



**National Forest Policy
Statement**

A New Focus for Australia's Forests

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NATIONAL FOREST POLICY STATEMENT

A NEW FOCUS FOR AUSTRALIA'S FORESTS

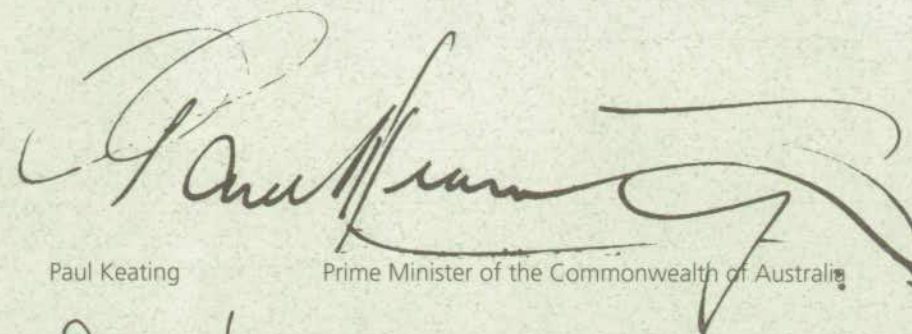
FOREWORD

During the past decade there has been considerable debate, both within Australia and internationally, about global and domestic environmental issues, including the use and management of forests. The global focus culminated in the United Nations Conference on the Environment and Development in Rio de Janeiro in June 1992, at which Australia endorsed the Global Statement of Principles on Forests and signed a number of conventions relating to Biological Diversity and Climate Change.

The Commonwealth, State and Territory Governments attach the utmost importance to sustainable management of Australia's forests. In order to achieve the full range of benefits that forests can provide now and in the future, the Governments have come together to develop a strategy for the ecologically sustainable management of these forests. The strategy and its policy initiatives will lay the foundation for forest management in Australia into the next century.

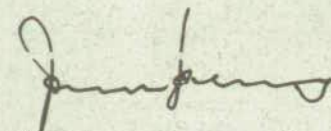
This Statement has been jointly developed by the Commonwealth, States and Territories through the Australian Forestry Council and the Australian and New Zealand Environment and Conservation Council in consultation with other relevant government agencies, the Australian Local Government Association, unions, industry representatives, conservation organisations and the general community. The Statement was signed by all participating Governments, with the exception of Tasmania, at the Council of Australian Governments' meeting, held in Perth in December 1992. Tasmania has affirmed its commitment to the management of its forest resources as set out in the Tasmanian Forests and Forest Industry Strategy. The Statement has been developed concurrently with the development of the Ecologically Sustainable Development National Strategy and the National Greenhouse Response Strategy.

In endorsing this Statement, we commit our respective Governments to implement, as a matter of priority, the policies in it for the benefit of present and future generations of Australians. We acknowledge that implementation of policies requiring funding will be subject to budgetary priorities and constraints in individual jurisdictions.



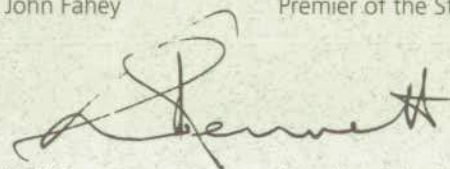
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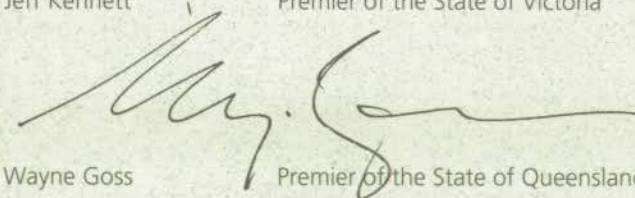
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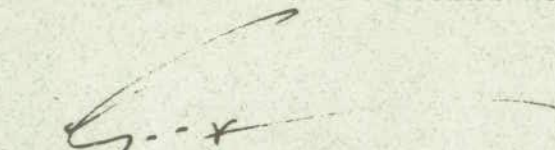
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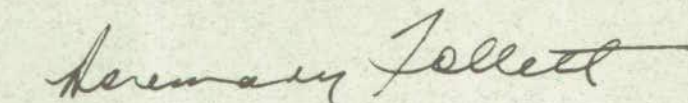
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AHC	Australian Heritage Commission
CALM	Department of Conservation and Land Management, Western Australia
NSWFC	New South Wales Forestry Commission
DCNR	Department of Conservation and Natural Resources, Victoria
NAFI	National Association of Forest Industries
SAW&F	Woods and Forests Department of South Australia
NFI/ BRS	National Forest Inventory, Bureau of Resource Sciences
NPIAW	National Photographic Index of Australian Wildlife
CSIRO	Commonwealth Scientific and Industrial Research Organisation
ATC	Australian Tourist Commission
ANBG	Australian National Botanic Gardens

Public forest	any forest on Crown land for which management responsibility has been delegated to government agencies, local governments or other instrumentalities.
Regional conservation and catchment management objectives	this term also encompasses conservation and catchment management objectives at the national and State levels.
Regrowth forest	native forest containing a substantial proportion of trees that are in the younger growth phase and are actively growing in height and diameter. Regrowth forests may contain scattered individuals or small occurrences of ecologically mature, or old-growth, trees.
Vulnerable species and communities	species believed likely to move into the 'endangered' category in the near future if the causal factors continue operating. Included are species of which all or most of the populations are decreasing because of over-exploitation, extensive destruction of habitat or other environmental disturbance; species with populations that have been seriously depleted and the ultimate security of which has not been assured; species with populations that are still abundant but are under threat from severe adverse factors throughout their range; and species with low or localised populations or dependent upon limited habitat and that would be vulnerable to new threatening processes.
Wilderness	land that, together with its plant and animal communities, is in a state that has not been substantially modified by, and is remote from, the influences of European settlement or is capable of being restored to such a state; is of sufficient size to make its maintenance in such a state feasible; and is capable of providing opportunities for solitude and self-reliant recreation.

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Nature conservation reserves areas of publicly owned land, including forested land, managed primarily for nature conservation and providing multiple benefits and uses, such as recreation and water catchment but excluding wood production.

This Statement asserts that the nature conservation reserve system will be developed on the basis of three principles: comprehensiveness, adequacy and representativeness. These terms are defined thus:

comprehensiveness — includes the full range of forest communities recognised by an agreed national scientific classification at appropriate hierarchical levels;

adequacy — the maintenance of the ecological viability and integrity of populations, species and communities;

representativeness — those sample areas of the forest that are selected for inclusion in reserves should reasonably reflect the biotic diversity of the communities.

Old-growth forest forest that is ecologically mature and has been subjected to negligible unnatural disturbance such as logging, roading and clearing. The definition focuses on forest in which the upper stratum or overstorey is in the late mature to overmature growth phases.

Patient equity capital capital for investment where the expectation is that there will be a capital return in the long term rather than any short-term dividend or income.

Plantations intensively managed stands of trees of either native or exotic species, created by the regular placement of seedlings or seed.

Precautionary principle as defined in the Intergovernmental Agreement on the Environment:

where there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.

In the application of the precautionary principle, public and private decisions should be guided by:

(i) careful evaluation to avoid, wherever practicable, serious or irreversible damage to the environment

(ii) an assessment of the risk-weighted consequences of various options.

Forest estate	all forests growing on public or private lands.
Forest management agencies	public agencies that manage forests on Crown land for many uses, including wood production, conservation, fauna and flora protection, recreation and water supply. This includes agencies with responsibility for the management of unallocated and leased Crown lands that are forested.
Forest service	the 'forest management agency' within a State that has the specific responsibility for managing public forests for wood production.
Full faith and credit	as defined in the Intergovernmental Agreement on the Environment: a reference to 'give full faith and credit' means that Governments, acting in accordance with the laws in force in their jurisdictions, will accept and rely on the outcomes of mutually approved or accredited systems, practices, procedures or processes, as the case may be, as a basis for their decision making.
Greenhouse gases	gases that affect the temperature of the Earth's surface and have a large bearing on the Earth's climate. They include water vapour, ozone, chlorofluorocarbons, carbon dioxide, methane and nitrous oxide. The 'enhanced greenhouse effect' refers to changes in the Earth's climate as a result of increasing levels of greenhouse gases in the atmosphere due to human activity.
Integrated harvesting	the harvesting of more than one product (for example, sawlogs and pulplogs) in a single operation.
Management plans	the range of plans dealing with strategic and operational issues of forest management prepared for specified regional or local areas and integrating environmental and commercial objectives.
Native forest	any local indigenous community the dominant species of which are trees — see Forest — and containing throughout its growth the complement of native species and habitats normally associated with that forest type or having the potential to develop these characteristics. It includes forests with these characteristics that have been regenerated with human assistance following disturbance. It excludes plantations of native species and previously logged native forest that has been regenerated with non-endemic native species.

1 INTRODUCTION

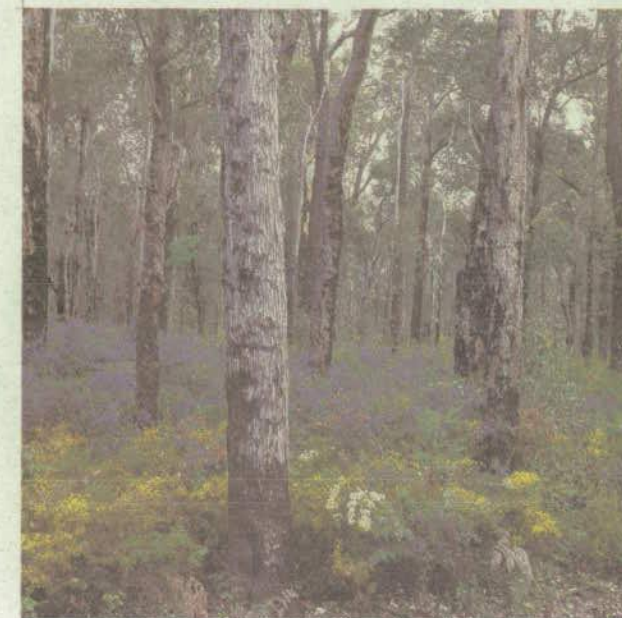
This Statement outlines agreed objectives and policies for the future of Australia's public and private forests.

It is the joint response of the Commonwealth, State and Territory Governments to three major reports on forest issues — those of the Ecologically Sustainable Development Working Group on Forest Use, the National Plantations Advisory Committee, and the Resource Assessment Commission's Forest and Timber Inquiry — and it builds on the 1983 *National Conservation Strategy for Australia* initiated by the Commonwealth Government and the 1986 *National Forest Strategy for Australia* developed by the Australian Forestry Council.

The three levels of government in Australia have specific interests in and responsibilities for forest management. State and Territory governments have primary responsibility for forest management, in recognition of the constitutional responsibility of the States for land use decisions and their ownership of large areas of forest. The States and Territories have enacted legislation that allocates forest land tenures and specifies the administrative framework and policies within which public and private forests are managed.

