



P1754

Senator the Hon Robert Hill

Leader of the Government in the Senate  
Minister for the Environment

The Hon Rod Welford MLA  
Minister for Environment and Heritage and  
Minister for Natural Resources  
PO Box 456  
BRISBANE ALBERT STREET QLD 4002

29 JAN 1999

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Department of the Premier and Cabinet - loose mail		
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Dear Minister

Further to your letter of 10 September 1998 describing vegetation management initiatives in Queensland and our subsequent meeting in December, I am now writing to all jurisdictions ahead of the 1999/2000 round of Natural Heritage Trust assessment and funding to focus attention on the reforms I believe are necessary to satisfy commitments made in Partnership Agreements. The Partnership Agreement states that Commonwealth Natural Heritage Trust funding is subject to the progressive achievement of these agreed objectives.

As we now approach the mid-point of the Trust I expect that clear and substantial progress can be demonstrated towards achieving the Bushcare national goal of reversing the long-term decline in the quality and extent of Australia's native vegetation cover. I also expect that, consistent with Partnership Agreement commitments, there is no clearing of endangered regional ecosystems, no clearing that would change the conservation status of regional ecosystems, and that controls are put in place, across all land tenures to avoid unsustainable land clearing.

I am pleased to note that Queensland has made progress in the areas of:

- regulation of land clearing on leasehold land
- assessment of vegetation cover and conservation status
- legislative framework to protect endangered ecological communities
- provision of vegetation management extension services

I believe though, that further reform in the following areas is required for Queensland to fully satisfy commitments made in the Partnership Agreement:

**Vegetation Mapping/Information** - given the size of Queensland, the underlying information base is quite good and relatively advanced, compared with most other jurisdictions. Broad-scale mapping exists for the State, and many more detailed regional scale mapping exercises are well advanced. This process needs to continue so that all priority regions are mapped as soon as possible.

**Regional Vegetation Management Planning** - regional vegetation planning is being progressed through Regional Strategy Groups, though this planning is not based in legislation, and consequently has no legislated requirements regarding vegetation or biodiversity outcomes. As we have discussed, a legislated system of regional vegetation planning across all tenures, linked to clearing regulation (equivalent to the system that operates over leasehold land), would be a positive reform.

**Land Clearing Regulation** - clearing regulation currently only operates on leasehold land. A system of clearing regulation needs to be adopted over private freehold land. It would need to be supported by a system of regional vegetation management planning, preferably statutory, as well as linked to an assistance package to facilitate its introduction. Any financial assistance linked to clearing regulation would need to be carefully targeted to highest priority areas and/or cases of genuine hardship in order to ensure that public funds are expended in the most strategic and equitable manner. This is also important in order that the regional conservation priorities being sought by a regulatory approach are given the greatest chance of being achieved.

**Incentive/Voluntary Management & Extension Programs** - to achieve a substantial reduction in land clearing, an assistance package which is linked to land clearing regulation, could be delivered through a range of incentive and financial assistance schemes, with a strong emphasis on provision of adequate technical advice on sustainable native vegetation management

**Vegetation Cover/Condition Monitoring** - Monitoring of vegetation cover is progressing relatively well through the Statewide Landcover and Trees Study (SLATS) project. As more detailed regional mapping comes on line, monitoring of regional ecosystems, and not just vegetation cover, will become important.

You will appreciate that in considering your State's further bids for Natural Heritage Trust funding, I am required to consider progress on these matters.

These issues are also being progressed through ANZECC's multi-lateral initiative to develop a *National Framework for the Management and Monitoring of Australia's Native Vegetation* and I appreciate Queensland's involvement and contribution to that exercise. I look forward to the *Framework* and an implementation plan being agreed at the June ANZECC meeting.

I consider our Natural Heritage Trust partnership to be very important. I remain confident that, together with other Trust outcomes, our Governments can deliver an historic improvement in the extent, condition and management of Australia's native vegetation.

Yours sincerely

**SIGNED**

Robert Hill

cc:

The Hon Peter Beattie MLA  
Premier of Queensland  
Executive Building  
100 George Street  
BRISBANE QLD 4000



QUEENSLAND GOVERNMENT

**Hon. Rod Welford MLA**

**Minister for Environment and Heritage and  
Minister for Natural Resources**

12 JUL 1999

Senator the Honourable Robert Hill  
Minister for the Environment  
Parliament House  
CANBERRA ACT 2600

Dear Senator Hill

Further to my letter of 9 July 1999 enclosing the state Natural Heritage Trust bid for the 1999/2000 round, I would like to raise the matter of ongoing Commonwealth participation in the significant advances being made in Queensland towards an effective vegetation management framework.

As we have recently discussed, the State Government formed a Vegetation Management Advisory Committee made up of representatives of key rural industry, conservation, local government and urban development interests. A strong spirit of cooperation has prevailed in the Committee's deliberations and members have made remarkable progress towards workable arrangements to manage vegetation on freehold land. The Committee is also considering the recommendations of a separate review group on the operations of the existing Leasehold management policy and I expect to receive proposals for both leasehold and freehold lands following the committee's fifth meeting early next month.

Members of the Committee are strongly of the view, as I am, that the success of any initiative to reduce clearing rates in Queensland is dependent on the allocation of significant resources. These are needed to manage the new regulatory framework and to directly assist landholders to adopt sustainable native vegetation management practices.

The Chair of the Committee, Professor John Holmes, has asked me to convey to you the importance of proposals under consideration. I attach a letter to you written on the Committee's behalf.

My letter of 9 July made reference to a strategic initiative project which was prepared after an analysis of existing Bushcare investments showed gaps in meeting the stated objectives of the program. This project is being further developed through additional community consultation. A draft has already been forwarded to your office.

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Cnr Margaret & George Streets  
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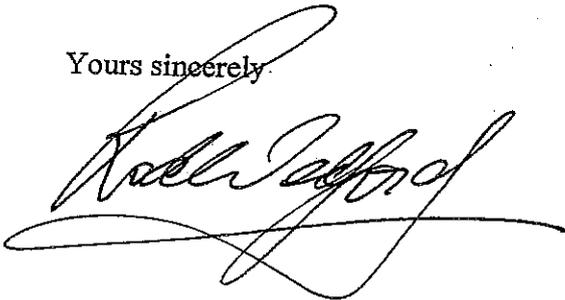
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If funded, this project would go some way to addressing the resourcing needs of implementing the vegetation management framework. However, it is not, and was never intended to be, the complete solution. Queensland's current initiatives are arguably the single most significant advance in reducing the long-term decline in the quality and extent of Australia's native vegetation cover. For this reason I believe that the Commonwealth should consider a much greater level of investment in its outcomes.

I therefore propose that we cooperatively develop an effective resourcing program. In order to advance this, I suggest that arrangements be made for senior officers of our respective departments to meet in the very near future to discuss options and develop a mutually acceptable proposal for implementing the vegetation management framework.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rod Welford', with a long horizontal flourish extending to the left.

**ROD WELFORD MLA**

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QUEENSLAND GOVERNMENT



**Hon. Rod Welford MLA**

**Minister for Environment and Heritage and  
Minister for Natural Resources**

The Honourable Peter Beattie MLA  
Premier of Queensland  
BRISBANE QLD 4000

mn=176216

30 JUL 1999

Department of the Premier and Cabinet	
Received in Records	FILE No L/M/0000
2/8/99	P1754
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	30/7/99.39

Dear Mr Beattie *Peter*

As part of its 1998 election commitments, the Queensland Government undertook to review existing arrangements for the management of vegetation across all tenures with a view to improving outcomes for sustainable production, biodiversity and protection from land degradation. Sch. 3-1

The review commenced with the formation of a high level advisory group made up of representatives of the Queensland Farmers Federation, Queensland Conservation Council, Local Government and the Urban Development Institute of Australia. The Vegetation Management Advisory Committee (VMAC), chaired by Emeritus Professor John Holmes, is now close to making recommendations to me on changes which should occur with respect to managing vegetation on both leasehold and freehold land.

Members of VMAC are strongly of the view that the success of any initiative to reduce clearing rates in Queensland is dependent on the allocation of adequate resources. These are needed to promote sustainable native vegetation management to landholders, to manage any new regulatory framework and to directly assist landholders to adopt sustainable practices.

Resourcing to promote sustainable vegetation management and manage a new regulatory framework has been sought as part of this year's budget process. However, significant additional resources are required to provide incentives and assistance to landholders. With this in mind, I have had informal discussions with the Commonwealth Minister for the Environment, Senator the Honourable Robert Hill, regarding financial support that could be expected from that quarter. Copies of recent letters from John Holmes and myself to Senator Hill are attached.

Senator Hill indicated strong support for Queensland's initiatives since these go a long way to satisfying national and international concerns about rates of clearing in this State. He has expressed the view that we develop a proposal to be negotiated between the two governments. This is currently underway and should be finalised by the end of August.

I must stress however that the Commonwealth's financial assistance will be dependent upon Queensland, not only progressing with changes to vegetation management arrangements through legislative amendments, but also providing adequate resources to administer the new system. The indicative level of financial support from the Commonwealth, coupled with the challenge of introducing new arrangements, is clearly a significant matter for Government. Initial indications are that the State may need to match the Commonwealth's rural adjustment package on a dollar for dollar basis.

Sch. 3-1

Sch. 3-1

I therefore seek your support and assistance in progressing these negotiations with the Commonwealth and would appreciate an early opportunity to discuss them with you and the Treasurer.

Yours sincerely



**ROD WELFORD MLA**

**CC Hon David Hamill MLA  
Treasurer**

RTI RELEASES



Senator the Hon Robert Hill

Leader of the Government in the Senate  
Minister for the Environment and Heritage

The Hon Rod Welford MLA  
Minister for Environment and Heritage and  
Minister for Natural Resources  
PO Box 456  
BRISBANE ALBERT STREET QLD 4002

Dear Minister *Rod*

I am disturbed by the article in today's Courier Mail which reports a three fold increase in the amount of virgin vegetation approved for clearing in the first seven months of this year, compared with last year.

I remind you of the Queensland Government's commitments in the Natural Heritage Trust Partnership Agreements which undertook to put in place controls to avoid unsustainable land clearing, that there be no clearing that would change the conservation status of regional ecosystems, and that there be no clearing of endangered regional ecosystems.

I am particularly concerned therefore with the report that whilst satellite figures show a decline in the rate of clearing on leasehold land by 12 percent per annum between 1991-95 and 1995-97, that clearing of freehold has increased by 54 percent over the same period.

In my letter to you in February this year I observed that interim controls would be critical to the success of the overall implementation of a comprehensive framework that you are proposing. I noted that without such controls, the overall purpose of the new measures is likely to be undermined by what is in effect a perverse incentive to maximise short term clearing before regulatory reform takes effect.

Unfortunately, it appears that the permit approvals reported in the Courier Mail today confirm this view.

In your letter to me dated 3 March 1999 you advised that action is being taken to introduce interim arrangements for regulating tree clearing on freehold land. In light of the evidence today of a significant increase in clearing this year, I would urge you to expedite these interim arrangements as a matter of urgency.

It is important that Queensland learn from the mistakes made in southern parts of Australia from overclearing the native bush. The greatest cause of land degradation in Australia has been the overclearing of native vegetation.

This has resulted already in the mobilisation of saline groundwater which has the

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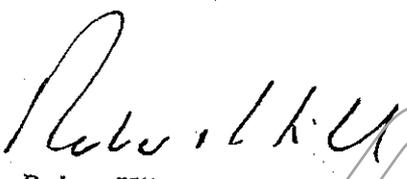
potential to destroy 12 million hectares of agricultural land – half the size of Victoria. Soil erosion, damaged river systems and other land management problems are costing the Australian economy an estimated \$1.4 billion each year in lost production.

Overclearing has also caused major environmental problems such as the loss of many of Australia's native mammals. Some scientists are predicting that we risk losing half of our native bird species over the next century if we don't take urgent action now to address overclearing.

As you are aware, the Commonwealth has invested \$1.5 billion in the Natural Heritage Trust to help overcome the land management mistakes made in the past, including the establishment of the \$350 million Bushcare program to help revegetate overcleared areas and help conserve existing native vegetation.

I remain willing to discuss with you Commonwealth assistance to provide a range of incentives to support best practice vegetation management in Queensland but reiterate that I expect the Queensland government to take primary responsibility for this matter.

Yours sincerely

  
Robert Hill

cc:  
The Hon Peter Beattie MLA  
Premier of Queensland

(F)

P1754.

**DIRECTOR-GENERAL'S MEMORANDUM**  
Policy Co-ordination Division

Title: **Vegetation Management and Tree Clearing**

Date: 8 October 1999

**1.0 PURPOSE**

1.1 To brief you on the development of vegetation management and tree clearing controls.

**2.0 BACKGROUND**

2.1 The Queensland Conservation Council (QCC) and the Queensland Farmers' Federation (QFF) have both independently written to the Premier seeking an opportunity to meet and discuss tree clearing.

2.2 In February 1999, Minister Welford established a Vegetation Management Advisory Committee (VMAC) to advise the Government on the management of vegetation clearing in Queensland. VMAC is independently chaired and membership is drawn from the QFF, QCC, Local Government Association of Queensland and the Urban Development Institute of Australia.

2.3 You are scheduled to meet with the QCC and QFF on 11 and 18 October 1999 respectively on this matter.

**3.0 ISSUES**

3.1 Sch. 3-1

3.2

3.3

3.4 The QCC view the Government's election commitments (see paragraph 5.1) on the management of tree clearing as central to the ongoing support of the conservation movement for the Government. The QCC has requested that the Government ensure tree clearing in Queensland is brought under control as a matter of immediate priority. The QCC hold the view that it is critical that legislation is passed by Parliament this year to avoid ongoing and unrestrained tree clearing. The QCC also highlights that a delay to early next year would not be appropriate because of the timing of local government elections in March 2000. The Premier is reported in the Courier Mail on Friday 8 October 1999 as committing the Government to introducing tree clearing controls by the end of 1999.

3.5 The QCC has also raised concern over the rate of 'panic clearing' to pre-empt the Government's new approach to the management of tree clearing. The QCC has previously called for a blanket moratorium on tree clearing to be put in place while the framework is negotiated.

Sch. 3-1

Sch. 3-1

Andrew Zuch/Linda Coyne  
Economic Development  
ext.: 83327/83329

Executive Director: 

DDG: \_\_\_\_\_

Sch. 3-1

- 3.6 The QFF has indicated that the position put forward by their representatives on VMAC is in advance of their 'grass roots' stakeholders, although they believe they can sell their position to their membership. It has been strongly highlighted, however, that if a more restrictive approach is adopted, the Government can expect a very strong response from rural landholders and industry. The QFF position is based on the mistaken belief that title to land carries with it the individual right to use land as one pleases. DNR advise that there is no legal obligation to provide compensation. Nevertheless, QFF support for the proposed interim approach is contingent on the implementation of financial assistance being made available to support landholders.

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3.7

- 3.8 The Commonwealth has previously indicated that it is prepared to make the continuing provision of Natural Heritage Trust funds conditional on Queensland moving to address tree clearing (Queensland received \$35.3M in Trust funds in 1998/99). Indeed such a condition is included in the intergovernmental program agreement between the State and Commonwealth Governments. However, Senator Hill recently down played this condition in the media. Furthermore, Senator Hill has written to Minister Welford and indicated that he is '*willing to discuss Commonwealth assistance to provide a range of incentives to support best practice vegetation management in Queensland*'. Senator Hill also reiterated that he expected the Queensland Government to take primary responsibility. It is considered that a positive commitment from the Queensland Government to introduce tree clearing controls will be necessary to secure Commonwealth funding.
- 3.9 The policy conundrum for the Government is how to implement the proposed interim regulations without the financial capacity to provide a financial incentive and compensation package. The proposed Interim Policy recommends an incentive based approach to encourage landholders to adopt good vegetation management practices, including principles and guidelines on eligibility for financial assistance. It may be possible to announce the proposed regulations and Interim Policy and indicate publicly and to stakeholders that the establishment of an incentive package is being pursued with the Commonwealth Government. Proceeding with the implementation of regulatory amendments without the provision of a financial assistance package will result in a strong public reaction from landholders.
- 3.10 Development of a policy and legislative response which reduces the extent of tree clearing is also critical to the Government developing a sustainable greenhouse gas emission abatement strategy.

#### **4.0 CONSULTATION**

- 4.1 Consultation with stakeholders through VMAC.

#### **5.0 IS THIS IN ACCORDANCE WITH GOVERNMENT ELECTION COMMITMENTS?**

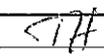
- 5.1 The 'New Directions Statement - Conserving Biological Diversity', identifies the review of existing vegetation protection guidelines and giving them statutory effect over all lands as a priority.

#### **6.0 RECOMMENDATION**

- 6.1 That you note the above.

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**ATTACHMENT ONE:**

Sch. 3-1

Sch. 3-1

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**ATTACHMENT TWO: SUMMARY OF OUTSTANDING ISSUES  
EXERT FROM THE REPORT OF VMAC**

While agreement on many sections of the policy has been reached by VMAC, a number of the critical areas remained unresolved. These are:

1. The application of regulatory arrangements to "of concern" remnant regional ecosystems.
2. The application of regulatory arrangements to "not of concern" remnant regional ecosystems.
3. The application of regulatory arrangements to "regrowth".

**1. Remnant Vegetation**

For the purposes of VMAC discussions, "remnant vegetation" was determined to be vegetation mapped as "remnant" by the Queensland Herbarium. VMAC members noted the importance of regional consultation to ensure that this mapping is accurate and accepted by key stakeholders and landholders.

The conservation status of regional ecosystems is determined at the bioregional level. QCC representatives at VMAC have expressed concern about the problems of using this scale to determine status in coastal and urban areas where vegetation is highly fragmented and significant clearing pressures are present. QCC therefore recommends that a smaller scale (eg. local government) be used to determine conservation status in these areas.

**1.1. Endangered Regional Ecosystems**

VMAC was unanimous concerning the full protection of endangered communities, using impact assessment for the process of considering applications.

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**1.2. Of Concern Regional Ecosystems**

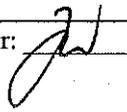
Evidence presented to VMAC by the Queensland Herbarium indicated that species loss accelerates as habitat falls below a 30% threshold. The evidence indicated that 30% is a minimum rate of retention of Regional Ecosystems to ensure against substantial species loss in the long term. The Herbarium provided evidence of substantial peer support for this position.

In addition, VMAC was advised of recent estimates suggesting that some Of Concern Regional Ecosystems are being cleared at a rate in excess of 1% per year of original extent. If correct, and given further clearance under existing permits, it is estimated that many Of Concern Regional Ecosystems will approach endangered status by 2005. (For example, in the Brigalow Belt, the area of *Of Concern* Regional Ecosystems remaining above the 10% endangered threshold in 1995 was 1,090,000 ha. It is estimated that 500,000 ha of these Of Concern Regional Ecosystems will be cleared by 2005. This equates to the loss of almost half of the area of those Of Concern Regional Ecosystems above the Endangered threshold).

Two positions have been submitted in regards to the management of clearing controls of *of concern* regional ecosystems

- QCC members propose no clearing of 'of concern' regional ecosystems based on the accelerated extent of species loss when vegetation communities are cleared to the 30% level.

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- QFF members propose that clearing restrictions of 'of concern' regional ecosystems be dealt with at the regional level taking account of regional circumstances. They believe that the information provided by the Herbarium requires additional scientific validation.

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### 1.3. Not of Concern Regional Ecosystems

Not of Concern regional ecosystem remnants generally occur in less productive landscapes, and are currently greater than 30% of the pre-clearing extent. To meet the policy outcome of no change to conservation category, at least 30% of the pre-clearing extent must be retained. Two positions have been submitted in regards to Not of Concern regional ecosystems.

- QCC recommends 80% retention in the interim, with no net loss of 'not of concern' regional ecosystems by June 2001, and no clearing of 'not of concern' regional ecosystems by June 2003. Impact assessment is the preferred method of assessment.
- QFF recommends that development would be allowed in the not of concern regional ecosystem until it threatened the regional threshold of 30%, except where heads of consideration and other values have been identified at a regional level.

Sch. 3-1

## 2. Regrowth

To advance discussion of the question of regrowth policy, VMAC formed a Regrowth Working Group that met a number of times. Key matters included the definition of regrowth, and the applicability of mapping and ground truthing high value regrowth, and regrowth on environmentally sensitive areas.

For the purpose of VMAC discussions, "regrowth" was defined as woody vegetation outside areas mapped by the Queensland Herbarium as "remnant".

VMAC members recognised that regrowth may play an important role in:

- Restoring *endangered* and *of concern* regional ecosystems ("high environment value regrowth"); and
- Preventing land degradation ("regrowth in environmentally sensitive areas").

The Herbarium proposed that "high environment value regrowth" be defined initially using the following criteria:

1. Regrowth that falls within the pre-clearing extent of Endangered and Of Concern polygons; and
2. Intersects with the SLATS landcover data to satisfy cover criteria; and
3. Is with in an area larger than 20ha.

Assessment against further field-based criteria related to factors such as invasion by non-native species would be required if this approach was adopted for regulatory purposes.

No agreement on the application of controls on regrowth was reached.

- QCC recommends that high environment value regrowth is defined by steps 1-3 above, for *endangered* and *of concern* regional ecosystems where they are the dominant and sub dominant components of a mapping polygon. QCC recommends that high environment value regrowth and

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regrowth in environmentally sensitive areas are protected from clearing and enhanced, and that clearing of all other regrowth will be reduced by 50% per annum over the next five years in order to progressively protect regrowth from clearing and to enhance the regrowth of native vegetation.

- QFF does not support the proposed definition of high environment value regrowth, and requires the establishment of a valid and viable method of assessment before they can support any controls on clearing regrowth. However, QFF accept that regrowth could be considered through consultation during the development of regional codes or plans.

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Executive Director: 

DDG: \_\_\_\_\_



Senator the Hon Robert Hill

Leader of the Government in the Senate  
Minister for the Environment and Heritage

24 November 1999

The Hon Peter Beattie MLA  
Premier  
Parliament House  
BRISBANE QLD 4000

Dear Premier

I refer to your various press releases calling for me to provide a substantial Commonwealth contribution towards proposed vegetation clearing rules in Queensland.

I think you appreciate that the responsibility to set the rules for sound natural resource management in Australia rests with the States. These rules should obviously deal with issues such as protection of endangered species and ensuring that land use practices such as the clearing of native vegetation are ecologically sustainable. This State responsibility was restated in the Natural Heritage Trust Partnership agreement with Queensland in which the State agreed

to ensure effective measures are in place to retain and manage native vegetation, including controls on clearing; and,

to avoid or limit any further broad-scale clearance of native vegetation consistent with ecologically sustainable management and bioregional planning, to those instances in which regional biological diversity objectives are not compromised.

Whilst I have been particularly concerned by the rate of land clearing in Queensland, I am pleased to see that your Government is now working towards meeting its responsibilities.

For its part, the Commonwealth supports States in meeting their natural resource responsibility in a number of ways; one of which is through financial support under the Natural Heritage Trust. Already large sums of money under the Trust have been invested in Queensland in conservation of remnant native vegetation and in re-vegetation projects. The Commonwealth will continue to support sound land management decisions in Queensland.

You have specifically raised the issue of Commonwealth support for clearing restrictions on native vegetation necessary to meet the above-referred State responsibilities.

As you are aware, regulation of land clearing on freehold land has been introduced in all mainland States, except Queensland, and financed by the respective States.

Nevertheless I am aware of distinguishing features in Queensland, in particular issues of scale, the fact that less of the State has been cleared than was the case in other states at the time of introduction of restraints in such other States, the risk to further degradation of natural values in the Murray Darling Basin in the event of Queensland inaction, the opportunity in Queensland to learn from mistakes in other States where overclearing has contributed to significant losses in natural values and the potential for a reduction in land clearing to contribute to meeting Australian greenhouse gas obligations.

I have said to Minister Welford and I confirm that in these circumstances the Commonwealth will in principle support the Queensland Government in taking sound land use decisions which are within the objectives of the Natural Heritage Trust.

We need however to be satisfied that the program Queensland proposes is achievable, that it is based on best practice and that it is fair to landholders.

What you have provided the Commonwealth with to date is vague and uncertain although it seems to be generally headed towards a reasonable outcome. I understand Queensland is working to further clarify its proposals and we look forward to such further information as it becomes available. I understand your officials have been speaking with ours and will continue to do so.

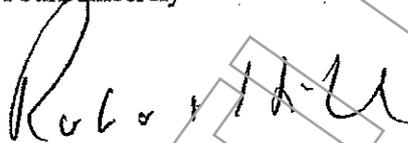
In relation to funding, Commonwealth support would of course be supplementary to that of a serious Queensland commitment. A suggestion that the Commonwealth should contribute \$100m to match a Queensland contribution of \$20m is, I assume, just political rhetoric. I further assume Queensland will put a serious proposition to the Commonwealth in due course. In relation to the components of a funding package, addressing issues of:

- Promotion of good practice vegetation management
- Incentives to encourage the adoption of good practice
- Financial assistance for people substantially and disproportionately affected by the introduction of new clearing controls
- Ongoing landscape assessment and vegetation mapping and monitoring
- Regional community consultation

all seem reasonable in the circumstances. The issue of detail however will need more work – particularly incentives and financial assistance for landowners.

I urge you to work closely and cooperatively with the rural community in the further development of these matters. In achieving best outcomes, the support of the rural community and landholders in particular, is critically important.

Yours sincerely



Robert Hill

cc The Hon John Howard MP  
Prime Minister

The Hon Rod Welford MLA  
Queensland Minister for Environment, Heritage and Natural Resources

The Hon Warren Truss MP  
Minister for Agriculture, Fisheries and Forestry

10880



PRESIDENT OF THE SENATE

PARLIAMENT HOUSE  
CANBERRA

1 DEC 1999 622

The Honourable P D Beattie, MLA  
Premier  
Parliament of Queensland  
Parliament House  
BRISBANE QLD 4000

#111 = 182726

Department of the Premier and Cabinet - loose mail		
Received in Records	FILE No LM/00001	FILE No P2147
6/12/99	FOLIO ID	

Dear Premier

I transmit to you the text of the following resolution agreed to by the Senate on 30 November 1999:

That the Senate—

- (a) notes the alarming rate of clearing of native vegetation in Queensland, where every day without controls sees another 1 000 hectares destroyed, with disastrous impacts on biodiversity, increased risk of salinity and other land degradation, and adding to Australia's greenhouse gas emissions;
- (b) acknowledges the Queensland Government's intention to implement controls on clearing native vegetation and calls for this to happen as a matter of urgency; and
- (c) calls on the Commonwealth Government to give Queensland appropriate financial assistance so that the clearing controls can be implemented effectively and quickly.

Yours faithfully

MARGARET REID

11031



Senator the Hon Robert Hill

Leader of the Government in the Senate  
Minister for the Environment and Heritage

09 DEC 1999

MN= 183006

The Hon Peter Beattie MLA  
Premier of Queensland  
PO Box 185  
Brisbane Albert Street QLD 4002

Department of the Premier and Cabinet - loose mail		
Received in Records	FILE No L/M / 00001	FILE NO 2159
13/12/99	FOLIO ID	

Dear Premier

Thank you for your letter dated 8<sup>th</sup> December 1999.

I note that you have written to the Prime Minister seeking discussions on any financial support the Commonwealth might be able to give in relation to vegetation management in Queensland. Having decided to pursue matters with the Prime Minister, I'm not sure why you are again writing to me.

I'm sure however that the Prime Minister will have noticed your Parliamentary Speech of yesterday when you said: *'... compensation is a major - if not key - issue in delivering a balanced outcome.'*

He will in such circumstances be interested in the level of compensation Queensland is committing to ensure that balance.

I note that the document "Proposed Financial Package for Landholders/Enterprises" forwarded to me by your Department of Natural Resources does not anticipate any payments under the heading of compensation.

The document does however suggest the following will be required in support of your measures:

- |   |               |
|---|---------------|
| 1. Incentives for vegetation management | \$22m         |
| 2. Enterprise adjustment                | \$44m         |
| 3. Land Management Assistance           | \$15m         |
| 4. Land Acquisition                     | \$22m         |
|   | <u>\$103m</u> |

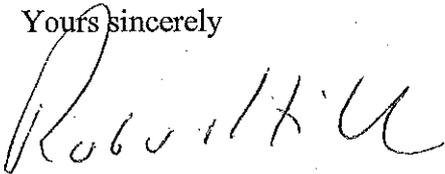
I'm sure the Prime Minister will want to know whether this is the \$100 million which you state is "due" to Queensland by the Commonwealth.

I believe the Prime Minister will also want to know whether he is to assume that Queensland does not intend to provide any compensation to landholders from its own resources. This would be in stark contrast to the responsibility accepted by other States in relation to land management issues. It would also be inconsistent with the principle that the State must accept primary responsibility for natural resource management.

My advice to the Prime Minister would be that for the Commonwealth to consider supplementary support, Queensland must first provide evidence of a real commitment to ensure landholders effected by its decisions are treated in a fair way.

Your early response would be appreciated. I am in the meantime analysing the Bill you introduced and the supplementary papers. I expect to be able to advise the Prime Minister on the issues of merit and effectiveness in the near future.

Yours sincerely



Robert Hill

- cc: The Hon John Howard MP  
Prime Minister
- cc: The Hon Rod Welford MLA  
Minister for Environment, Heritage and Natural Resources

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20/5/03



**Queensland  
Government**

**Premier of Queensland  
and Minister for Trade**

December 10, 1999

### TREE CLEARING REPORT FLAWED

A so-called expert report on the cost of compensation to farmers affected by tree clearing controls is "fatally flawed", Premier Peter Beattie said today.

"This report is what should be destroyed, not the trees," Mr Beattie said.

"It is fatally flawed in a number of major areas, particularly because it does not take into account the economic value of preserving natural vegetation.

"The report is heavily riddled with disclaimers, caveats and riders."

The report also was based on the assumption that all land was suitable for clearing.

"What are we going to do – fill in every creek and river, level every hill and mountain, and drain every lake and swamp?" Mr Beattie said.

"Every property was treated equally – talk about a level playing field. Nothing could be more unrealistic. No two properties in western Queensland are the same."

The report also acknowledged that debt levels of farmers – and therefore their need to clear and expand production – were not considered by the authors.

The Premier said it was ironic that the Queensland Nationals and Liberals were putting such store in the report.

"The Nationals and Liberals oppose the Federal Government paying \$100 million compensation to farmers, yet they are quoting chapter and verse from a flawed report that says the compensation should be hundreds of millions of dollars," Mr Beattie said.

