regional assessments where the Commonwealth had offered to fund New South Wales on old growth and wilderness surveys, all the offers of Commonwealth funding and assistance have been rejected now for a number of years. I think we can confidently look forward to a very different attitude and a very positive attitude from the incoming New South Wales government.

J: Prime Minister, do you think...original list is something like 1300?

PM: Well, did the original list have any veracity in terms of representativeness and in terms of the other qualities that were ascribed to and I think that the answer to that is no. There has been the development here of an approach which has been consistently applied. As Senator Collins has said, where there has been multiple checking with the states between Commonwealth offices and Commonwealth agencies and the states. Under that criteria of the status of these coupes and again, I think one of the outcomes in this is that those who are going around saying there were 1300 pristine stands of trees etc, can't defend that position. So therefore, their credibility must suffer accordingly.

J: Prime Minister, does the credibility of those who go around saying there were only 86 that should be protected, they must also suffer given you have now decided ....?

PM: Well, I don't think that the Cabinet took the view that it accepted that view. It took the view that was not acceptable.

BC: I might add all those lists had the caveat on them, all of them, that they were all subject to further assessment. That assessment has now been concluded.

J: Prime Minister, how much...what is the estimated cost of the assistance package to the timber workers?

BC: No, that hasn't finally been determined but the Cabinet did determine today that there will be a substantial package of financial support for the industry and that will be announced in the Budget in terms of the actual quantum of that amount. But there will be a substantial amount of support provided by the Government. I might add the central premise of that industry statement which is available for you and to get back to your previous question, the central premise of that whole industry statement is that it is a fact that you will never satisfy the extremes in both sides of this debate. Of the industry paper, in fact, says is what we know can be done, that is that we can establish in Australia a vibrant and a value added timber industry in Australia at the same time as maintaining the conservation values that must be protected. It can be done.

J: Prime Minister, when exactly do we find out about this...(inaudible)...?

PM: That will be soon, but there is statutory process here and it is important that it is followed.

J: How do you propose to deal with the hostility of Green groups on this and other environment issues in the lead-up to the next election?

PM: Well the Green groups have got to be able to sustain, if one wants to make an extravagant argument, you have got to be able to sustain an extravagant position. I think what this evaluation reveals is that the extravagance of the claims of about 1300 coupes could not be sustained and was incredible. And also remember that I said in a statement last year that we will be moving to phase out woodchipping outside of those places from whence timber comes under an RFA. So, the first, if you like, substantial steps to changing the nature of this industry has always in this country come from the Labor Government, this Labor Government.

And I just might add again, for those who think this is of no account that in the last year we did reserve these important areas of the national estate such as Shoalwater Bay and Jervis Bay and we put \$24 million in the Budget to buy back the Hole in the Heart of the Daintree and seek to move down the path of developing a sustainable basis for the wood products industry in the context of the preservation of important heritage of native forests and forests of heritage value.

BC: I might add that a central element for the conservation movement in terms of their interests and Australia's interests is the extension of the reserve system in Australia and a number of weeks ago, I publicly supported Tricia Caswell's statement of the ACF about the importance of this central element in this package and I will just reiterate that the Government has accepted the advice of Professor Pitman, the Chief Scientist, and the committee that he gathered around him in terms of the 15 per cent criterion, I have just indicated with two brief examples,



one Canada and one the United States, the criteria the Government has adopted is way in front of the word's best in terms of resources.

JF: If I can just make a very brief comment. The number of coupes that the Prime Minister has indicated that the Cabinet has recommended to the Minister for Resources is far and away the greatest number that have ever been protected through an application of the export woodchip licence renewal process. There is no other number of coupes in any previous year that is in anyway close to that same order of magnitude.

J: Why couldn't your Government come up with this number last year?

JF: The key thing that needs to be remembered here is that the National Forest Policy Statement has as its fundamental conservation element or objective the establishment of a comprehensive, adequate and representative reserve system. There has been slow progress on the establishment of criteria for that reserve system, particularly courtesy of the New South Wales government, but we have really been able to progress that over the last few months and that is the key conservation objective of the NFPS and it is going to deliver as well in my view, the industry plan real and tangible, long-term environmental benefits. That has been the very significant move forward that we have seen and I think it really is a demonstration that we are serious in terms of delivering on an environmental agenda.

PM: Can I just add to that. You need to understand also, I think, that the days of locking away areas which, I suppose were never easy but much easier than development a federal compact between the Commonwealth and the states on forests, there was a very large transition from that and the high expectations have generated as always to the hard tack of a sustainable system. Now this has happened over the period when Ros Kelly was Minister for the Environment with a National Forest Policy statement and now with John Faulkner. But there is always an expectation, particularly amongst Green groups, that we can be kicking goals on reserves which has in fact happened when there was a much easier delineation of important stands of areas of the national estate now. Just the same as it's fallen to this Government to deal with Aboriginal land rights or Aboriginal health. It is into the hard areas of change and I think the co-efficient ...(inaudible)... rises when you try and get into a sustainable system of this variety. And those who seek to easily criticise Ministers should understand that the degree of difficulty is very much greater than it has been in the past.

J: Prime Minister, just on the reserves, would you agree that there could be widely different impacts depending on the region of Australia we are talking about because of different patterns of land clearing since white settlement, for example a 15 per cent minimum reserve in northern New South Wales or parts of northern New South Wales and Queensland could mean reserving all the remaining forests or where in

Gippsland, for example, where there are large stands of certain types of forests, it could lead to a big increase in the amount of logging simply to be kept because it is 15 per cent of a much bigger area of type of forest?

PM: Well, I think we have just seen a big state plebiscite run on some of those policies with Bob Carr. He said quite up-front where thinks that the balance of that argument should go.

JF: Our approach is in Australia, from a Commonwealth Government perspective with the release of this paper, to see a high-level of biodiversity conservation. As Bob Collins has said, it is 15 per cent. It is virtually higher than anywhere else in the world. We are also developing specific criteria for wilderness and old-growth levels of reservation and they are very significant steps forward in this particular debate and obviously will have application as we move through into the future in further rounds of decisions in relation to the issue of export woodchip licences.

PM: Can I perhaps conclude on this point that is that the Minister for Resources will consider the Cabinet's recommendation and make a decision and that of course will be published. The broad numbers in that recommendation have been given to you today and I am confident that if we can get down to the consultation period finished by mid-year we will have a reasonably firm basis to make decisions for 1996 other than on a coupe-by-coupe basis which will be important to us. But perhaps I can conclude on this very last point, of thanking Bob Collins and John Faulkner for a very large and sustained committed effort to this very intractable problem and trying to see that in this country we can do something the rest of the world has not been able quite to do and to do it well.

ends.