Local governments have responsibilities for local land use planning and rating systems, which affect public and private forest management and use.

Private landowners — collectively, as managers of large tracts of forest or cleared land suitable for plantations — are also important in the development of a national forest policy.



The Commonwealth Government is responsible for coordinating a national approach to both environmental and industry-development issues. It has an interest in achieving the efficient and effective management of the nation's resources, including a national approach to forest issues.

In developing this Statement, the Commonwealth, State and Territory Governments have been mindful of the many values that Australia's forests have, of forests' role in the full suite of ecological processes that sustain life on this continent and their function as habitat for a diverse range of flora and fauna, and of the contribution that forest-based activities make to the national economy and regional and local employment.

Australia's forest estate comprises a range of forest types. It is often characterised by marked regional differences, reflecting different forest values and



opportunities for different uses. These differences may necessitate differing management approaches.

Managing Australia's forests in a sustainable manner calls for policies, by both governments and landowners, that can be adapted to accommodate change. Pressures for change may result from new information about forest ecology and community attitudes, new management strategies and techniques (such as those that incorporate land care and integrated catchment management principles), and new commercial and non-commercial opportunities for forest use. These pressures may affect the forests themselves.

This Statement provides a framework within which pressures for change can be identified and accommodated so as to ensure that the Australian community derives optimal benefit from its forests and forest resources. It also reflects the resolutions of the Intergovernmental Agreement on the Environment, which was signed by the Commonwealth, States and Territories and local

governments. The Agreement describes a process of consultation and cooperation designed to protect Australia's natural and cultural heritage in the context of conservation and development initiatives.

The Governments' vision for forest management, the national goals to achieve that vision, and the specific objectives and policy initiatives that will be adopted are described in this Statement. Many of the policy initiatives have already been undertaken to varying degrees in different States and Territories or by the Commonwealth.

In the following pages the term 'the Governments' refers collectively to the Governments of the Commonwealth, the States (other than Tasmania) and the Territories; the term 'the States' refers to the States (other than Tasmania) and the Territories of Australia. The terms 'reserves' and the 'reservation system' mean National Parks and all other areas that have been specifically dedicated by government for the protection of conservation values.

GLOSSARY

Biological diversity	a concept encompassing the diversity of indigenous species and communities occurring in a given region. Also called 'biodiversity', it includes 'genetic diversity', which reflects the diversity within each species; 'species diversity', which is the variety of species; and 'ecosystem diversity', which is the diversity of different communities formed by living organisms and the relations between them.
Ecologically sustainable development	Biological diversity is the variety of all life forms — the plants, animals and micro-organisms — the genes they constitute, and the ecosystems they inhabit. there is no common definition in the literature for the term 'ecologically sustainable development'. In considering this issue, the Ecologically Sustainable Development Working Group on Forest Use specified three requirements for sustainable forest use: maintaining the ecological processes within forests (the formation of soil, energy flows, and the carbon, nutrient and water cycles); maintaining the biological diversity of forests; and optimising the benefits to the community from all uses of forests within ecological constraints. The National Forest Policy Statement adopts these principles as the basis for ecologically sustainable development.
Endangered species and communities	species in danger of extinction and whose survival is unlikely if the causal factors continue operating. Included are species whose numbers have been reduced to a critical level or whose habitats have been so drastically reduced that the species are deemed to be in danger of extinction. Also included are species that are possibly already extinct but have definitely been seen in the wild in the past fifty years and have not been subject to recent thorough searching.
Enhanced greenhouse effect Forest	see Greenhouse gases an area, incorporating all living and non-living components, that is dominated by trees having usually a single stem and a mature or potentially mature stand height exceeding 5 metres, and with existing or potential projective cover of overstorey strata about equal to or greater than 30 per cent. This definition includes Australia's diverse native forests and plantations, regardless of age. It is also sufficiently broad to encompass areas of trees that are sometimes described as woodlands. The focus of this Statement excludes woodlands.

4.4.5 Intensive management practices, such as site preparation, fertilising, weed control, pest and disease control, and other operations will be carried out in accordance with standard instructions, and consistent with the Principles of Environmental Care.

4.4.6 Stocking assessments will be undertaken, where appropriate, to monitor the success of forest establishment practices and to provide a basis for corrective measures.

4.5 Forest Protection

4.5.1 Fire protection planning should be undertaken in coordination with relevant land management agencies.

4.5.2 Where pests or diseases cause significant damage, decline, or deaths of trees, specialist advice should be sought.

4.5.3 Where forest operations are planned for healthy forest vegetation, known to be susceptible to important and recognised pests or diseases, specialist advice should be sought before commencing work.

4.5.4 Use of chemicals, such as herbicides, in forest operations will be strictly in accordance with State policies and procedures.

5. MONITORING AND REVIEW

5.1 Forest operations should be supervised and monitored by qualified and authorised officers and be subject to possible audit.

2 THE VISION

The Governments share a vision of ecologically sustainable management of Australia's forests. This vision has a number of important characteristics:

- The unique character of the Australian forested landscape and the integrity and biological diversity of its associated environment is retained.
- The total area of forest is increased.
- There is a 'holistic' approach to managing forests for all their values and uses so as to optimise benefits to the community.
- Private forests are managed in an ecologically sustainable manner and in close cooperation with public forest managers, to complement the conservation and commercial objectives of public forests.
- A range of sustainable forest-based industries, founded on excellence and innovation, will be expanding to contribute further to regional and national economic and employment growth.
- Forests and their resources are used in an efficient, environmentally sensitive and sustainable manner.
- Forest management is effective and responsive to the community.
- The Australian community will have a sound understanding of the values of forests and sustainable forest management, and will participate in decision-making processes relating to forest use and management.



4.2 Access

4.2.1 Planning of road systems in public forests will be based on the economic principle of minimising the combined cost of snigging and roading and on the Principles of Environmental Care.

4.2.2 Road design will be to standards capable of carrying the anticipated traffic with reasonable safety.

4.2.3 Construction of roads and associated works will be undertaken in a manner which will ensure compliance with the Principles of Environmental Care.

4.2.4 Timber salvage should be a standard practice during road clearing operations.

4.2.5 Maintenance of roads through minimising erosion will be undertaken to protect the road surface and water quality.

4.2.6 Roads will be closed in wet conditions when unacceptable damage would occur, or when such other conditions may warrant.

4.3 Timber Harvesting

4.3.1 Timber harvesting will be planned and carried out to meet the Principles of Environmental Care. The action plan will be approved by relevant authorities prior to commencement of harvesting.

4.3.2 The action plan for harvesting will consider factors such as coupe size, slope and location, design and location of landings and snig tracks, harvesting equipment and areas excluded from logging, protection, and reforestation.

4.3.3 Harvesting operations should be suspended where the Principles of Environmental Care will be compromised, or where the safety of workers is at unacceptable risk.

4.3.4 Soil and water values should be protected by progressive restoration of drainage and snig tracks and temporary roads.

4.4 Forest Establishment

It should be noted that this document does not cover afforestation on cleared land, for example amenity or commercial planting on agricultural land.

4.4.1 Planning for reforestation will be based upon the use of silvicultural methods that are economically and environmentally appropriate for the particular type of forest, and applied with local variations to suit specific stand and site conditions.

4.4.2 Reforestation of extensively managed native forest should be with species and provenances native to the area or an equivalent locality to help conserve species patterns and gene pools present prior to harvesting.

4.4.3 Reforestation of native forest designated for intensive wood production may involve the introduction of selected species, provenances or populations to increase productivity or value.

4.4.4 Where permitted, the reforestation of native forest sites to plantation of exotic or native species will comply with any requirements of legislation or policy controlling such practices.

2. SAFETY

- 2.1 All wood production activities will be conducted to comply with relevant safety legislation and policy. In particular, all operators should be trained to designated standards in the safe and efficient use of equipment and machinery and be responsible for safe working practices.

3. PRINCIPLES OF ENVIRONMENTAL CARE

The principles of environmental care with regard to planning and conducting of timber growing and harvesting operations applying particularly to public land are:

- 3.1 the floristic and faunal diversity of native forests, including their successional stages, be maintained on public land;
- 3.2 where assessed as important, forest values such as intensive recreation, high scenic quality, significant geomorphic, biological, or cultural heritage sites, be protected from the adverse effects of forest operations on public land;

Principles applying to both private and public land are:

- 3.3 water quality (physical, chemical, or biological), be protected by measures controlling disturbance resulting from forest activities;
- 3.4 water yield be managed as required by careful planning of operations;
- 3.5 soil stability be protected by measures which regulate site disturbance;

- 3.6 soil, water catchment, cultural and landscape values be protected by the careful location, construction, and maintenance of timber extraction roads and tracks, and regulation of their use;
- 3.7 fauna, floristic, and landscape values be protected by the careful planning of operations and the reservation of appropriate patches and corridors of vegetation;
- 3.8 forests be protected from the adverse effects of fire and from the introduction of, and spread of, plant, insect, and animal pests, and plant diseases.

4. IMPLEMENTATION

- 4.1 Planning
- 4.1.1 For public land strategic planning should be achieved through regional management plans.
- 4.1.2 For public lands the distribution of wood production throughout the management plan area should be achieved by operations plans, subject to the management plan.
- 4.1.3 Individual forest operations, will be conducted in accordance with approved action plans, which incorporate a map and a schedule specifying relevant conditions.
- 4.1.4 The action plan will include details of any necessary planned access to the coupe additional to the road system approved under the management plan or operations plan.

3 NATIONAL GOALS

The Governments agree that, to achieve their vision for the forest estate and to ensure that the community obtains a balanced return from all forest uses, eleven broad national goals must be pursued. These goals should be pursued within a regionally based planning framework that integrates environmental and commercial objectives so that, as far as possible, provision is made for all forest values. The eleven broad national goals are as follows:

- *Conservation.* The goals are to maintain an extensive and permanent native forest estate in Australia and to manage that estate in an ecologically sustainable manner so as to conserve the full suite of values that forests can provide for current and future generations. These values include biological diversity, and heritage, Aboriginal and other cultural values.
- *Wood production and industry development.* The goal is for Australia to develop internationally competitive and ecologically sustainable wood production and wood products industries. Efficient industries based on maximising value-adding opportunities and efficient use of wood resources will provide the basis for expansion in wood products manufacturing, which in turn will provide national and regional economic benefits.
- *Integrated and coordinated decision making and management.* The goals are to reduce fragmentation and duplication in the land use decision-making process between the States and the Commonwealth and to improve interaction between forest management agencies in order to achieve agreed and durable land use decisions.
- *Private native forests.* The goal is to ensure that private native forests are maintained and managed in an ecologically sustainable manner, as part of the permanent native forest estate, as a resource in their own right, and to complement the commercial and nature conservation values of public native forests.
- *Plantations.* One goal is to expand Australia's commercial plantations of softwoods and hardwoods so as to provide an additional, economically viable, reliable and high-quality wood resource for industry. Other goals are to increase plantings to rehabilitate cleared agricultural land, to improve water quality, and to meet other environmental, economic or aesthetic objectives.