The Premier also noted that there were great similarities between the report and a 1995 report "written on the same topic by the same section of the Department of Primary Industries".

"Ironically, the 1995 report was also flawed," Mr Beattie said.

"For example, the 1995 report predicted a 30,000 hectare property at Clermont in central Queensland could have its profitability cut by \$75,000 with the introduction of tree clearing regulations for leasehold land.

"That did not happen.

"Yet, similar dire predictions are made in the latest report for another imaginary property.

"It's a rubbish argument and the report should be trashed."

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Mr Beattie said it was a mystery how the unpublished latest report – ordered in July by the Vegetation Management Advisory Committee (VMAC) – had turned up on a facsimile machine after VMAC finished its work weeks ago.

“The report also turns up in the hands of the Opposition, coincidentally, on the day that the new vegetation guidelines are being debated in Parliament,” Mr Beattie said.

Mr Beattie told Parliament that the report was “the greatest piece of garbage” he had ever read and was being used by the Nationals and Liberals as a cover for their opposition to Queensland farmers getting \$100 million in Commonwealth compensation.

**Contact: Ron Watson 0408 779 311**

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publications. However, the committee is tabling the documents as it believes it is in the spirit of the Criminal Justice Act that all non-confidential publications by the CJC be tabled in the Parliament.

### QUESTIONS WITHOUT NOTICE

#### DPI Tree Clearing Report

**Mr BORBIDGE** (9.54 a.m.): I ask the Minister for Primary Industries: can he confirm that his department has completed an analysis of the potential financial impact of the Government's new management restrictions on freehold land at both the property and local government levels which found the impact will be significant and far in excess of the \$100m figure as required for compensation that the Government plucked out of the air? Can the Minister explain to the Parliament why he has kept this report secret?

**Mr PALASZCZUK:** In answer to the honourable member's question, yes, I am aware of a report being completed. As of yet, I have not had a chance to have a good look at and analyse the report. However, my understanding is that the report was prepared for the Vegetation Management Advisory Committee which operates under the auspices of the Minister for Natural Resources.

I have a copy of a question from Senator O'Chee to Senator Hill dated 6 May 1996. In his answer to Senator O'Chee, Senator Hill said—

"It is estimated that over 50 per cent of Australia's productive land now is in need of some form of repair. The direct annual cost of soil and water degradation alone is in excess of \$1.4 billion. In addition the large-scale removal of native vegetation has disrupted the ground water balance, resulting in watertables rising across vast areas of Australia. This in turn leads to rising salinity."

Senator Hill is well aware of the problems confronting Australia in relation to native vegetation. Therefore, instead of being knockers and wreckers, honourable members opposite should get their act into gear to work with the Government and make direct representations to Senator Robert Hill to ensure that Queensland gets its fair share of compensation for our primary producers.

#### DPI Tree Clearing Report

**Mr BORBIDGE:** I directing a question to the Minister for Natural Resources, I refer him to the answer just given to the House by the

Minister for Primary Industries. I ask: when did the Minister get this report? Did the Minister make this report available to members of the Cabinet and members of the caucus prior to legislation being presented to this Parliament? Can the Minister confirm to the House that this report estimates that the impact on rural and regional Queensland with regard to the Government's measures in respect of freehold land may amount to a minimum of several hundred million dollars?

**Mr WELFORD:** I thank the honourable member for Surfers Paradise for his question. I am not aware of the details of the report.

**Opposition members:** Oh!

**Mr WELFORD:** Hang on a minute. If those opposite want to hear the answer, they should listen. I am aware that DPI—and I became aware only yesterday—had been doing some work on some alleged estimates of the potential impacts of the new guidelines on rural industry. The report did not go to the caucus. That is exactly right. The reason was that the report was never completed in time. It was never delivered to the Vegetation Management Advisory Committee before that committee finished its work. There was an attempt by that committee to undertake some assessment of the areas that might be regarded as endangered or of concern, but the details of the exact impacts of that were not finalised by the time that committee had finished its work. However, the basis for the Government's—

**Mr Borbidge** interjected.

**Mr SPEAKER:** Order!

**Mr WELFORD:** The basis for the Government's submission to Canberra is well founded on an incentives package that consists of—

**Mr Borbidge** interjected.

#### Tourism

**Mr SULLIVAN:** I refer the Premier to the Government's commitment to boosting tourism in rural and regional Queensland, in particular through such initiatives as the Heritage Trails Network, and I ask: can the Premier inform the House if there have been any other recent initiatives to enhance Queensland's international reputation as a tourist hot spot?

**Mr BEATTIE:** The honourable member is quite correct. Queensland's international reputation continues to grow. This reflects initiatives such as the Heritage Trails Network and the hard work and dedication of my Government, particularly the Minister for

Tourism, Bob Gibbs, who has done a great job promoting this State in the United States, Europe and others places around the world. He is one of the greatest Tourism Ministers Queensland has seen. I also pay tribute to the Minister for Main Roads in this regard. Some honourable members may not appreciate this fact, but good roads attract tourists. Representing one of the largest and more remote electorates, the Minister for Main Roads is one who does appreciate that fact.

The honourable member asked about the recent initiatives that will enhance tourism. I am pleased to say that next Friday—today week—the Minister for Main Roads and I will travel to Croydon and Normanton to officially commission two very important new additions to Queensland's roads network—not just ordinary additions, although they will play a vital role in meeting day-to-day transport needs. The new additions are the Normanton River bridge and the Gulf Developmental Road. Those two projects will offer major economic benefits to the people in central-western Queensland, the gulf regions and across the cape to Cairns.

Retirees, holiday makers and those who are simply looking for an adventure can now experience a wide range of the true Australia following the sealing of the Gulf Developmental Road. People from New South Wales and Victoria heading north have been concerned in the past about leaving the bitumen, especially during the wet season. Now that the Gulf Developmental Road has been sealed, those people will be able to travel throughout that region without the need to hit the dirt. That will be great for the drive market from Sydney and Melbourne.

As I said, this is expected to boost the west, including those towns along the Matilda Highway, such as Blackall, Barcaldine, Longreach, Winton and Cloncurry. The tourists will obviously be tempted to visit those centres to see the many attractions. Then they can head north to Normanton and Karumba to do a little barramundi fishing—in season, of course—and sightseeing. With the new Gulf Developmental Road, which will be called the Savanna Way, they can then travel across to Cairns on a sealed road, visiting places such as the Einasleigh Gorge, the Undarra lava tubes and the Atherton Tableland which, as all members would know, has a very special place in my heart. That road and the Normanton River bridge add to the Queensland experience. Opposition members did not know that, did they? None of them knew that. I think it is important that they know that, because the Queensland experience just got better.

**Mr Bredhauer:** Why don't you tell us again?

**Mr BEATTIE:** I thought I might tell members again. What this says is that we are delivering on the roads network for this State. The roads program, outlined by the Minister, is providing a better quality of life for Queenslanders regardless of where they live. The opening of that work next week by the Minister for Main Roads and I is proof of what we are doing to deliver to the regions of this State. We are committed to the regions. We are providing them with better infrastructure and services, and there is the proof.

#### DPI Tree Clearing Report

**Mr SPRINGBORG:** My question to the Minister for Primary Industries relates to the previous question asked of him and his answer in this Parliament regarding the secret report on the impact of tree-clearing guidelines. I ask: if the Minister knew that this report on the impact of new tree-clearing guidelines on rural communities and farm families was being finalised, why did he ignore emerging expert advice on the potential devastating impact of these guidelines on farm families and not inform his Cabinet colleagues of the impact?

**Mr PALASZCZUK:** The question that the honourable member has raised is quite a hypothetical one. I want to turn the attention back onto Senator Robert Hill and a media statement that he made on 14 July 1997, wherein he announced that a national council had been appointed to advise the Howard Government on the most effective ways of protecting and regenerating native vegetation across Australia. Senator Robert Hill said that the Council for Sustainable Vegetation Management would help direct the \$360m Bushcare program, which is the largest Natural Heritage Trust initiative. One of the most compelling and widely reported environmental challenges for rural and urban Australia is the need to—

**Mr BORBIDGE:** I rise to a point of order. The question related to why the Government kept secret a report that totally destroys its arguments for introducing legislation into this place, because it totally disproved the arguments being put forward by the Premier. That is another example of a deceitful, dishonest Government.

**Mr SPEAKER:** Order! There is no point of order. The Leader of the Opposition is debating the issue. He will resume his seat.

**Mr BEATTIE:** I rise to a point of order. If the Leader of the Opposition is a little

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concerned, he should ask me the question. I will give him an answer.

**Mr SPEAKER:** Order! There is no point of order.

**Mr BEATTIE:** They have not asked me a question all week. They are a pack of wimps.

**Mr SPEAKER:** Order! This is question time, not debating time.

**Mr Borbidge** interjected.

**Mr SPEAKER:** Order!

**Mr Cooper** interjected.

**Mr SPEAKER:** Order! The member for Crows Nest!

**Mr Borbidge** interjected.

**Mr SPEAKER:** Order! The Leader of the Opposition! The House will come to order. This is our last sitting day for the year. Let us have peace.

**Mr PALASZCZUK:** At the end of the day, when this legislation is passed by the House, Opposition members should support the Government and make the necessary representations to Senator Robert Hill for Queensland to get its fair share in compensation for our primary producers.

#### Lions International

**Mr PURCELL:** I ask the Premier: will he tell the House why he hosted a function for the Lions International president here at Parliament House earlier this week?

**Mr BEATTIE:** I am pleased to have the opportunity to applaud the work of Lions members. I greatly admire the organisation's commitment to working for the betterment of the community. Their four goals of membership, fellowship, leadership and partnership are laudable.

At the reception at Parliament House on Wednesday night I met the Lions International President, Jim Ervin, along with the Lions multiple district council chairman, David Skinner, and the president of the Daisy Hill Lions Club, David McKenzie. It was a great pleasure to welcome Lions International President, Jim Ervin, to Parliament House, although he has visited Brisbane before. Jim was one of the 12,000 or so people who marched through Brisbane streets in June 1991 during the Lions International convention. That was the first Lions International convention ever held in the southern hemisphere. Jim was elected as an international director of Lions the following year. During the function I was inducted into the Daisy Hill Lions Club, as well.

The Queensland Government has been very happy to work with Lions over many years. Apart from the international convention, we held a parliamentary reception to celebrate the 50th anniversary of Lions in 1997. I had the privilege of welcoming delegates to the Lions multiple district convention in May this year. Lions is now the largest service organisation in the world, operating in more than 170 countries. Lions has been serving the community since 1917, when a young insurance salesman called Melvin Jones led a group of businessmen to form the first Lions Club. So I say to Lions: well done.

Let me take a minute to deal with this nonsense about this so-called report into the effects of our policies. Let me make it clear that, in 1995, the Department of Primary Industries did a similar report into the impact on leasehold land. That report could only be described as incompetent, the reason being that all the predictions then were wrong. I read yesterday the relevant sections of the report. It is the greatest piece of garbage that I have ever read in my life. It is wrong. They were wrong in 1995, and this is wrong in 1999. I will tell members what we will be doing with the report: it will go in the bin.

I find it very interesting that we ended up with the report yesterday. Opposition members had it—or parts of it—leaked to them. And if one reads it, one realises that it is not worth the paper it is written on. I say to all farmers: do not be fooled by the predictions. The model was wrong in 1995, and it will be wrong in 1999. They could not have got it any further wrong in 1995, and they have got it wrong in 1999. There is only one person in trouble, and it is Mr Seeney, whom the Leader of the Opposition is about to promote to the front bench. He has the greatest conflict of interest that I have seen in my 10 years in this Parliament. Here is a man who should have excused himself from involvement with the legislation. Talk about a shonky arrangement!

**Dr Watson** interjected.

**Mr SPEAKER:** Order! The member for Moggill!

**Mr SEENEY:** I rise to a point of order.

**Honourable members** interjected.

**Mr SPEAKER:** Order! I cannot hear the member. Could we have some quiet so that I can hear the member's point of order.

**Mr SEENEY:** I explained my interest to the House yesterday. The Premier's comments are an indication of his desperation this morning and an indication of his embarrassment.

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**Mr SPEAKER:** Order! There is no point of order.

#### DPI Tree Clearing Report

**Dr WATSON:** My question is directed to the Minister for Natural Resources. Considering that, on your own admission, the departmental report on the impact of your tree-clearing guidelines has yet to be considered by your Government, on what basis have you and your Government made a \$100m claim on the Commonwealth for financial assistance?

**Mr WELFORD:** Let me firstly say that if the Opposition was so concerned about these issues, what did it do for two and a half years to address its obligations under the Natural Heritage Trust partnership agreement? What did the Opposition do in preparation for providing compensation for their constituency, their farmers, in two and a half years? Absolutely nothing!

Is it not curious that, after consulting with rural industry all year and after the Vegetation Management Advisory Committee has finished its work, suddenly a report materialises—a report which has been leaked to the Opposition. How convenient! All departments were involved in the consultation. Suddenly, at a minute to midnight, a report materialises and lobs on the Leader of the Opposition's desk. What an extraordinary proposition!

How much compensation is appropriate? How long is a piece of string? Some farmers keep their bush because they know that it is worth while keeping it in order to protect their land. Some farmers are going to keep their bush because they will take the compensation package that we will provide to them when the Opposition gets its act together and supports this Government in a submission to the Federal Government to achieve it.

This Government is looking at a compensation package which includes \$22m for incentives to help farmers acquire skills in preparing property management plans.

**Mr Borbidge** interjected.

**Mr WELFORD:** We are looking at \$44m for enterprise adjustments to properties that are heavily impacted by the new arrangements—if there are any new arrangements. We are going to provide another \$15m for incentives for people to go beyond compliance to best practice. We are going to provide another \$22m in the event that there are any properties that are made unviable and which therefore need to be acquired.

The \$100m package that this Government is putting to the Federal Government has been well and truly detailed—not only has it been well and truly detailed, but it has the full support of rural industry.

**Opposition members** interjected.

**Mr SPEAKER:** Order! The House will come to order. The member for Southport will cease interjecting. That is my final warning.

**Mr WELFORD:** How can I say that our \$100m incentive package has the full support of rural industry? I can say that because they have all joined with us in signing a letter to be sent to the Prime Minister which calls on him to deliver. They have joined us in a submission to the Federal Government which requires—

**Mr HOBBS:** I rise to a point of order. The Minister is lying.

**Mr WELFORD:** If the Opposition was fair dinkum it would do the same.

**Mr SPEAKER:** Order! The member for Warrego, would you withdraw those words?

**Mr HOBBS:** What?

**Mr SPEAKER:** The words about lying. Please withdraw those words.

**Mr HOBBS:** He is a liar, but I will withdraw it.

**Mr SPEAKER:** That language is unparliamentary. You will withdraw.

**Mr HOBBS:** Yes, Mr Speaker, I withdraw it.

**Mr BORBIDGE:** I rise to a point of order. The Minister has misled the House. We are reliably informed that Agforce, the major primary industry group, has not signed up as the Minister has claimed.

**Mr SPEAKER:** Order! We can debate this matter later.

**Mr BORBIDGE:** The House has been deliberately deceived by a Minister and a Government who throw secret reports, which challenge their particular point of view, in the rubbish tin.

**Mr SPEAKER:** Order!

**Mr BORBIDGE:** The Minister has misled the House. The Minister and his Government have misled the Parliament by the introduction of legislation this week. This is one of the shabbiest and most disgraceful exercises that this Parliament has ever seen.

**Mr BEATTIE:** I rise to a point of order. I am mortally wounded. That was an outrageous remark. The Leader of the Opposition is misleading the House. The

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Government did not seek this report; it was prepared in a politically motivated way by a unit within the Department of Primary Industries to leak to the Opposition.

**Mr Hobbs** interjected.

**Mr SPEAKER:** Order! The member for Warrego will cease interjecting.

**Mr Borbidge** interjected.

**Mr SPEAKER:** Order! The Leader of the Opposition will cease interjecting. The House will come to order.

#### Meat Industry Assistance

**Mrs NITA CUNNINGHAM:** My question is directed to the Minister for State Development and Minister for Trade. Will the Minister outline the Government's efforts to assist the meat industry?

**Mr ELDER:** This is an area in which the Opposition did nothing. The Opposition had a meat industry task force which did nothing. This Government got on with saving jobs in meatworks right across the State. I was with the member for Crows Nest at Oakey and we looked at how value adding was creating jobs—

**Mr Seeney:** Tell us about Murgon.

**Mr ELDER:** I will tell the member for Callide about Murgon. At Murgon we provided an initial \$400,000 by way of a surety with Suncorp to provide care and maintenance. We have guaranteed \$100,000 a month to keep the care and maintenance program going.

The member for Callide says that his shares are non-tradeable. If the Murgon cooperative is bought out at any stage, the member benefits. One cannot have a little conflict of interest. There is no little conflict of interest for those on the Opposition front bench. A little conflict of interest is as great as a large conflict of interest.

Something that amused me in this morning's newspaper was this: the member for Callide said that he was not a creditor but that his shares enabled him to sell cattle to the meatworks. Has he been selling cattle to the meatworks, because if he has been selling cattle to the meatworks and he is not a creditor, has he had some sort of preferential treatment in terms of his cattle sales?

**Mr Seeney** interjected.

**Mr ELDER:** No, no, no. If the member has not been selling cattle to South Burnett, where has he been selling his cattle? The member is shedding crocodile tears when he comes in here and talks about how tough it is

for South Burnett. If he is not a creditor on South Burnett's books, he has not been selling cattle to that meatworks. So, how concerned is he about South Burnett?

**Opposition members** interjected.

**Mr SPEAKER:** Order! The House will come to order.

**Mr ELDER:** If I am wrong, the member for Callide can take a point of order. I will accept it. If I am wrong, question me on it. I suspect that the member for Callide has been selling elsewhere. The worst point about this affair is this: the Leader of the Opposition has never learnt. National Party leaders never learn and they never show leadership. The National Party is about to promote someone who has a clear conflict of interest, who has been misleading the Parliament and who has been misleading the people of South Burnett.

**Mr SEENEY:** I rise to a point of order—

**Opposition members** interjected.

**Mr SPEAKER:** Order! I cannot hear your point of order.

**Mr SEENEY:** I will try to speak louder, Mr Speaker. I find the statement that I misled the Parliament offensive and I ask that it be withdrawn. The only person who has misled this Parliament is the Deputy Premier.

**Mr SPEAKER:** Order! You will resume your seat.

**Mr SEENEY:** He has misled this Parliament with respect to the Murgon meatworks on many occasions.

**Mr ELDER:** Mr Speaker, if he wants me to withdraw it, in due deference to you I will withdraw it. Does it not show the standard of leadership of the member for Surfers Paradise? Those opposite are promoting someone who has a clear conflict of interest. It is back to the old days in the National Party. There are no standards in the National Party.

**Mr BORBIDGE:** I rise to a point of order—

**Mr Hobbs** interjected.

**Mr SPEAKER:** Order! The member for Warrego, that is my final warning. I would hate to throw somebody out on the last day.

**Mr BORBIDGE:** Unlike the political party of the Deputy Premier, on this side of politics we do not have party organisations that buy shares dependent upon decisions that the Cabinet makes.

**Mr SPEAKER:** Order! There is no point of order.

**Mr ELDER:** The Opposition promotes to positions of shadow Minister members who

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complaints involving the possession of gaming machines by unauthorised persons and, if so, what action is being taken?

**Mr HAMILL:** Today, the atmosphere in the House is a bit like break-up day at school. Everyone is getting a bit excited. I suppose members are thinking of the holidays. When the bell rings, members can leave the House and probably do a bit of the Christmas shopping and have a bit of goodwill and good Christmas cheer.

However, if people are planning to do a bit of Christmas shopping and they are looking for a gift for that person whom they think has everything, they should not think about giving them a gaming machine. The Office of Gaming Regulation has reported to me instances in which gaming machines have been turning up in second-hand dealers' premises in Queensland. Under the Act, it is an offence for a person who does not have a licence to operate or have in their possession gaming machines. Currently, the Office of Gaming Regulation is preparing prosecution briefs in relation to certain dealers who have these machines. In fact, some investigators from the Office of Gaming Regulation actually were invited to play machines in a second-hand dealer's premises.

This is a very serious offence. I take this opportunity to warn anyone who might think that a gaming machine would be a wonderful acquisition for Christmas to think again, because in Queensland they will find themselves subject to prosecution. The Act is quite explicit in relation to gaming machines. In fact, section 135(1) of the Act states that a person must not manufacture, sell, supply, obtain or be in possession of a gaming machine except under and in accordance with the authority of a licence or any other authorisation under the Act. So the warning is there.

I invite all honourable members to take that warning back to their electorates and assist us in the proper regulation of gaming machines in the community.

#### **DPI Tree Clearing Report**

**Mr QUINN:** I ask the Minister for Primary Industries: does he agree that the departmental report on tree-clearing guidelines was prepared by politically motivated officers of his department, as claimed by the Premier?

**Mr PALASZCZUK:** As I have informed the House, I have not seen the fine details of the report. However, senior officers of my department, including the Director-General, Dr

Warren Hoey, have advised my office that the report is nonsense and the Premier has already made comments to that effect.

#### **Building Industry Licensing System**

**Mr WILSON:** I ask the Minister for Fair Trading: can she inform the House of how recent changes to the building industry licensing system have affected the Queensland Building Services Authority's practice of taking bank guarantees from licensed builders?

**Ms SPENCE:** I thank the honourable member for Ferny Grove for the question, and I acknowledge the interest that the member has shown in Queensland's building industry. 1999 has provided a memorable 12 months for the Queensland building and construction industry. After years of waiting for a Government that would modernise the laws that regulate the industry, they have had the satisfaction of working with a Government that has been able to introduce meaningful reforms. The zephyr of change has moved through Queensland's building and construction industry.

The amendments to the Queensland Building Services Authority Act are now in place, thanks largely to the cooperation of the Queensland Master Builders Association, the National Subcontractors Association, BISCOA and the Housing Industry Association. I thank them for their efforts.

However, the good news is that there is more in store for the industry before the end of the year. One feature of the changes that came into place on 1 October is the change to our licensing system. The BSA has set the bar higher for builders who want to obtain or renew licences. The new legislation has led to a more stringent and transparent financial auditing system as well as increased responsibilities for company directors.

In answer to the member's question, this new system has removed the need for the BSA to demand bank guarantees as evidence that licensees are in a sound financial position. This is good news for over 600 Queensland licensees. Those guarantees are worth \$26m. One builder alone is set to have refunded a \$1m bank guarantee. So with Christmas almost upon us, \$26m is being delivered from the tray of the BSA sleigh back to the industry.

This change relieves the industry of a considerable burden, because bank guarantees are effectively tied up assets. The return of the guarantees has the potential to

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free up capital for further investment in this State.

**Mr Mackenroth:** So Santa Claus is a female.

**Ms SPENCE:** The Minister is right: Santa Claus is a female. I knew he knew that all along.

I want to take this opportunity to wish the building and construction industry all the best for the season. It has been a pleasure to work with them in 1999, and I look forward to working with them to continue building a better building industry into the new century.

#### DPI Tree Clearing Report

**Mr ROWELL:** I ask the Minister for Primary Industries: will he release the DPI report on regional impact on tree clearing before he shreds it?

**Mr PALASZCZUK:** Yes, I do have a copy of it, but I think I will take the advice of the Premier and throw it in the bin, because it is just plain, straight-out nonsense.

**Mr SPEAKER:** Order! The time for questions has expired.

### VEGETATION MANAGEMENT BILL

#### Second Reading

Resumed from 9 December (see p. 6290).

**Hon. V. P. LESTER** (Keppel—NPA) (10.30 a.m.), continuing: I have to query one matter right at this very point. The DPI has produced a report that clearly contains some very bad news for the taxpayer. It says that the cost of these arbitrary controls, which rob the people of property value and which rob them of ongoing production income, is massive, and the DPI knows this; it has told the Government and the Government does not want to know. A moment ago we saw the Minister for Primary Industries saying that the best thing to do with this report is to throw it in the bin. For goodness' sake, what is this Government doing? I have to ask, what is this Government doing? A report has been handed down which goes against what the Government wants to do to try to appease the conservationists and the Government says, "Throw it in the bin." That is an indicator to what they think of the rural people.

I have never seen such a terrible attitude towards our country people—never in all of my days have I seen such contempt for country people. A report says that the tree-clearing

vegetation framework will put people out of business and will not be good for rural industry, and the Government says, "Throw it in the bin." That is how much it really cares. But it goes further than that. Because the report does not equate with what he would wish it to say, he is saying that it is politically motivated. Never in all of my years have I heard a Premier calling a report from a department within the Government of which he is the Premier "politically motivated". I believe that what has happened here this morning is so serious that we should, indeed, postpone this debate until next year when we will have had time to discuss the implications of the report from the very reputable Department of Primary Industries.

I have to ask also about the fine detail of the Bill. We have not got the fine detail yet. Where is it? That is what I am asking. The Government does not seem to want to know about it.

**Government members interjected.**

**Mr LESTER:** And they start laughing! That is what they think of country people. The Premier does not care about them. He says that the DPI report is politically motivated. In spite of promises to the contrary we have not got the detail of the Bill. We do not really know what we are voting on. This Bill is basically a framework and then there is the fine detail of how it will work. Ultimately, the Minister will have the final say. So we are debating a Bill that is going to severely affect the people in rural industry; it will affect them very, very badly and throw many of them out of business. The Government is saying that the Bill is going to be passed anyway. It is not even allowing the debate to continue at length; at half past 4 today, it will hit it on the head with an axe. That is how much the Government cares about what we have been trying to do.

I have never, ever been so absolutely disgusted with the approach of a Government and its attitude towards the bush. I cannot believe what I have heard here this morning and I cannot believe that we are proceeding with this Bill when we do not know the fine policy. How does the Government think the rural people are feeling? People are phoning me telling me that they have never been so sold out. I really am at a loss for words to describe what has happened here this morning. Fancy a Premier saying that a report from the DPI, for which he is responsible through his Primary Industries Minister, that he does not want is politically motivated! I have never heard the likes of this. It is a sad, sad, sad day for rural people in Queensland.

responsible for keeping out the rubbish and maintaining them. That would be a useful exercise that would produce much-needed revenue for the State. It would also preserve the State's revenue, because at the moment it costs money to control noxious weeds in those areas. The land-holders along those roads would probably welcome this initiative, because it would mean that weeds would not spread onto their properties. Some noxious weeds are spread very easily. When graziers take their cattle or sheep from one part of their property to another via a lane or a road, the seeds from weeds along the roadway get into the fleece of sheep or onto the tails or legs of cattle and are spread to other areas of the property. Graziers then face the added cost of removing those weeds from their properties.

Following the spread of the recently introduced viral infections among rabbits, there are probably not many rabbits left. Rabbits have been a problem for many years. However, I note that Inglewood is trying to encourage Australians to farm enough rabbits so that Akubra hats can once again be fully Australian made. At present, rabbit skins are imported into Australia to make those hats. That is probably something that not many honourable members know about. It is a shame that Australian hats are no longer fully Australian made; fur from overseas is used in those hats. About seven rabbit skins are needed to make one felt hat. I have spoken with the Minister for Primary Industries about setting up an experimental rabbit farm and abattoir. Perhaps one day rabbit meat might even become as popular as chicken meat is today. When I was a kid, we had chicken twice a year—Easter and Christmas. We were lucky to get it. We probably only had chicken if we had a few chooks out the back and we bowled them over ourselves. These days, chicken has become a very popular meat, and I think rabbits could be similarly as popular. The concern of some producers that rabbits may escape from the areas where they were being farmed would not be justified if concrete floors and netting were used to enclose them.

Returning to the Bill, there could be a number of benefits to producers from having the lanes and roads around their properties leased out. As I said, they could also graze their flocks or herds along them. Thousands upon thousands of acres in Queensland are lying unused beside the roads. That land could be put to use and it could be a very important revenue raiser for the State. It would also assist in the control of noxious weeds.

Debate, on motion of Mr Purcell, adjourned.

### TREE-CLEARING GUIDELINES

**Hon. R. E. BORBIDGE** (Surfers Paradise—NPA) (Leader of the Opposition) (5.59 p.m.): I move—

"That this Parliament supports the repeal of the Beattie Government's mandatory tree-clearing laws and the development of scientifically based, voluntary regional tree-clearing guidelines for freehold land by local land-holder and land care groups."

I think it is becoming increasingly obvious that the Government and, in particular, the Premier have made a monumental mess-up on the issue of tree clearing on freehold land. The Opposition is saying to the Premier and to the Government tonight that they should admit that they have got it wrong; they should go back to the negotiation table; they should forget about the cosy little deals they have done with people such as Imogen Zethoven; and they should address this issue in a sensible, scientific way. The lesson of all these issues right through history is that, unless a Government brings the people with it, it will not win. If it tells the key stakeholders—the landowners of Queensland—that in this particular debate they do not matter but Imogen Zethoven does, then it is contributing mightily to the city/country divide.

In recent years we have seen a number of issues that have contributed to that enormous divide. We see the lessons of history where the previous Goss Labor Government thought it would be a good idea to close down one third of the Queensland Rail system. We saw how that revolt, that rebellion, went from the country right into the city. We saw the rebellion against the Goss Government's treatment in respect of leasehold land and tree-clearing arrangements there. We remember fiery meetings and fiery demonstrations. I just make the point that it was the coalition Government that introduced guidelines in respect of leasehold land and those guidelines, which by and large had broad industry and land-holder support, have contributed to a situation in which today—18 months down the track—the extent of land clearing on leasehold land has declined by between 12% and 15%.

I also want to say to the House that the measurement of greenhouse gas emissions as a result of tree clearing is very much an inexact science. In fact, the Australian Greenhouse Office in its Greenhouse Notes of September 1999 stated—

"Land clearing emissions currently are not included in the national total due

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with regard to this particular legislation and this particular issue.

The bush is burning. Mr Beattie should not underestimate the depth of feeling on this particular issue. We are saying to the Government that from time to time all Governments make mistakes. When they make mistakes it does not hurt now and then to admit it and to go back to the negotiating table, not to present the key stakeholders with a draft Bill as a fait accompli just before it is introduced into the Parliament and guillotined through this place. The Government will never ever deal with this issue unless it takes the people with it. I end as I started my contribution to this debate: if the Government tells the very people it needs—if it tells the land-holders across Queensland—that they do not matter, then it is treating them and this issue with contempt.

**Hon. V. P. LESTER** (Keppel—NPA) (6.09 p.m.): Is it any wonder we have had such demonstrations as happened in Winton and are going to happen again in Roma in the not too distant future! It is because the tree-clearing legislation was not treated in this Parliament with the true respect that it was due. One thing bush people have is respect for authority and respect for one another. But they were not given respect in this Parliament. The tree-clearing legislation was virtually guillotined well before it started, and it was guillotined because some held the point of view that the Bill presented to the Parliament was structurally unsound. It has not been able to work. It was not worked out properly with the relevant stakeholders. As a result, we are seeing one of the worst debacles I have ever seen.

The Beattie laws attack the right of primary producers to manage their freehold properties. It must be remembered that graziers and land-holders have paid a lot of additional money to freehold their land. When they will pass that land on to their families for generations to come, do those opposite think they are going to allow that land to be degraded? Do those opposite think they are going to mess their land up? Of course they are not. No way in the world! They are going to look after their land, yet this Government brings in the tree-clearing laws. I really believe it is all about politics. That is why the Government has done it. It has not cared about the people in the bush who contribute so much in order to feed the people in the cities.

This situation has been brought about in an effort to appease an agreement the

Government made with the Greens. That is what this is all about. The Government has probably worked it out that, no matter what it does, many of the seats affected in the bush will not vote for the Labor Party anyway. The Labor Party is going to run Queensland on a political basis. That is very wrong. Our trust in this Government is going to suffer in a very bad way. It must be remembered that land-holders are willing to work with the Government and develop a sensible tree-clearing policy. They have already indicated that. Yet, the Beattie-Welford Government has not bothered even to pay lip service to them on this issue. The Government met with them and that is about where it was left.

The Government has set arbitrary figures and restrictions that cannot be justified scientifically. Labor members are laughing about what is happening to people in the bush. It is either that or they are having a private joke of their own. I am not sure which it is, but that is probably what they are doing—having a private joke of their own when we are discussing these issues that are so important for people in the bush. That is really what it is about. These laws rely on the big stick rather than the carrot. That is what it is all about. They are based on the false assumption that freehold land-holders want to degrade their land. They are based on the assumption that the Government knows best. This Government knows best about the bush! They do not even listen to the people in the bush. That is what it is about.

I believe the Beattie Government should look at its own land management record. Let us look at the absolutely dreadful record of the Government managing Crown land. Look at some of the national parks. The Government has made a big issue in this place about buying a national park, but then it has gone away and forgotten all about it. What has happened? It has allowed parthenium weed, rat's tail grass and feral animals into these parks in abundance. That is what it is about. The Government does not even look after its own parks. It does not know how to, yet it expects that graziers who have paid extra money for their land will let it degrade. No way in the world! The Government does not care about the people. It does not even want to set an example.

If the Government wants to do the right thing, it would carry out an audit of the management of national parks to make sure there are sufficient people to look after them. Believe it or not, but \$6,500 per annum is all that is budgeted to look after Hellhole National Park near Adavale. How do those opposite

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also, for instance, the invasion of pests and weeds".

The formulation of these laws was started under the previous State coalition Government, with the then Premier, Rob Borbidge, signing an agreement with the Prime Minister, John Howard, and Environment Minister Senator Robert Hill to reduce tree clearing in Queensland, particularly on freehold land. The Leader of the Opposition can try to deny this, but here is the agreement and here is a copy of a report in the Courier-Mail of 17 December 1997 which says that the Borbidge Government planned to introduce tree controls on freehold land in 1998. I table all the documents, including the one signed by the Leader of the Opposition, for the information of the House, and I will be highlighting this to farmers at Roma.

This all flowed from the agreement signed by the Opposition Leader, the then Premier. This agreement specifically required that a dramatic reduction in tree clearing in Queensland had to be enforced by legislation. The then Premier even established a top-ranking task force to make sure that this happened. So much for the Leader of the Opposition now trying to portray himself as a friend of the bush!

**Mr SPEAKER:** The Honourable Premier's time has expired.

**Mr BEATTIE:** I just note for the record that I was denied speaking time by an interjection and a useless point of order by the Leader of the Opposition.

**Hon. J. P. ELDER** (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (6.19 p.m.): I second the amendment moved by the Premier. As far as the arguments over tree clearing go, it is the tired old re-run of a familiar scenario: the Labor Party, in Government, facing up squarely to the problem created by years of National Party neglect; not afraid to take our case to the bush and not afraid to argue our case in the bush; prepared to work with whatever level of government is prepared to work with us to sort out the situation; not putting the problems away, but facing up to those problems and facing up to them fairly and squarely. We have seen that the National Party is unable to do any of this. It put off everything that was contentious till after the election.

As the Premier just said, the Leader of the Opposition signed a partnership agreement with the Federal Government in 1997 which committed the Queensland Government to have "effective measures in

place to retain and manage vegetation, including controls on clearing".

**Mr HOBBS:** I rise to a point of order. There do not have to be hard and fast rules, the way the Deputy Premier is interpreting it.

**Mr ELDER:** Caught out! As I said, in 1997 the then Premier signed an agreement to have effective measures in place to maintain and manage vegetation, including controls on clearing. He signed that Federal agreement. I would like to know: what were being put in place in terms of controls on clearing? What were members opposite contemplating? The simple fact is that they put off everything that was contentious till after the election, and there must have been many members opposite who breathed a sigh of relief when they lost the election, because it meant that they did not have to introduce or deal with any of those contentious measures. But the bush know it, and don't they know it, because the member for Surfers Paradise was in Winton, and he went there expecting that crowd of angry farmers to rally against us. He expected to go there and be right beside them, rallying against those socialists from the city. Instead, he found he was about as popular as a motel owner from Surfers Paradise with them. When the member for Surfers Paradise was up there, didn't they give it to him!

**Mr BEANLAND:** I rise to a point of order. Mr Speaker, I refer you to page 346 of Parliamentary Practice by Erskine May, which states that amendments are to be relevant to the subject matter.

**Mr SPEAKER:** I know exactly what the member is talking about, and this is relevant to the subject matter.

**Mr ELDER:** I have not seen this much cowardice since this morning in question time, you bunch of pussy cats!

**Mr BORBIDGE:** I rise to a point of order.

**Opposition members interjected.**

**Mr ELDER:** Have the guts to debate the issue, then, you wimps. What a bunch of wimps!

**Mr Hobbs interjected.**

**Mr SPEAKER:** Order! The member for Warrego!

**Mr Johnson interjected.**

**Mr SPEAKER:** Order! The member for Gregory will cease interjecting. That is my final warning.

**Mr Seeney interjected.**

**Mr SPEAKER:** The member for Callide will cease interjecting. That is my final warning.

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historically, has been responsible for most of the tree clearing in this State, and why? It has resulted from conditions laid down by successive State Governments dating back 100 years or more. That has been the issue. Until the late 1980s and virtually into the 1990s, we had a situation in which it was accepted by Government—and, most of that time, by the Labor Party—that if a leaseholder did not clear their land, down to 10% in many cases, they lost it. It was a condition of their lease. They had absolutely no room to manoeuvre in most cases, and that went from the boundary fence to the river. They lost it if they did not clear 400 or 500 acres a year, and Government members know it.

What Government members are doing, irresponsibly and disgracefully, is placing contemporary values on past actions which were mostly caused by Governments in this State, but they do not have the courage to stand up in this place and talk about that sort of thing. Fortunately, in that time, land-holders themselves had the commonsense to leave shade clumps and shade lines. Nobody goes out there to deliberately degrade their land, because what they would be doing is flushing their asset down the toilet. That is virtually it, they would be degrading it for future generations. So tree clearing in the past has been a result of the actions of Government. To say now that it is due to the actions of land-holders going out there unscrupulously clearing is completely and absolutely wrong.

The point is that we have a set of guidelines in this State that must be thrown out. The Premier is talking about partially proclaiming something. The legal guru over there who claims to be an Attorney-General would know the Acts Interpretation Act. The Acts Interpretation Act says that legislation which is assented to will, unless otherwise expressly altered by the Government, automatically be proclaimed one year and one day later. Other than that, it is two years and one day. The Attorney-General knows that, so there is absolutely no option whatsoever—

**Mr Foley:** Where does it say that in the Acts Interpretation Act?

**Mr SPRINGBORG:** The Attorney-General knows where it is. There is absolutely no alternative. If the Government is serious about stopping this whole Act being proclaimed, it must support this motion. The Attorney-General knows that, and the legal experts know that, and when the Government appoints the Attorney-General to the Supreme Court, he might even find that out. The Attorney-General comes into this House and

gives the impression that we are going to be protecting some endangered species and that the other species will be okay. That is not correct, and the Attorney-General knows that. There is automatic proclamation.

The other matter that has been mentioned is that farmers want compensation. They do not want compensation, they want the right to be left alone to manage their land responsibly. Members on this side of the House have nothing against trees. When those lease conditions on clearing were in place in this State, Labor was in Government and was enforcing them. Those are the things to which this Government aspires. This Parliament has absolutely no choice. If it wants—

Time expired

**Hon. R. J. WELFORD** (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (6.30 p.m.): There is no point in my repeating what the Deputy Premier said about the Opposition's cowardice when it comes to dealing with difficult issues. This is just one of a string of matters that the Opposition failed to deal with when it was in Government—a matter which it had a clear obligation to address.

This Government is prepared to face up to this and we are prepared to deal openly and honestly with people in rural Queensland about the real challenges that we face to manage our land for a sustainable future. We have to look after the land so that in the next 100 years we can ensure that future generations derive the same benefit from the land that we did over the last 100 years. Already, both State and Federal Governments are spending tens of millions of dollars every year on land repair. That does not happen when people are not making mistakes.

No-one is criticising rural people for the mistakes of the past, but we are trying to avoid the mistakes of the future. The mistake of the future that we will all make—

**Mr Hobbs** interjected.

**Mr SPEAKER:** Order! The member for Warrego! This is my final warning.

**Mr WELFORD:** We must ensure that we achieve the obligations that the NHT partnership agreement signed by the Leader of the Opposition commits us to—namely, managing vegetation on land throughout the State in an effort to reduce the overall level of clearing. The Federal Government demanded this of our Government in that partnership agreement which those opposite ran away from and hid from—and are still running away

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The Premier told land-holders that they must accept the advice of the experts in the department. Adrian Jeffreys, a former Green activist, for heaven's sake, is the manager of vegetation management for DNR. We virtually have Dracula in charge of the blood bank. The Premier also said in Winton, "We had to bring this in because Robert Hill's Bill is worse than mine." Senator Hill has made it quite clear that his Bill does not apply. I do not know how the Premier can continue to say these things that are totally untrue. The Premier should not keep on saying those things because the people do not believe him any more.

There are a lot of other issues concerning the DPI report. However, the issue in this case is that the Premier has talked about consultations between the State Government and the Commonwealth Government in order to work out what compensation will be paid to farmers. There has been no indication of any consultations with the stakeholders. How much do the farmers need? What compensation is required? The Premier has not spoken to the farmers. He has had discussions with a handful of people.

The people involved will have their incomes reduced. They will have their rights reduced. However, the Premier is not talking to those people. The Premier says that \$100m is all he wants. The Premier knows as well as I that the ABARE report contradicts him.

Members opposite must realise this: this vegetation clearing legislation is not based on any scientific data. It is not based on best practice. It is not based on what is best for the land: it is purely a political decision which has been arrived at for political purposes.

No-one would want to go out and destroy endangered species or eco-systems. I ask the Minister to name the eco-systems which are in danger of dying. I ask him to name any endangered areas that have been lost to Queensland in the recent past. The Opposition, when in Government, undertook a lot of work in relation to vegetation management. Earlier this afternoon the Minister for Environment said that the Opposition did nothing. The Opposition had to fix up the mess left by the Goss Government with regard to leasehold guidelines. The Opposition was able to introduce a satisfactory method to clear up that mess.

A lot of land-holders have written to us about the issues and the way they see them. One land-holder from Quilpie wrote—

"I hope you can use my comments to convince the uninformed public to use their common sense and defeat this Bill."

She stated further—

"The main concern with this Bill is it gives ultimate control over land management to the hand of the Government. These people have no practical working knowledge of the land they are governing, so rely on what their observers tell them. In previous circumstances of this type of control, it has proved to be a dangerous way to manage affairs.

Please don't run out and persecute those honest business owners, with the false hope of punishing those very few dishonest ones. This legislation is not designed to catch criminals, it is designed to make more criminals and then try to catch them."

A lady from Nebo also wrote and stated the following—

"We only have the division of the conservative vote and the impossible compulsory and optional preferential voting system in Queensland to thank for having a Labor Government in power. One Nation voters gave us the Beattie Government, and they are now carrying out the vendetta of eliminating country people by economics."

Time expired.

**Hon. H. PALASZCZUK** (Inala—ALP)  
(Minister for Primary Industries and Rural Communities) (6.40 p.m.): This evening, in rising to support the amendment moved by the Premier, I would like to highlight one of the major projects that the Department of Primary Industries is progressing in partnership with the Landcare groups in the Burdekin catchment. Earlier this month in Charters Towers, I announced State Government seed funding for a Burdekin rangelands/reef initiative covering a catchment of 13 million hectares. Of course, the honourable member for Charters Towers would be fully aware of what I am talking about. In December last year at the State Government's Community Cabinet meeting at Charters Towers, following representations from the Dalrymple Landcare committee and other community representatives, the \$100,000 seed funding contribution from the department was finalised.

The Department of Primary Industries is developing a whole-of-Government approach to the initiative and driving the social and economic development envisaged across the catchment from the rangelands to the reef. The Burdekin rangelands/reef initiative is an exciting proposal that will promote broad

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From the very start, the Vegetation Management Act was dishonest and deceitful. It was preceded by a consultation process that was a sham and an insult. It was accompanied by a dishonest and deceitful media campaign that was designed to split Queensland. It was designed to sway public opinion against Queensland land-holders by unfairly portraying them as environmental vandals. The legislation was forced through this Parliament in a dishonest and deceitful manner with no proper debate allowed and no opportunity to examine the detail involved.

The Vegetation Management Act has quite rightly been rejected totally by land-holders across Queensland. This dishonest and deceitful legislation has failed before it has even begun. It should be repealed, and it should be repealed immediately. It has failed to achieve any degree of acceptance by the land-holders who are affected by it, and it has and will continue to fail to achieve any degree of compliance in the future.

This legislation has produced an unprecedented response of anger and rejection across Queensland—a response that was expressed by over 1,000 land-holders who travelled many miles to attend a protest rally at Winton, and that anger at and rejection of this legislation will again be expressed at Roma. This legislation fails totally to recognise that there is an inalienable difference between freehold and leasehold land. By the Minister's own statements, he illustrates that he does not understand that particular difference. It is that point more than any other that is at the very core of the angry rejection that the vegetation management legislation has suffered.

The distinction between leasehold and freehold land has been recognised by land-holders for generations, and that difference has been reflected in land values. This legislation ignores completely the rights of freehold landowners. It ignores completely those rights that landowners have paid considerable amounts of money to acquire. This legislation was forced through this Parliament without debate by an ideologically driven Minister in pursuit of his own personal vision. It will never be accepted by Queensland land-holders, no matter how big the lies that are perpetrated by the Premier and the Deputy Premier to try to recover the unrecoverable situation.

**Mr ELDER:** I rise to a point of order. I find the remarks offensive. I ask that they be withdrawn.

**Mr SPEAKER:** Order! The member will withdraw.

**Mr SEENEY:** I withdraw. Such has been the angry reaction across the State, the only way to achieve a resolution is to start again. The Minister for Natural Resources should accept that his attempts to bludgeon the land-holders of Queensland have failed. They have produced a stand-off that will never be reconciled. He should recognise that this draconian legislation will never be accepted by land-holders and is likely to produce a backlash against sensible and sustainable practices.

The Premier and the Deputy Premier should recognise that their attempts to misconstrue the facts in a bid to defend this legislation have likewise failed. They have failed in their silly attempts to focus the debate on getting Canberra to meet their childish demands for money. The Premier's lies failed to justify this legislation at the Winton meeting, and his absurd contention with his nose pressed up against the window of the Government jet at 40,000 feet will long be remembered by the land-holders he accused.

This Parliament should be supporting this motion tonight. This Parliament should be repealing the legislation. This Parliament should be urging the Minister for Natural Resources to cease his blind pursuit of ideology and begin some meaningful dialogue with the land-holders of rural Queensland. The Minister must support the development of a workable system that gives encouragement and support to land-holders rather than the draconian regulation and the over-the-top penalties enforced by the tree police.

Time expired.

**Mr MICKEL (Logan—ALP) (6.55 p.m.):** It is a pleasure to join this debate tonight because it gives us a chance to clear up a few matters. This is not about tree clearing; this is about clearing out the Opposition. If one looks at today's Courier-Mail, one will see that those opposite have not got their story straight. What they are trying to tell us is that the Queensland legislation is too tough. If one looks at the Courier-Mail, one will see what Senator Hill is on about. The Federal Government is saying that our legislation is not tough enough. Those opposite have not got their story worked out. They have not got it worked out because the Federal Government is about to clear those opposite out at the next State election on a number of issues which I am going to raise in a few moments.

Opposition members have to get their story right. It is okay to stand up in Winton, but when those opposite go down to Canberra they are arguing a different story. Why could

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**Question**—That the motion, as amended, be agreed to—put; and the House divided—

**AYES, 40**—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Briskey, J. Cunningham, Edmond, Elder, Fenlon, Foley, Fouras, Hamill, Kaiser, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Reeves, Reynolds, Roberts, Robertson, Rose, Schwartz, Spence, Struthers, Welford, Wells, Wilson. Tellers: Purcell, Pitt.

**NOES, 40**—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Laming, Lester, Lingard, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty.

The numbers being equal, Mr Speaker cast his vote with the Ayes.

Resolved in the affirmative.

#### SPEAKER'S RULING

##### Motion of Dissent

**Mr BEANLAND** (Indooroopilly—LP) (7.05 p.m.): I rise under Standing Order 117. I move—

"That Mr Speaker's ruling that the amendment to the motion moved by the Premier was relevant to the subject matter of Mr Borbidge's motion be dissented from."

#### ADJOURNMENT

**Hon. T. M. MACKENROTH** (Chatsworth—ALP) (Leader of the House) (7.05 p.m.): I move—

"That the House do now adjourn."

#### Mobile Phone Towers; Milpera State High School

**Mr BEANLAND** (Indooroopilly—LP) (7.06 p.m.): This evening I wish to touch on a couple of matters, the first of which is mobile phone towers. With competition in the telecommunications industry hotting up these days, companies want their own telecommunications towers. This means that local government is faced with myriad applications under town planning laws and ordinances from the various telecommunications companies, which are required under local government town planning laws to advertise tower proposals and enable local residents to object if they so wish. In many instances, communities do object, because they already have a number of

telecommunications towers in their neighbourhood. The increasing number of telecommunications towers in suburbs is quickly becoming a major eyesore. This is occurring not only in Brisbane but in many other cities and towns throughout Queensland.

Clearly, these towers should be co-located. Some companies are endeavouring to do that, but others appear to be a little tardy. I believe it is necessary for the Minister to look at this situation with a view to giving local government more powers to ensure that, where possible, the towers used by telecommunications companies are co-located. There will always be instances where that is not possible. However, I have encountered situations where, even if there is already a tower in one neighbourhood, another company wants to put one down the road. This is a growth industry. There are more and more telecommunications companies, and with them come more mobile phone towers. Over the months and years ahead we will see an explosion in the number of telecommunications companies, which will all want their own towers. This will mean that residents will be faced with the problem of retaining the character and aesthetics of their suburbs, towns and cities. It is a growing problem. However, I believe there is a simple solution.

Greater consideration needs to be given to co-locating these towers; otherwise our cities and towns will become eyesores, with towers some 25 metres high littering the skyline. They are not like a television tower. Mobile phone towers are much taller and stand out against the skyline. I appreciate that local governments take a close, hard look at these applications and in many instances go further than that and refuse them. When that happens, the companies have the opportunity to appeal to the Planning and Environment Court. The actions with which I have been associated to date have achieved successful results for residents. However, that does not mean that this will continue in the future. Therefore, I urge the Government to toughen up the provisions in this area in relation to local government.

The second issue that I wish to touch on is that of the Milpera State High School—a magnificent high school in my electorate. It specialises in teaching students English as a second language. It is one of only a few schools in Queensland that deals specifically with this subject. We have experienced a large increase in the number of people coming from overseas who do not have English as a second language and who need to go through

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producers, rather than for a share of Japan's total imports.

Formerly officials kept track of prices and quality for coal export contracts. They could refuse export approval when blatant examples of destructive price competition occurred. This effort would have been more effective if similar information had also been collected for Canadian and American competitors.

Then comparisons could have been made between the worth of Australian coking coals to Japanese steel mills, relative to the major international competition.

The former controls at least discourage coal companies from accepting low prices offered by the cartel in return for a larger share of the Australian 'quota'. Now there are no checks on our weakest players and the Japanese cartel is very skilled at exploiting these weaknesses."

During my time in the coal industry, I have been privy to what has happened on many occasions when our coal producers have gone to Japan to try to sell coal to the Japanese market. It is quite evident that one of the things that they set out to do from the very start was to try to find a benchmark.

Time expired.

#### Ultraviolet Radiation

**Mr HEALY** (Toowoomba North—NPA) (7.16 p.m.): Given the amount of publicity that was given last Sunday in the Sunday Mail to the Premier's forthcoming operation to remove a cancerous growth from around his eye and his comments about the importance of proper protection from the harmful effects of UV radiation, I think that it is timely to raise an issue that may be of interest to both the Premier and hopefully every other member of this House. Tonight I wish to bring to the attention of the House the excellent research work that is currently being conducted at the University of Southern Queensland in Toowoomba by two men in particular. Dr Alfio Parisi and Michael Kimlin are physicists who run the Centre for Astronomy and Atmospheric Research at the university and are engaged in groundbreaking research into ultraviolet radiation measurements and its effect on human and plant life. So good is the research that the centre, through more than 36 research papers, 15 or more conference papers and numerous other articles—all published—have seen the centre recognised

as one of the leading institutions of its kind in the world.

As most of us know, here in Australia we have one of the highest levels of year-round UV radiation levels in the world. This, combined with our skin types, warm climate and our outdoor lifestyle, has led to Australia having the highest incident rates of skin cancer in the world. In response to this situation, the University of Southern Queensland is investigating the research areas of human ultraviolet dose measurement, the measurement of ultraviolet radiation on plants, and the distribution of ultraviolet and visible energy with wavelength. Ultraviolet radiation is strongly linked to the degradation of organic materials, both natural and synthetic, and the damaging and ageing of human skin and eye tissue, including skin cancer. UV is also linked to diseases in animals, including eye damage.

An increase in UV levels has motivated the development of the expertise in UV research at the Centre for Astronomy and Atmospheric Research at the University of Southern Queensland. Alfio Parisi and Michael Kimlin have conducted some important research into such things as the effects of solar UV exposure on schoolchildren in south-east Queensland during meal breaks and during the summer months. Other topics that they have researched include the effect of solar ultraviolet exposure on outdoor workers, the effect of solar UV exposure while driving a car and the penetration of high levels of UV through the windows and windscreens of a motor vehicle. Serious research has been conducted into the effects of solar UV on people participating in various sports, even on a fairly cloudy day.

It all sounds like good news in the fight against skin cancer, but unfortunately it is not. For some strange reason, the centre is battling to maintain its level of research due to a shortage of funds—funds that would see the purchase of valuable equipment to carry out further experimentation and detailed analysis. It does seem strange that the front page of a weekend newspaper, and indeed two whole pages inside, could be dedicated to the harmful effects of UV radiation and yet the very research that is needed to assist with the prevention of such effects is being hampered. As I understand, Queensland Health did assist with funding for the centre some time ago, but the policy priorities changed somewhat to some other focus and that funding is no longer available.

**Mrs Edmond:** Most of the funding for research comes from the national Government.

29 Feb 2000

Adjournment

97

and Iraq. It is highly likely that many boat people will definitely be legitimate refugees.

We as a nation have international obligations under the 1951 convention and the 1967 protocols relating to the status of refugees to permit anyone who is likely to suffer persecution in his or her own country to lodge an application for asylum and be provided with protection. We also need to recognise that, no matter how many illegal arrivals we get, there is an international dilemma. So many people are on the move, many fleeing persecutions. Most regrettable, of course, is the negative image of Australia projected overseas as a result of the Commonwealth Government's response. We should have learnt from previous experiences with the waves of refugees we have successfully settled. Refugees are the most motivated citizens, because they have nowhere to go but forward. If treated well by us, they are grateful and put a lot of effort into contributing to their new country.

Time expired.

#### Sydney-Mooloolaba Yacht Race

**Mr LAMING** (Mooloolah—LP) (7.26 p.m.): I rise to bring an important issue to the attention of this House. It is important to sport and to Queensland in general and to the Sunshine Coast in particular. I refer to the annual Sydney-Mooloolaba Yacht Race. The race has a 27-year history, but is in extreme jeopardy thanks to a move by Mooloolaba Yacht Club's race partners of long standing, the Middle Harbour Yacht Club. In their wisdom, they have gained the support of NSW Tourism, several other sponsors and media representatives to run a regatta to Coffs Harbour at the usual time of the Sydney-Mooloolaba Yacht Race, possibly sounding the death knell of Mooloolaba's time-honoured race.

In 1999 the race attracted 64 entries, including a large proportion of the major players in the ill-fated Sydney to Hobart race. This number of boats equates to 700 sailors plus their families visiting Mooloolaba and the Sunshine Coast at race end. The main ingredients in the running of any race, the boat owners and sailors, have indicated that they wish to continue the tradition. However, the threat of this NSW-based Coffs Harbour competition places this year's race at risk. To ensure future races to Mooloolaba are as successful as those in previous years, a concerted effort needs to be put into this year's event so that the competition from NSW does not get off the ground.

The Mooloolaba club has approached the Cruising Yacht Club of Australia, who are responsible for the famous Sydney to Hobart race, with a proposal to form a partnership in the running of what is Australia's second most important ocean race. Several attempts have been made to secure a race sponsor, including an approach to Tourism Queensland. All have so far been unsuccessful, mainly due to the short time frame brought about by the Middle Harbour Yacht Club's failure to advise Mooloolaba of their Coffs Harbour intentions. Our concern is that, should Queensland not take up the offer of the CYCA and find a Queensland sponsor for the race, a wonderful opportunity will be lost to the State, particularly when we consider the future. This threat has made us realise how easily our major event could be lost and the effect it would have on the Mooloolaba Yacht Club, the surrounding business community and Queensland in general.

It is an ill wind indeed that does not blow some good. This change has seen the emergence of a far more active partner in the Cruising Yacht Club of Australia. This move has provided the Mooloolaba Yacht Club with enormous commercial opportunities that they have not had the opportunity to fully develop in the past. We as Queenslanders now have a once only opportunity to cement this event into the Australian yacht racing calendar, and we have only six weeks in which to do it. The Mooloolaba Yacht Club, of which I am an active member, is committed to the development of the race and has greeted the CYCA's forward thinking and enthusiasm with great anticipation.

To this end, I am calling on the Government, whether through the Department of Tourism, Tourism Queensland, the Department of State Development or Queensland Events, for assistance with the promotion of this year's race as Queensland strives to avoid losing a major sporting event to a southern State and to set in place an impenetrable barrier against future attacks. The New South Wales Premier has evidently also lent his name to the New South Wales event which, according to Yachting News, will be known as the Premier's Cup. This could well become a battle of the Premiers. I seek the support of all members, particularly the Premier, who is the Honorary Commodore of the Mooloolaba Yacht Club, to ensure that Queensland's most important yachting icon is not lost to New South Wales.

Motion agreed to.

The House adjourned at 7.30 p.m.

PREMIER'S

PJ 747

**OFFICE OF THE PREMIER BRIEFING NOTE**  
**Policy Co-ordination Division**

Title: Vegetation Management - GGAP

Date: 3 April 2000 **5**

**1. PURPOSE**

1.1 To provide advice to Damian McGreevy on the capacity of Queensland to seek funding for vegetation management from the Commonwealth Greenhouse Gas Abatement Program (GGAP).

**2. BACKGROUND**

2.1 By Memo dated 17 March 2000 the Director-General forwarded material on land clearing from Damian McGreevy requesting advice on whether there was a case for Queensland to access Commonwealth funds under GGAP.

**3. ISSUES**

3.1 On 17 March 2000, the Australian Greenhouse Office (AGO) released a set of draft guidelines for GGAP. This program, which will run from 2000-01 to 2003-04, is meant to provide funding for significant projects and activities that will deliver substantial greenhouse gas reductions. Projects will be assessed according to a number of criteria, including their cost effectiveness in terms of reducing greenhouse gas emissions. The AGO has indicated that the guidelines will be finalised in April, funding proposals will be sought in May and successful projects will be announced in October.

3.2 Land clearing in Queensland is one of the biggest threats to greenhouse gas abatement. There is however some doubt as to whether the Commonwealth Government would consider providing greenhouse abatement funds for land clearing restrictions imposed by Queensland's *Vegetation Management Bill*.

3.3 Queensland officials met with the AGO on Friday 24 March 2000 to discuss the draft guidelines. Further discussions were also undertaken at a meeting of the Commonwealth/State High Level Group on Greenhouse on 29 March 2000. At these meetings, the Commonwealth clearly stated that it would not consider Queensland land clearing for GGAP funds, as the issue was being considered through a separate process (ie. Commonwealth initiated Taskforce). Commonwealth officials further indicated that:

- It would not fund any activity it considered to be a "current State activity", but left this as undefined;
- The Commonwealth will examine State proposals sympathetically for those States that they consider can demonstrate a commitment to reducing greenhouse emissions;
- A key criterion will be the extent of abatement in 2008-2012 and beyond;
- There will 4 payment tranches limited to approximately \$100M per annum;
- Commonwealth funding contributions will be capped at 50% of any project proposal; and
- The key question the Commonwealth will ask itself in deciding on funding proposals is "will this happen without the injection of Commonwealth funds?".

3.4 Ultimately Senator Hill and other Commonwealth Ministers will determine which projects receive GGAP funding. Under GGAP guidelines the AGO has the capacity to negotiate directly with any State or industry body regarding greenhouse gas abatement proposals, regardless of whether a project submission is developed. As such, Senator Hill already has the capacity to determine that Queensland should receive GGAP funds for land clearing and direct the AGO accordingly.

3.5 DNR has indicated that it is not keen to bring land clearing into any State submission seeking GGAP funds at this time, but rather would prefer to continue to lobby Senator Hill and the Commonwealth initiated Taskforce. Should this avenue prove fruitless, there is still some time until submissions for GGAP funds close (May 2000). DPC will therefore continue to monitor the situation and should there be no clear outcome on the Commonwealth Taskforce consideration of land clearing near to the time when project proposals for GGAP are closing, it may be appropriate to prepare a funding proposal on land clearing. At a minimum, this would maintain pressure on Senator Hill and the Commonwealth Government.