- *Water supply and catchment management.* The goals are to ensure the availability of reliable, high-quality water supplies from forested land and to protect catchment values.
- *Tourism and other economic and social opportunities.* The goal is to manage Australia's forests in an ecologically sustainable manner for a range of uses, including tourism, recreation and production of non-wood products.
- *Employment, workforce education and training.* The goal is to expand employment opportunities and the skills base of people working in forest management and forest-based industries.
- *Public awareness, education and involvement.* The goals are to foster community understanding of and support for ecologically sustainable forest management in Australia and to provide opportunities for effective public participation in decision making.
- *Research and development.* The goals are to increase Australia's national forest research and development effort and to ensure that it is well coordinated, efficiently undertaken and effectively applied. This research will expand and integrate knowledge about the many aspects of native forests, plantations, forest management, conservation, and forest product development.
- *International responsibilities.* The goals are to promote nature conservation and sustainable use of forests outside Australia and to ensure that Australia fulfils its obligations under relevant international agreements.

ATTACHMENT A

'Forest Practices Related to Wood Production in Native Forests: national principles'—an extract.

The following was prepared by the Standing Committee of the Australian Forestry Council in May 1991.

The Australian Forestry Council, representing the States' and the Commonwealth's forestry authorities, has decided to develop a set of national principles to be applied in the management of native forest resources used for wood production.

These principles determine a consistent and scientific basis for sound management to which all States are committed. Specific prescriptions by the different States conforming to the national principles take into account the wide range of forest types, conditions, and situations applying due to natural and cultural variations.

The principles have been structured into several sections relating to different activities associated with wood production in the native forests. Except where stated the principles apply to public and private forests.

1. AUTHORISATION

- 1.1 Legislation in each State will provide for the management of State Forests under sustainable management principles and the relationship with associated industry to ensure

conservation and protection of the environment.

- 1.2 Principles should also apply to other Crown native forests subject to wood production and private forests to the extent this would be consistent with statutory powers and the State's forest management strategy.
- 1.3 Each State will provide an appropriate system for the specification, control, and accountability for forest practices relating to wood production activities.
- 1.4 The system may involve either separate legislation, legally enforceable contract, licence under other legislation, some combination, or other means.
- 1.5 The system will provide for code(s) of forest practice suitable for the State.
- 1.6 The purpose of the code(s) of forest practice related to wood production is to ensure that timber growing and timber production activities for commercial purposes, are conducted in a manner that safeguards the identified environmental values and is consistent with defined minimum standards associated with those forests.
- 1.7 Review of the code(s) of forest practice related to wood production will be conducted at intervals permitting responses to developments in knowledge and technology. Community views should be actively sought as part of the review process.

5 IMPLEMENTATION

The preceding sections identify a wide range of agreed policy responses and commitments by the Governments to achieve the objectives of the Statement. All the Governments take seriously their responsibilities for implementing these policies, and they are committed to ensuring that policy implementation occurs as a matter of priority.

The effective implementation of the policies identified in this Statement requires a funding commitment by the Governments. Both the Commonwealth and the States are already providing significant funding in a number of areas covered by the Statement. Consideration will be given in future budgets to the financial implications arising from the policies identified in the Statement.

A number of the policies can be established forthwith; others are dependent on further work. As a reflection of their commitment to the objectives and policies of the Statement, the Governments have agreed that the secretariats of the Standing Committees of the AFC and ANZECC will be jointly responsible for the preparation of reports (for the information of the ministerial councils) on the implementation of the programs and initiatives described in this Statement. The Governments agree that the reporting mechanism will be consistent with that adopted by them for the Ecologically Sustainable Development National Strategy. To facilitate the compilation of these reports, the Standing Committees of the AFC and ANZECC will establish a joint sub-committee.

4 SPECIFIC OBJECTIVES AND POLICIES

Under the ecologically sustainable development approach accepted by the Governments, the public and private native forest estate will be managed for the broad range of commercial and non-commercial benefits and values it can provide for present and future generations. Efficiently and sustainably managed public and private forests will provide the basis for nature conservation and maintaining forest biological diversity, and for regional economic development and employment opportunities in a wide range of sectors, including wood production from native and plantation forests, tourism and recreation, water supply, grazing and the pharmaceutical industry.

Within this framework, and to meet the broad national goals specified in Section 3, the Governments have identified a number of objectives and agreed to undertake key policy initiatives.

The objectives and policy initiatives are underpinned by the following agreed approaches to forest management:

- The Governments will set the regulatory framework for the use of native forests in order to achieve social and environmental objectives. Within those constraints, market forces should determine the extent of resource use and the nature of industry operations, within the parameters of government industry policy.
- Commercial uses of forests (including wood production) that are based on ecologically sustainable practices are appropriate and desirable activities. In this context, the establishment of plantations for wood production should be determined on the basis of economic viability and international competitiveness.
- The Governments will seek complementary management of forests for all uses through integrated strategic planning and operational management across agencies with responsibility for forests in Australia.
- There should be a sound scientific basis for sustainable forest management and efficient resource use.



4.1 Conservation

Two of the principal objectives of this Statement are the maintenance of an extensive and permanent native forest estate in Australia and the protection of nature conservation values in forests.

Maintaining this native forest estate in Australia will necessitate sustainable forest management on both public and private forested lands. This Statement describes a range of forest management requirements, incentives and regulatory instruments designed to ensure that Australia's native forest estate is maintained. In addition, the National Landcare Program, which encompasses a number of government and community-based programs such as Save the Bush and One Billion Trees, is already in operation with a view to maintaining remnant vegetation, increasing native tree cover throughout Australia, and rehabilitating degraded agricultural land.

The protection of the full range of forest ecosystems and other environmental values is fundamental to ecologically sustainable forest management. It entails the maintenance of the ecological processes that sustain forest ecosystems, the conservation of the biological diversity associated with forests (particularly endangered and vulnerable species and communities), and the protection of water quality and associated aquatic habitats.

The Governments recognise the unique nature of Australia's biota and that the natural inter-relationship between native flora and fauna is essential for the health of the forest ecosystem.

Accordingly, they will manage for the conservation of all species of Australia's indigenous forest fauna and flora throughout those species' ranges, and they will maintain the native forest cover where a reduction in this cover would compromise regional conservation objectives, consistent with ecologically sustainable management. The Governments also recognise that maintaining the integrity of native forests and plantings in urban areas is important for conserving nature in those environments.

The Governments agree to manage public native forests for the protection of the range of other conservation values, such as wilderness and heritage values, cultural significance (including significance to Aboriginal people), and landscape and aesthetic attributes. State Governments have already made considerable progress towards meeting these objectives.

The Governments also acknowledge that a variety of uses of public native forests is desirable, provided those uses comply with the principles of ecologically sustainable development. The objective here is the management of public native forests so as to retain the full suite of forest values over time. The Governments acknowledge, however, that some uses, including non-commercial uses, may inevitably compromise other values, such as tourism and recreation values, at least in the short term.

The nature conservation objectives are being pursued in three ways. First, parts of the public native forest estate will continue to be set aside in dedicated nature conservation reserve systems to protect native

Diversity, and endorsed the Global Statement of Principles on Forests. Australia will also participate in any negotiations for the possible development of an international convention on forests, consistent with the Conventions on Climate Change and Biological Diversity, and will work towards implementing its international obligations under Agenda 21 of the United Nations Conference on Environment and Development.

- Australia will continue to support the International Tropical Timber Organisation in its efforts to realise the target of achieving trade in tropical timber only from sustainably managed sources by the year 2000.
- The Governments will continue to support a range of bilateral and multilateral activities, consistent with Australia's international responsibilities, to help developing countries to conserve and manage their forests in an ecologically sustainable manner and to encourage the development of relevant conservation and management skills. In this regard, the Governments will foster awareness of the benefits of such cooperation by supporting research, by training, and by providing professional and technical expertise.

The policy measures outlined in this Statement should make a contribution to efforts at the international level to reduce the impact of greenhouse gas emissions. By achieving the national goals relating to ecologically sustainable management of Australia's forests, by maintaining and increasing native forest cover, and by

increasing vegetative cover through plantation development, Australia can make a contribution to reducing the impact of greenhouse gas emissions and conserving biological diversity.

and Development Corporation and the Land and Water Resources Research and Development Corporation. Where appropriate, the State Governments and industry will support this.

- The Governments will continue to support the National Pulp Mills Research Program to investigate alternative pulping technologies and use of alternative fibres, including recycling, and they will support the introduction of such technologies where appropriate.
- The Governments support the need for additional 'public good' research into conservation and environmental aspects of forests and for assessment of forests for conservation and other commercial and non-commercial values. Public good research will supplement existing research undertaken by Commonwealth research agencies such as the CSIRO, the Cooperative Research Centres for Temperate Hardwood Forestry and for Hardwood Fibre and Paper Science, universities, and State research bodies. Industry funding for public good research will be encouraged.
- The Governments and industry will cooperate under suitable terms and conditions to expand the National Hardwood Tree-Breeding Program, already established within the Southern Tree Breeding Association.
- The Commonwealth Government will continue to support specific industry-development research programs.
- The Land and Water Resources Research and Development Corporation will work with other ministerial councils to investigate a range of matters of relevance

to integrated catchment management of land, water and vegetation resources; for example, the development of effluent disposal systems for the irrigation of plantations. Appropriate links will be maintained with the new Forest and Wood Products Research and Development Corporation.

4.11 International responsibilities

The Governments believe that, as well as pursuing sustainable forest management practices within Australia, the nation should, wherever possible, assist in the sustainable management of forest resources in other countries.

As a leading nation in developing sustainable forest management and practices and community involvement in forestry, Australia will continue to be a model for the conservation and sustainable use of forests. This will require the provision of assistance to countries that wish to improve their forest management. It will also require the observation of international forest-related agreements to which Australia is a signatory.

Consistent with the Intergovernmental Agreement on the Environment and the Principles and Procedures for Commonwealth-State Consultation on Treaties, the Commonwealth will consult with the States on any future relevant international agreements.

- To this end, Australia participated in the United Nations Conference on Environment and Development, signed the United Nations Framework Convention on Climate Change and the Convention on Biological

forest communities, based on the principles of comprehensiveness, adequacy and representativeness. The reserve system will safeguard endangered and vulnerable species and communities. Other areas of forest will also be protected to safeguard special areas and to provide links where possible between reserves or other protected areas. Nature conservation reserves will be managed so as to protect their values. Second, there will be complementary management outside reserves, in public native forests that are available for wood production and other commercial uses and in forests on unallocated or leased Crown land. Third, the management of private forests in sympathy with nature conservation goals will be promoted.

A National Strategy for the Conservation of Biological Diversity is being developed jointly by the Governments to ensure that biological diversity survives and flourishes. That strategy will complement actions being taken by the States to protect high conservation values, including biological diversity and endangered species.