Action Officer: Peter Lamont  
 Area: Environment & Resources  
 Telephone: 46478

Executive Director:

*JW*

A/DDG:

*Handwritten notes:*  
 Peter  
 13/4/00

4. **CONSULTATION**

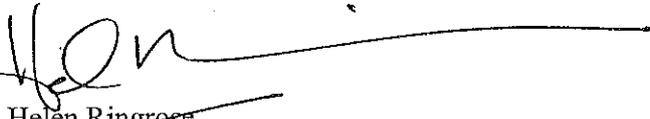
4.1 DNR and the EPA have been consulted in preparation of this brief.

5. **IS THIS IN ACCORDANCE WITH GOVERNMENT ELECTION COMMITMENTS?**

5.1 There is no applicable election commitment.

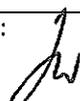
6. **RECOMMENDATION**

6.1 That you note the above.



Helen Ringrose  
Acting Director-General

RTI RELEASE



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NO. 7631 P. 1

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*Peter Beattie*  
→ Terry Wall

16/5

Terry,

OPY

Premier would appreciate advice  
and a draft response.

The Honour  
Premier of  
BRISBAN

*with Heads*

0000

Dear Mr Beattie

RECEIVED

In accordance with your agreement with the Prime Minister, officers of my Department have been seeking discussions with representatives of the Commonwealth to explore options for Commonwealth funding of our Government's enhanced vegetation management arrangements.

While the Commonwealth has been slow in responding, due to the apparent inability of Commonwealth ministers to reach an agreed policy position, the first discussions are now scheduled for Tuesday 16 May. In preliminary discussions with my Director-General and other officers, senior officials of the Commonwealth have indicated that support is likely to be available from the Commonwealth's Greenhouse funds, provided an appropriate arrangement can be negotiated.

More significantly, as has been advised to your Office, the Commonwealth is aware of your public commitment regarding changes to the *Vegetation Management Act 1999 (VMA)* to remove blanket protection of 'of concern' regional ecosystems. Commonwealth officials, including a senior officer of the Prime Minister's Department, have strongly urged State officials to pass on to their Ministers the Commonwealth's concern that Queensland could amend the legislation prior to the conclusion of negotiations on the form and content of Commonwealth financial assistance.

While it has been made clear to these officials that the State is anxious to finalise this issue, it is obvious that the Commonwealth is heavily reliant on adequate vegetation management arrangements in Queensland to achieve its greenhouse objectives. I therefore believe that while we should move to draft appropriate amendments to our legislation, we should take no action to pass any amendments until we have a firm understanding of the Commonwealth's position and proposals. Officials of my Department will advise their Commonwealth counterparts there should be no doubt of the State's position if the Commonwealth wish us to retain the current provisions of the *VMA* then the Commonwealth will need to meet both the financial and political costs of such an approach.



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**Hon. Rod Welford MLA**

**Minister for Environment and Heritage and  
Minister for Natural Resources**

The Honourable Peter Beattie MLA  
Premier of Queensland  
BRISBANE QLD 4000



15 MAY 2000 - 12

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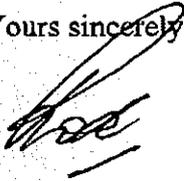
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In the circumstances, I seek your agreement that we await the outcome of officials' negotiations before introducing the proposed amendments to the *VMA*. I have requested State officials to seek some clear indication of the Commonwealth's position within a maximum of two weeks after their meeting tomorrow, 16 May.

Yours sincerely



**ROD WELFORD MLA**

RTI RELEASE SE



QUEENSLAND GOVERNMENT

**Hon. Rod Welford MLA**

**Minister for Environment and Heritage and  
Minister for Natural Resources**

**COPY**

The Honourable Peter Beattie MLA  
Premier of Queensland  
BRISBANE QLD 4000



15 MAY 2000

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PO Box 456  
Brisbane Albert Street Qld 4002  
Australia

13th Floor, Mineral House  
Cnr Margaret & George Streets  
Brisbane Qld 4000

Telephone (07) 3896 3688  
Facsimile (07) 3210 6214

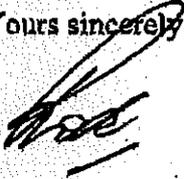
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15, MAY 2000 14:32

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Yours sincerely



**ROD WELFORD MLA**

RTI RELEASE

**PREMIER'S BRIEFING NOTE**  
**Policy Co-ordination Division**

Title: Vegetation Management

Date: 16 May 2000

**1. PURPOSE**

To provide an account of a meeting today between Queensland and Commonwealth officials in relation to vegetation management and possible Commonwealth financial support.

**2. BACKGROUND**

Following your meeting with the Prime Minister in February, the Prime Minister indicated he would task a group of Commonwealth officials with responsibility for working with Queensland to explore possibilities for providing financial support for Queensland's vegetation management legislation from existing Commonwealth programs.

Commonwealth officials initiated today's meeting. It was rescheduled from the previous week at the Commonwealth's request. A letter from the Prime Minister's Senior Adviser to your Deputy Chief of Staff dated 12 May (attached) provides further background on the context of the meeting. This was the first meeting organised by the Commonwealth since your February meeting with the Prime Minister.

**3. ISSUES**

Commonwealth officials opened by reiterating that the Commonwealth would not wish to see Queensland amend the legislation prior to exploring possibilities for Commonwealth financial assistance through the process established by the Prime Minister.

Queensland stressed that you have provided a public commitment that if financial assistance was not forthcoming from the Commonwealth the legislation would be amended to remove protection of 'of concern' regional ecosystems and then proclaimed. Protection of 'of concern' areas would be subject of voluntary action by land holders through a regional planning process. Queensland officials indicated that, in light of the lack of any Commonwealth action since your meeting with the Prime Minister, should there be no firm proposal for financial assistance from the Commonwealth in the next two weeks, it was likely Queensland would introduce legislation to deliver on your public commitment.

Commonwealth officials agreed to relay clearly to Commonwealth Ministers Queensland's timing constraints. They further acknowledged that the Commonwealth was conscious of the differing views it had been promulgating (Hill vis a vis the National Party), noting that "the politics were difficult for the PM". In this regard they indicated that in addition to reporting to Ministers Truss and Hill they were required to provide separate reports to the Prime Minister on possible options. Commonwealth officials did indicate a measure of support for the Queensland processes, indicating in particular that they did not think a voluntary approach to protecting of concern regional ecosystems would deliver on Commonwealth objectives.

Commonwealth Ministers have to date not provided officials with any clear indication of what they would support; consequently discussions which followed were largely exploratory as to possible options. Nevertheless from today's discussions it seems clear that Commonwealth officials are focussing on exploring the possibility of financial support for Queensland from the Greenhouse Gas Abatement Program. Discussion continually returned to the need for the Commonwealth to be convinced that Queensland could deliver a demonstrable reduction in the rate of land clearing as a result of its legislation.

Action Officer: Terry Wall  
Environment and Resources  
Ext: 58030

Executive Director: \_\_\_\_\_

DDG: \_\_\_\_\_

Major issues raised on which Commonwealth officials require some reassurance include:

- In focussing on endangered and of concern ecosystems, the Commonwealth needs to be satisfied that there would not be a shift to "substitute clearing" of other areas with no net reduction in the rate of clearing; and
- The Commonwealth is concerned to ensure that the stock of existing approved permits for clearing on leasehold land would not allow a high level of clearing to continue in the short term.

Commonwealth officials floated the likelihood that any Commonwealth contributions would be made on the basis of demonstrated performance in achieving greenhouse gas abatement. Such a requirement would pose significant difficulties for the State in terms of compliance. DNR is reviewing options for this but it could probably only be achieved by unpalatable amendments to the existing legislation which would, for example, impose caps on clearing (either by property or region) or designate certain areas of the State (including regrowth) as significant from a greenhouse perspective and thus prevent clearing.

Thus while the meeting was positive in terms of the Commonwealth indicating a degree of support for the Queensland approach, it has added a further layer of complexity to Queensland's efforts to obtain financial assistance in that the Commonwealth is likely to require an immediate, measurable greenhouse outcome.

Commonwealth officials expressed the desire to look at available Queensland data in order to assist in estimates of financial assistance requirements. A further meeting will be held in Brisbane on Thursday 25 May, focussing on technical and data issues.

Sch. 3-1

#### 6. RECOMMENDATION

That you note the contents of this brief

Sch. 3-1

Sch. 3-1

Dr Glyn Davis  
Director-General

Action Officer: Terry Wall  
Environment and Resources  
Ext: 58030

Executive Director: \_\_\_\_\_

DDG: \_\_\_\_\_

P2747

**PREMIER'S BRIEFING NOTE**  
**Policy Co-ordination Division**

Title: **Vegetation Management**

Date: 19 May 2000

**1.0 PURPOSE**

1.1 To provide a reply to correspondence from Minister Welford regarding the progress of negotiations with the Commonwealth Government on *Vegetation Management Act 1999* and Commonwealth financial assistance.

**2.0 BACKGROUND**

2.1 State and Commonwealth Officials met on 16 May 2000 to initiate the discussions that yourself and the Prime Minister agreed should be undertaken to pursue possible avenues for Commonwealth Government financial assistance. A copy of PCD's briefing on the outcomes of the meeting is attached.

2.2 At the Roma Community Cabinet meeting you gave a commitment that if financial assistance was not forthcoming from the Commonwealth Government, the legislation would be amended to remove protection of 'of concern' regional ecosystems and then proclaimed. Protection of 'of concern' areas would be subject of voluntary action by land holders through a regional planning process.

**3.0 ISSUES**

3.1 The position put forward by Commonwealth Officials at the meeting was that Queensland should not amend the legislation prior to exploring possibilities for Commonwealth financial assistance through the process established by the Prime Minister.

3.2 Queensland Officials stressed that you have provided a public commitment on the course of action that will be taken if Commonwealth Government financial assistance was not forthcoming. The Queensland Officials further indicated that in light of the lack of any Commonwealth action since your meeting with the Prime Minister, should there be no firm proposal for financial assistance from the Commonwealth in the next two weeks, it was likely Queensland would introduce legislation to deliver on your public commitment.

3.3 Sch. 3-1

3.4

**4.0 IS THIS IN ACCORDANCE WITH GOVERNMENT ELECTION COMMITMENTS?**

4.1 The Government's 'New Directions Statement - Conserving Biological Diversity', identifies the review of existing vegetation protection guidelines (applicable only to State lands) and giving them statutory effect over all lands (both State controlled and freehold) as a priority.

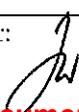
**5.0 RECOMMENDATION**

5.1 That you note the above and sign the attached correspondence.

Dr Glyn Davis  
Director-General

Action Officer: Andrew Zuch  
Environment and Resources  
Telephone: 83327

Executive Director:



A/DDG:

OFFICE OF THE  
PREMIER COPY

Please quote: RM09/ERP

13 NOV 2008

The Honourable John Howard MP  
Prime Minister of Australia  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

I refer to our recent discussions at the Council of Australian Governments' meeting regarding natural resource management issues and in particular, to the national Salinity and Water Quality Strategy and arrangements for potential compensation for landholders who may lose property rights as a result of reform of current policies.

I take this opportunity to reiterate my Government's commitment to work positively with the Commonwealth and other jurisdictions to progress the Salinity and Water Quality Strategy. It is my understanding the approach adopted will be sufficiently flexible to recognise that issues and priority actions will vary among jurisdictions. I understand officials from both our Governments have already met to discuss details of implementation and I look forward to a successful outcome of these deliberations.

In relation to the compensation issue, the most pressing priority is to advance discussions relating to vegetation management. While discussions on this issue have been proposed in the past they did not eventuate. Nevertheless I am aware that some discussions were held between your officials and groups representing rural interests and a number of proposals were canvassed including ensuring any action on vegetation contributed to the Commonwealth's international commitments on greenhouse gas abatement. I understand these proposals included meeting any compensation costs from funds set aside for the Greenhouse Gas Abatement Program and implementation of an upper limit or "cap" on clearing levels in Queensland.

I am sure you are conscious these arrangements will be heavily dependent on the ability of agencies of my Government to implement, assess, monitor and enforce any agreed approaches. On my part, you may be assured Queensland agencies will assist the Commonwealth in developing and implementing appropriate solutions. It is also clear that

any arrangements specifically for vegetation management will need to be at least consistent with the broader natural resource management agenda that is now unfolding. Indeed, it is important that we do not allow the current lack of clarity on the vegetation management arrangements to compromise the overall success of the broader agenda to which all jurisdictions are firmly committed.

Given the above, it is imperative that discussions commence as soon as possible to explore the policy, legislative, technical and administrative issues including the nature and extent of the financial arrangements. I would appreciate your officials making contact with Mr Terry Hogan, Director General of my Department of Natural Resources (telephone 07 3896 3366) who will lead discussions on behalf of the Queensland Government.

Yours sincerely

**SIGNED BY  
PREMIER**

  
**Peter Beattie MP  
PREMIER**



RTI RELEASED



Queensland  
Government

Department of the  
Premier and Cabinet

however.

- see my suggested changes.

I just wanted to emphasise the  
cap issue & its implications

- I suggest we run thru past **BNK**  
proj to looking upstream to ensure  
we agree on the facts.

- a draft response to PM meeting  
officer have met  
and committing to  
continue discussion  
also appreciated

Executive Building  
100 George Street Brisbane  
PO Box 185 Brisbane Albert Street  
Queensland 4002 Australia  
Telephone +61 7 3224 2111  
Facsimile +61 7 3229 2990  
Website [www.premiers.qld.gov.au](http://www.premiers.qld.gov.au)  
ABN 65 959 415 158

Therese L



Department of the Premier and Cabinet		
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PRIME MINISTER  
CANBERRA

The Hon Peter Beattie MLA *MN=199779*  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

**18 NOV 2000**

My dear Premier

I am writing in response to your letter of 13 November 2000 following up our recent COAG discussions of the National Action Plan for Salinity and Water Quality and in particular, the issue of landholder compensation.

I am very pleased by the positive commitment by you and other Premiers and the Chief Ministers to the implementation of the Action Plan and note that officials' discussions are already under way with all jurisdictions to progress this matter.

Regarding the issue of landholder compensation, at the outset I would like to reaffirm the Commonwealth's position. At COAG, I indicated that the Commonwealth is prepared to consider making an additional contribution to assist adjustment where property rights are lost due to the implementation of the Action Plan. I also said that compensation

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COA  
Plan

*Terry Wall*

*27/11*

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*Terry,  
The Premier would  
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urgent response.*

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*with Keith  
Glyn*

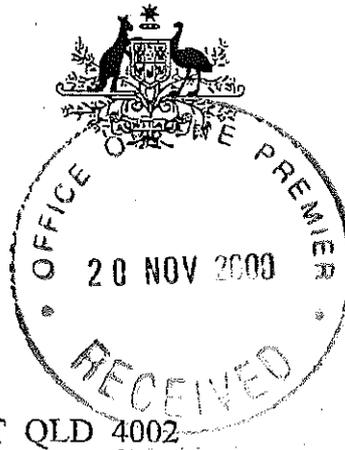
make the Commonwealth position  
ed to offer assistance with  
ly on a basis that will:

**URGENT**

- ach  
achieved from the implementation of Queensland's existing legislation; and
- secure a cap on the rate of clearing as an essential means of achieving a significant greenhouse outcome.

I note your proposal for early officials' discussions specifically on land clearing and would be happy for these to occur and to discuss how a scheme implemented by Queensland might operate. For the Commonwealth, initial discussions on Queensland land clearing would be led by Dr Ian Watt, Executive Coordinator, Economic, Industry and Resources Policy Group in my Department.

I would also note that alongside these intergovernmental discussions, the Commonwealth will also be continuing discussions with Queensland farming



PRIME MINISTER  
CANBERRA

The Hon Peter Beattie MLA  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

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I am very pleased by the positive commitment by you and other Premiers and the Chief Ministers to the implementation of the Action Plan and note that officials' discussions are already under way with all jurisdictions to progress this matter.

Regarding the issue of landholder compensation, at the outset I would like to reaffirm the Commonwealth's position. At COAG, I indicated that the Commonwealth is prepared to consider making an additional contribution to assist adjustment where property rights are lost due to the implementation of the Action Plan. I also said that compensation could not be considered for previous state measures. I did not make any other offer to negotiate compensation outside the Action Plan and note that the COAG communique makes it clear that all possible compensation issues under that Plan will need to be addressed in developing the catchment plans.

In relation to the specific issue of Queensland land clearing, I appreciate your assurance that Queensland is prepared to assist in addressing this matter, and agree with you that any specific and separate arrangements relating to Queensland land clearing should be consistent with the broader arrangements associated with implementing the Action Plan.

In relation to Queensland land clearing, I wish to make the Commonwealth position very clear. The Commonwealth would be prepared to offer assistance with compensation for land clearing restrictions, but only on a basis that will:

- achieve a significant reduction in greenhouse gas emissions beyond the reduction achieved from the implementation of Queensland's existing legislation; and
- secure a cap on the rate of clearing as an essential means of achieving a significant greenhouse outcome.

I note your proposal for early officials' discussions specifically on land clearing and would be happy for these to occur and to discuss how a scheme implemented by Queensland might operate. For the Commonwealth, initial discussions on Queensland land clearing would be led by Dr Ian Watt, Executive Coordinator, Economic, Industry and Resources Policy Group in my Department.

I would also note that alongside these intergovernmental discussions, the Commonwealth will also be continuing discussions with Queensland farming

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PRIME MINISTER

CANBERRA

The Hon Peter Beattie MLA  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

18 NOV 2000 /

My dear Premier

I am writing in response to your letter of 13 November 2000 following up our recent COAG discussions of the National Action Plan for Salinity and Water Quality and in particular, the issue of landholder compensation.

I am very pleased by the positive commitment by you and other Premiers and the Chief Ministers to the implementation of the Action Plan and note that officials' discussions are already under way with all jurisdictions to progress this matter.

Regarding the issue of landholder compensation, at the outset I would like to reaffirm the Commonwealth's position. At COAG, I indicated that the Commonwealth is prepared to consider making an additional contribution to assist adjustment where property rights are lost due to the implementation of the Action Plan. I also said that compensation could not be considered for previous state measures. I did not make any other offer to negotiate compensation outside the Action Plan and note that the COAG communique makes it clear that all possible compensation issues under that Plan will need to be addressed in developing the catchment plans.

In relation to the specific issue of Queensland land clearing, I appreciate your assurance that Queensland is prepared to assist in addressing this matter, and agree with you that any specific and separate arrangements relating to Queensland land clearing should be consistent with the broader arrangements associated with implementing the Action Plan.

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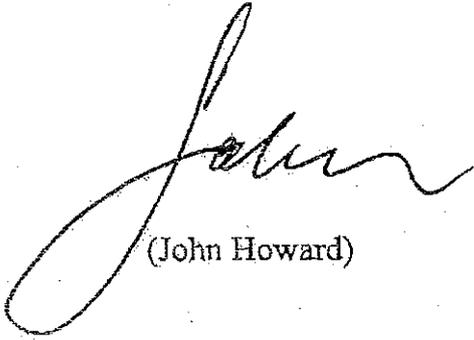
- achieve a significant reduction in greenhouse gas emissions beyond the reduction achieved from the implementation of Queensland's existing legislation; and
- secure a cap on the rate of clearing as an essential means of achieving a significant greenhouse outcome.

I note your proposal for early officials' discussions specifically on land clearing and would be happy for these to occur and to discuss how a scheme implemented by Queensland might operate. For the Commonwealth, initial discussions on Queensland land clearing would be led by Dr Ian Watt, Executive Coordinator, Economic, Industry and Resources Policy Group in my Department.

I would also note that alongside these intergovernmental discussions, the Commonwealth will also be continuing discussions with Queensland farming

organisations, with the aim of achieving an outcome that meets the Commonwealth's greenhouse objectives and is acceptable to farming stakeholders.

Yours sincerely



(John Howard)



RTI RELEASED

P2747

# Premier's briefing note

Policy

Title: Vegetation Management - compensation

Date: 1 December 2000

## 1. Purpose

To advise on the progress of negotiations with the Commonwealth in regard to compensation for vegetation management and seek your agreement to sign the attached letter to the Prime Minister.

## 2. Background

As recommended in a briefing note dated 10 November 2000, you signed a letter to the Prime Minister suggesting that Queensland and the Commonwealth recommence negotiations for compensation for tree clearing controls.

The Prime Minister responded positively to your letter on 18 November 2000. As a result Queensland officers - including the Director-General of DNR, Terry Hogan, the Assistant Under-Treasurer, Walter Ivessa, and Executive Director of Environment and Resources Policy, Terry Wall - met with Commonwealth officers led by the Deputy Secretary of the Department of the Prime Minister and Cabinet, Ian Watt, on 28 November 2000.

## 3. Issues

The Commonwealth is principally looking to achieve a positive greenhouse outcome. Specifically, the Commonwealth wants Queensland to set a cap on total annual tree clearing of remnant vegetation (ie excluding regrowth). At the meeting, Commonwealth officers indicated a cap that would be around the status quo or a little less.

The Commonwealth emphasis is on reducing tree clearing to achieve a lower rate of clearing rather than to protect biodiversity. As such, the Commonwealth's desired approach would not be consistent with the objectives of our Vegetation Management Act (VMA) that seeks to protect vegetation by classification of its ecosystem, thus encouraging biodiversity.

The proposal from the Commonwealth is that they would use Greenhouse Gas Abatement Fund moneys to enter the 'market' and buy-back permits within the cap on an annual basis so as to achieve their greenhouse targets. The Commonwealth is keen to implement some form of market system that will enable landholders who are granted clearing permits within a cap under the VMA to either: exercise their permit (clear the land); sell their permit to another landholder (who is permitted under the VMA to clear the land); or, as noted above, to sell the permit to the Commonwealth (the Commonwealth will then take the permit out of the system, thus reducing clearing).

Contrary to Public Interest

As proposed by the Commonwealth, the scheme would rely entirely on Queensland's administration of the VMA. The Commonwealth admitted they hope Queensland would take on this administrative burden without Commonwealth funding assistance.

Beyond concerns we hold for the logistics of the Commonwealth's proposal, of great concern is the Commonwealth's apparent stance that, by only buying some permits out of the system to reduce the rate of "legal" clearing (under the VMA) for greenhouse reasons, the Commonwealth would not be offering compensation for landholders affected by the VMA.

Based on previous discussions with QFF and AgForce it is certain that were the State to set a cap on total clearing, landholders who would not obtain permits within the cap would immediately demand compensation for lost capital value of the land. Thus it would appear the Commonwealth proposal does not advance the issue beyond the current compensation impasse.

Nevertheless, officials have agreed to continue the negotiations at 'technical officer' level. Whilst it is apparent that the model proposed by the Commonwealth is unsatisfactory from both its technical and policy perspective, continuing negotiations with officers who have appropriate scientific and logistical knowledge of the issue from DNR and the Commonwealth would be useful to progress the issue.

#### **4. Consultation**

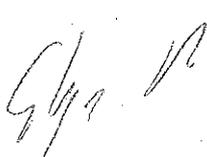
DNR and Treasury are involved in the ongoing negotiations with the Commonwealth.

#### **5. Is this in accordance with Government election commitments?**

Yes.

#### **6. Recommendation**

That you note this advice and sign the attached letter to the Prime Minister.

  
Dr Glyn Davis  
Director-General

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PRIME MINISTER

CANBERRA

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The Hon Peter Beattie MLA  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

24 JUL 2001

cc. S. e. Harber  
Det. Bahman

My dear Premier

Further to my letter of 18 November 2000, and your response of 5 December 2000, I am writing in relation to Queensland land clearing.

I am aware that since late last year, discussions at officials' level and discussions with farming organisations have helped clarify respective positions, particularly in relation to possible options to significantly further reduce Queensland land clearing. I also understand that Queensland officials have undertaken additional work on how such options might be implemented.

I consider that at this stage it would be helpful for my government to detail further its policy and funding positions on this matter.

I see regulation of vegetation management as essentially a state responsibility and that responsibility for the design and implementation of land clearing arrangements remains a matter for your government. However, I recognise that it is in the national interest to reduce the very high rates of land clearing in Queensland to achieve a significant reduction in greenhouse gas emissions beyond the reduction likely to be achieved through the implementation of Queensland's existing legislation. Accordingly, I reiterate that the Commonwealth would be prepared to provide a financial contribution commensurate with the land clearing reduction negotiated and implemented by your government, and on the basis that it is over and above the combined outcomes of Queensland's existing vegetation management regime and the National Action Plan on Salinity and Water Quality.

Should you wish to take up this offer of assistance, I invite your government to provide a detailed proposal and cost estimates, consistent with the following objectives and parameters.

The Commonwealth would be prepared to provide assistance if Queensland negotiates and implements further land clearing restrictions that would:

- achieve by 2006 and be at least sustained thereafter, a significant, certain and cost-effective reduction in greenhouse gas emissions beyond the reduction likely to be achieved from the full implementation of Queensland's existing vegetation management regime and its commitments under the National Action Plan on Salinity and Water Quality;

- compensate landholders if and where property rights are lost as a result of achieving further Queensland land clearing reductions;
- have support from farming organisations and landholders; and
- be subject to review in 2005 to assess their economic, social and environmental effects and to identify possible amendments to arrangements in the light of outcomes to that date.

The Commonwealth would, of course, need to satisfy itself that these parameters have been met before determining its financial contribution. I would expect that arrangements would be implemented to link any payments to abatement outcomes achieved by the actual reduction in clearing.

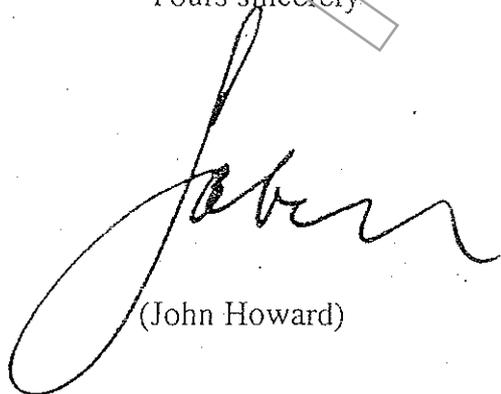
The total costs of any new overall arrangements would need to be funded equally by the Commonwealth and Queensland governments, with any Commonwealth contribution being matched by a contribution of new state government funding which is additional to your current commitments. It is anticipated that joint funding could apply over a period of approximately 10 years.

As noted, details of any arrangements to secure additional and significant land clearing reductions, including necessary negotiations with farming organisations and landholders, would be a matter for your government. We do not wish to be prescriptive about how the further significant reduction in land clearing, and consequently in greenhouse gas emissions, might be achieved.

In terms of what might constitute a significant reduction in greenhouse gas emissions from further reduced land clearing, we would be happy to consider a case from your government as part of any proposal. As an indication, and against the background of Australia's international obligations, the Commonwealth would be looking for a sizeable and sustained reduction in the "business as usual" remnant clearing rate that has averaged around 200,000 to 250,000 hectares per annum over the past decade, beyond the reduction in "business as usual" clearing flowing from the existing vegetation management regime and National Action Plan commitments.

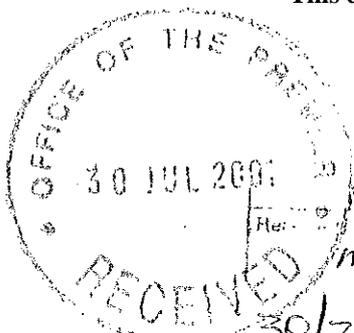
I hope that your government will take up our offer to help address this important issue. In the first instance, I would welcome a positive response to this offer, and thereafter await your detailed proposals following your negotiations with Queensland stakeholders.

Yours sincerely



(John Howard)





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PRIME MINISTER  
CANBERRA

24 JUL 2001

The Hon Peter Beattie MLA  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

My dear Premier

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I am aware that since late last year, discussions at officials' level and discussions with farming organisations have helped clarify respective positions, particularly in relation to possible options to significantly further reduce Queensland land clearing. I also understand that Queensland officials have undertaken additional work on how such options might be implemented.

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- compensate landholders if and where property rights are lost as a result of achieving further Queensland land clearing reductions;
- have support from farming organisations and landholders; and
- be subject to review in 2005 to assess their economic, social and environmental effects and to identify possible amendments to arrangements in the light of outcomes to that date.

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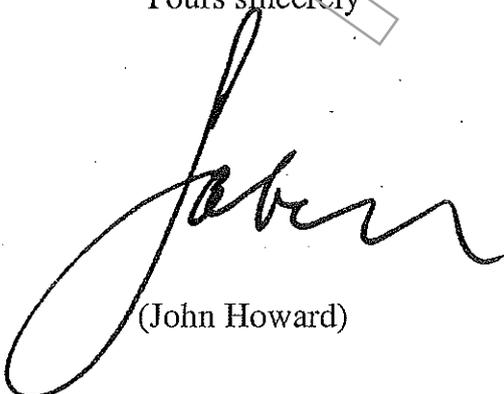
The total costs of any new overall arrangements would need to be funded equally by the Commonwealth and Queensland governments, with any Commonwealth contribution being matched by a contribution of new state government funding which is additional to your current commitments. It is anticipated that joint funding could apply over a period of approximately 10 years.

As noted, details of any arrangements to secure additional and significant land clearing reductions, including necessary negotiations with farming organisations and landholders, would be a matter for your government. We do not wish to be prescriptive about how the further significant reduction in land clearing, and consequently in greenhouse gas emissions, might be achieved.

In terms of what might constitute a significant reduction in greenhouse gas emissions from further reduced land clearing, we would be happy to consider a case from your government as part of any proposal. As an indication, and against the background of Australia's international obligations, the Commonwealth would be looking for a sizeable and sustained reduction in the "business as usual" remnant clearing rate that has averaged around 200,000 to 250,000 hectares per annum over the past decade, beyond the reduction in "business as usual" clearing flowing from the existing vegetation management regime and National Action Plan commitments.

I hope that your government will take up our offer to help address this important issue. In the first instance, I would welcome a positive response to this offer, and thereafter await your detailed proposals following your negotiations with Queensland stakeholders.

Yours sincerely



(John Howard)





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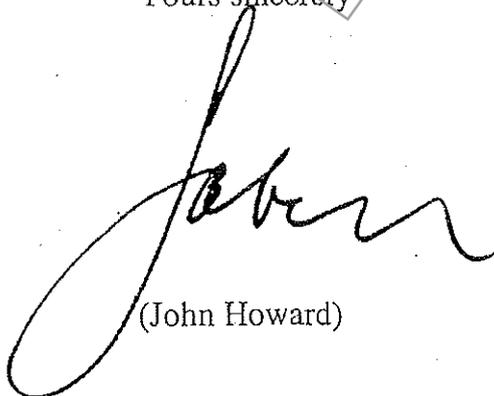
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I hope that your government will take up our offer to help address this important issue. In the first instance, I would welcome a positive response to this offer, and thereafter await your detailed proposals following your negotiations with Queensland stakeholders.

Yours sincerely



(John Howard)



P2747



06/06/01



Queensland Government

Please quote: /RM09/ERP

Premier of Queensland

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard 

I refer to your letter of 24 July 2001 in relation to Commonwealth policy and funding positions on land clearing in Queensland.

I share your commitment to resolve this longstanding and pressing issue. Indications in your letter that the Commonwealth is now prepared to provide a financial contribution towards reducing the impact of tree clearing controls on landholders is welcomed.

As you have pointed out in your letter, the Queensland Government enacted vegetation management legislation in September 2000 and is now implementing the new arrangements across the State. Evidence available to date indicates that the legislation's contents are being met.

Before it is possible to progress discussions on furthering controls on clearing in Queensland significant clarification is required as to precisely what the Commonwealth is seeking and offering on this matter. There are three issues arising from your letter requiring a further response from the Commonwealth.

Firstly, in relation to funding, your letter is silent on how much of a financial contribution the Commonwealth is willing to make. I am sure you understand that very different reductions in the rate of clearing can be achieved depending on the amount of money you are prepared to invest.

The benefits derived from reduced land clearing in Queensland do not stop at the State border. All Australians will benefit from any additional actions in Queensland and yet there is considerable inequity in the funding arrangement you propose. For example, Queensland's population represents around 19 per cent of the total Australian population but you propose that Queenslanders should fund almost 60 percent of the cost of actions to reduce land clearing which would achieve reductions in Australia's greenhouse gas emissions. This is in addition to the \$280 million in funding my Government has already committed to enhanced natural resource management since coming to office. To date the Commonwealth has only supported enhanced natural resource management in Queensland through a commitment to provide \$81 million over seven years toward the National Action Plan for Salinity and Water Quality.

Executive Building  
100 George Street Brisbane  
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Queensland 4002 Australia  
Telephone +61 7 3224 4500  
Facsimile +61 7 3221 3631  
Email ThePremier@premiers.qld.gov.au  
Website www.thepremier.qld.gov.au

I cannot accept continuing inequities of this magnitude being perpetrated by the Commonwealth on the citizens of Queensland.

In suggesting a possible funding model I believe a parallel could be drawn with the State / Federal funding formula used with the National Reserve System. As you would well know, this formula sees the Federal Government matching each State dollar on a two for one basis. As the National Reserve System is aimed at achieving similar habitat protection outcomes as tree clearing controls, I see little reason why a similar funding approach should not be considered to fund further reductions in land clearing. Queensland, of course, continues to cover the entire management costs of tree clearing controls with no Commonwealth contribution.

Secondly, Queensland requires greater guidance on the type of vegetation management regime the Commonwealth is seeking. Your letter requests a detailed proposal and cost estimates for a scheme to further reduce land clearing in order to achieve a 'significant, certain and cost effective reduction in greenhouse gas emissions'. However, it is not clear exactly what this means. Some analysts believe such a significant reduction would require the inclusion of considerable areas of regrowth and/or not of concern vegetation communities. What degree of certainty are you seeking and how do you intend to measure the cost effectiveness of measures implemented?

Further reference is made to a 'sizeable' reduction in the 'business as usual' clearing rate but there is considerable uncertainty about: whether the Commonwealth is seeking only an initial "cap" on clearing rates and, if so, precisely what that cap should be; whether the Commonwealth is seeking an annual reduction in clearing rates over time and, if so, what that annual reduction should be; and whether the Commonwealth's ultimate goal is the complete phasing out of clearing altogether or some other target.

There are a number of other ambiguities arising from your letter. For example, I am advised that the Bonn Agreement on Kyoto Protocol Rules stipulate that greenhouse sink measures must contribute to biodiversity conservation and the sustainable use of natural resources. Your desire to distinguish so called "additional" initiatives from existing biodiversity achievements under Queensland's vegetation management arrangements and commitments under the National Action Plan for Salinity and Water Quality is therefore puzzling.

To add to the confusion, your additional proposal to restrict Commonwealth interest to reductions in the "remnant" clearing rate suggests that the Commonwealth has no interest in the important contribution that regrowth native vegetation makes to absorbing atmospheric carbon.

Finally, as I have told the media, Queensland is ready to resolve this issue in the national interest and is prepared to work **with** your Government to do this. Any approach in progressing this issue will require your Government to jointly and actively participate in consultation with affected groups and landholders. I therefore invite you and your Ministers to join with my Ministers and me to meet with landholders in Queensland's rural communities that will be most affected. The necessary arrangements can be made at the State level.

The Commonwealth Government has international responsibilities for **greenhouse** as evidenced by its participation in both the Kyoto and Bonn conferences. It has clear national responsibilities for **biodiversity** as evidenced by its use of the Federal Environment Protection and Biodiversity Protection Bill to list tree clearing as a threatening process, and it has taken a leading role on **salinity and water quality** as evidenced by the current National Action Plan. As all three of these environmental issues are impacted by tree clearing it is clearly unsustainable for the Commonwealth to assert that controls on tree clearing are solely a State responsibility.

No doubt you will be aware that further moves to limit land clearing, over and above those implemented by Queensland, will be controversial, will severely impact on many landholders, and will have a significant economic impact in some of Queensland's regions. Given that Australia as a whole will be the major beneficiary of any such move to satisfy international obligations, I do not accept that it is my Government's sole responsibility to negotiate further changes.

This issue has been a matter of concern to both our Governments for sometime now. I am keen to see it resolved as quickly as possible. I believe that it must be progressed in a cooperative, bipartisan way, with open negotiations with all concerned, with much greater clarity from the Commonwealth on its expectations and a more realistic contribution of matching federal funds.

I look forward to a response that gives greater detail to the form and quantum the Commonwealth envisages in tighter controls on tree clearing in Queensland.

Yours sincerely



**Peter Beattie MP**  
**PREMIER AND MINISTER FOR TRADE**

18496

P2747

**URGENT**

**Premier's briefing note**

Policy

Title: Response to the Prime Minister on Land Clearing Date: 6 August 2001 . 1

**1. Purpose**

To respond to the Prime Minister's letter to you dated 24 July 2001 proposing Commonwealth policy and funding positions in relation to expanded land-clearing controls in Queensland

**2. Background/Issues**

Policy Division in close consultation with your Deputy Chief of Staff has prepared the attached draft response to the Prime Minister.

The letter is consistent with your public responses on this issue.

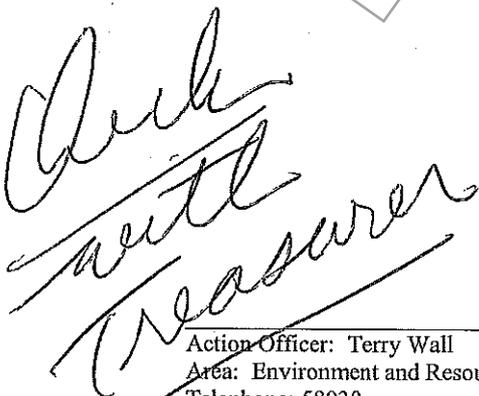
The letter welcomes the Commonwealth's indication it is willing to provide a financial contribution to enhanced vegetation management controls in Queensland. However, the response seeks further information and clarification of what the Commonwealth is seeking the Queensland Government and Queensland landholders to deliver. Clarification is sought in three main areas:

- the precise financial contribution the Commonwealth is prepared to make, noting that the proposed 50:50 funding formula is inequitable and unacceptable to Queensland – it proposes the alternative of a two third Commonwealth / one third State funding contribution;
- greater guidance on the type of regime the Commonwealth is seeking to have implemented; and
- a commitment that the Prime Minister and his Ministers will jointly and actively participate with the Queensland Government in consulting and negotiating any changes with affected groups and landholders.

**3. Recommendation**

That you sign the attached letter to the Prime Minister

  
 Dr Glyn Davis  
 Director-General



0004

Action Officer: Terry Wall  
 Area: Environment and Resources Policy  
 Telephone: 58030

ED:

DDG:

P274718647

**URGENT**

# Premier's briefing note

Policy

Title: Vegetation management – Letter to Prime Minister Date: 9 August 2001 - 2

## 1. Purpose

To provide a suggested way forward on the issues raised in the attached note from your Deputy Chief of Staff.

## 2. Background

You sought Policy Division's advice on this matter.

## 3. Issues

The note from your Deputy Chief of Staff correctly highlights the dilemma the Government faces in responding to the Prime Minister in a timely and positive fashion while not jeopardising the State's financial position.

The suggestion of going to CBRC first is problematic. While this would delay any response to the Prime Minister, it is also difficult to conceive as to what CBRC would actually be asked to consider. It is virtually impossible to identify the magnitude of any financial commitment until we get greater detail from the Federal Government as to what sort of arrangement they envisage being put in place.

Equally sending the letter without any indication of what the State might be prepared to offer may stall the process to the Commonwealth's advantage.

We suggest a possible way forward may be to redraft the relevant paragraph of the letter so as to raise 2 for 1 as one of a number of possible funding options that the two Governments should consider in further discussions. But this would be clearly on the condition of satisfactory resolution of the issues on which you are seeking clarification, and on adequate recognition of Queensland's existing contributions to tree clearing controls. This would provide a positive offer, but at the same time would maintain the State's flexibility as to any final contribution according to our view on what "appropriate recognition" means.

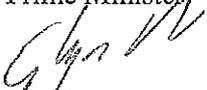
The paragraph would read as follows:

"...To explore the possible funding regime there are a number of models to draw on. A parallel could be drawn with the State / Federal funding formula used with the National Reserve System. As you would well know, this formula sees the Federal Government matching each State dollar on a two for one basis. As the National Reserve System is aimed at achieving similar habitat protection outcomes as tree clearing controls, I see little reason why a similar funding approach should not at least be considered in the development of a regime to fund further reductions in land clearing. Of course, the quantum of any State contribution would be dependent on the satisfactory resolution of issues for which I'm seeking clarification in this letter and appropriate recognition of the \$111 million Queensland has already committed to vegetation management...."

A revised letter incorporating this paragraph is attached for your signature if you agree

## 4. Recommendation

That you consider the contents of this brief and, if you agree, sign the attached revised letter to the Prime Minister.



Dr Glyn Davis  
Director-General

*DS requested this urgent brief - see attached.*





Queensland  
Government

Please quote: /RM09/ERP

Premier of Queensland

10/08/01

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

I refer to your letter of 24 July 2001 in relation to Commonwealth policy and funding positions on land clearing in Queensland.

I share your commitment to resolve this longstanding and pressing issue. Indications in your letter that the Commonwealth is now prepared to provide a financial contribution towards reducing the impact of tree clearing controls on landholders is welcomed.

As you have pointed out in your letter, the Queensland Government enacted vegetation management legislation in September 2000 and is now implementing the new arrangements across the State. Evidence available to date indicates that the legislation's contents are being met.

Before it is possible to progress discussions on furthering controls on clearing in Queensland significant clarification is required as to precisely what the Commonwealth is seeking and offering on this matter. There are three issues arising from your letter requiring a further response from the Commonwealth.

Firstly, in relation to funding, your letter is silent on how much of a financial contribution the Commonwealth is willing to make. I am sure you understand that very different reductions in the rate of clearing can be achieved depending on the amount of money you are prepared to invest.

The benefits derived from reduced land clearing in Queensland do not stop at the State border. All Australians will benefit from any additional actions in Queensland and yet there is considerable inequity in the funding arrangement you propose. For example, Queensland's population represents around 19 per cent of the total Australian population but you propose that Queenslanders should fund almost 60 percent of the cost of actions to reduce land clearing which would achieve reductions in Australia's greenhouse gas emissions. This is in addition to the \$280 million in funding my Government has already committed to enhanced natural resource management since coming to office. To date the Commonwealth has only supported enhanced natural resource management in Queensland through a commitment to provide \$81 million over seven years toward the National Action Plan for Salinity and Water Quality.

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I cannot accept continuing inequities of this magnitude being perpetrated by the Commonwealth on the citizens of Queensland.

Secondly, Queensland requires greater guidance on the type of vegetation management regime the Commonwealth is seeking. Your letter requests a detailed proposal and cost estimates for a scheme to further reduce land clearing in order to achieve a 'significant, certain and cost effective reduction in greenhouse gas emissions'. However, it is not clear exactly what this means. Some analysts believe such a significant reduction would require the inclusion of considerable areas of regrowth and/or not of concern vegetation communities. What degree of certainty are you seeking and how do you intend to measure the cost effectiveness of measures implemented?

Further reference is made to a 'sizeable' reduction in the 'business as usual' clearing rate but there is considerable uncertainty about: whether the Commonwealth is seeking only an initial "cap" on clearing rates and, if so, precisely what that cap should be; whether the Commonwealth is seeking an annual reduction in clearing rates over time and, if so, what that annual reduction should be; and whether the Commonwealth's ultimate goal is the complete phasing out of clearing altogether or some other target.

There are a number of other ambiguities arising from your letter. For example, I am advised that the Bonn Agreement on Kyoto Protocol Rules stipulate that greenhouse sink measures must contribute to biodiversity conservation and the sustainable use of natural resources. Your desire to distinguish so called "additional" initiatives from existing biodiversity achievements under Queensland's vegetation management arrangements and commitments under the National Action Plan for Salinity and Water Quality is therefore puzzling.

To add to the confusion, your additional proposal to restrict Commonwealth interest to reductions in the "remnant" clearing rate suggests that the Commonwealth has no interest in the important contribution that regrowth native vegetation makes to absorbing atmospheric carbon.

Finally, as I have told the media, Queensland is ready to resolve this issue in the national interest and is prepared to work **with** your Government to do this. Any approach in progressing this issue will require your Government to jointly and actively participate in consultation with affected groups and landholders. I therefore invite you and your Ministers to join with my Ministers and me to meet with landholders in Queensland's rural communities that will be most affected. The necessary arrangements can be made at the State level.

The Commonwealth Government has international responsibilities for **greenhouse** as evidenced by its participation in both the Kyoto and Bonn conferences. It has clear national responsibilities for **biodiversity** as evidenced by its use of the Federal Environment Protection and Biodiversity Protection Bill to list tree clearing as a threatening process, and it has taken a leading role on **salinity and water quality** as evidenced by the current National Action Plan. As all three of these environmental issues are impacted by tree clearing it is clearly unsustainable for the Commonwealth to assert that controls on tree clearing are solely a State responsibility.

No doubt you will be aware that further moves to limit land clearing, over and above those implemented by Queensland, will be controversial, will severely impact on many landholders, and will have a significant economic impact in some of Queensland's regions. Given that Australia as a whole will be the major beneficiary of any such move to satisfy international obligations, I do not accept that it is my Government's sole responsibility to negotiate further changes.

This issue has been a matter of concern to both our Governments for sometime now. I am keen to see it resolved as quickly as possible. I believe that it must be progressed in a cooperative, bipartisan way, with open negotiations with all concerned, with much greater clarity from the Commonwealth on its expectations and a more realistic contribution of matching federal funds.

I look forward to a response that gives greater detail to the form and quantum the Commonwealth envisages in tighter controls on tree clearing in Queensland.

Yours sincerely

**Peter Beattie MP**  
**PREMIER AND MINISTER FOR TRADE**

RTI RELEASE



PRIME MINISTER

170-230200 CANBERRA

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16 FEB 2002

The Hon Peter Beattie MP  
 Premier of Queensland  
 Executive Building  
 100 George Street  
 BRISBANE QLD 4000

My dear Premier

Thank you for your letter of 10 August 2001 regarding land clearing in Queensland.

As set out in my letter to you of 24 July 2001, the Commonwealth's offer to provide matching assistance recognises the national interest in reducing the high rates of land clearing specific to Queensland to assist in meeting Australia's international greenhouse commitments. As indicated in that letter, I consider that land clearing is primarily a land management issue and the responsibility of State and Territory governments.

I also indicated the Commonwealth would be prepared to provide a financial contribution commensurate with the reduction in emissions from land clearing negotiated and implemented by your government. Achieving a significant reduction in greenhouse gas emissions will involve a sizeable and sustained reduction in "business as usual" clearing rates over the past decade beyond that flowing from the vegetation management regime and the National Action Plan for Salinity and Water Quality. For example, a guaranteed reduction in the order of 20 to 25 megatonnes of carbon dioxide equivalent annually could provide significant abatement to secure national outcomes from Commonwealth investment.

The Commonwealth does not, however, wish to be prescriptive about how a further significant reduction in land clearing, and consequently greenhouse gas emissions might be achieved. Your government has the relevant "on-ground" knowledge and is best placed to further develop a workable and cost effective scheme and engender the support and commitment of the Queensland community that is crucial to successful implementation of sustainable land use practices. However, the Commonwealth would require that any scheme to provide for emissions reductions is readily verifiable and consistent with internationally agreed definitions and reporting requirements.

You would be aware that officials of our two governments met on a number of occasions, on a no prejudice basis, to discuss the mechanics of possible regimes to reduce the rate of land clearing. I believe that there is now a basis to continue these discussions in the context of developing a Queensland proposal for consideration by the Commonwealth. It will also be important for our governments to work together to incorporate robust emission accounting and ensure that international climate change considerations are fully addressed. Other specific issues raised in your letter could also be discussed by officials.

I hope that your government will undertake the further work that is necessary to develop and negotiate a detailed proposal that satisfies the Commonwealth's broad parameters. I would expect this would include an estimate of costs that would be shared equally between our two governments. Upon receipt of such a proposal, I assure you that we will seriously consider it with a view to timely agreement on an outcome to this important issue.

Yours sincerely



(John Howard)



in (VIM)

PRIME MINISTER  
CANBERRA

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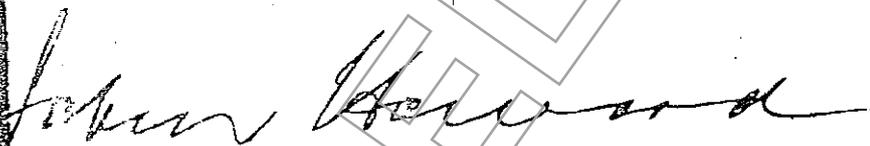
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Yours sincerely

  
(John Howard)

RTI RELEASED



The Hon. Dr David Kemp MP  
Minister for the Environment and Heritage

11/02/08108

31 OCT 2002

The Hon. Stephen Robertson MP  
Minister for Natural Resources and  
Minister for Mines  
PO Box 456  
Brisbane Albert Street QLD 4002

Dear Minister,

*Stephen,*

Thank you for your letter dated 16<sup>th</sup> September 2002 notifying me of the tightening of codes for vegetation clearing in the Queensland Murray Darling Basin (QMDB). The Commonwealth views these interim measures applying to four sub-catchments of the QMDB as a welcome step in addressing the implications of the high rate of land clearing in Queensland.

As you outlined, the changes have been designed as a measure to address salinity hazard. The Commonwealth recognises this initiative will assist Queensland in meeting its commitments in the Bilateral Agreement for implementation of the National Action Plan for Salinity and Water Quality.

The code changes, however, only go part way towards addressing the implications of land clearing for biodiversity conservation and greenhouse gas abatement. For example, I am concerned that Queensland's vulnerable regional ecosystems on freehold land can continue to be cleared. This undermines our national biodiversity goals. I urge you to consider means of addressing this important issue, consistent with the aims of the agreed *National Framework for the Monitoring of Australia's Native Vegetation*.

The Commonwealth remains willing to consider proposals from your government on ways to achieve greenhouse gas abatement, in accordance with the offer made in the Prime Minister's correspondence to Premier Beattie of 16<sup>th</sup> February 2002. As outlined by the Prime Minister any Commonwealth assistance is contingent upon a sizeable and sustained reduction in 'business as usual' clearing rates beyond that flowing from the current vegetation management regime, and the National Action Plan for Salinity and Water Quality. The letter provides some guidance in determining what the Commonwealth would consider significant abatement, and stresses the importance of ensuring that any proposed scheme engenders the support and commitment of the Queensland community.

I have copied your letter and my reply to the Minister for Agriculture, Fisheries and Forestry, the Hon. Warren Truss.

Yours sincerely

*David Kemp*

DAVID KEMP

Parliament House, Canberra ACT 2600 Australia

• Tel: (02) 6277 7640 • Fax: (02) 6273 6101 • [www.ca.gov.au](http://www.ca.gov.au)

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# MEDIA RELEASE

DR DAVID KEMP, MP

*Minister for the Environment and Heritage*

K0116

22 May 2003

## TALKS ON QUEENSLAND LANDCLEARING PROPOSAL

Broad details of a proposal to reduce land clearing in Queensland were outlined today following a meeting of Commonwealth Ministers with AgForce and the Queensland Farmers' Federation.

Howard Government Ministers David Kemp (Environment and Heritage); Warren Truss (Agriculture, Forestry and Fisheries); Ian Macfarlane, (Industry, Tourism and Resources); and Ian Macdonald (Fisheries, Forestry and Conservation) met with Mr Larry Acton of AgForce, Mr Gary Sansom of Queensland Farmers' Federation (QFF) and other primary industry leaders to outline the proposal and seek the views of these important stakeholders on its merits.

"This proposal has been developed by Queensland and worked on by Commonwealth and Queensland officials in recent weeks. It meets the Commonwealth Government's objectives of a substantial reduction in the clearing of remnant vegetation, in greenhouse gas emissions and the additional protection of the biodiversity of ecosystems," Dr Kemp said.

Key elements under discussion are:

- The immediate protection of 'of concern' vegetation;
- The phase down of broadacre clearing of remnant vegetation to zero by 2006 under a traditional cap of 500,000 hectares;
- Continuation of regrowth clearing and of the Regional Vegetation Management Plan process;
- Continuation of some exemptions (eg. for woody weed control, infrastructure development, legitimate forest practices, appropriate thinning and fodder harvesting under permit); and
- A joint Commonwealth and Queensland adjustment assistance package of up to \$150 million with three key elements:
  - \$130 million for financial incentives to assist with the transition (or, where necessary, for exit assistance)
  - \$12 million for incentives to improve management of the more valuable remnant vegetation
  - \$8 million for incentives to develop best practice farm management plans

The Commonwealth indicated it is willing to consider alternatives to the proposal that achieve the Commonwealth's objectives in an assured, timely and cost effective manner.

"We understand the strong interest in this proposal from a range of groups and we intend, with Queensland, to hold consultations with other industry groups, conservation groups, regional bodies, local government and the finance sector as soon as possible," Dr Kemp said.

**Media contact:** Catherine Job 02 6277 7640 or 0408 648 400

P10382  
Tracking No. 40557**Premier's briefing note**

Policy

Title: Letter to the Prime Minister on funding for  
vegetation management.

Date: 13 December 2002

**1. Purpose**

To provide background information on a proposed letter to the Prime Minister (copy attached for your signature) aimed at progressing negotiations on funding for vegetation management.

**2. Background**

Negotiations with the Commonwealth on funding to reduce land clearing have dragged on for over three years. An offer has recently been made through the Secretary of Environment Australia for funding of up to \$30 million (to be matched by Queensland) for the protection of 'of concern' regional ecosystems on freehold land.

**3. Issues**

Your Deputy Chief-of-Staff advised you of the Commonwealth offer in a note dated 21 November 2002 (copy attached). Mr McGreevy proposed that Queensland make a "bigger and better" counter-offer – a strategy with which you agreed.

The attached letter for your signature sets out a counter-offer involving an integrated package to cover biodiversity, land degradation, salinity and greenhouse gas abatement costing \$150 million to be shared equally between the Commonwealth and the State. The letter also sets out the basic requirements for Queensland's involvement in any arrangements.

DPC understands that information about the Commonwealth's offer of funding has been leaked to journalists and may be the subject of a Courier Mail article tomorrow. It would be important to flag Queensland's position before this occurs.

You should note that agreement from the Commonwealth to this package would commit the State to finding \$75m over 5 years to deliver the package. We have previously briefed you on possible revenue sources.

**4. Consultation**

No consultation has occurred.

**5. Is this in accordance with Government election commitments?**

There are no relevant election commitments.

**6. Recommendation**

That you sign the attached letter.



Dr Leo Kelihher  
Director-General

Adrian

Premier's office have amended letter again - signed/faxed copy of their amended version is now attached.

P10382

TN 40557



FAXED



Queensland  
Government

Premier of Queensland  
and Minister for Trade

Please quote: TN40557/AJ/ERP

13 DEC 2002

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

The last three years has seen a regular exchange of correspondence between us on the subject of land clearing in Queensland. While the general principles of a joint approach between our two governments on this issue have been extensively discussed, no detailed proposal has yet been agreed by both parties.

On 31 October 2002, the Honourable David Kemp MP, Minister for the Environment and Heritage, wrote to the Honourable Stephen Robertson MP, Minister for Natural Resources and Minister for Mines, reiterating Commonwealth proposals regarding greenhouse gas abatement. He also flagged the issue of management of vulnerable regional ecosystems (equivalent to 'of concern' regional ecosystems under State legislation).

I have been further advised that the Secretary of Environment Australia has recently contacted the Director-General of the Queensland Department of Natural Resources and Mines to make a "without prejudice" proposal for funding of up to \$30 million (matched by Queensland) to assist with the protection of 'of concern' regional ecosystems on freehold land. The proposal is unique in that, for the first time, the Commonwealth has specified a possible level of funding and a range of matters to be resolved. I understand that informal further discussions on this have occurred at officials' level - again on a 'without prejudice' basis.

I believe you would agree that, while some progress is being made, the form of a joint approach between our two governments on land clearing needs to be resolved once and for all. In order to reach this point I think it is appropriate to set out some of the issues which my Government would consider to be essential features of any agreement. They are as follows:

1. All components of a Commonwealth contribution to the resolution of clearing issues should be agreed and announced at the same time. Sequential roll-out of individual initiatives such as any addressed at Greenhouse gas reductions, will generate unnecessary and unwanted uncertainty for the State's landholders.

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2. Any joint approach must result in a significant and substantial reduction in land clearing to achieve biodiversity, land degradation, salinity and greenhouse gas abatement goals. In this respect, I am disappointed that the Commonwealth is currently restricting its interest to 'of concern' regional ecosystems on freehold land as these areas represent less than 0.7% of all intact native vegetation in the State. I consider that we would achieve far more effective results with a larger integrated package.
3. Both governments must stand by the agreement and go to the community with it. As you will be aware, any initiative on land clearing will be controversial and universal support, even from key rural industry groups, is unlikely to be forthcoming.
4. The Commonwealth must recognise that legislative backing is required to deliver certainty for defined vegetation management outcomes and to ensure cost-effectiveness. Queensland is prepared to use and extend its existing vegetation management framework for this purpose. However, the Commonwealth must be prepared to support this and also refrain from using its own legislation to duplicate or augment the level of protection agreed.
5. Any Queensland financial contribution to the joint arrangements will include the cost of administration and implementation.
6. The above arrangements are consistent with the Commonwealth's position as stated in earlier correspondence.

I consider that these proposals are both realistic and practical and I seek your agreement to progress this matter further. With your support, I would propose that the next step would be for our officers to draft a Memorandum of Understanding for us to sign which would detail the proposed arrangements including respective financial contributions. This would then form the basis for detailed consultation by both our Governments with key stakeholders.

On a related matter, I note that the Secretary of Environment Australia has also proposed funding of up to \$7.5 million (matched by Queensland) for the protection of wetlands in Queensland. Recent media reports relating to Senate approval of the Commonwealth's sugar industry levy legislation have made reference to a further \$16 million being made available with half to be provided by Queensland. While I am prepared to study any proposal on its merits, until Queensland is provided with the details of the proposed package, I am in no position to make any commitments.

I look forward to your early reply.

Yours sincerely



**PETER BEATTIE MP**  
**PREMIER AND MINISTER FOR TRADE**



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**FAXED**

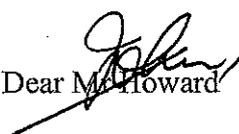
**Queensland  
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Please quote: TN40557/AJ/BRP

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I look forward to your early reply.

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I look forward to your early reply.

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**PETER BEATTIE MP**  
**PREMIER AND MINISTER FOR TRADE**

TN 40557



FAXED



Queenland  
Government

Premier of Queensland  
and Minister for Trade

Please quote: TN40557/AJ/ERP

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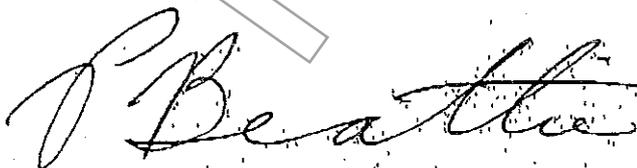
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PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE

P10382

Tracking No. 41413

Department of the Premier and Cabinet

# Memorandum

To: Dr Leo Keliher  
Director-General

*JK*

From: Terry Wall  
Executive Director, Environment and Resources  
Policy

Ext: 58030

Subject: Letter to the Prime Minister on Vegetation Management

Date: 22 January 2003

Ref:

Leo

Attached is a copy of a letter to the Prime Minister we drafted at the Premier's request following his meeting with Minister Robertson on Monday.

The letter outlines the announcement the Premier and Minister will make today on the release of the latest tree clearing data for Queensland, and the range of stiffer penalties that the Government will introduce in response.

Sch. 3-1

Sch. 3-1

The

letter also seeks a meeting with the PM in late February/early March to discuss a joint initiative to address tree clearing.

Given the urgency of getting this letter to the PM, the Premier's Office requested we provide it direct to them once it had been drafted. I understand the letter has been signed by the Premier and will be faxed to the PM's Office around midday today

For information

*Terry Wall*  
Terry Wall

**COPY**

Please quote: /AJ/BRP

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

You will recall that I wrote to you on 13 December 2002 setting out the case for an integrated joint response from our two governments to the issue of land clearing in Queensland. This was in response to a number of proposals to address clearing which have been previously put forward by your Government.

My Government will shortly release a report by the State Landcover and Trees Study (SLATS) on land clearing in Queensland for the period 1999 to 2001. This is the latest in a series of biennial reports on clearing which provide a reliable basis to assess trends and changes over time.