Within the context of the Intergovernmental Agreement on the Environment, the Governments see this Statement as a primary means by which the objectives of the National Strategy for the Conservation of Biological Diversity will be accomplished in forest habitats.

In developing the nature conservation reserve system and forest management approaches in other public native forests, each Government will, where possible, ensure that effective corridor systems link reserves, refuges and

areas with a relatively large range of altitudinal and other geographical variation so as to take into account the possible impacts of climate change.

In relation to climate change, the Governments acknowledge the need, identified in the National Greenhouse Response Strategy, to manage forests so as to maintain or increase their 'carbon sink' capacity and to minimise the emission of greenhouse gases from forest activities.

Moreover, the Governments agree that the representative areas for reservation will, in the first instance, be drawn from Crown lands. Purchase of private land for reservation purposes is appropriate in cases where high conservation values are inadequately represented on Crown land and where complementary management practices on those private lands are unlikely to adequately protect those conservation values or provide for public amenity.

Nature conservation and wilderness reserves

It is important that Australia has a comprehensive, adequate and representative network of dedicated and secure nature conservation reserves for forests and reserves for protecting wilderness. Some State Governments have already made significant progress towards this goal. The Governments agree to review the appropriateness of the existing reserve system to determine any further action that may be required to complete its development. They agree that the system of reserves should be reviewed and its development completed as a matter of priority.



- Accordingly, the Governments will establish a working group of technical experts under a Steering Committee of the Australia and New Zealand Environment and Conservation Council (ANZECC) and the Australian Forestry Council (AFC), in consultation as appropriate with other ministerial councils, to make recommendations to the Governments on broad criteria on which to base reserve systems to protect the nature conservation values of forests. The criteria will be based on the principles of comprehensiveness, adequacy and representativeness. Within these principles, the working group will consider such issues as the design and rationalisation of reserve boundaries, the area required to maintain viable populations and genetic diversity, the need for replication of protected communities, and the protection of rare, vulnerable and endangered species, in line with ANZECC's current development of a national strategy to protect endangered species. The working group will also consider how the principles of comprehensiveness, adequacy and representativeness relate to reserves to protect wilderness

areas, their definition, and criteria based on those principles. It will consult with other appropriate agencies as necessary and provide recommendations for the consideration of the Governments.

Further, the working group will build on existing work in the development of the current nature conservation reserve system and will draw on other sources of information as necessary.

- In progressively developing the nature conservation reserve system and reserves to protect wilderness areas, the Governments will give priority to reserving those forested areas that best meet the criteria adopted jointly by the ministerial councils and endorsed by the Governments.
- In situations where the Commonwealth has been invited by the States to assist in assessing the adequacy of the existing reserve systems, the Commonwealth will, when requested, consider support for the assessment process and the establishment of new reserves, including those possibly established as part of the National Strategy for the Conservation of Biological Diversity. Such consideration will be on a case-by-case basis.
- The Governments will provide adequate resources for managing their respective nature conservation reserve systems. In accordance with accountability principles pertaining to public sector management, the financial accounts of conservation reserve management will be publicly reported.

4.10 Research and development

An enhanced, better coordinated and better focussed research and development effort will be essential if the Governments' vision and goals for Australian forests and forest industries are to be achieved. Further research is needed in a number of broad subject areas: forest ecosystems and biological diversity; resource evaluation and inventory; the ecological and environmental impact of forest disturbance and management regimes; forest protection, covering disease, pests and fire; silvicultural techniques; forest productivity; wood processing and utilisation; product development; economic and marketing aspects; and other non-wood aspects of forests, such as wildfire management, recreation, and cultural and heritage values.

An adequate research capacity will be maintained by forest management agencies; it will be augmented by the Commonwealth Government through the CSIRO, the cooperative research centres, universities and other research bodies. Other users of the forest estate will also need to maintain or support an effective research capacity. The results of forest-related research should be disseminated in a timely and effective manner.

More specifically, the following initiatives will be taken:

- The Commonwealth Government, in partnership with the forest industries, will establish the Forest and Wood Products Research and Development Corporation, the charter of which will be to

identify priorities and to commission, administer and subsequently evaluate research into a broad range of issues relating to wood production, extraction, processing, economics and marketing. Among these issues will be the impacts of disturbance resulting from wood production, silviculture, and management of native forests and plantations; the commercial and economic aspects of wood production; and research of relevance to the wood products industries. The new Corporation will be encouraged to ensure effective communication of research results to scientists, industry, land managers and the wider community through a scientific journal and more widely distributed magazines. It will also administer the Forestry Postgraduate Research Award Program.



- The Commonwealth Government will support plantations research through the new Corporation. Research into commercial wood production on farms will be dealt with by the new Corporation in cooperation with the joint agroforestry research and development program developed by the Rural Industries Research



4.9 Public awareness, education and involvement

Forest management agencies manage public forests on behalf of the community. It is important that these agencies be accountable to the community for their stewardship of the community's assets.

It is equally important to foster community understanding of and support for ecologically sustainable forest management, by providing greater opportunities for the community to obtain information about forest ecology, the management of Australia's forests, and forests' nature conservation, heritage, and economic and wood production values. This will enable the community to make a more considered contribution within the land use decision-making process and to forest management issues.

Accordingly, the Governments' strategy will involve the following:

- provision to the community of information about forests and forest management;
- continued support for the

establishment of forest information facilities, such as demonstration forests and visitor information centres;

- further development of school education programs about forests and sustainable forest management and uses, in consultation with relevant educational bodies and drawing on successful Australian models;
- continued development by the States of comprehensive and publicly available forest management plans based on extensive public consultation and advanced planning techniques;
- forest management agencies' provision to the AFC and ANZECC of appropriate information from which to produce and publish a 'state of the forests' review every five years. The review will summarise available information, including the basis of sustainable forest yield and other values, moves to achieve a comprehensive nature conservation reserve network, and the results of long-term monitoring of the impacts of forest use.

- The Governments will continue to develop management plans to guide management of reserves to achieve adequate protection of nature conservation and heritage values. The development of the management plans will incorporate community consultation.
- The Governments will ensure that unique features and heritage values of conservation significance are protected as part of the overall reservation systems.
- ANZECC and the AFC will report regularly to the Governments on progress in establishing the reserve systems. This reporting will be consistent with the reporting mechanism provided for in the Ecologically Sustainable Development National Strategy.

Strategy to protect old-growth forests and wilderness

The Governments have agreed to a strategy designed to conserve and manage areas of old-growth forests and wilderness as part of the reserve system. The strategy acknowledges the significance of these areas to the Australian community because of their very high aesthetic, cultural and nature conservation values and their freedom from disturbance. This strategy builds on the current management regimes for such areas.

In recent years the wood production industry has relied less on old-growth forests and drawn increasingly on regrowth native forests and plantations. The Governments' agreed approach to conserving and managing old-growth forests will facilitate continuation of this transition.

Further, other strategies in this Statement — such as those relating to plantations and industry development and workforce education and training — will facilitate the industry's move from old-growth to regrowth and other managed native forests and plantations.

The Governments' agreed approach to conserving and managing old-growth forests and forested wilderness has five basic elements:

- First, agreed criteria for old-growth forests and wilderness will be determined through the working group process already described.
- Second, using those criteria, the relevant State agencies will, as a matter of high priority, undertake assessments of forests for conservation values, including old-growth values, and of forested land for wilderness values.
- Third, until the assessments are completed, forest management agencies will avoid activities that may significantly affect those areas of old-growth forest or wilderness that are likely to have high conservation value.
- Fourth, forested wilderness areas will be protected by means of reserves developed in the broader context of protecting the wilderness values of all lands. For old-growth forest, the nature conservation reserve systems will be the primary means of protection, supported by complementary management outside reserves. The Governments agree that, conditional on satisfactory agreement on criteria by the Commonwealth and the States, comprehensive, adequate and

representative reservation system to protect old-growth forest and wilderness values will be in place by the end of 1995. The Governments acknowledge, however, that difficulties may arise in seeking to purchase any private land necessary for the reservation network by this date. Accordingly, they agree that the 1995 time frame will apply to forest drawn from public lands. All necessary forest from private land will be included, preferably by agreement with landowners, in the reservation network as soon as possible thereafter. The Governments have agreed that their objective is to complete, to the extent feasible, the inclusion of any private forested land in the reservation network by 1998.

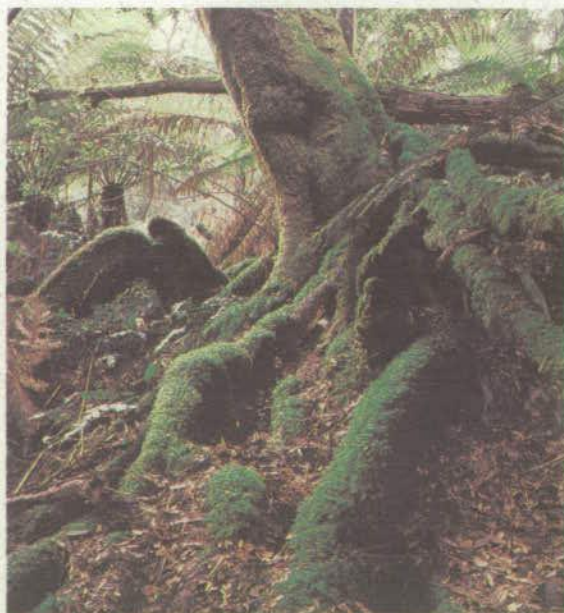
- Fifth, the relevant management agencies will develop management plans to appropriately protect old-growth forest and wilderness values.

Ecologically sustainable forest management and codes of practice

Ecologically sustainable forest management will be given effect through the continued development of integrated planning processes, through codes of practice and environmental prescriptions, and through management plans that, among other things, incorporate sustainable-yield harvesting practices. The management plans will provide a set of operational requirements for wood harvesting and other commercial and non-commercial uses of forest areas, including conservation reserves and leased Crown land.

To ensure that nature conservation objectives are met in forests, the management of public native forests outside the reserve system will complement the objectives of nature conservation reserve management. Forest management agencies will continue to assess forest areas for the purpose of developing strategic management plans and, where necessary, operational harvesting plans. As a consequence of these forest assessments, areas that have important biological, cultural, archaeological, geological, recreational and landscape values will continue to be set aside and protected from harvesting operations or managed during operations so as to safeguard those values.

- Accordingly, and in keeping with the 'precautionary principle', the State Governments will undertake continuing research and long-term monitoring so that adverse



- Education programs will deal with the issues of ecologically sustainable management and clearly relate these to management requirements for conservation and to the codes of forest practice governing activities in both public and private forests.

Governments have an important role in facilitating increases in labour productivity through skills upgrading and better use of new technology in the forest products industry.