The most recent report is significant in that it covers the first year of operation of my Government's new vegetation management framework. The statistics indicate that clearing of remnant vegetation on freehold land, the principal target of the framework, has been reduced by 50% compared to the 1997-1999 base period. This indicates that the new legislation has had an effect.

As you will be aware, clearing controls in Queensland are designed to protect areas of vegetation with specified biodiversity values or which are important to prevent land degradation. The current figures confirm that the major focus of landholder clearing effort is moving into areas where there is extensive existing native vegetation cover and where these values are under a lower level of threat. This is reflected in the change in clearing rates on leasehold land which have increased by about 40%.

Also of concern is evidence from the satellite imagery used to generate the SLATS report that up to 61000 hectares of illegal clearing has occurred. This represents around 16 per cent of total clearing and is estimated to comprise 25,000 hectares on freehold land and 36,000 hectares on leasehold land.

The extent of illegal clearing calls into question the claims made by some rural organisations that voluntary initiatives would be sufficient to reduce clearing rates.

While the objectives of my government's vegetation management framework are being progressed, overall clearing rates remain well above the implied levels which the Commonwealth has indicated are acceptable to achieve national Greenhouse gas emissions targets and to protect vulnerable regional ecosystems.

The Honourable Stephen Robertson MP Minister for Natural Resources and I will, on 22 January, outline a number of proposed amendments to Queensland's vegetation management legislation to streamline its operation and to further deter illegal clearing. A draft copy of our press release which outlines the proposed amendments is attached for your information. Together with recent changes, such as restrictions on clearing in salt prone river catchments, these proposals demonstrate my Government's commitment to addressing the issue of land clearing in Queensland.

As I outlined in my previous letter however, achieving further substantial reductions in clearing will require our governments to work cooperatively to develop an integrated package to assist landholders to significantly further reduce, or halt the clearing of remnant vegetation in Queensland. I remain committed to this approach. The most recent clearing data serves to emphasise the need for our Governments to expedite the development of this package.

I believe that there would be benefit in our meeting to discuss a proposed joint initiative. I would propose this meeting be held at a mutually convenient time in late February or early March.

I look forward to your favourable response.

Yours sincerely

**PETER BEATTIE MP**  
**PREMIER AND MINISTER FOR TRADE**

Tracking No.

P10382

## Premier's briefing note

Policy

Title: Land Clearing - Negotiations with the Prime  
Minister

Date: 29 January 2003

### 1. Purpose

To provide you with options for a proposal to take to the Prime Minister on land clearing.

### 2. Background

On 17 December 2002 you wrote to the Prime Minister outlining the broad principles of a joint approach to land clearing in Queensland. This letter was in response to previous separate approaches from the Commonwealth seeking to reduce Greenhouse gas emissions and to stop clearing of 'of concern' regional ecosystems. In your letter you expressed disappointment with the Commonwealth's limited focus and proposed an "integrated package".

On 21 January 2003, you wrote again to the Prime Minister and asked for a meeting with him in late February and early March. You sought advice from DPC and DNRM on a strategy to resolve the impasse between the State and Federal Governments on this issue. At your request a number of options have been developed. This note argues that the effective cessation of clearing in Queensland is the only option which will end the public debate.

### 3. Issues

Land clearing will remain a controversial issue for the Queensland Government while broadscale clearing continues to be permitted. The public debate is now so prolonged and polarised that only by eliminating the cause (i.e. ceasing virtually all broadscale clearing) will it be finally put to rest.

As you know, three years ago the debate on tree clearing was focussed upon protection of 'of concern' vegetation on freehold land. However the issues which are now dominating the debate over further restrictions are far broader. They include greenhouse, salinity, water reform and the sustainability of landscapes generally. Indeed reducing vegetation clearing has become an end in itself for many. It is our view that the only action that will neutralise this issue for the Government is a virtual cessation of clearing of all remnant vegetation.

The State Government has the power, through legislative amendment, to reduce or stop clearing without compensation or financial assistance to landholders. However, implementing this approach would break commitments made at Winton and Roma. It would also escalate the debate and generate very intense levels of opposition from landholders and their representatives. Assuming this option is not acceptable, the only other viable option for stopping clearing is through a substantial financial assistance package.

A package which achieves the objectives previously identified as priorities for the Commonwealth has been developed in consultation with DNRM. Details of the package (option 1) are set out in **Attachment 1** in a form which could be presented to the Prime Minister. In summary the package proposes:

- Legislative change to
  - protect 'of concern' regional ecosystems on freehold land;
  - further limit clearing which may contribute to salinity problems; and
  - cap and phase out all except essential broadscale clearing of remnant vegetation by the year 2008 (the start of the first national emissions reporting period under the

Action Officer:  
Area:  
Telephone:

ED:

DDG:

Kyoto Protocol). This would more than meet the Prime Minister's target of reducing carbon emissions by 20 to 25 megatonnes per annum.

- A financial package capped at \$150 million, to be delivered over five years, which includes:
  - Financial (adjustment ) assistance for landholders disproportionately affected by the changes
  - Incentives for the protection, management and restoration of important vegetation on private land
  - Support for rural industry groups to deliver accelerated property management planning initiatives;
- A draft Memorandum of Understanding with the Commonwealth, as proposed in your letter of 17 December, under which both Governments would finalise the details.

The Commonwealth will insist that any package is jointly funded on a 50:50 basis with Queensland. Any proposal which requests 100% funding from the Commonwealth is unlikely to be taken seriously. This means that Queensland must be prepared to provide a significant level of funds if the issue of land clearing is to be resolved.

If 50:50 funding is agreed, Queensland would need to find \$15 M per annum for 5 years. If the Government is unable or unwilling to seek a new revenue source, this funding would need to be found from existing budgetary resources. It would be necessary for the upcoming 2003-04 Budget process to be targeted toward finding the required savings from a number of agencies' existing budgets.

Should the Commonwealth not be prepared to agree to a comprehensive integrated package which resolves the issue once and for all, two fall back positions have been developed. They are summarised in the Appendix to this brief and detailed in Attachments 2 and 3. Again, it is likely that any fallback package of this nature would need to be funded on a 50:50 basis by Queensland.

While Option 2 would have some impact on current clearing levels, it would not eliminate the political issue of clearing itself. Calls to reduce clearing to negligible levels would continue. Option 3 would have an insignificant impact on clearing rates and would not solve the political issue for the Government

A number of other options to address clearing rates have been presented to you over the past three years. However, none of these would resolve the issue. More recent proposals to increase penalties for illegal clearing or to amend assessment procedures do not change the fact that the regulatory "bar" set by the Queensland Government in 2000 does not now meet current community expectations.

A separate briefing note has been prepared by the Department of Natural Resources and Mines outlining additional options for immediate action. The Department advises, as this note does, that these will have negligible impact on clearing rates. However, we have suggested to DNRM, and they have agreed, that they include a further option in their paper aimed at putting pressure on the Commonwealth should they be reluctant or slow to support either option 1 or 2. The proposal would involve the Queensland Government imposing an immediate moratorium on clearing approvals following the meeting with the Prime Minister, pending the finalisation of negotiations with the Commonwealth. While this approach would generate a strong reaction from the rural community, it would have the effect of placing the onus for further action on financial assistance squarely with the Commonwealth. It would provide a "fail-safe" for your meeting with the Prime

Minister in that you would be able to implement a strong response to this issue whatever the outcome of the meeting with the PM.

**4. Recommendation**

That you adopt Option 1 as the basis of your negotiations with the Prime Minister. Failing Commonwealth support you propose option 2 as a fall back.

Dr Leo Keliher  
**Director-General**

RTI RELEASE

## OPTION 1

*Draft Proposal for the Prime Minister***Sustaining Queensland's Native Vegetation****Background**

The *Vegetation Management Act 1999* was introduced into Queensland Parliament in December 1999. The new laws regulated vegetation clearing on freehold land for the first time, and aimed at ensuring clearing undertaken maintained biodiversity and ecological processes, prevented land degradation and allowed for sustainable land use. Protection of areas subject to salinity and soil erosion, and the protection of riparian areas and endangered regional ecosystems were some of the issues included in this legislation. No further clearing was permitted in bioregions with less than 30% remnant vegetation. At the same time, it was proposed to tighten the existing regulations on leasehold land to protect of concern regional ecosystems. The new framework included codes for clearing for both freehold and leasehold land. Applications for clearing are assessed against these codes

The controls introduced through the *Vegetation Management Act 1999* were highly controversial and resulted in significant landholder protests at the Winton and Roma Community Cabinet meetings in early 2000. As a consequence, the legislation was amended to reduce its regulatory impact (by removing protection for "of concern" regional ecosystems on freehold land) before it was proclaimed in September 2000.

The Regional Vegetation Management Plans were initiated to develop regional codes, and allow for further stakeholder input into the vegetation management framework. There are 24 Regional Vegetation Management Committees across the state that has been developing RVMPs over the past two years. Many of these plans are now at the draft stage, ready for public consultation. A review of these plans indicates that although the plans clearly identify areas that are not suitable for clearing, they do not significantly reduce the rate of clearing and the recommendations in the plans state that further tightening of clearing controls would require government funding for incentives.

New scientific information resulting from the National Action Plan for Salinity and Water Quality salinity hazard mapping program identified that additional controls were required to prevent salinity in the long term. Following the release of the salinity hazard maps, the codes for clearing were tightened to protect catchments with less than 30% remnant vegetation remaining. This has occurred prior to the RVMPs being completed.

The Statewide Landcover and Trees Study (SLATS) monitors vegetation clearing and reports on the rate of clearing across the state every two years. The most recent report has indicated that significant panic clearing occurred in the year up to the proclamation of the VMA. The clearing rates following the introduction of the VMA fell by 50% on freehold, but increase by 20% on leasehold land. However, it is predicted that clearing rates will rise on freehold land over the next reporting period. This is due to improvements in the efficiencies in assessing permits, and understanding of the community about the need to apply for permits to clear. By overlaying the SLATS data with the data on permits issued, the areas of potential illegal clearing were identified at 61,000 ha.

Sch. 3-1

Sch. 3-1

A number of measures including are to be introduced to Queensland Parliament in the near future. The package of proposed enforcement measures includes:

- A requirement for repeat offenders on leasehold land to show cause why their leases should not be cancelled;
- A five year ban on vegetation clearing permits for anyone convicted of illegal clearing;

- A range of penalties that better reflect the severity of the offence - for example determining penalties by multiplying the number of hectares illegally cleared by the amount (per hectare) by which the cleared land has increased in value; and imposing heavier penalties for people who clear endangered or threatened vegetation than those who clear "not of concern" areas; and
- Compulsory remediation (or rehabilitation) of illegally cleared land at the landholder's expense on leasehold and freehold land, plus changes to link remediation orders and the land's title.

## **Moving Forward**

To achieve a significant reduction in current rates, a comprehensive approach that benefits biodiversity, land degradation and greenhouse gas emissions is necessary. However, the Queensland Government cannot undertake this initiative alone; support from the Commonwealth Government - financially and from a policy position - is critical to its success.

The Program that Queensland proposes provides strong leadership through a joint state/national response to the ongoing environmental and sustainability problems caused by excessive land clearing.

The Program is an integrated response. Rather than the piecemeal approach that has been a feature of previous Commonwealth proposals to Queensland, it is a single and substantial initiative that will remove the current levels of uncertainty being generated in the Queensland community.

To keep the initiative simple, the Program also builds on the Queensland Government's existing vegetation management framework and will be delivered through existing state-based administrative arrangements. It also augments the major advances achieved through the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust.

## **Objectives of the Program**

The program is designed to achieve objectives identified by the Commonwealth. These are:

- To protect 'of concern' regional ecosystems on freehold land;
- To augment and go beyond the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust; and
- To deliver greenhouse gas reductions exceeding 20,000 to 25,000 megatonnes of Carbon Dioxide per annum.

## **Key Elements of the Program**

### **Advancing the Vegetation Management Framework.**

Three actions are proposed to make vegetation management sustainable:

- An immediate restriction on further approvals for clearing of "of concern" (vulnerable) regional ecosystems
- An immediate tightening of the assessment codes under the legislation in relation to salinity hazard, to prevent clearing in catchments with high to medium salinity hazard, and
- A phase out of all except minor essential broadscale clearing of remnant vegetation in Queensland by 2008 to achieve greenhouse gas reduction, biodiversity and land degradation goals.

Details of these are set out in **attachment 1**.

### **Making farming sustainable.**

Actions to protect native vegetation will have flow-on consequences for Queensland's landholders and time will be required to adjust to the new arrangements. The following actions are proposed to facilitate this:

- The provision of targeted financial assistance in the form of structural adjustment, to those who are significantly and disproportionately burdened by the implementation of tighter clearing controls. Assistance will include grants and low interest loans, assistance to move into new industries, and may

include total buy-out of the small number of properties rendered completely unviable by restrictions. By opening up a range of options, landholders could be offered highly tailored packages to suit their circumstances. This approach allows for maximum flexibility and ensures that public funds are put to best use.

- assistance to industry bodies for the development of a modular, integrated property management planning accreditation process, supported by incentives for property holders to put in place property management plans. This will be targeted to those areas where the development of plans will most significantly contribute to addressing salinity and biodiversity objectives (due to issues such as location, area and/or significance). Industry bodies are currently calling for this sort of program, and it could be modelled on the successful rural water use efficiency program used in Queensland; and

Details of these proposals are set out in **attachment 2**

### **Restoring the Bush**

- The provision of incentives to encourage land holders to put forward proposals to actively manage and rehabilitate areas of ecologically significant regrowth and remnant vegetation, and to restore cleared land to protect biodiversity and prevent land degradation. These incentives would take the form of a grant that would cover the costs of protective covenants, and funding to cover the cost of any on-ground establishment works (such as fencing). Legislative changes by the State and Commonwealth would enable such covenanted land to attract tax deductibility status;

Details of this proposal are set out in **attachment 3**.

### **Costs**

The overall cost of the program is up to \$150 million shared by both Governments. **Attachment 4** sets out the indicative costs of the various components. However, the allocation to each component may be refined following detailed discussions between the governments and with key stakeholders.

### **Intergovernmental Agreement**

If agreement is reached about the features of the Program outlined above then it would be implemented through a Memorandum of Agreement. This would secure both governments' commitment to implement and fund the program and in particular ensure that any gains are achieved with appropriate public accountability for expenditure and minimal disruption to landholders.

A draft agreement is set out in **attachment 5** for consideration.

### **Communication Strategy**

It is essential that both Governments commit to jointly develop and promote the program to all stakeholders and to jointly work with those stakeholders to ensure it is effectively delivered. A Communication Strategy should be developed as soon as possible

## Attachment 1

**Further Action to Protect Native Vegetation****1. Protection of 'of concern' (vulnerable ) regional ecosystems on freehold land**

The following changes to the legislation and assessment codes will be made:

- Make "*the protection of of concern regional ecosystems*" a purpose of the *Vegetation management Act 1999*.
- Amend Schedule 8 of the *Integrated Planning Act 1997* to provide equivalent protection to both endangered and of concern regional ecosystems. [Note: urban exemptions will need to be further considered].
- Amend the assessment code to recognize the new purpose and to achieve it *by not clearing in any remnant of concern regional ecosystem except where the chief executive is satisfied that:*
  - a. *the clearing is necessary to protect the of concern regional ecosystem from a threatening process; or*
  - b. *the clearing is essential for establishing a necessary fence, road or other built infrastructure and no suitable alternative site exists; or*
  - c. *the vegetation is not part of a remnant of concern regional ecosystem.*

**2. Limit clearing of vegetation which contributes to the prevention of salinity in high to medium hazard areas**

- Amend the Assessment codes so that purpose 5 (the prevention of land degradation) is also achieved by:
  - a) *not clearing in catchments identified through the National Action Plan for Salinity and Water Quality Salinity Hazard Mapping Program as having a medium to high salinity hazard except where the chief executive is satisfied that:*
    - i) *the clearing is required for the sustainable harvesting of mulga (*Acacia aneura*) for fodder purposes; or*
    - ii) *the clearing is required for the management of land degradation; or*
    - iii) *the clearing is necessary to protect the area from a threatening process; or*
    - iv) *the clearing is essential for establishing a necessary fence, road or other built infrastructure and no suitable alternative site exists*

**3. Legislative provisions to provide for a reducing cap on clearing**

To provide certainty for land clearing reductions to achieve greenhouse gas emissions objectives, the following legislative amendments will be made:

- Make "*prevent the emission of greenhouse gases as a result of clearing*" a purpose of the legislation<sup>1</sup>.

<sup>1</sup>The Commonwealth would be responsible for determining the greenhouse gas emissions resulting from the clearing in order to satisfy its international obligations

- Establish an annual "cap" on the total area of clearing approvals;
- Include provisions to reduce to "cap" to 0 hectares by 2008;
- Establish that cumulative clearing approvals within any annual period cannot exceed the "cap";
- Allow clearing for certain purposes to be exempt from the "cap"<sup>2</sup>;
- Following consultation with key stakeholders, establish a system for equitably allocating approvals for clearing under the cap.
- Determine the method for calculating the area of each clearing approval;
- Establish that any application which, if approved, would mean that the cap is exceeded, is either:
  - a. Refused; or
  - b. With the agreement of the landholder, approved with a condition that the clearing cannot commence until a date after the current or any subsequent annual or six-monthly period where the cap would be exceeded; or
  - c. With the agreement of the landholder, approved with a condition that the clearing will be staged over current and/or subsequent annual or six monthly periods;
- Ensure that, for any application with a delayed start date, clearing contributes to the cumulative total for the purposes of establishing whether the total exceeds the annual or six-monthly total for the period in which the start date is located.
- Establish that no start date can be set more than two years after the date of approval.

<sup>2</sup> Existing exemptions in the legislation will be retained. Applications where:

- the clearing is necessary to protect the vegetation from a threatening process; or
- the clearing is essential for establishing a necessary fence, road or other built infrastructure and no suitable alternative site exists; or
- the vegetation is not remnant; or
- the clearing is for fodder for stock

will, if approved, not contribute to cumulative totals for the purposes of complying with the cap.

*offsets arrangements*

Attachment 2

Advancing the Vegetation Management Framework

**Forms of Financial Assistance**

- 1 Funding will be available to landholders who carry a substantial and disproportionate burden for retaining and managing areas of native vegetation in the public interest and provides a safety net which addresses viability on a case-by-case basis. A "substantial and disproportionate burden" is defined in relation to:
  - a) Others in the same class of individuals; and
  - b) Duty of care responsibilities.
- 2 Funding may be available for:
  - a) Acquisition and/or exit assistance where an enterprise is rendered unviable; and
  - b) Enterprise assistance to improve long term viability.
- 3 **Acquisition and exit assistance**
  - a) Owners of properties rendered unviable by the new regulatory framework would be assisted to exit or relocate their business.
  - b) It is anticipated that in the short term this will mainly apply to freehold properties covered by large areas of remnant vegetation (or regional ecosystem types of specific conservation status). This is most likely to occur in rural areas but there may be a case where urban/peri-urban landholders are also affected.
  - c) Property acquisition based on market value (after the introduction of the *Vegetation Management Act*, and assuming a drop in asset value) will not provide 'assistance' to a landholder beyond what was available through ordinary market mechanisms, providing a market for the property exists. If the market is thin, purchase by the State will provide 'assistance'.
  - d) Acquisition could be accompanied by assistance to exit or relocate the business. Exit assistance enables landholders who have decided to leave an enterprise to realize their property assets, exit the property in an orderly manner and to re-establish. Business relocation enables a business to be re-established in a different location. Any scheme could be similar to business relocation and exit assistance schemes already provided through the Queensland Rural Adjustment Authority (QRAA).
  - e) Properties acquired under an assistance scheme:
    - i) Will have a nature conservation covenant/Nature Refuge placed over the areas of high nature conservation value AND resold commercially either individually or to aggregate with adjoining properties; OR
    - ii) May form part of the Queensland protected area estate where they are priorities for acquisition identified by the Environmental Protection Agency.

#### 4 Enterprise assistance

- a) Enterprise assistance in the form of grants and/or concessional loans and other forms of assistance will be made available to eligible participants to improve productivity, sustainability and viability of business enterprises through mechanisms such as:
  - i) Implementing on-property measures including:
  - ii) the introduction of sustainable resource management initiatives such as new farming systems or new technology
  - iii) property developments for improved productivity
  - iv) value adding activities directly related to the normal primary production activities of the farm business enterprise
  - v) the purchase of livestock or other inputs into primary production associated with the development activities
  - vi) Enhancing sustainable resource use and development through farm business enterprise build up and amalgamation
  - vii) The use of debt restructuring and/or capital restructuring where new action is taken to improve the productivity and viability of the business enterprise
  - viii) Business enterprise restructuring, including partnership restructuring and succession planning, leading to improved productivity, long term viability of landholders and a reduction in resource pressure.

#### Eligibility for Financial Assistance

- 1 Key requirements for eligibility would be:
  - a) the applicant is a Queensland landholder or occupier of land and
  - b) the property was acquired or a contract for acquisition entered prior to the date of announcement of the assistance package **and**
  - c) the enterprise will be substantially and disproportionately burdened (compared to others in the same class of individuals) as a direct result of the announced additional requirements of the legislation:
  - d) for **Acquisition**, the enterprise will no longer be viable as a direct result of the announced requirements and there is insufficient capacity in remaining land to support a financially viable enterprise or
  - e) for **Enterprise Assistance**, provision of evidence that the area affected by the announced changes on any property or aggregation of properties exceeds an area 30% greater than the pre-existing requirements under the Vegetation Management Act for the property or aggregation of properties.
- 2 Assistance would only be provided where it could be demonstrated that the *announced changes* are directly responsible for imposing a substantial and disproportionate burden/rendering the enterprise unviable. This requires case-by-case assessment to determine what vegetation a landholder would be expected to retain in the landscape to meet their duty of care, and what additional vegetation would also need to be retained to meet the provisions of the Act. This would be assessed in the same way as an application for clearing but through a separate process in order to avoid clogging the existing assessment system. A rejected application for clearing is not a prerequisite for applying for assistance.
- 3 Applications must be made within 3 years of the date of introduction of the financial assistance scheme

- 4 More detailed information about the nature of the assistance and eligibility and assessment criteria can be found in section on **Detailed Eligibility Criteria** below.

#### **Delivery**

- 1 It is proposed that any financial assistance scheme would be administered by the Queensland Rural Adjustment Authority (QRAA). Detailed guidelines would be developed in consultation with QRAA.
- 2 The existing QRAA review and appeals process can be used to ensure procedural fairness. Review is initially conducted by a team of senior QRAA officers, with final decisions made by the QRAA board.

#### **Industry delivered Property Management Planning**

[This section still to be written- A model similar to that used to deliver the DNRM Rural Water Use Efficiency Project is proposed as this has strong stakeholder support].

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## Detailed Eligibility Criteria

### 1 Property Acquisition

a) Where the introduction of the *announced changes* directly results in an enterprise becoming unviable, enterprises proposing to withdraw from economic use of an affected property may be eligible for assistance through purchase of the property by the government.

#### b) Conditions and eligibility

i) Successful applicants for property acquisition assistance must satisfy the following conditions and eligibility criteria.

(1) The applicant must:

- (i) Be an enterprise (individual or approved corporate entity – not being a public company)<sup>1</sup> whose primary source of income over the two years prior to the announcement of the changes was derived from the management, development and use of land.
- (ii) Demonstrate that the property was acquired or a contract for acquisition entered into prior to the announcement.
- (iii) Demonstrate that in the past the rural enterprise has been a viable commercial operation
- (iv) Provide evidence of previous intent to clear areas in which new legislation, policies and codes would not permit clearing to take place (for example in an existing business or property plan), and financial capacity to undertake that clearing and development.
- (v) Provide evidence that the enterprise is without any reasonable prospects of sustainable long term profitability due to the changes in the legislation as measured by an absence of surplus of funds or profit after taking into account the long term economic trends which impact on the business and after meeting the following annual financial commitments:
  1. costs of the operation of the enterprise; and
  2. living cost of the landholder or persons dependent on the income of the business enterprise based on whichever is greater of past living costs, or imputed living cost of \$15,000 for each farm family indexed annually; and
  3. investment in ecological sustainable systems; and
  4. allowance for depreciation of capital and future capital requirements; and
  5. servicing and repayment of debt of the business enterprise.
- (vi) Provide a case for financial assistance which includes an estimate by a qualified valuer of the value of the property to be acquired

<sup>1</sup> Holding or family unit; personal partnerships and unlisted private companies would be eligible provided their principal business is that undertaken on the land and that the resident manager of the property on which the development is to be undertaken has a majority holding in the partnership or company.

- (vii) Demonstrate that where the property enterprise is to be sold to a family member or an entity in which a family member has an interest, the sale price of the property and business enterprise is at market value, on commercial terms and at arms length.

**c) Level of assistance**

- i) Property acquisition – commercial value of the property as determined through QRAA process

**d) Disposal of acquired properties**

- i) Properties acquired under the assistance scheme:
  - (1) will have a nature conservation covenant/nature refuge placed over the areas of high nature conservation value AND be resold commercially either individually or to aggregate with adjoining properties; OR
  - (2) may form part of the Queensland reserve system where they are priorities for acquisition by the Environmental Protection Agency

**2 Business exit/relocation**

- a) Business exit/relocation provides an additional mechanism to assist landholders who have their properties acquired.

- b) Assistance takes the form of a grant to landholders whose properties have been found to be non-viable as a result of the announced changes to:

- i) exit the property in an orderly manner
- ii) re-establish themselves either post-farming or on a different viable property

**c) Conditions and eligibility**

- i) Applicants must satisfy the eligibility for property acquisition and provide further evidence that:
  - (1) they intend to re-establish on a property of comparable profitability to that acquired.
  - (2) the sale price of the property is insufficient to allow for re-establishment on such a property.
  - (3) They have insufficient assets. If an applicant's net assets at market value exceed \$75,000, the maximum level of support is reduced by (\$2) for every (\$3) of assets. Net assets exclude one vehicle per family up to a market value of \$15,000 and reasonable personal and household effects. Where a house and/or land has been excised from the property, the market value of this asset will be included in the assets test.

- ii) Applicants must realize the property assets and leave the enterprise within 12 months of application.

- iii) Only one exit grant will be paid per farm enterprise.

**d) level of assistance**

- i) Support of up to \$75,000 may be provided over and above the purchase price of the property.

**3 Enterprise assistance**

**a) Conditions and eligibility**

- i) Successful applicants for enterprise assistance must satisfy the following conditions and eligibility criteria:
  - ii) The applicant must:
    - (1) Be an enterprise (individual or approved corporate entity – not being a public company)<sup>2</sup> whose primary source of income over the two years prior to the announcement of the *Vegetation Management Act 1999* (8 December 1999) was derived from the management, development and use of land.
    - (2) Demonstrate that the property was acquired or a contract for acquisition entered into prior to 8 December 1999 where endangered regional ecosystems are involved, or prior to the introduction of the financial assistance package.
    - (3) Demonstrate that in the past the rural enterprise has been a viable commercial operation.
    - (4) Provide evidence of previous intent to clear areas in which new legislation, policies and codes would not permit clearing to take place (for example in an existing business or property plan prepared before announcement of the *Vegetation Management Act 1999*, 8 December 1999).
    - (5) Provide evidence that
      - (a) the affected area on any one property exceeds 30% greater than duty of care retention and other requirements of the VMA of the total area of that property
      - (b) the total affected area exceeds 30% greater than duty of care retention of the aggregated area of all properties owned/managed by the enterprise at the time of the introduction of new vegetation management arrangements
      - (c) the inability to clear the restricted area will result in at least a 10% per annum reduction in projected enterprise profitability over the next 10 years.
      - (d) the enterprise is without any reasonable prospects of sustainable long term profitability due to the changes in the legislation as measured by an absence of surplus of funds or profit after taking into account the

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<sup>2</sup> Holding or family unit; personal partnerships and unlisted private companies would be eligible provided their principal business is that undertaken on the land and that the resident manager of the property on which the development is to be undertaken has a majority holding in the partnership or company.

long term economic trends which impact on the business and after meeting the following annual financial commitments:

- (i) costs of the operation of the enterprise; and
- (ii) living cost of the landholder or persons dependent on the income of the business enterprise based on whichever is greater of past living costs, or imputed living cost of \$15,000 for each farm family indexed annually; and
- (iii) investment in ecological sustainable systems; and
- (iv) allowance for depreciation of capital and future capital requirements; and
- (v) servicing and repayment of debt of the business enterprise.

- (6) Provide a business case for enterprise assistance which
  - (a) details the enterprise assistance requested
  - (b) demonstrates sound prospects for commercial viability in the short (4 years) to medium (10 years) term following the assistance
  - (c) demonstrate the capacity to become financially independent of enterprise assistance following its termination
  - (d) demonstrates that the activities proposed are consistent with sound native vegetation management practises as set out in a property vegetation management plan
  - (e) includes enterprise management plans and vegetation management plans in support of the application
  - (f) if a direct grant is sought, shows that the benefit cannot be achieved through a special loan at terms and conditions offered as part of the scheme.

iii) The enterprise may be required to enter into a management agreement that includes covenanting of the land subject to this assistance.

iv) An application under this scheme would not preclude an application being made under any incentives scheme. Where appropriate a package of both incentives and enterprise assistance could be tailored to meet the objectives of the vegetation management policy and the needs of the applicant.

**b) level of assistance**

- i) Assistance will not exceed \$100,000 and may take the form of:
  - (1) direct grants; and/or
  - (2) payment of a percentage of the interest component of repayments on a loan to undertake the work.

**Attachment 3**

**Financial incentives to enable landholders to improve sustainable vegetation management**

- 1 The objectives of an incentive program are:
  - a) To build on existing initiatives under the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust.
  - b) To encourage greater number of landholders to take positive action to protect, maintain and manage native vegetation, to protect areas of regrowth vegetation and revegetate areas in need of protection, beyond minimum regulatory and duty of care requirements and which will contribute to the protection of biodiversity and the prevention of land degradation.
  - c) To accelerate the implementation of vegetation management activities that have a clear public benefit and which, if funded solely by the landholder would be slowly or inconsistently adopted
  - d) To address priorities determined in the regional vegetation management process
- 2 Financial incentives are not dependent on tenure.
- 3 Financial incentives will be provided on the condition that the vegetation being managed is protected by a covenant or similar instrument.
- 4 Incentives may be provided for:
  - a) Actions which protect and restore vegetation which, if managed, will revert to a remnant 'endangered' or 'of concern' regional ecosystem;
  - b) Actions which have been identified as high priorities in regional vegetation management plans;
- 5 These actions may include:
  - a) Fencing to protect remnant vegetation or encourage regeneration of remnant vegetation
  - b) Relocation of fences, tracks or other infrastructure that are currently contributing to a vegetation degradation problem
  - c) Control of exotic weeds, certain specified native weeds, and pest animals in areas of high nature conservation value or endangered regional ecosystems
  - d) Changes to management regimes (eg fire) including the establishment of fire breaks;
  - e) Covenants;
- 6 Actions must result in protecting and/or managing vegetation beyond the legal minimum standard and duty of care
- 7 Delivery should be through existing schemes and managed in accordance with the principles applying to the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality particularly with respect to community involvement at the regional level.