- Accordingly, the Governments will continue a range of existing workplace reform program initiatives, seeking to promote the development of more appropriate work and management practices, better forms of work organisation, and improved industrial relations, encompassing award restructuring and enterprise agreements. Improvements in labour productivity will also be facilitated by the development and implementation of enterprise consultative committees, assistance with the development of new skills-based classification structures, resolution of demarcation issues, and provision of funds for various training initiatives.

Structural adjustment can have employment consequences. As mentioned in Section 4.2, the Governments acknowledge their role in seeking to minimise any adverse social and economic effects of the structural adjustment process, particularly where alternative employment is not always available.

Occupational health and safety issues are of continuing concern. The forest and forest products

industries are inherently dangerous, and there is a constant need to seek ways of improving the safety of employees and the general public.

- In this respect, the Governments will emphasise occupational health and safety reforms designed to facilitate improvements in workplace health and safety.



- The Governments will require all government authorities and instrumentalities that use forested land in pursuit of their objectives to consult fully with forest management agencies to ensure that their actions are in accord with the integrated management plans for the forest region.

4.8 Employment, workforce education and training

Sustainable commercial and non-commercial uses of forests provide significant employment benefits to Australian society. There are considerable employment opportunities in the areas of conservation management, forest management for wood production and other resources, forest product manufacturing, tourism and research. A range of minor forest-based industries can also create employment benefits. These employment opportunities are of particular importance to regional and local communities.

Aboriginal communities in regional areas often experience very high levels of unemployment and limited job prospects. In some regions, forest management and new forest-based industries will provide enhanced employment prospects for these communities and enable them to use their knowledge and forest management skills.

The Governments acknowledge the economic and social value of sustainable commercial and non-commercial uses of forests. Through the policies and initiatives described in this Statement they seek to stimulate and maximise

sustainable employment opportunities.

A highly skilled and productive labour force will provide the springboard for economic growth and expansion in forest-based industries. Dynamic and internationally competitive industries will in turn result in employment growth. The microeconomic reforms being pursued by the Governments will support the policies detailed in this Statement.

Moreover, industry will be better able to accommodate structural and technological change and increase overall levels of efficiency if it has a competent, skilled, safety-conscious and flexible workforce.

Maximising sustainable employment and skills development in forest-based industries will require a strong focus on education and training in all areas of the forest-based workforce. The Governments, industry bodies and education and training institutions should be involved in meeting this need. Specifically,

- The Governments will encourage key tertiary institutions to provide high-quality education and training for Australia's professional forest and forest industry managers, at both undergraduate and postgraduate levels.
- The Governments and industry will cooperate to sponsor appropriate forest training centres at State or regional level. These centres will provide education and skills training relating to environmentally sound forest operations.

impacts that may arise can be detected and redressed through revised codes of practice and management plans.

The Governments agree that the AFC's set of national principles of forest practices related to wood production in native forests (see Attachment A) should be applied to all public and private native forests in Australia.

- The State Governments will ensure that, for public native forests, existing or new codes of practice are developed so as to conform with the AFC's national principles. In structure, these codes of practice may take different forms in different States, but they will be effective and either legislatively based or legally enforceable through contractual agreements. They will also reflect 'best available practices'. The codes are to apply to all commercial and high-impact non-commercial uses of public forests. They will be supported by effective prescriptions for non-commercial uses in these forests. They will also apply to conservation reserves in forests and unallocated or leased Crown lands that are forested, with the aim of ensuring that activities in these areas do not adversely affect the forests' ecological basis. The State Governments will regularly review and revise the codes of practice in light of improved knowledge of ecologically sustainable management and with appropriate industry and community consultation.
- The AFC and ANZECC will establish a joint subcommittee on forest use and management to develop consistent nationwide

baseline environmental standards. These will be put to Governments for endorsement and met through the codes of practice.

- The State Governments will ensure that there is effective auditing of and compliance with codes of practice.

The Governments agree that it is desirable to maintain and protect the extent and ecological integrity of native forests on public land.

- Accordingly, the Governments will adopt the policy that further clearing of public native forests for non-forest use or plantation establishment will be avoided or limited, consistent with ecologically sustainable management, to those instances in which regional conservation and catchment management objectives are not compromised.
- State Governments will seek to ensure that local governments and other authorities with designated responsibility for management of public lands adopt policies consistent with this approach to land clearing and codes of practice.

The Governments recognise that sustainable management of private native forests will be facilitated if landowners view these forests as long-term assets.

- Sustainable management of private native forests will be encouraged through a combination of measures that may include dissemination of information about and technical support for forest management, education programs, conservation incentives, land-clearing controls, harvesting controls, and codes of forest practice.

About 11.2 million hectares of publicly owned native forest estate are either unallocated or occupied under lease and may contain such forest types as dry sclerophyll, cypress pine and paperbark, which may be under-represented in the reserve systems or inadequately protected under existing management regimes. It is important that these forests are also managed effectively in accordance with ecologically sustainable management principles and that their forest types are adequately represented in reserves.

- The State Governments will assess the conservation and economic values of these lands and ensure that their management is consistent with ecologically sustainable practices, including codes of harvesting practice and land-clearing constraints.

The Governments acknowledge the inconsistency that can arise in the management of private lands if codes of practice are applied to private forests but are not stipulated for other uses of private lands.

- The State Governments will seek to encourage complementary management approaches for other uses of private lands.

In the case of plantations, the Governments have agreed that

- the AFC, through its Standing Committee on Forestry and in consultation with the industry and the public, will develop a set of national principles of forest practice for plantations. On the basis of these principles, codes of practice for public and private plantations will be developed and adopted through legislative or non-legislative means.

Data collection and analysis

Effective management and use of forests must be based on a sound understanding of forest ecosystems and their associated values.

- The Governments will cooperate to improve the scope and extent of forest databases so that decision making and management are based on the best available information.
- The National Forest Inventory will continue to be developed. It will be directed by a steering committee representing the Governments. This committee will jointly define information requirements and develop data exchange principles between the Governments and with other databases. Such principles will cover, among other things, custodianship, maintenance and cost recovery.

Forest protection

Protection of the conservation and commercial values of forests will necessitate protecting forest areas from the potentially harmful effects of diseases, weeds, pests (including feral animals), chemicals and wildfire. Accordingly, the Governments agree to give high priority to the protection of public forests from these agents. Further, since public and private lands are closely linked, active protection of public forests needs to be coordinated with appropriate action on private lands.

- Forest management plans will identify priorities and cover the range of actions to deal with threats to forests.
- The Governments will continue to work together to ensure that

standardised data on the types and level of visitor use of protected and other areas.

- Relevant government agencies will monitor the use of forests for tourism and recreation to assess the impact on forest ecosystems. Where necessary, forest access will be managed to protect and conserve forest ecosystems.

Grazing

Grazing in public native forests can have a significant impact on and severe implications for forest ecosystems. In particular, grazing in National Parks or reservation areas is usually inconsistent with protecting conservation values.

- In relation to National Parks and other public nature conservation reserves, the State Governments will only issue new licences for grazing if it is assessed that conservation values will not be compromised.
- Consistent with the objectives of ecologically sustainable management, the Governments will take steps to ensure that grazing in public native forests is controlled, so that forest ecosystem and regional conservation values and catchment management objectives are not adversely affected.

Mining and mineral exploration

The Governments recognise that, in making land use decisions for public native forests, it is necessary to take into account access for mineral extraction and exploration activities. To ensure that this occurs, the Governments agree that mineral resource agencies will be consulted in a timely fashion on

strategic land use planning proposals that may have implications for mineral extraction and exploration in public forests.

Mining activities will often have a significant localised impact on forested areas. Where mining does occur, it will be managed to minimise impacts and to ensure that regeneration accords with soundly based principles.

Other economic and social uses

The Governments will seek to ensure that other economic and social uses of forests conform with ecologically sustainable practices. Prescriptions will be applied for non-commercial uses in order to minimise adverse impacts.

As is the case with the use of forests for wood production, the Governments agree with the principle that the beneficiaries of forest use should pay for that use and the associated costs that are imposed on public agencies.

- Forest management agencies will charge commercial forest users for use of public forest resources. Further, to cover the costs of providing facilities and services, the agencies will institute, where appropriate and administratively and financially feasible, cost recovery mechanisms for non-commercial users. The costs of and returns from these services will be publicly reported.

The Governments acknowledge that in some cases areas of forest will need to be cleared to provide access to minerals and for power transmission and transport routes. In such circumstances consultation between forest management agencies and relevant parties is necessary to ensure appropriate management.

environment and its ecological processes. It is, however, possible for forest-based tourism and recreation to be developed and undertaken in an ecologically sustainable manner that maintains the resource base. The codes of practice to be developed by the States and applied to all users of forests (see Section 4.1) can minimise or avoid any negative environmental effects of tourism.

- In consultation with the State Governments and relevant industry organisations, the Commonwealth Government will develop an ecotourism strategy for Australia as an extension of the National Tourism Strategy. The ecotourism strategy will, among other things, cover the use of Australia's forests in National Parks and elsewhere for tourism. The Commonwealth will seek to facilitate ecologically sustainable tourism activities in forests through funding research, marketing, the provision of interpretation facilities for visitors, the training of tourism operators, and the planning and management of tourism activities. Other elements of the broader ecotourism strategy are being developed concurrently.

- Where economically feasible and consistent with management objectives, the Governments will ensure the provision of appropriate infrastructure and visitor facilities, including improved access and interpretation displays.

The Australian Tourist Commission and a number of State tourism agencies have already established policies focussing on Australia's natural environment, including forests; the objective is to seek opportunities to realise the tourism potential of the natural environment.

- In co-operation with appropriate State agencies, the Commonwealth Government, through the Australian Tourist Commission, is conducting an international marketing campaign to attract overseas visitors to Australia. The Commission will continue to market and promote the attractions of Australia's natural environment, including World Heritage areas and National Park forests. An element of this campaign will focus on the theme of 'The Great Australian Outdoors', which is designed to highlight Australia's unique environment.
- The Commonwealth Government, through the Bureau of Tourism Research, will undertake tourism-oriented forest research, including economic research into the existing use and current and potential economic value of forests for tourism and recreation. This will involve liaison with forest management agencies and tourism research authorities to encourage the coordination and collection of

quarantine measures minimise the risk of the introduction or movement of plant diseases and pests.

- Through the AFC and ANZECC and in conjunction with the Australian Agricultural and Veterinary Chemicals Council, the Governments will develop strict guidelines for the use of agricultural and veterinary chemicals in native forests and plantations. These guidelines will be reflected in codes of forest and plantation practice.
 - Forest management agencies will monitor and appropriately control the threat to publicly owned native forest ecosystems posed by feral animals, exotic plants, pests and diseases. In this respect the AFC and ANZECC will continue to work with other ministerial councils and other relevant bodies in developing the National Weeds Strategy and the National Strategies for the Management of Vertebrate Pests. The forest management agencies will adopt the principles and implement the relevant policies of these agreed strategies.
 - Forest management agencies will cooperate with private landowners in developing and implementing measures to protect adjacent public and private forested lands from harmful diseases, weeds and feral animals.
- Regardless of whether a forested area is in a conservation reserve or is being managed for wood production and other commercial uses, management of fire will be necessary.
- Forest management agencies and rural communities will develop and implement fire management plans aimed at reducing the risk



of wildfires. Management programs may include prescribed burning for fuel reduction and to replicate the natural fires that are required to maintain biological diversity, taking environmental and economic values into account.

4.2 Wood production and industry development

Sustainable economic use of native forests and plantations is one of the principal objectives of this Statement.

Wood production is a major commercial use of Australia's forests. It can be integrated with a range of other commercial and non-commercial uses, among them nature conservation, recreation, tourism and water catchment protection. Ecologically sustainable management of native forests for wood production involves maintaining a permanent native forest estate while balancing these uses.

The following discussion of wood production primarily

concerns production from public native forests. Sections 4.4 and 4.5 deal with wood production from private native forests and plantations.

The wood products industry is drawing and will continue to draw wood from a mix of sustainably managed softwood and hardwood plantations and native forests.

The Governments recognise that integrated harvesting of sawlogs and pulplogs is an important use of native forests and that it can be done in an ecologically sustainable manner. In certain circumstances integrated harvesting operations assist the sustainable management of forests by improving regeneration and forest growth. In this context, harvesting of wood, whether by selective felling, thinning or clear-felling, needs to comply with the codes of forest practice discussed in Section 4.1.

Australia will continue to use old-growth timber for many years. It will come from disturbed forests containing some old-growth trees and from old-growth forests that are not required for the nature conservation reserve system described in Section 4.1.

Other forests not required for the reserve system will also continue to be available to meet a range of ecologically sustainable uses, including wood production.

The State Governments will determine the amount of wood available from public forests for sale to industry, taking account of the following:

- decisions on the nature conservation and wilderness reserve system;
- protection of ecological processes;

- requirements for other forest uses, such as water catchment protection, flora and fauna conservation, recreation, and tourism development;
- codes of forest practice.

Efficient use and value adding

The benefit to the community from using forests for wood production can be increased through the efficient use of wood by industry. The State Governments recognise that they have a direct role in aiding the development of an internationally competitive forest product industry by encouraging efficient management that minimises wood production costs.

Efficient wood production and use can also provide greenhouse benefits by reducing greenhouse gas emissions through minimising soil disturbance during harvesting, reducing milling waste, and producing long-lasting products.

The Governments agree that it is essential to foster a dynamic and efficient forest products industry that offers employment opportunities and economic benefits for the nation. Provided that social and environmental objectives are met, the Governments will keep regulations to a minimum. In order to attract new investment and profitable value-adding projects, the Governments must establish clear and consistent policies for resource development, providing secure access to resources and consistent environmental guidelines. Unnecessary impediments to market efficiency and access will be removed.

Measures have been introduced to encourage the development of value-added forest



mitigating flooding in the catchment, and it reduces land degradation from soil loss and erosion, which in turn reduces the level of turbidity and sedimentation in streams and reservoirs. Forest cover, particularly in catchment recharge zones, also reduces the development of waterlogging and dryland salinity problems.

- The Governments will promote integrated catchment management objectives among public and private forest owners through the application of codes of practice, forest management plans and, where appropriate, land-clearing controls. In addition, by disseminating information through Landcare and other community groups, the Governments will promote among landowners the objective of establishing and maintaining forest cover.

4.7 Tourism and other economic and social opportunities

The Governments recognise that Australia's forests provide a broad range of economic and social opportunities. In addition to those already discussed, other forest-based economic activities include tourism, mining, grazing, and pharmaceutical, honey and seed production. They may also include production of other wood products (for example, charcoal and fuelwood). Recreation and employment opportunities are major social benefits that forests can provide.

Tourism and recreation

Economically, tourism is one of Australia's most significant industries, and it has considerable potential for future growth. In an increasingly competitive tourist market, Australia's natural environment is a major attraction for domestic and overseas visitors.

Expanding opportunities for the use of forests for tourism and recreation will result in many benefits to the community, including increased employment opportunities, enhanced recreational facilities, and greater appreciation of nature conservation values. Many different tourism and recreation activities take place in forests, among them general recreation, sport and adventure activities, and visits to appreciate and learn about the cultural and environmental values of these areas (ecotourism).

Without proper management, the expansion of forest tourism and recreational use of forests could degrade the forest

The Governments also recognise that there is a need for further public education and better training in relation to plantation development, particularly when such development is integrated with agriculture. Information about the financial, social and environmental benefits of tree planting on cleared land for commercial purposes needs to be directed not only at farmers and other landowners but also at investment advisers, bankers, accountants and investment institutions. Links with local Landcare and other rural groups should also be encouraged.

- The Governments will assist private plantation development by facilitating the provision of technical advice and market information to private growers and other relevant parties, on a fee-for-service basis as appropriate, through the establishment of private forest councils or by means such as providing support for enhancing the skills of extension officers.
- The Governments will facilitate demonstration opportunities on farms that integrate commercial wood production with farming.

As discussed in Section 4.10, the Governments support an enhanced plantation research and development effort, particularly in relation to improved technology and processes, tree breeding, species selection, land capability assessment, and integration of commercial wood production with agricultural activities.

The Governments acknowledge the importance of reforestation for environmental and aesthetic purposes. As with maintaining the existing tree cover on farms, reforestation can offer major

economic benefits for private landowners: shelter for stock and crops; fodder; alleviation of soil degradation problems such as erosion, waterlogging and salinity; creation of predator habitats to assist in pest control; and improving farm amenity. Reforestation can also provide widespread community benefits by maintaining catchments and providing aesthetic plantings to enhance landscape and recreational values. Native plantings can also be important in facilitating the conservation of native fauna through the provision of feed sources and hollows for nesting and shelter.

- The Governments will seek to promote the wider benefits of plantations through Landcare and other community groups.

4.6 Water supply and catchment management

It is now recognised that integrated management of land, water and vegetation resources is essential to the ecological and economic sustainability of those resources and to maintaining whole-catchment values. Forests contribute significantly to the quality and quantity of water supplies for domestic, industrial and agricultural uses.

The value to the community of a reliable, high-quality water supply is very great and the States will appropriately consider water availability and quality in deciding land use allocations or management prescriptions for public forests.

Forests are equally important for overall catchment maintenance and protection. The vegetative cover slows run-off, thus

industries. Among them are accelerated depreciation of plant and equipment, facilitation of provision of equity capital to small companies, a development allowance for major infrastructure projects that meet specific criteria, and liberalisation of foreign investment policy guidelines. Furthermore, the Governments will cooperate to offer to proponents of major projects a streamlined and coordinated Commonwealth-State project-assessment process in instances where the



Commonwealth has a statutory obligation in relation to that project. This process will include agreed periods within which the Governments' requirements for environmental impact assessments will be agreed.

The Governments are committed to providing certainty and security for existing and new wood products industries to facilitate significant long-term investments in value-adding projects in the forest products industry. To this end the Governments have agreed, subject to statutory requirements, on the following initiatives to satisfy the commercial requirements of potential investors:

- Completion of comprehensive regional assessments, as outlined in Section 4.3, and negotiation of a Commonwealth-State regional agreement to form the basis for meeting wood production, nature conservation and other forest allocations. In this respect the Commonwealth will give full faith and credit to accredited State assessment processes, practices and procedures, consistent with the Intergovernmental Agreement on the Environment.
- For firm and specific value adding projects meeting guidelines agreed by the Commonwealth and the States, the Governments will provide either specific legislation or an intergovernmental project agreement, where this is a necessary prerequisite for the project to proceed. This legislation or agreement, together with State-enterprise contractual agreements that guarantee the long-term supply of wood resources to the project, will define 'up front' the commercial contractual basis providing security of wood supplies for the project.
- The Commonwealth will not seek to vary the agreed results of the comprehensive regional assessment process reflected in the project agreement, except where expressly provided for, such as in defined exceptional or unforeseen circumstances. In such an event the Commonwealth and State Governments will consult with the project principal or principals and the views of all parties will be taken fully into account. Withdrawal of resource will be a last resort, in which case the provisions for alternative

arrangements in the Commonwealth-State project agreement will apply. The Commonwealth notes that, where it has previously been involved in changes to the pattern of land use, assistance has been provided to facilitate the process of structural adjustment so that parties are not disadvantaged. The Commonwealth will continue with this approach.

The Governments will seek to assist industry development in a number of other ways.

- The Governments will continue to support the introduction of higher value adding uses of wood and greater log recovery and utilisation rates through new technologies. In this context the Industry Commission will conduct an Inquiry into opportunities for adding value to Australia's forest products. The Inquiry will examine possible impediments to the expansion of the forest products industry and recommend ways of removing those impediments. These objectives will also continue to be supported through research funding and as priority areas under the research and development program (see Section 4.10).
- The States will make provision for clearly defined tradeable resource rights for the industry.
- The National Environmental Guidelines for New Bleached Eucalypt Kraft Pulp mills will be endorsed by the State Governments and covered in Commonwealth-State agreements, with the State Governments retaining the right to apply more stringent standards to take local



environmental factors into account. The Governments will continue to monitor developments and investigate alternative technologies in the context of the periodic review of the National Guidelines. They will also consider the need for national environmental guidelines for other pulping and bleaching processes.

The issue of efficient use and value-added processing is particularly relevant to the large volumes of pulpwood that are produced during integrated harvesting operations in native and plantation forests. At present the Commonwealth Government approves the export of unprocessed wood and woodchips from integrated harvesting operations and sawmill residues, subject to controls aimed at ensuring that environmental values are protected, that the price obtained is consistent with prevailing world market prices, and that unprocessed wood is not exported if it is commercially feasible to process and add value to it in Australia. The export of woodchips derived from integrated harvesting operations and sawmill residues enables the community to

and Securities Advisory Committee.

- The Commonwealth will consider action relating to this matter following the completion of the review in early 1993.

The Governments recognise that the long-term nature of plantation investments, often in excess of twenty years, can cause difficulties in attracting investment capital. When capital is committed for such a long time before a return is received, companies, individuals and farmers may be reluctant to invest in plantations. A solution to this problem is to make the trading of capital (for example, shares) invested in plantation developments more flexible and hence more attractive. This would change the perception of plantations being a long-term investment whereby capital is locked up for decades to a perception of plantations being a tradeable, short-term investment.



- The Commonwealth will encourage the establishment of 'pooled development funds' and sees them as a useful mechanism for promoting long-term investments, including plantation development. These funds are investment companies that provide 'patient equity capital' for Australian companies, subject to some conditions. Companies registered as pooled development funds are concessionally taxed at a rate of 30 per cent rather than at the general company tax rate of 39 per cent. The funds will provide an incentive for companies and individuals to invest in a range of plantation companies.