8 Regional vegetation management committees or regional NRM groups will play a key role in identifying regional priorities and in assessing applications for funding.

**9 Level of assistance**

- a) The incentive provided
- i) Will cover up to 75% of the approved cost of materials plus 50% of the approved cost of work where a voluntary management agreement<sup>1</sup> is signed between the landowner and a State agency or Local Government
  - ii) Will cover up to 100% of the approved cost of materials and construction where the area is protected by a covenant under the Land Titles Act 1994 or covered by a conservation agreement and gazetted as a Nature Refuge or part of a Coordinated Conservation Area under the Nature Conservation Act 1992
- b) A maximum amount could be set if required.

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1. A *voluntary management agreement* must:

- a) be signed by the land owner/lessee and a person authorised by the organization/agency;
- b) define the property or the boundaries of the area covered by the agreement;
- c) be conditional on existence of significant ecological or environmental values;
- d) include a commitment from the landholder that the area will be managed in a way which clearly maintains or enhances those ecological or environmental values and integrates these with other land management objectives;
- e) detail the actions that the landholder will undertake to maintain those values in the long term (i.e. for at least ten years);

provide for, or part of a scheme that provides for ongoing monitoring of the area by the organization beyond the life of the incentive project (for a minimum ten years).

## Attachment 4

## Costs

The following are estimates of component costs over the four year life of the project:

	Cost (\$ million)
Acquisition of unviable properties/Exit Assistance	\$30
Enterprise Adjustment	\$100
Industry delivered PMP	\$ 8
Incentives	\$12
TOTAL	\$150

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Attachment 5

**Memorandum of Understanding between the Commonwealth Government and the Government of the State of Queensland on cooperative action to reverse the decline in the extent and quality of native vegetation in Queensland.**

PREAMBLE

Unlike other Australian States, Queensland retains extensive areas of native vegetation with more than xx% of the original extent remaining. *[insert general comments on the significant features of this vegetation.*

Most of this vegetation occurs on land which is under leasehold or freehold tenure. Consequently, protection and management relies on the decisions and actions of individual landholders. Clearing of vegetation, is still continuing....

The results of this clearing are....

GENERAL

1. The governments agree that effective management of Queensland's native vegetation is required to ensure that its contribution to the protection of biodiversity, the prevention of land degradation, management of salinity and the management of greenhouse gas emissions.
2. The governments agree that because of the scale of the threat caused by clearing and the implications of actions to reduce clearing on the livelihood of many landholders that a joint and cooperative approach is required.
3. The governments agree that as a first stage in the protection of native vegetation a major goal is halting the further loss of vegetation through clearing as soon as practicable.
4. The governments note that a significant amount of work has already been undertaken to facilitate the protection of management of native vegetation through the Queensland Government's vegetation management framework and Commonwealth initiatives such as the Natural Heritage Trust and the National Action Plan for salinity and water quality. Governments agree that further action should build on these. .
5. The governments agree that it is important to build upon the existing participation and support of stakeholders in identifying and implementing approaches to protecting and managing native vegetation.
6. The governments note the need for the public and stakeholders to be assured that a joint approach by governments is being taken to this important issue.
7. The governments note that there are other threats to native vegetation for example, impacts from weeds and poor land management practices and that separate processes are underway to address these threats.

OPERATIVE

8. In order to achieve the goal of reversing the decline in the extent and quality of native vegetation in Queensland as soon as practicable, the governments will undertake the following actions:
  - a. Jointly progress the development of a native vegetation management program, with a target date for agreement by the end of the first quarter of 2003, and a final plan before the end of the second quarter 2003. The Plan would include measures;
    - i. to protect 'of concern' regional ecosystems on freehold land.
    - ii. additional to those which have already been implemented by Queensland, to limit clearing which would contribute to the expression of salinity in the landscape.
    - iii. to progressively reduce the overall rate of clearing of remnant vegetation to negligible levels by 2008 in order to achieve Greenhouse gas reduction targets.
    - iv. To promote the recovery of native vegetation through incentives to protect and manage regrowth vegetation.
    - v. In cooperation with peak industry groups, to promote effective property management planning and other initiatives leading to improvements in sustainable agricultural practices by all landholders;
  - b. Develop and agree on a jointly funded financial assistance package for landholders to be affected by or contribute to the implementation of the native vegetation protection program.
  - c. Jointly host a stakeholder consultative forum.
  - d. Jointly provide information to and engage stakeholders in consultations over particular aspects of native vegetation management program relevant to those stakeholders, with an emphasis on regional and industry by industry approaches.
9. The Governments agree that the implementation of the native vegetation protection program may have a financial impact on some landholders while others will require assistance to ensure that the initiatives in the program are implemented. Therefore the Governments agree that implementation of the program is contingent on the finalisation of a jointly funded financial package mentioned in
10. The governments agree to use best endeavours to ensure that public statements related to the implementation of the MOU will be joint or coordinated between governments. Where separate statements are to be made or reports released, the government proposing to make the statement or release the report will consult the other government beforehand.
11. In order to reduce complexity and minimise uncertainty for landholders, it is expected that the Queensland Government's vegetation management framework will be the basis on which the native vegetation protection program will be built.
12. The Commonwealth agrees to include in terms of reference to the Commonwealth Grants Commission the direction that Commonwealth payments

to Queensland in relation to this agreement are excluded from the Commission's processes.

13. To guide the development of the Native Vegetation Management Program and funding arrangements, the governments will form a Commonwealth/State Steering Committee of senior officials.
14. A joint project team of officials from both jurisdictions will be formed to support the Steering Committee and the development of the Plan.

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Tracking No.

P10526J

**Premier's briefing note**

Policy

Title: Land Clearing - Negotiations with the Prime  
Minister

Date: 29 January 2003

**1. Purpose**

To provide you with options for a proposal to take to the Prime Minister on land clearing.

**2. Background**

On 17 December 2002 you wrote to the Prime Minister outlining the broad principles of a joint approach to land clearing in Queensland. This letter was in response to previous separate approaches from the Commonwealth seeking to reduce Greenhouse gas emissions and to stop clearing of 'of concern' regional ecosystems. In your letter you expressed disappointment with the Commonwealth's limited focus and proposed an "integrated package".

On 21 January 2003, you wrote again to the Prime Minister and asked for a meeting with him in late February and early March. You sought advice from DPC and DNRM on a strategy to resolve the impasse between the State and Federal Governments on this issue. At your request a number of options have been developed. This note argues that the effective cessation of clearing in Queensland is the only option which will end the public debate.

**3. Issues**

Land clearing will remain a controversial issue for the Queensland Government while broadscale clearing continues to be permitted. The public debate is now so prolonged and polarised that only by eliminating the cause (i.e. ceasing virtually all broadscale clearing) will it be finally put to rest.

As you know, three years ago the debate on tree clearing was focussed upon protection of 'of concern' vegetation on freehold land. However the issues which are now dominating the debate over further restrictions are far broader. They include greenhouse, salinity, water reform and the sustainability of landscapes generally. Indeed reducing vegetation clearing has become an end in itself for many. It is our view that the only action that will neutralise this issue for the Government is a virtual cessation of clearing of all remnant vegetation.

The State Government has the power, through legislative amendment, to reduce or stop clearing without compensation or financial assistance to landholders. However, implementing this approach would break commitments made at Winton and Roma. It would also escalate the debate and generate very intense levels of opposition from landholders and their representatives. Assuming this option is not acceptable, the only other viable option for stopping clearing is through a substantial financial assistance package.

A package which achieves the objectives previously identified as priorities for the Commonwealth has been developed in consultation with DNRM. Details of the package (option 1) are set out in **Attachment 1** in a form which could be presented to the Prime Minister. In summary the package proposes:

- Legislative change to
  - protect 'of concern' regional ecosystems on freehold land;
  - further limit clearing which may contribute to salinity problems; and
  - cap and phase out all except essential broadscale clearing of remnant vegetation by the year 2008 (the start of the first national emissions reporting period under the

Kyoto Protocol). This would more than meet the Prime Minister's target of reducing carbon emissions by 20 to 25 megatonnes per annum.

- A financial package capped at \$150 million, to be delivered over five years, which includes:
  - Financial (adjustment) assistance for landholders disproportionately affected by the changes
  - Incentives for the protection, management and restoration of important vegetation on private land
  - Support for rural industry groups to deliver accelerated property management planning initiatives;
- A draft Memorandum of Understanding with the Commonwealth, as proposed in your letter of 17 December, under which both Governments would finalise the details.

The Commonwealth will insist that any package is jointly funded on a 50:50 basis with Queensland. Any proposal which requests 100% funding from the Commonwealth is unlikely to be taken seriously. This means that Queensland must be prepared to provide a significant level of funds if the issue of land clearing is to be resolved.

If 50:50 funding is agreed, Queensland would need to find \$15 M per annum for 5 years. If the Government is unable or unwilling to seek a new revenue source, this funding would need to be found from existing budgetary resources. It would be necessary for the upcoming 2003-04 Budget process to be targeted toward finding the required savings from a number of agencies' existing budgets.

Should the Commonwealth not be prepared to agree to a comprehensive integrated package which resolves the issue once and for all, two fall back positions have been developed. They are summarised in the Appendix to this brief and detailed in Attachments 2 and 3. Again, it is likely that any fallback package of this nature would need to be funded on a 50:50 basis by Queensland. X

While Option 2 would have some impact on current clearing levels, it would not eliminate the political issue of clearing itself. Calls to reduce clearing to negligible levels would continue. Option 3 would have an insignificant impact on clearing rates and would not solve the political issue for the Government

A number of other options to address clearing rates have been presented to you over the past three years. However, none of these would resolve the issue. More recent proposals to increase penalties for illegal clearing or to amend assessment procedures do not change the fact that the regulatory "bar" set by the Queensland Government in 2000 does not now meet current community expectations.

A separate briefing note has been prepared by the Department of Natural Resources and Mines outlining additional options for immediate action. The Department advises, as this note does, that these will have negligible impact on clearing rates. However, we have suggested to DNRM, and they have agreed, that they include a further option in their paper aimed at putting pressure on the Commonwealth should they be reluctant or slow to support either option 1 or 2. The proposal would involve the Queensland Government imposing an immediate moratorium on clearing approvals following the meeting with the Prime Minister, pending the finalisation of negotiations with the Commonwealth. While this approach would generate a strong reaction from the rural community, it would have the effect of placing the onus for further action on financial assistance squarely with the Commonwealth. It would provide a "fail-safe" for your meeting with the Prime

Minister in that you would be able to implement a strong response to this issue whatever the outcome of the meeting with the PM.

**4. Recommendation**

That you adopt Option 1 as the basis of your negotiations with the Prime Minister. Failing Commonwealth support you propose option 2 as a fall back.

Dr Leo Keliher  
**Director-General**

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## APPENDIX

## PROPOSED FALLBACK OPTIONS

Option 2

Legislative change to

- protect 'of concern' regional ecosystems on freehold land;
- further limit clearing which may contribute to salinity problems; and
- establish an annual 'cap' on clearing set at existing "business as usual" levels in the first year and gradually reducing to 110,000 hectares per annum in 2008. This would reduce carbon emissions by up to 12 megatonnes per annum.
- A financial package capped at \$60 million, to be delivered over five years. This option would therefore focus on obtaining the \$30 million the Commonwealth has indicated it would be prepared to offer on a 50:50 basis for the protection of 'of concern' vegetation. This package would include:
  - Financial (adjustment) assistance for landholders disproportionately affected by the changes
  - Support for rural industry groups to deliver accelerated property management planning initiatives;
- A draft Memorandum of Understanding with the Commonwealth as proposed in your letter of 17 December.

This option would go beyond the 'of concern' objective of the Commonwealth's offer of these funds but would partly address greenhouse and therefore be consistent with the notion of an integrated package proposed in your letter to the Prime Minister.

If 50:50 funding is agreed, Queensland would need to find \$6M per annum for five years. This would be beyond the capacity of DNRM to provide. Thus, similar to option 1, in the absence of a new revenue source, funds would need to be found from within the existing budgets of a number of agencies.

Details of this alternative package are set out in Attachment 2

Option 3

- Legislative change to
  - protect 'of concern' regional ecosystems on freehold land;
  - establish a non-reducing "business as usual" cap on clearing rates. This would allow the carbon emissions savings from not clearing "of concern" regional ecosystems, (up to 4 megatonnes per annum) to be counted in the national inventory; and
- A financial package capped at \$20 million, to be delivered over five years. This option is based on the minimum funding necessary to protect 'of concern' on freehold land. This package would include:
  - Financial (adjustment) assistance for landholders disproportionately affected by the changes
- A draft Memorandum of Understanding with the Commonwealth as proposed in your letter of 17 December.

This option would go no further than 'of concern' and thus not be consistent with the "integrated package" proposed in your letter to the Prime Minister. Queensland would need to find \$2M per annum for 5 years. It may be possible for this to be required from DNRM, however it would likely have significant implications for service delivery elsewhere in the portfolio.

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## OPTION 1

*Draft Proposal for the Prime Minister***Sustaining Queensland's Native Vegetation****Background**

The *Vegetation Management Act 1999* was introduced into Queensland Parliament in December 1999. The new laws regulated vegetation clearing on freehold land for the first time, and aimed at ensuring clearing undertaken maintained biodiversity and ecological processes, prevented land degradation and allowed for sustainable land use. Protection of areas subject to salinity and soil erosion, and the protection of riparian areas and endangered regional ecosystems were some of the issues included in this legislation. No further clearing was permitted in bioregions with less than 30% remnant vegetation. At the same time, it was proposed to tighten the existing regulations on leasehold land to protect of concern regional ecosystems. The new framework included codes for clearing for both freehold and leasehold land. Applications for clearing are assessed against these codes

The controls introduced through the *Vegetation Management Act 1999* were highly controversial and resulted in significant landholder protests at the Winton and Roma Community Cabinet meetings in early 2000. As a consequence, the legislation was amended to reduce its regulatory impact (by removing protection for "of concern" regional ecosystems on freehold land) before it was proclaimed in September 2000.

The Regional Vegetation Management Plans were initiated to develop regional codes, and allow for further stakeholder input into the vegetation management framework. There are 24 Regional Vegetation Management Committees across the state that has been developing RVMPs over the past two years. Many of these plans are now at the draft stage, ready for public consultation. A review of these plans indicates that although the plans clearly identify areas that are not suitable for clearing, they do not significantly reduce the rate of clearing and the recommendations in the plans state that further tightening of clearing controls would require government funding for incentives.

\* → but how much will they reduce it?

New scientific information resulting from the National Action Plan for Salinity and Water Quality salinity hazard mapping program identified that additional controls were required to prevent salinity in the long term. Following the release of the salinity hazard maps, the codes for clearing were tightened to protect catchments with less than 30% remnant vegetation remaining. This has occurred prior to the RVMPs being completed. *how much clearing was prevented*

The Statewide Landcover and Trees Study (SLATS) monitors vegetation clearing and reports on the rate of clearing across the state every two years. The most recent report has indicated that significant panic clearing occurred in the year up to the proclamation of the VMA. The clearing rates following the introduction of the VMA fell by 50% on freehold, but increase by 20% on leasehold land. However, it is predicted that clearing rates will rise on freehold land over the next reporting period. This is due to improvements in the efficiencies in assessing permits, and understanding of the community about the need to apply for permits to clear. By overlaying the SLATS data with the data on permits issued, the areas of potential illegal clearing were identified at 61,000 ha.

Sch. 3-1

Sch. 3-1

A number of measures including are to be introduced to Queensland Parliament in the near future. The package of proposed enforcement measures includes:

- A requirement for repeat offenders on leasehold land to show cause why their leases should not be cancelled;
- A five year ban on vegetation clearing permits for anyone convicted of illegal clearing;

- A range of penalties that better reflect the severity of the offence - for example determining penalties by multiplying the number of hectares illegally cleared by the amount (per hectare) by which the cleared land has increased in value; and imposing heavier penalties for people who clear endangered or threatened vegetation than those who clear "not of concern" areas; and
- Compulsory remediation (or rehabilitation) of illegally cleared land at the landholder's expense on leasehold and freehold land, plus changes to link remediation orders and the land's title.

## Moving Forward

To achieve a significant reduction in current rates, a comprehensive approach that benefits biodiversity, land degradation and greenhouse gas emissions is necessary. However, the Queensland Government cannot undertake this initiative alone; support from the Commonwealth Government - financially and from a policy position - is critical to its success.

The Program that Queensland proposes provides strong leadership through a joint state/national response to the ongoing environmental and sustainability problems caused by excessive land clearing.

The Program is an integrated response. Rather than the piecemeal approach that has been a feature of previous Commonwealth proposals to Queensland, it is a single and substantial initiative that will remove the current levels of uncertainty being generated in the Queensland community.

To keep the initiative simple, the Program also builds on the Queensland Government's existing vegetation management framework and will be delivered through existing state-based administrative arrangements. It also augments the major advances achieved through the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust.

## Objectives of the Program

The program is designed to achieve objectives identified by the Commonwealth. These are:

- 1) ✓ • To protect 'of concern' regional ecosystems on freehold land;
- 2) ✓ • To augment and go beyond the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust; and
- 3) ✓ • To deliver greenhouse gas reductions exceeding 20,000 to 25,000 megatonnes of Carbon Dioxide per annum.

## Key Elements of the Program

### Advancing the Vegetation Management Framework.

Three actions are proposed to make vegetation management sustainable:

- ✓ • An immediate restriction on further approvals for clearing of "of concern" (vulnerable) regional ecosystems
- An immediate tightening of the assessment codes under the legislation in relation to salinity hazard, to prevent clearing in catchments with high to medium salinity hazard, and *WHAT DOES THIS MEAN*
- ✓ • A phase out of all except minor essential broadscale clearing of remnant vegetation in Queensland by 2008 to achieve greenhouse gas reduction, biodiversity and land degradation goals.

*haven't we already done this?*

Details of these are set out in **attachment 1**.

### Making farming sustainable.

Actions to protect native vegetation will have flow-on consequences for Queensland's landholders and time will be required to adjust to the new arrangements. The following actions are proposed to facilitate this:

- ✓ • The provision of targeted financial assistance in the form of structural adjustment, to those who are significantly and disproportionately burdened by the implementation of tighter clearing controls. Assistance will include grants and low interest loans, assistance to move into new industries, and may

include total buy-out of the small number of properties rendered completely unviable by restrictions. By opening up a range of options, landholders could be offered highly tailored packages to suit their circumstances. This approach allows for maximum flexibility and ensures that public funds are put to best use.

- assistance to industry bodies for the development of a modular, integrated property management planning accreditation process, supported by incentives for property holders to put in place property management plans. This will be targeted to those areas where the development of plans will most significantly contribute to addressing salinity and biodiversity objectives (due to issues such as location, area and/or significance). Industry bodies are currently calling for this sort of program, and it could be modelled on the successful rural water use efficiency program used in Queensland; and

Details of these proposals are set out in **attachment 2**

*Old pick up this?*

### **Restoring the Bush**

- The provision of incentives to encourage land holders to put forward proposals to actively manage and rehabilitate areas of ecologically significant regrowth and remnant vegetation, and to restore cleared land to protect biodiversity and prevent land degradation. These incentives would take the form of a grant that would cover the costs of protective covenants, and funding to cover the cost of any on-ground establishment works (such as fencing). Legislative changes by the State and Commonwealth would enable such covenanted land to attract tax deductibility status;

Details of this proposal are set out in **attachment 3**

### **Costs**

The overall cost of the program is up to \$150 million shared by both Governments. **Attachment 4** sets out the indicative costs of the various components. However, the allocation to each component may be refined following detailed discussions between the governments and with key stakeholders.

### **Intergovernmental Agreement**

If agreement is reached about the features of the Program outlined above then it would be implemented through a Memorandum of Agreement. This would secure both governments' commitment to implement and fund the program and in particular ensure that any gains are achieved with appropriate public accountability for expenditure and minimal disruption to landholders.

A draft agreement is set out in **attachment 5** for consideration.

### **Communication Strategy**

It is essential that both Governments commit to jointly develop and promote the program to all stakeholders and to jointly work with those stakeholders to ensure it is effectively delivered. A Communication Strategy should be developed as soon as possible

## Further Action to Protect Native Vegetation

### 1. Protection of 'of concern' (vulnerable ) regional ecosystems on freehold land

The following changes to the legislation and assessment codes will be made:

- Make "*the protection of of concern regional ecosystems*" a purpose of the *Vegetation management Act 1999*.
- Amend Schedule 8 of the *Integrated Planning Act 1997* to provide equivalent protection to both endangered and of concern regional ecosystems. [Note: urban exemptions will need to be further considered].
- Amend the assessment code to recognize the new purpose and to achieve it *by not clearing in any remnant of concern regional ecosystem except where the chief executive is satisfied that:*
  - a. *the clearing is necessary to protect the of concern regional ecosystem from a threatening process; or*
  - b. *the clearing is essential for establishing a necessary fence, road or other built infrastructure and no suitable alternative site exists; or*
  - c. *the vegetation is not part of a remnant of concern regional ecosystem.*

### 2. Limit clearing of vegetation which contributes to the prevention of salinity in high to medium hazard areas

- Amend the Assessment codes so that purpose 5 (the prevention of land degradation) is also achieved by:
  - a) *not clearing in catchments identified through the National Action Plan for Salinity and Water Quality Salinity Hazard Mapping Program as having a medium to high salinity hazard except where the chief executive is satisfied that:*
    - i) *the clearing is required for the sustainable harvesting of mulga (*Acacia aneura*) for fodder purposes; or*
    - ii) *the clearing is required for the management of land degradation; or*
    - iii) *the clearing is necessary to protect the area from a threatening process; or*
    - iv) *the clearing is essential for establishing a necessary fence, road or other built infrastructure and no suitable alternative site exists*

### 3. Legislative provisions to provide for a reducing cap on clearing

To provide certainty for land clearing reductions to achieve greenhouse gas emissions objectives, the following legislative amendments will be made:

- Make "*prevent the emission of greenhouse gases as a result of clearing*" a purpose of the legislation<sup>1</sup>.

<sup>1</sup>The Commonwealth would be responsible for determining the greenhouse gas emissions resulting from the clearing in order to satisfy its international obligations

- Establish an annual "cap" on the total area of clearing approvals;
- Include provisions to reduce to "cap" to 0 hectares by 2008;
- Establish that cumulative clearing approvals within any annual period cannot exceed the "cap";
- Allow clearing for certain purposes to be exempt from the "cap"<sup>2</sup>;
- Following consultation with key stakeholders, establish a system for equitably allocating approvals for clearing under the cap.
- Determine the method for calculating the area of each clearing approval;
- Establish that any application which, if approved, would mean that the cap is exceeded, is either:
  - a. Refused; or
  - b. With the agreement of the landholder, approved with a condition that the clearing cannot commence until a date after the current or any subsequent annual or six-monthly period where the cap would be exceeded; or
  - c. With the agreement of the landholder, approved with a condition that the clearing will be staged over current and/or subsequent annual or six-monthly periods;
- Ensure that, for any application with a delayed start date, clearing contributes to the cumulative total for the purposes of establishing whether the total exceeds the annual or six-monthly total for the period in which the start date is located.
- Establish that no start date can be set more than two years after the date of approval.

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<sup>2</sup> Existing exemptions in the legislation will be retained. Applications where:

- the clearing is necessary to protect the vegetation from a threatening process; or
- the clearing is essential for establishing a necessary fence, road or other built infrastructure and no suitable alternative site exists; or
- the vegetation is not remnant; or
- the clearing is for fodder for stock

will, if approved, not contribute to cumulative totals for the purposes of complying with the cap.

**Attachment 2**

**Advancing the Vegetation Management Framework**

**Forms of Financial Assistance**

- 1 Funding will be available to landholders who carry a substantial and disproportionate burden for retaining and managing areas of native vegetation in the public interest and provides a safety net which addresses viability on a case-by-case basis. A "substantial and disproportionate burden" is defined in relation to:
  - a) Others in the same class of individuals; and
  - b) Duty of care responsibilities.
- 2 Funding may be available for:
  - a) Acquisition and/or exit assistance where an enterprise is rendered unviable; and
  - b) Enterprise assistance to improve long term viability.
- 3 **Acquisition and exit assistance**
  - a) Owners of properties rendered unviable by the new regulatory framework would be assisted to exit or relocate their business.
  - b) It is anticipated that in the short term this will mainly apply to freehold properties covered by large areas of remnant vegetation (or regional ecosystem types of specific conservation status). This is most likely to occur in rural areas but there may be a case where urban/peri-urban landholders are also affected.
  - c) Property acquisition based on market value (after the introduction of the *Vegetation Management Act*, and assuming a drop in asset value) will not provide 'assistance' to a landholder beyond what was available through ordinary market mechanisms, providing a market for the property exists. If the market is thin, purchase by the State will provide 'assistance'.
  - d) Acquisition could be accompanied by assistance to exit or relocate the business. Exit assistance enables landholders who have decided to leave an enterprise to realize their property assets, exit the property in an orderly manner and to re-establish. Business relocation enables a business to be re-established in a different location. Any scheme could be similar to business relocation and exit assistance schemes already provided through the Queensland Rural Adjustment Authority (QRAA).
  - e) Properties acquired under an assistance scheme:
    - i) Will have a nature conservation covenant/Nature Refuge placed over the areas of high nature conservation value AND resold commercially either individually or to aggregate with adjoining properties; OR
    - ii) May form part of the Queensland protected area estate where they are priorities for acquisition identified by the Environmental Protection Agency.

#### 4 Enterprise assistance

- a) Enterprise assistance in the form of grants and/or concessional loans and other forms of assistance will be made available to eligible participants to improve productivity, sustainability and viability of business enterprises through mechanisms such as:
  - i) Implementing on-property measures including:
  - ii) the introduction of sustainable resource management initiatives such as new farming systems or new technology
  - iii) property developments for improved productivity
  - iv) value adding activities directly related to the normal primary production activities of the farm business enterprise
  - v) the purchase of livestock or other inputs into primary production associated with the development activities
  - vi) Enhancing sustainable resource use and development through farm business enterprise build up and amalgamation
  - vii) The use of debt restructuring and/or capital restructuring where new action is taken to improve the productivity and viability of the business enterprise
  - viii) Business enterprise restructuring, including partnership restructuring and succession planning, leading to improved productivity, long term viability of landholders and a reduction in resource pressure.

#### Eligibility for Financial Assistance

- 1 Key requirements for eligibility would be:
  - a) the applicant is a Queensland landholder or occupier of land and
  - b) the property was acquired or a contract for acquisition entered prior to the date of announcement of the assistance package **and**
  - c) the enterprise will be substantially and disproportionately burdened (compared to others in the same class of individuals) as a direct result of the announced additional requirements of the legislation:
  - d) for **Acquisition**, the enterprise will no longer be viable as a direct result of the announced requirements and there is insufficient capacity in remaining land to support a financially viable enterprise or
  - e) for **Enterprise Assistance**, provision of evidence that the area affected by the announced changes on any property or aggregation of properties exceeds an area 30% greater than the pre-existing requirements under the Vegetation Management Act for the property or aggregation of properties.
- 2 Assistance would only be provided where it could be demonstrated that the *announced changes* are directly responsible for imposing a substantial and disproportionate burden/rendering the enterprise unviable. This requires case-by-case assessment to determine what vegetation a landholder would be expected to retain in the landscape to meet their duty of care, and what additional vegetation would also need to be retained to meet the provisions of the Act. This would be assessed in the same way as an application for clearing but through a separate process in order to avoid clogging the existing assessment system. A rejected application for clearing is not a prerequisite for applying for assistance.
- 3 Applications must be made within 3 years of the date of introduction of the financial assistance scheme

- 4 More detailed information about the nature of the assistance and eligibility and assessment criteria can be found in section on **Detailed Eligibility Criteria** below.

#### **Delivery**

- 1 It is proposed that any financial assistance scheme would be administered by the Queensland Rural Adjustment Authority (QRAA). Detailed guidelines would be developed in consultation with QRAA.
- 2 The existing QRAA review and appeals process can be used to ensure procedural fairness. Review is initially conducted by a team of senior QRAA officers, with final decisions made by the QRAA board.

#### **Industry delivered Property Management Planning**

[This section still to be written- A model similar to that used to deliver the DNRM Rural Water Use Efficiency Project is proposed as this has strong stakeholder support].

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## Detailed Eligibility Criteria

### 1 Property Acquisition

a) Where the introduction of the *announced changes* directly results in an enterprise becoming unviable, enterprises proposing to withdraw from economic use of an affected property may be eligible for assistance through purchase of the property by the government.

#### b) Conditions and eligibility

i) Successful applicants for property acquisition assistance must satisfy the following conditions and eligibility criteria.

(1) The applicant must:

- (i) Be an enterprise (individual or approved corporate entity – not being a public company)<sup>1</sup> whose primary source of income over the two years prior to the announcement of the changes was derived from the management, development and use of land.
- (ii) Demonstrate that the property was acquired or a contract for acquisition entered into prior to the announcement.
- (iii) Demonstrate that in the past the rural enterprise has been a viable commercial operation
- (iv) Provide evidence of previous intent to clear areas in which new legislation, policies and codes would not permit clearing to take place (for example in an existing business or property plan), and financial capacity to undertake that clearing and development.
- (v) Provide evidence that the enterprise is without any reasonable prospects of sustainable long term profitability due to the changes in the legislation as measured by an absence of surplus of funds or profit after taking into account the long term economic trends which impact on the business and after meeting the following annual financial commitments:
  1. costs of the operation of the enterprise; and
  2. living cost of the landholder or persons dependent on the income of the business enterprise based on whichever is greater of past living costs, or imputed living cost of \$15,000 for each farm family indexed annually; and
  3. investment in ecological sustainable systems; and
  4. allowance for depreciation of capital and future capital requirements; and
  5. servicing and repayment of debt of the business enterprise.
- (vi) Provide a case for financial assistance which includes an estimate by a qualified valuer of the value of the property to be acquired

<sup>1</sup> Holding or family unit; personal partnerships and unlisted private companies would be eligible provided their principal business is that undertaken on the land and that the resident manager of the property on which the development is to be undertaken has a majority holding in the partnership or company.