There is also a need for State and local governments to simplify planning procedures and to ensure that land use planning controls and land rating systems do not discriminate against plantation development. In this regard the States will take two actions:

- With appropriate public involvement, the State Governments will pursue planning policies that provide zoning suitable for commercial planting on private lands and give security to that zoning. Within this zoning framework, tree planting and subsequent harvesting for commercial wood production will be an 'as of right' use.
- The State Governments will seek to ensure that the rating basis used by local government authorities supports the retention of native forests and expansion of the forest estate by removing disincentives to the conservation of native forests and the establishment of plantations on cleared agricultural land.

Plantations on cleared agricultural land have the potential to increase the area of wood production and enhance regional development. In some cases they can offer opportunities to increase agricultural productivity and profitability and diversify farm income. In addition, they can play a major role in land and water conservation, and in the rehabilitation of degraded lands. Plantations on cleared agricultural land can also provide a carbon sink, which may have benefits in reducing the impacts of the enhanced greenhouse effect.

To minimise the taxation difficulties commercial wood producers face as a result of the concentrated nature of income derived from private forestry operations, the ceiling on the Income Equalisation Deposit Scheme has been raised.

- As mentioned in Section 4.4, the Australian Taxation Office is to issue a comprehensive public ruling relating to private forestry activities covering wood production from native forests and plantation investments. Any further action on forestry taxation issues will be based on the outcome of this ruling.
- The Commonwealth will remove controls on the export of unprocessed wood from private plantations, as mentioned in Section 4.2.

There is also a need for landowners to be able to separate legal ownership of trees and the land on which they grow. For example, landowners may wish to raise money by creating an asset for later sale while retaining ownership of the land, or they may wish to enter into joint venture arrangements.



- Accordingly, where it has not already occurred, the State Governments will establish a sound legal basis for separating the forest asset component from the land asset for the purposes of selling timber.

Joint ventures between plantation development companies and landowners are subject to the fund-raising provisions of the Corporations Law. The Commonwealth is conscious of the need to ensure that the legal framework regulating joint venture schemes adequately and effectively protects the interests of investors and promotes commercial stability and efficiency in capital raising and formation. The provisions of the Corporations Law applying to fund-raising schemes, including joint venture arrangements, are currently being reviewed by the Australian Law Reform Commission and the Companies

derive a return from felled wood that is unsuitable as sawlogs and is not required by domestic processors.

- The Commonwealth will remove controls over the export of unprocessed public and private plantation wood, subject to the application of codes of practice to protect environmental values.
- Approvals for the export of woodchips from public and private native forests for terms longer than the current annual renewal period will be considered where those forests are covered as part of a comprehensive regional assessment and a Commonwealth-State regional agreement. These longer term approvals will be consistent with other Commonwealth policies and commitments.
- Commonwealth-State regional agreements based on comprehensive regional assessments (see Section 4.3) or agreements between a State and the Australian Heritage Commission on the management of forests listed on the Register of the National Estate (including the application of harvesting codes of practice) will constitute the basis on which the Commonwealth will meet its legislative obligations under s. 30 of the *Australian Heritage Commission Act 1974*. For areas not covered by comprehensive regional assessments, existing processes and annual export approvals will apply.
- In relation to pulpwood production from native forests, the Governments will ensure that domestic processors are given the first opportunity to purchase the resource at a price acceptable to the grower. This policy will

come into effect when consideration is given to major changes or renewals to wood resource access.

- The Commonwealth Government will review the adequacy of existing mechanisms pertaining to transfer pricing in wood products.

Structural adjustment and improving international competitiveness

Like all industries, the forest and wood products industries need to adjust constantly to changing consumer preferences, changing market conditions, and changes in the availability and quality of the wood resource. Wherever possible, market forces should determine the direction in which the adjustment takes place. Although this is essentially a matter for industry, government does have a role to play in minimising any adverse social and economic effects, particularly on regional communities, where alternative employment opportunities may not always be available.

Where the Commonwealth decides that it is appropriate for it to provide structural adjustment assistance to affected communities and industries, the type of assistance will be assessed on a case-by-case basis and be subject to needs-based criteria. In general, the assistance measures could include relocation, retraining, redeployment and social adjustment components.

Changes involving increasing dependency on wood from regrowth forests and plantations will continue to require industry to invest in new technology and practices, and in some circumstances to relocate. The

adjustment implications of this are significant. The objective is to ensure that adjustments necessitated by the changing nature of Australia's forest resources lead to more competitive and viable wood products industries, while at the same time minimising social dislocation and meeting environmental standards.

The Governments acknowledge their role in facilitating investment in industry restructuring in the sawmilling and processing sectors. In keeping with this, there is a range of existing government initiatives designed to help Australian industries to readjust to changing circumstances, to invest in efficiency and productivity improvements, and to adopt internationally competitive 'best practices'.

- The Governments will continue to support and promote, among the forest and wood products industries, a range of industry development programs designed to enhance the international competitiveness of Australian industry.



Communication between governments, industry, unions and conservation organisations

The Governments recognise the importance of enabling those that may be directly affected by policy decisions to have an input into the policy development process.

- The Commonwealth will establish a policy advisory body, with balanced representation, to provide advice on specific forest product industry and conservation issues. The effectiveness of this body will be reviewed before the end of 1995.

Wood pricing and allocation

The pricing and allocation system for wood from public native forests has a major bearing on the structure and efficiency of the wood products industry and on the return to the community from use of a publicly owned resource. The State Governments will encourage the use of logs for their highest net value-added end use. Accordingly, they will adopt the following principles as the general basis for pricing and allocation arrangements for wood from public native forests:

- Prices will be market based, at least cover the full cost of efficient management (including regeneration) attributable to wood production, include a fair return on capital, and provide an adequate return to the community from the use of a public resource.
- Harvesting rights will reflect security of supply for wood users, will be clearly defined, and will be transferable when this does

minimal in areas such as taxation, planning and access to information. Pricing policies and export controls are also relevant, as are research and development relating to plantations; these matters are discussed in Sections 4.2 and 4.10 respectively.

The Governments agree that decisions to establish plantations for wood production should rest on their economic viability. Australia's commercial plantation resource already contributes significantly to the domestic wood-processing industry and is dominated by softwoods; there are also increasing market opportunities for hardwood plantations. The contribution of forest management agencies and private industrial growers to plantation development has been enormous and their continued involvement will provide stability and growth in the industry.

The Governments recognise that, to ensure a reliable supply of wood from plantations as feedstock for world-competitive processing plants, large areas of plantation, such as those normally planted by private industrial and investment companies or public forestry agencies, are necessary. Accordingly, State and local governments will provide a planning framework that facilitates the development of large-scale industrial plantations.

All States share the policy, consistent with ecologically sustainable management, of not clearing public land for plantation establishment where this would compromise regional conservation and catchment management objectives. This is the position of Queensland and the Northern Territory. Further, South Australia,



Western Australia and the Australian Capital Territory have a policy of not clearing public native forests for plantation development, and Victoria has a policy of not clearing public native forests for softwoods. New South Wales supports the policy of not clearing for plantation development with the proviso that it may undertake incidental clearing of land it purchases.

In some circumstances it may be appropriate to clear forests that have been severely affected by disease (such as 'eucalyptus dieback') so as to enable rehabilitation through replanting.

The States will adopt commercial approaches for their plantation resources in a variety of ways. They will also continue to ensure that the public plantation resource is actively managed in order to maximise net returns.

The Governments see merit in having some commercial wood production integrated with other agricultural pursuits. There is considerable scope for the commercial growing of wood to be extended on cleared agricultural land, particularly in higher rainfall areas that are close to markets.

benefits. The importance of incorporating forest management as economic components in whole-farm plans will be promoted through the land-care movement.

- By making the codes of practice for wood production in public native forests applicable to private native forests, the State Governments will continue to encourage private forest owners to ensure that their management operations are of a high standard and protect nature conservation and catchment values.
- Approvals for the export of woodchips from private native forests for terms longer than the current annual renewal period will be considered where those forests are included in a comprehensive regional assessment and a Commonwealth-State regional agreement.
- Through a comprehensive public ruling by the Australian Taxation Office, the Commonwealth will clarify the taxation treatment of native forests and plantations used for commercial wood production (see Section 4.5). This



ruling will be provided by the middle of 1993. Any further action on forestry taxation issues will be considered by the Commonwealth following the taxation ruling.

- The review of s. 75D of the *Income Tax Assessment Act 1936*, which is scheduled for 1994-95, will assess the effectiveness of the section in combating land degradation, including provisions dealing with expenditures for the protection of areas of native vegetation.

4.5 Plantations

Plantations can provide a wide range of commercial, environmental and aesthetic benefits to the community, and they will become increasingly important. Regardless of the purpose for which they are planted, plantations should be based on sustainable management techniques.

The Governments have several objectives in relation to Australia's plantation resource: to increase commercial plantation development on cleared agricultural land and, where possible, to integrate plantation enterprises with other agricultural land uses; to improve the productivity of existing plantation areas by means of improved technology, breeding of genetically improved stock, and selection of species; and to continue to encourage industrial growers, and where appropriate public forestry agencies, to expand their plantation base to satisfy specific requirements.

To achieve the Governments' objectives it will be necessary to ensure the impediments to plantation development are

not result in the creation of excessive market power.

- The allocation system will be flexible and will involve competitive bidding arrangements for appropriate amounts of the resource, thus enabling the entry of new processors and allowing small operators to compete for niche markets.

Forest services have made significant changes to their pricing and allocation systems. They will continue to develop their systems to reflect the foregoing principles, including approaches involving competitive bidding systems where regional wood markets exist. Where competitive markets are not achievable, prices set through administratively determined allocation systems should at least cover the efficient costs of wood production and provide an adequate return to the community.

- Forest services will, where feasible, allocate a substantial proportion of harvesting rights through competitive bidding, with varying time frames and varying wood volumes, to allow opportunities for the entry of new processors and niche operators.
- Following the current review of competition policy, the State Governments will consider options for increasing the public accountability of their commercial forest operations, including through the possible application of the principles and provisions of the *Trade Practices Act 1974*.
- The pricing and allocation policies for public plantations will be determined on the basis of commercial criteria, although the Governments acknowledge that

some plantations established in the past for other than purely commercial reasons may not meet these criteria.

Wood production and community service obligations

Governments have a shared responsibility to ensure that the community receives the optimum return from all uses of public native forests. This involves two aspects of management of those forests: first, meeting community service obligations such as providing recreation access and facilities, and meeting other social and conservation objectives; second, managing forests for commercial products and uses.

To effectively account for these different responsibilities, the costs of meeting community service obligations and commercial wood operations should be clearly separated and accurately reported. In this way the Governments and the community will be able to determine the commercial and community service performance of forest services in accordance with stated management objectives.

Assessment of commercial performance requires accounting conventions that allow forest services to accurately and fairly report on their production of wood and other commercial activities. Costs incurred in the commercial management of forests and plantations in one year will frequently not generate a financial return for many years. Furthermore, determining the basis for allocation of costs to commercial and non-commercial activities is crucial.

- Accordingly, the Governments will cooperate in carrying out an

urgent review of the relevant accounting issues for native forests and plantations, with a view to establishing suitable accounting approaches to identifying commercial costs and returns. This will be done in close consultation with the Australian Accounting Research Foundation, which is undertaking a study of accrual accounting conventions for long-term regenerative assets.

- Consistent with this, forest services will report on commercial performance (covering the costs of and returns from wood production from native forests and plantations) and publicly report this separately from the costs of and returns from other services such as conservation and the provision of recreation facilities.

4.3 Intergovernmental arrangements

Land use decision making

Under the Australian Constitution, State Governments have primary responsibility for land use decision making and management. As a consequence, State processes are



well established, and they are periodically reviewed to take account of community priorities. Several States are introducing changes to increase opportunities for consultation, to reflect changes in societal values, and to promote more effective State-Commonwealth cooperation in land use decision making.

The Commonwealth Government has a number of nature conservation and heritage obligations arising from Acts of Parliament and international conventions, and it needs to assure itself that the processes and mechanisms used allow it to honour its responsibilities and satisfy its interests.

The Intergovernmental Agreement on the Environment identifies the circumstances in which the Commonwealth Government may have an interest in land use decision-making processes. These circumstances involve the national interest or international responsibilities and include the following:

- where the Commonwealth is required to consider the impact of proposals on places listed on the Register of the National Estate, including where a State Government (with industry) is required to seek Commonwealth approval for export licences or foreign investment to use areas on the Register of the National Estate;
- where a State Government (with industry) seeks Commonwealth involvement in relation to security of resource access;
- where, in the light of scientific evidence, the Commonwealth Government has obligations under international conventions;

The Governments recognise that these objectives will be more easily achieved if landowners recognise the economic advantages that forests can provide. Encouraging private landowners to manage forests for long-term economic use (such as for wood, other forest products or commercial conservation activities) by removing any unnecessary impediments or disincentives will assist in this regard.

Where private forest owners are managing native forests for wood production they will be encouraged to manage for the highest wood values and to consider the economic potential of improving sawlog productivity.

Whilst encouraging the retention of native forests, the Governments acknowledge that private forest owners may wish to clear native forest for a range of economic uses. They agree that land clearing can be permitted provided it complies with State and regional conservation and catchment management objectives, relevant planning schemes and legislation.

Those State Governments that have not already done so will establish strategies to ensure that regional conservation, catchment management and other objectives are not compromised, consistent with ecologically sustainable management. This may involve controls over land clearing and/or land use covenants between landowners and Government or mechanisms to encourage retention of native vegetation. This may include legislatively backed controls.

The Governments' objectives will be promoted through six specific initiatives:



- The Governments will develop a range of incentives and programs to promote sustainable management of native forests on private land. These incentives and programs will be designed to ensure active management of private native forests for both ecologically sustainable wood production and nature conservation, so that the private native forest estate will remain a permanent resource that complements the public native forest estate. Programs may include provision of technical advice and assistance through private forest councils, extension services, heritage agreements, voluntary wildlife refuges and conservation covenants, and other means such as limited grants for private management or, in special circumstances, purchase of forest to protect endangered species and communities in forest ecosystems.
- The Governments will continue to emphasise, through Landcare and other community groups, the importance of maintaining private forests as components of the permanent native forest estate and for their many environmental and commercial

Governments acknowledge that, without strong links and an integration of strategic decision making and planning, management of forests for their full range of values and uses will be diminished. In keeping with this, the Governments express their clear intent to ensure that integration of strategic planning at the various levels identified occurs and is strengthened.

The Governments note, however, that a number of institutional structures are capable of achieving the essential objective of integrated forest management. Accordingly, they consider that each Government should determine the most appropriate institutional arrangements to be adopted in its jurisdiction.

The Governments have made the following resolutions:

- At the intergovernmental level, integrated and coordinated decision making relating to forest management will be pursued through the processes of the Intergovernmental Agreement on the Environment, involving accreditation of processes and, where agreed, joint comprehensive regional assessments.
- At the ministerial council level, ANZECC and the AFC will hold sequential meetings, where practicable, with occasional joint meetings to discuss common agenda issues.
- At the organisational and institutional level, the Governments will each determine the most effective approach to achieving integrated management of conservation and commercial uses of forests. In particular, the Commonwealth will give further consideration to options for

integrated or strengthened institutional arrangements for dealing with forest issues. More generally, each State Government will seek to ensure that links between and within agencies are fully effective and that opportunities are available for local government and the public to participate in the development of strategic plans.

- At the operational level, the States will ensure that management plans are developed by forest management agencies, consulting with local government, regional organisations and other authorities as appropriate and providing opportunities for public consultation. Operational management will be integrated to the greatest extent possible, consistent with achieving agency objectives.

4.4 Private native forests

As well as containing significant timber resources, native forests on private lands contain some ecosystems and species that are not well represented in nature conservation reserves. They also help to maintain environmental and aesthetic values and basic ecological processes, and under conditions of climate change they may provide refuges or corridors for the movement of native species.

Accordingly, the objectives in relation to private native forests are to encourage the maintenance of the existing private native forest cover and to facilitate the ecologically sustainable management of such forests for nature conservation, catchment protection, wood production or other economic pursuits.

- where the Commonwealth Government, in conjunction with a State Government, proposes an area for nomination under the World Heritage Convention;
- where the regional implications of proposals for the use of a resource transcend State boundaries and affect two or more jurisdictions;
- where there are relevant responsibilities under Commonwealth Acts of Parliament such as the *Environment Protection (Impact of Proposals) Act 1974*;
- where other conditions under the Intergovernmental Agreement on the Environment involve the Commonwealth Government.

Local governments also have an interest in decision-making processes that can influence regional land use and as a consequence the nature of regional communities and economies.

The Governments agree that strategic land use decision making in relation to forests should be based on comprehensive evaluation of the potential uses and values of a particular area. As provided for in the Intergovernmental Agreement on the Environment, the Governments agree on the following:

- the application and evaluation of comparable, high quality data which are available to all participants in the process;
- the assessment of the regional cumulative impacts of a series of developments and not simply the consideration of individual development proposals in isolation;
- consideration of the regional implications where proposals

for the use of a resource affect several jurisdictions;

- consultation with affected individuals, groups and organisations;
- consideration of all significant impacts;
- mechanisms to resolve conflict and disputes over issues which arise during the process;
- consideration of any international or national implications.

The Governments believe it is important to ensure that they have access to the same information and that as far as possible they consider issues concurrently rather than sequentially, so as to avoid duplication and fragmentation in decision making.

The Intergovernmental Agreement on the Environment

The Intergovernmental Agreement on the Environment provides for the identification of the interests of both the Commonwealth and State Governments in land use decision making and the accommodation of those interests where there are joint responsibilities. The objective is to reduce uncertainty about land use decisions by adopting a cooperative decision-making process that results in agreed and durable decisions. Such an approach should lead to a more efficient resolution of land use issues and result in more timely decisions about land use for conservation, new development projects, or other purposes.

In keeping with the Intergovernmental Agreement on the Environment, the Commonwealth and the relevant State Government

will adopt the following process:

- When a regional land use issue is identified by either level of government, the Commonwealth and the State concerned will jointly determine whether the Commonwealth Government has an interest in the matter.
- Where there is disagreement as to whether or not there is a Commonwealth interest, the Governments concerned will 'use their best endeavours' to resolve the disagreement at Heads of Government level.
- Where there is a Commonwealth interest in an environmental matter it may accredit a State's processes. In the event that the Commonwealth is of the view that the processes are inadequate to accommodate the Commonwealth interest, the State will consider whether it wishes to review and modify its systems and processes and will consult with the Commonwealth on terms of reference for such a review. Where the Commonwealth has accredited a State system or process, the Commonwealth will give full faith and credit to the results of that system or process when exercising its own responsibilities.
- A State may use the same approach where it considers that its interests can be accommodated by accrediting Commonwealth processes.

Wherever possible, the Commonwealth will use this accreditation process. In the case of regional assessments of national estate values having been jointly undertaken by the Australian Heritage Commission and State authorities, the Commonwealth will give 'full faith and credit' to these assessments.

The Governments will adopt the approach that, once decisions in which they have a mutual interest are made, agreements will be used to formalise the decisions and to clearly identify the appropriate management and monitoring arrangements.

If the Governments agree that the process of accreditation is unlikely or unable to meet all the obligations of the Commonwealth, the Governments will also use other measures, such as comprehensive regional assessments.

Comprehensive regional assessments

The Governments have identified a single, comprehensive regional assessment process whereby the States can invite the Commonwealth to participate in undertaking all assessments necessary to meet Commonwealth and State obligations for forested areas of a region.

Comprehensive regional assessments will involve the collection and evaluation of information on environmental and heritage aspects of forests in the region. The Commonwealth will ensure that its evaluation of information is efficient, avoiding duplication and delays wherever possible and taking into account the analyses of other Commonwealth agencies where appropriate.

These assessments will provide the basis for enabling the Commonwealth and the States to reach a single agreement relating to their obligations for forests in a region. Commonwealth obligations include assessment of national estate values, World Heritage values, Aboriginal

heritage values, environmental impacts, and obligations relating to international conventions, including those for protecting endangered species and biological diversity.

- The relevant State agencies jointly with the Australian Heritage Commission, acting as the agent of the Commonwealth, and with community and industry consultation, will coordinate the collection of the information necessary for assessments.
- The relevant Commonwealth agencies will undertake analyses, based on the information collected, in order to meet their obligations. Wherever possible, these analyses will be undertaken concurrently and take into account the analyses of other Commonwealth agencies.
- The Commonwealth-State regional agreement resulting from the assessment will also cover guidelines for all aspects of ecologically sustainable management of the forests in question, taking into account the existing regulatory framework in the States and building on forest management strategies and practices. In this respect, the guidelines will cover, for example, management for sustainable yield, the application and reporting of codes of practice, and the protection of rare and endangered species and national estate values. They may also specify the levels and types of disturbance that are acceptable for a particular forest so as not to adversely affect national estate and other conservation values of that forest.

- The regional agreement will also accredit the comprehensive regional assessment for the purpose of evaluating forest resource use impacts of proposed development projects, provided those developments do not require substantial alteration to the agreed forest management guidelines for the region.
- The Governments have agreed that, in undertaking these joint comprehensive assessments, information that is already available will be used whenever possible in order to avoid duplication, to minimise costs, and to expedite decision making. When it is agreed that existing information for a particular region is insufficient for the purpose, regional surveys will be undertaken to obtain the required additional data on a case-by-case basis.

Integrated management

If the community is to optimise the benefits that can accrue from the many uses of Australia's forests, it is important to integrate policy development, strategic planning and operational management between and within forest management agencies, at the organisational and regional field levels.

Integrated strategic policy formulation, planning and operational management is being, and will continue to be, pursued at a number of levels: intergovernmental; ministerial council; organisational and institutional; and operational.

The Governments fully support closer integration and links between governments, their departments and forest management agencies. The