- (vii) Demonstrate that where the property enterprise is to be sold to a family member or an entity in which a family member has an interest, the sale price of the property and business enterprise is at market value, on commercial terms and at arms length.

**c) Level of assistance**

- i) Property acquisition – commercial value of the property as determined through QRAA process

**d) Disposal of acquired properties**

- i) Properties acquired under the assistance scheme:
  - (1) will have a nature conservation covenant/nature refuge placed over the areas of high nature conservation value AND be resold commercially either individually or to aggregate with adjoining properties; OR
  - (2) may form part of the Queensland reserve system where they are priorities for acquisition by the Environmental Protection Agency

**2 Business exit/relocation**

- a) Business exit/relocation provides an additional mechanism to assist landholders who have their properties acquired.

- b) Assistance takes the form of a grant to landholders whose properties have been found to be non-viable as a result of the announced changes to:

- i) exit the property in an orderly manner
- ii) re-establish themselves either post-farming or on a different viable property

**c) Conditions and eligibility**

- i) Applicants must satisfy the eligibility for property acquisition and provide further evidence that:

- (1) they intend to re-establish on a property of comparable profitability to that acquired.
- (2) the sale price of the property is insufficient to allow for re-establishment on such a property.
- (3) They have insufficient assets. If an applicant's net assets at market value exceed \$75,000, the maximum level of support is reduced by (\$2) for every (\$3) of assets. Net assets exclude one vehicle per family up to a market value of \$15,000 and reasonable personal and household effects. Where a house and/or land has been excised from the property, the market value of this asset will be included in the assets test.

- ii) Applicants must realize the property assets and leave the enterprise within 12 months of application.

- iii) Only one exit grant will be paid per farm enterprise.

**d) level of assistance**

- i) Support of up to \$75,000 may be provided over and above the purchase price of the property.

**3 Enterprise assistance**

**a) Conditions and eligibility**

- i) Successful applicants for enterprise assistance must satisfy the following conditions and eligibility criteria:
- ii) The applicant must:
  - (1) Be an enterprise (individual or approved corporate entity – not being a public company)<sup>2</sup> whose primary source of income over the two years prior to the announcement of the *Vegetation Management Act 1999* (8 December 1999) was derived from the management, development and use of land.
  - (2) Demonstrate that the property was acquired or a contract for acquisition entered into prior to 8 December 1999 where endangered regional ecosystems are involved, or prior to the introduction of the financial assistance package.
  - (3) Demonstrate that in the past the rural enterprise has been a viable commercial operation
  - (4) Provide evidence of previous intent to clear areas in which new legislation, policies and codes would not permit clearing to take place (for example in an existing business or property plan prepared before announcement of the *Vegetation Management Act 1999*, 8 December 1999).
  - (5) Provide evidence that
    - (a) the affected area on any one property exceeds 30% greater than duty of care retention and other requirements of the VMA of the total area of that property
    - (b) the total affected area exceeds 30% greater than duty of care retention of the aggregated area of all properties owned/managed by the enterprise at the time of the introduction of new vegetation management arrangements
    - (c) the inability to clear the restricted area will result in at least a 10% per annum reduction in projected enterprise profitability over the next 10 years.
    - (d) the enterprise is without any reasonable prospects of sustainable long term profitability due to the changes in the legislation as measured by an absence of surplus of funds or profit after taking into account the

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<sup>2</sup> Holding or family unit; personal partnerships and unlisted private companies would be eligible provided their principal business is that undertaken on the land and that the resident manager of the property on which the development is to be undertaken has a majority holding in the partnership or company.

long term economic trends which impact on the business and after meeting the following annual financial commitments:

- (i) costs of the operation of the enterprise; and
- (ii) living cost of the landholder or persons dependent on the income of the business enterprise based on whichever is greater of past living costs, or imputed living cost of \$15,000 for each farm family indexed annually; and
- (iii) investment in ecological sustainable systems; and
- (iv) allowance for depreciation of capital and future capital requirements; and
- (v) servicing and repayment of debt of the business enterprise.

- (6) Provide a business case for enterprise assistance which
  - (a) details the enterprise assistance requested
  - (b) demonstrates sound prospects for commercial viability in the short (4 years) to medium (10 years) term following the assistance
  - (c) demonstrate the capacity to become financially independent of enterprise assistance following its termination
  - (d) demonstrates that the activities proposed are consistent with sound native vegetation management practises as set out in a property vegetation management plan
  - (e) includes enterprise management plans and vegetation management plans in support of the application
  - (f) if a direct grant is sought, shows that the benefit cannot be achieved through a special loan at terms and conditions offered as part of the scheme.

iii) The enterprise may be required to enter into a management agreement that includes covenanting of the land subject to this assistance.

iv) An application under this scheme would not preclude an application being made under any incentives scheme. Where appropriate a package of both incentives and enterprise assistance could be tailored to meet the objectives of the vegetation management policy and the needs of the applicant.

**b) level of assistance**

- i) Assistance will not exceed \$100,000 and may take the form of:
  - (1) direct grants; and/or
  - (2) payment of a percentage of the interest component of repayments on a loan to undertake the work.

Attachment 3

**Financial incentives to enable landholders to improve sustainable vegetation management**

- 1 The objectives of an incentive program are:
  - a) To build on existing initiatives under the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust.
  - b) To encourage greater number of landholders to take positive action to protect, maintain and manage native vegetation, to protect areas of regrowth vegetation and revegetate areas in need of protection, beyond minimum regulatory and duty of care requirements and which will contribute to the protection of biodiversity and the prevention of land degradation.
  - c) To accelerate the implementation of vegetation management activities that have a clear public benefit and which, if funded solely by the landholder would be slowly or inconsistently adopted
  - d) To address priorities determined in the regional vegetation management process
- 2 Financial incentives are not dependent on tenure.
- 3 Financial incentives will be provided on the condition that the vegetation being managed is protected by a covenant or similar instrument.
- 4 Incentives may be provided for:
  - a) Actions which protect and restore vegetation which, if managed, will revert to a remnant 'endangered' or 'of concern' regional ecosystem;
  - b) Actions which have been identified as high priorities in regional vegetation management plans;
- 5 These actions may include:
  - a) Fencing to protect remnant vegetation or encourage regeneration of remnant vegetation
  - b) Relocation of fences, tracks or other infrastructure that are currently contributing to a vegetation degradation problem
  - c) Control of exotic weeds, certain specified native weeds, and pest animals in areas of high nature conservation value or endangered regional ecosystems
  - d) Changes to management regimes (eg fire) including the establishment of fire breaks;
  - e) Covenants;
- 6 Actions must result in protecting and/or managing vegetation beyond the legal minimum standard and duty of care
- 7 Delivery should be through existing schemes and managed in accordance with the principles applying to the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality particularly with respect to community involvement at the regional level.

8 Regional vegetation management committees or regional NRM groups will play a key role in identifying regional priorities and in assessing applications for funding.

**9 Level of assistance**

- a) The incentive provided
  - i) Will cover up to 75% of the approved cost of materials plus 50% of the approved cost of work where a voluntary management agreement<sup>1</sup> is signed between the landowner and a State agency or Local Government
  - ii) Will cover up to 100% of the approved cost of materials and construction where the area is protected by a covenant under the Land Titles Act 1994 or covered by a conservation agreement and gazetted as a Nature Refuge or part of a Coordinated Conservation Area under the Nature Conservation Act 1992
- b) A maximum amount could be set if required.

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1. A *voluntary management agreement* must:

- a) be signed by the land owner/lessee and a person authorised by the organization/agency;
- b) define the property or the boundaries of the area covered by the agreement;
- c) be conditional on existence of significant ecological or environmental values;
- d) include a commitment from the landholder that the area will be managed in a way which clearly maintains or enhances those ecological or environmental values and integrates these with other land management objectives;
- e) detail the actions that the landholder will undertake to maintain those values in the long term (i.e. for at least ten years);

provide for, or part of a scheme that provides for ongoing monitoring of the area by the organization beyond the life of the incentive project (for a minimum ten years).

## Attachment 4

## Costs

The following are estimates of component costs over the four year life of the project:

	Cost (\$ million)
Acquisition of unviable properties/Exit Assistance	\$30
Enterprise Adjustment	\$100
Industry delivered PMP	\$ 8
Incentives	\$12
TOTAL	\$150

RTI RELEASE

Attachment 5

**Memorandum of Understanding between the Commonwealth Government and the Government of the State of Queensland on cooperative action to reverse the decline in the extent and quality of native vegetation in Queensland.**

PREAMBLE

Unlike other Australian States, Queensland retains extensive areas of native vegetation with more than xx% of the original extent remaining. *[insert general comments on the significant features of this vegetation.*

Most of this vegetation occurs on land which is under leasehold or freehold tenure. Consequently, protection and management relies on the decisions and actions of individual landholders. Clearing of vegetation, is still continuing....

The results of this clearing are....

GENERAL

1. The governments agree that effective management of Queensland's native vegetation is required to ensure that its contribution to the protection of biodiversity, the prevention of land degradation, management of salinity and the management of greenhouse gas emissions.
2. The governments agree that because of the scale of the threat caused by clearing and the implications of actions to reduce clearing on the livelihood of many landholders that a joint and cooperative approach is required.
3. The governments agree that as a first stage in the protection of native vegetation a major goal is halting the further loss of vegetation through clearing as soon as practicable.
4. The governments note that a significant amount of work has already been undertaken to facilitate the protection of management of native vegetation through the Queensland Government's vegetation management framework and Commonwealth initiatives such as the Natural Heritage Trust and the National Action Plan for salinity and water quality. Governments agree that further action should build on these. .
5. The governments agree that it is important to build upon the existing participation and support of stakeholders in identifying and implementing approaches to protecting and managing native vegetation.
6. The governments note the need for the public and stakeholders to be assured that a joint approach by governments is being taken to this important issue.
7. The governments note that there are other threats to native vegetation for example, impacts from weeds and poor land management practices and that separate processes are underway to address these threats.



to Queensland in relation to this agreement are excluded from the Commission's processes.

13. To guide the development of the Native Vegetation Management Program and funding arrangements, the governments will form a Commonwealth/State Steering Committee of senior officials.
14. A joint project team of officials from both jurisdictions will be formed to support the Steering Committee and the development of the Plan.

RTI RELEASE

Tracking No.

Department of the Premier and Cabinet

## Director-General's memorandum

Policy

Title: Land Clearing Options

Date: 30 January 2003

### 1. Purpose

To provide an options package which the Premier can present to the Prime Minister.

### 2. Background

The Premier requested this package by Friday. It has been prepared in consultation with both Treasury and DNRM. We understand Terry Hogan has provided you with a paper he has prepared addressing other options for immediate action on tree clearing. That paper also covers, in a more cursory fashion, the options in the attached paper.

### 3. Issues

We have suggested to DNRM, and they have agreed, that they include a further option in their paper aimed at putting pressure on the Commonwealth should they be reluctant or slow to support either option 1 or 2. The proposal would involve the Queensland Government imposing an immediate moratorium on clearing approvals following the meeting with the Prime Minister, pending the finalisation of negotiations with the Commonwealth. While this approach would generate a strong reaction from the rural community, it would have the effect of placing the onus for further action on financial assistance squarely with the Commonwealth. It would provide a "fail-safe" for the Premier's meeting with the Prime Minister in that the Premier would be able to implement a strong response to this issue whatever the outcome of the meeting with the PM.

### 4. Consultation

Treasury and DNRM

### 5. Recommendation

That you pass the attached paper on to the Premier for his consideration.

OBJECTIVE

Terry Wall

P10526 - 1

**From:** Hogan Terry [Terry.Hogan@nrm.qld.gov.au]  
**Sent:** Thursday, 30 January 2003 1:43 PM  
**To:** Wall Terry  
**Subject:** vegetation issues for Premier 30 jan.doc

**OBJECTIVE**

**To explore options to reduce or remove the public impact of broadscale tree clearing in Queensland.**

**BACKGROUND**

The recent Statewide Land and Trees Study (SLATS) identified only a small reduction in clearing rates following the introduction of the vegetation management framework in September 2000. Current levels of clearing are seen by sectors of the community to be unsustainable, and the clearing debate continues to be politically difficult. While providing for some biodiversity and land degradation outcomes, the current framework was neither designed for nor provides greenhouse outcomes. The Commonwealth and sectors of the community are seeking a further reduction or elimination of clearing for improved biodiversity, land degradation and greenhouse outcomes.

**CURRENT ISSUES**

- WWF, QCC and the Wilderness Society have been lobbying the Queensland and Commonwealth Governments to further reduce clearing rates. This is emphasised by TWS requesting an through FOI all clearing statistics held by the department for the past 12 months, the employment of "vegetation management" officers that scrutinise clearing applications, the WWF report on the effects of land clearing on wildlife, recent reports on Great Barrier Reef impacts, and the numerous letters received by both the Minister for Natural Resources and Mines and the Premier regarding clearing applications on South Terrick, and a property adjacent to Culgoa Floodplains National Park.
- The Commonwealth is seeking to obtain greater biodiversity outcomes from Queensland through the protection of "of concern" regional ecosystems on freehold tenures as part of the NHT2 negotiations. In addition, it is understood a package to reduce greenhouse gas emissions is also being developed.
- Following the release of the recent SLATS data, Cabinet agreed to increase deterrents to illegal clearing, and improve the workability of the enforcement provisions of the legislation. It is anticipated that the legislation will be introduced into Parliament in late February.
- Following the Salinity Summit late last year, the codes for assessing vegetation clearing were tightened to protect remnant vegetation in specified catchments.
- The attached document outlines three options for resolving the vegetation management issues.
- The first option considers further tightening of the codes for clearing, and making accessing permits more difficult. While these measures are cost neutral, they are piecemeal and unlikely to significantly reduce the rate of vegetation clearing, nor meet the Commonwealth requirements for further biodiversity, land degradation or greenhouse outcomes.
- The second option results from the Commonwealth government proposal to restrict clearing of "of concern" regional ecosystems to meet biodiversity outcomes of NHT2. However this proposal is unlikely to significantly reduce clearing rates, and may confuse the political context even further. If such a proposal was to be accepted, a cap on clearing reducing to 100,000 ha over four years should be part of the package. The State would be required to match funding of \$30M for this package. This option would not meet any greenhouse targets, and clearing would continue to be an issue in its own right.
- The third option is a comprehensive package that includes the immediate protection of "of

OBJECTIVE

concern" regional ecosystems and a cap on the area of permits issued reducing to minimal levels over five years. This option will provide biodiversity, land degradation and greenhouse outcomes, and remove land clearing from the agenda once and for all. The option requires the State to fund the package at \$75M over five years, with matching funding from the Commonwealth.

RTI RELEASE

## Attachment

### 1. Introduction

The most recent SLATS report for 1999-2001 indicates that clearing rates for the 1999-2000 were excessively high due to panic clearing prior to the commencement of the *Vegetation Management Act 1999* (VMA) in September 2000. Following the commencement of the VMA the annual clearing rate of remnant vegetation on freehold land was reduced by 50% compared to the 1997-1999 annual rate. Land clearing rates of remnant vegetation on leasehold land have increased by over 20% per annum over the same time period. Controls on clearing on leasehold land were tightened in September 2000, with restrictions on clearing of "of concern" regional ecosystems introduced at the same time as the commencement of the VMA.

#### 1.1. Illegal Clearing

There have been suggestions landholders carry out illegal clearing and simply factor the possible fines into their business costs. While there may be an argument that landholders were not aware of the legislation on freehold land, this is not the case on leasehold land. Clearing on leasehold land has long been regulated. Verification of the extent of illegal clearing and then launching prosecutions is extremely time and labour intensive. Courts also require very detailed prosecution cases and expert witnesses and allow grandstanding by a small but vocal section of landholders. Negotiations have commenced with the Queensland Police Service for cross-secondment opportunities to broaden the Department's level of expertise and human resources. **Illegal clearing (or allegations thereof) will continue to be a major compliance issue with attendant political risks while ever broadscale clearing is allowed.**

#### 1.2. Impact of legislation and policy

While the introduction of the VMA has had a significant impact on clearing rates on freehold land, the increase of clearing on leasehold land is of particular concern. It is also likely that clearing rates on freehold will increase over the 2001-2003 time frame as the administration of the VMA becomes more streamlined. Over 350,000 ha of permits legitimately allowed under the legislation have been issued on freehold land between August 2001 and August 2002. If the total area under all permits were acted upon, this would represent a significant increase in clearing on freehold land.

### 2. Compliance

Sch. 3-1

Sch. 3-1

Any compliance activity has political repercussions, both pro and con.

R

### 3. Reducing level of tree clearing

Options to manage the rate of tree clearing are outlined below.

#### 3.1. Option 1 Using Existing framework

##### 3.1.1. Raise the application requirements

Existing applications for clearing require a Property Vegetation Management Plan. Requiring a higher standard of plan, and introducing a requirement for a business plan to demonstrate that the clearing to be undertaken is economically viable may reduce the number of applications, and make it more difficult to obtain a permit. This will be seen as anti-small landholder. The community is likely to demand resources from the Department to undertake these activities, however there are a number of consultants who are available to undertake this work. This will also raise the cost of applicants applying to clear. **While this will raise the level of landholder angst, it is not likely to decrease the rate of clearing, and assessing economic viability will be seen as exercising subjective judgement.**

Requiring a full Environmental Impact Statement (EIS) to accompany all applications for vegetation clearing would place the onus on landholders to identify the benefits and disadvantage of clearing on biodiversity, land degradation and productivity. The costs to landholders to undertake such activities are significant. Under the current system, many landholders have difficulty in providing a suitable Property Vegetation Management Plan. Requirements of an EIS are not likely to be completed by landholders, and the availability of consultants to undertake such work across the state is not consistent. Again, the expectation would arise of the government subsidising the EIS requirements. Although such a process would slow down applications, it will not guarantee a reduction in clearing rates, and will cause significant public outcry. Refusal of applications would also result in more appeals and court cases.

##### 3.1.2. Increase the fees for applying to clear

The current cost of applying to clear is already a deterrent for some small landholders. At the same time, it is also considered to be an insignificant amount for some landholders undertaking large clearing operations where the cost of clearing machines and fuel easily reaches into the tens of thousands of dollars. With a maximum fee of \$1500 for large applications, the introduction of a sliding scale of fees to apply to clear would generate around \$80,000 per annum. Increasing the fees is likely to restrict the ambit claim permits, and ensure that applicants are serious about the proposed clearing. Again, **it will not guarantee a reduction in the rate of clearing**, but in combination with above, will ensure that applicants have seriously considered the clearing actions.

##### 3.1.3. RVMPs

A number of RVMPs are currently near first draft and are ready to go to public consultation. From a brief review of the plans, it is **unlikely that they will significantly reduce the area of clearing**. Many of the plans identify areas that are not suitable for clearing. These are areas that in any event are not likely to have been approved under the existing policy. While many of the plans have retention figures for plan areas and catchments, the SLATS data indicates that clearing is occurring in landscapes that have reasonable levels of remnant vegetation, and the majority of clearing is in "not of concern" regional ecosystems.

##### 3.1.4. Tightening of the Codes

The changes in the code in relation to salinity were introduced during the year, restricting clearing of remnant vegetation in catchments with less than 30% within the QMDB and the Fitzroy Basin. From the SLATS data, just over 15,500 ha of clearing occurred in 2000-2001 in those catchments. Further tightening of the codes to increase the level of retention of remnant vegetation on a bioregional basis from 30 to 40%, or including a remnant vegetation retention level on a subregional basis could be considered. Only the New England Tableland Bioregion has less than 40% remnant vegetation. The clearing rate for 1999-2001 in that bioregion was less than 2000 ha/annum. Clearing in subregions with less than 30% retention was 23,200 ha in the 2000-2001 (some of this is also

within the catchments of less than 30%)

Few of the draft RVMPs significantly tighten the codes for clearing compared to the existing state policies. The Government may choose to place further restrictions on clearing through tightening the codes, and the Minister will need to inform the RVMPs that the plans do not go far enough. This may result in some of the RVMPs walking away from the process, and not participating in further natural resource management consultation processes. While tightening of the codes will reduce clearing in specific situations, it cannot guarantee a predetermined level of reduction in the rate of clearing. **Further tightening of the codes while the RVMP process is underway is not recommended.**

#### 3.1.5. Cap on individual applications

The introduction of a cap on the area of each approval will be seen as significantly disadvantaging large property owners, unless it was a cap in terms of the percentage remnant vegetation remaining on the property. Many of the RVMP groups have recommended property retention levels, as a proportion of the area of remaining remnant vegetation. The 30% property retention requirements will result in vegetation retained across the landscape, but **will not guarantee a reduction in the rate of clearing State wide and may need legislative action.**

#### 3.1.6. Licence/accreditation of clearing contractors (include licensing, periodic reporting etc)

While clearing contractors can be held responsible for illegal clearing, and a number of contractors have been fined under existing legislation, there is no licensing or accreditation provisions in place. Many landholders also undertake their own clearing, and do not use contractors. Licensing or accreditation of clearing contractors by the government has been proposed from a number of forums. This action will provide a better skilled community, with improved knowledge about vegetation management issues. A requirement to report on clearing undertaken on a quarterly basis could also be included. However, it will greatly increase the administrative burden, particularly in the area of monitoring and compliance and is partly neutralised by cross-border compliance issues. **Such actions will not reduce the rate of clearing.**

#### 3.1.7. "Hotline" for compliance complaints

Calls are currently taken concerning potential compliance issues by NR&M offices across the State. These calls are then referred to the Compliance Officer, or a Regional Compliance Officer. A central call centre will not improve the service currently provided, and will increase administrative costs. This will not reduce the clearing rates, nor will it significantly assist with the identification of illegal clearing.

#### 3.1.8. Restricting clearing permits on leases that expire within 10 years

Many of the landholders with leases that expire in the next 10 years are likely to request a lease renewal. Ten years is still well within the planning framework of lessees to undertake activities such as clearing and clearing permits are only valid for 2 years under the current framework. Preventing only those lessees coming up for renewal in 10 years from obtaining a permit would cause significant stakeholder outcry. It would be perceived to be a "back door" approach to restricting further clearing.

#### 3.1.9. Costs

The State is under no obligation to fund any of the above options.

### 3.2. Option 2      **Restrict clearing of "of concern" regional ecosystems and introduce a cap in the area of permits issued that reduces to 100,000 ha over four years (Joint package of \$60 M with Commonwealth)**

#### 3.2.1. "of concern" regional ecosystems

- The Herbarium has identified approximately 1.2 M ha of "of concern" on freehold land that

could be cleared under the current regime. There is a total of 3.4M ha of "of concern" on freehold and leasehold land. Well documented scientific evidence is available to show significant declines in biodiversity once vegetation communities reach less than 30% cover. This information was widely discussed and supported when the VMA was first introduced. The reason for the removal of "of concern" from the VMA was not about the science of the argument.

- As of September 2000, "of concern" regional ecosystems on leasehold land were protected under the *Land Act 1994*. Analysis of the recent SLATS data indicates that annual clearing rate of "of concern" regional ecosystems was 32,192. Cross checking of data bases and intensive on-ground investigation is required to verify cases of alleged illegal clearing.
  - From the 1997-1999 SLATS figures, clearing "of concern" regional ecosystems was significantly greater at approximately 88,000 ha per annum. The significant decrease in clearing rates on freehold are not expected to be maintained over the 2001-2002 year, given the number of legitimate approvals issued.
  - While restricting clearing of "of concern" regional ecosystems will provide further biodiversity benefits, it will not provide land degradation or green house outcomes.
- 3.2.2. Cap on the area of permits issued reducing to 100,000 ha over four years**

- The provision of a cap reducing to 100,000 ha over four years could be introduced. The implementation of a cap would need to be determined in consultation with stakeholders, but could be through first through the door, or through a ballot or an auction process. The implementation of a cap would require legislative change. The introduction of cap would set an upper limit on the rate of clearing, and would provide some further biodiversity, land degradation and green house benefits.

### 3.2.3. Costs

The Commonwealth has made an offer of providing between \$20- \$30 M to protect "of concern" regional ecosystems as part of the NHT negotiations. Matching funding from the State would be required to implement this option. [c1]

### 3.3. Option 3 Sustaining Queensland's Native Vegetation (\$150M joint package with the Commonwealth)

The Program that Queensland proposes provides strong leadership through a joint state/national response to the ongoing environmental and sustainability problems caused by excessive land clearing.

The Program is an integrated response. Rather than the piecemeal approach that has been a feature of previous Commonwealth proposals to Queensland, it is a single and substantial initiative that will remove the current levels of uncertainty being generated in the Queensland community.

To keep the initiative simple, the Program also builds on the Queensland Government's existing vegetation management framework and will be delivered through existing state-based administrative arrangements. It also augments the major advances achieved through the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust.

#### 3.3.1. Objectives of the Program

The program is designed to achieve objectives identified by the Commonwealth. These are:

- To protect "of concern" regional ecosystems on freehold land;
- To be consistent with the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust; and
- To deliver greenhouse gas reductions exceeding 20,000 to 25,000 megatonnes of Carbon Dioxide per annum.

There are three components to the program

- Advancing the Vegetation Management Framework
- Making farming sustainable
- Restoring the bush

### 3.3.2. Advancing the Vegetation Management Framework.

Three actions are proposed to make vegetation management sustainable:

- An immediate restriction on further approvals for clearing of "of concern" (vulnerable) regional ecosystems
- An immediate tightening of the assessment codes under the legislation in relation to salinity hazard, to prevent clearing in catchments with high to medium salinity hazard, and
- A phase out of all except minor essential broadscale clearing of remnant vegetation in Queensland by 2008 to achieve greenhouse gas reduction, biodiversity and land degradation goals.

### 3.3.3. Making farming sustainable.

Actions to protect native vegetation will have flow-on consequences for Queensland's landholders and time will be required to adjust to the new arrangements. The following actions are proposed to facilitate this:

- The provision of targeted financial assistance in the form of structural adjustment, to those who are significantly and disproportionately burdened by the implementation of tighter clearing controls. Assistance will include grants and low interest loans, assistance to move into new industries, and may include total buy-out of the small number of properties rendered completely unviable by restrictions. By opening up a range of options, landholders could be offered highly tailored packages to suit their circumstances. This approach allows for maximum flexibility and ensures that public funds are put to best use.
- assistance to industry bodies for the development of a modular, integrated property management planning accreditation process, supported by incentives for property holders to put in place property management plans. This will be targeted to those areas where the development of plans will most significantly contribute to addressing salinity and biodiversity objectives (due to issues such as location, area and/or significance). Industry bodies are currently calling for this sort of program, and it could be modelled on the successful rural water use efficiency program used in Queensland

### 3.3.4. Restoring the Bush

The provision of incentives to encourage land holders to put forward proposals to actively manage and rehabilitate areas of ecologically significant regrowth and remnant vegetation, and to restore cleared land to protect biodiversity and prevent land degradation. These incentives would take the form of a grant that would cover the costs of protective covenants, and funding to cover the cost of any on-ground establishment works (such as fencing). Legislative changes by the State and Commonwealth would enable such covenanted land to attract tax deductibility status.

### 3.3.5. Costs

The overall cost of the program is up to \$150 million over several years shared by both Governments.

### 3.3.6. Intergovernmental Agreement

If agreement is reached about the features of the Program outlined above then it would be implemented through a Memorandum of Agreement. This would secure both governments' commitment to implement and fund the program and in particular ensure that any gains are achieved with appropriate public accountability for expenditure and minimal disruption to landholders.

### 3.3.7. Communication Strategy

essential that both Governments commit to jointly develop and promote the program to all stakeholders jointly work with those stakeholders to ensure it is effectively delivered. A Communication Strategy be developed as soon as possible

RTI RELEASE

## OBJECTIVE

**1 Existing framework, no cost**

the application requirements

Places onus on applicant to improve quality of application

Requires significant improvement in knowledge and understanding of issues by landholder, or engagement of consultant

Expectation that NR&M will provide this service

Will not significantly reduce the rate of clearing

the fees for applying to clear

Require those who clear more land to pay higher application rates

Will encourage landholders to apply only for what they intend to clear

Will not reduce the rates of clearing

's

Major stakeholder input into vegetation management framework

Provide better detail of areas that should not be cleared

Do not significantly reduce clearing rates

Recommend incentives/financial assistance for further controls.

ning of the Codes

Codes have been tightened in relation to salinity

Further tightening within existing framework will not significantly reduce rates of clearing individual applications

Disproportionately affects large property holders

More effectively covered by property retention rates that are covered in regional plans

Allows for more equitable distribution of clearing, but does not reduce the rate of clearing

/accreditation of clearing contractors (include licensing, periodic reporting etc)

Ensures contractors are aware of their obligations

Fines already exist for contractors who clear illegally

Impose significant administrative burden, especially in the area of reporting, monitoring and compliance

Will not reduce the rate of clearing

ing clearing permits on leases that expire within ten years

Backdoor way of imposing tighter controls with significant stakeholder backlash of discrimination

Most lessees would be requesting renewal of lease

Ten years is a reasonable planning time frame to have expectations of undertaking work

Permits are currently issued for 2 years, so the 10 year timeframe does not seem appropriate

**Option 1 will not significantly reduce rates of clearing, and will not provide biodiversity, land degradation or greenhouse outcomes required by the Commonwealth and conservation stakeholders**

**Option 2 (\$60M package with Commonwealth).**

Protecting of concern regional ecosystems

- Will provide for some further biodiversity benefits
- Will not significantly reduce clearing rates

Cap on area of permits reducing to 100,000 ha in four years

- Will reduce clearing rates to given level

**Will provide further biodiversity benefits, and some land degradation and greenhouse outcomes, but will not remove clearing from the political agenda. Require state funding of \$30M over four years.**

OBJECTIVE

**Option 3 (\$150M comprehensive package with the Commonwealth)**

Cap on area of permits reducing to minimal levels in four years

- Provides for financial assistance for those significantly and disproportionately burdened
- Provides incentives to manage areas of remnant and regrowth vegetation
- Reduces clearing rates to minimal levels
- Specific exemptions for projects of national and state significance, urban areas etc will apply
- Regrowth can continue to be cleared

**Will provide biodiversity, land degradation and greenhouse outcomes, and will remove vegetation clearing from the broader political agenda. Likely to have significant immediate impact on local stakeholders. Will require state funding of \$15m pa over 5 years and similar from the Commonwealth.**

[c]Huh?? I think this is the best way to achieve a decrease. Any cap would also come under the code or policy wouldn't it??

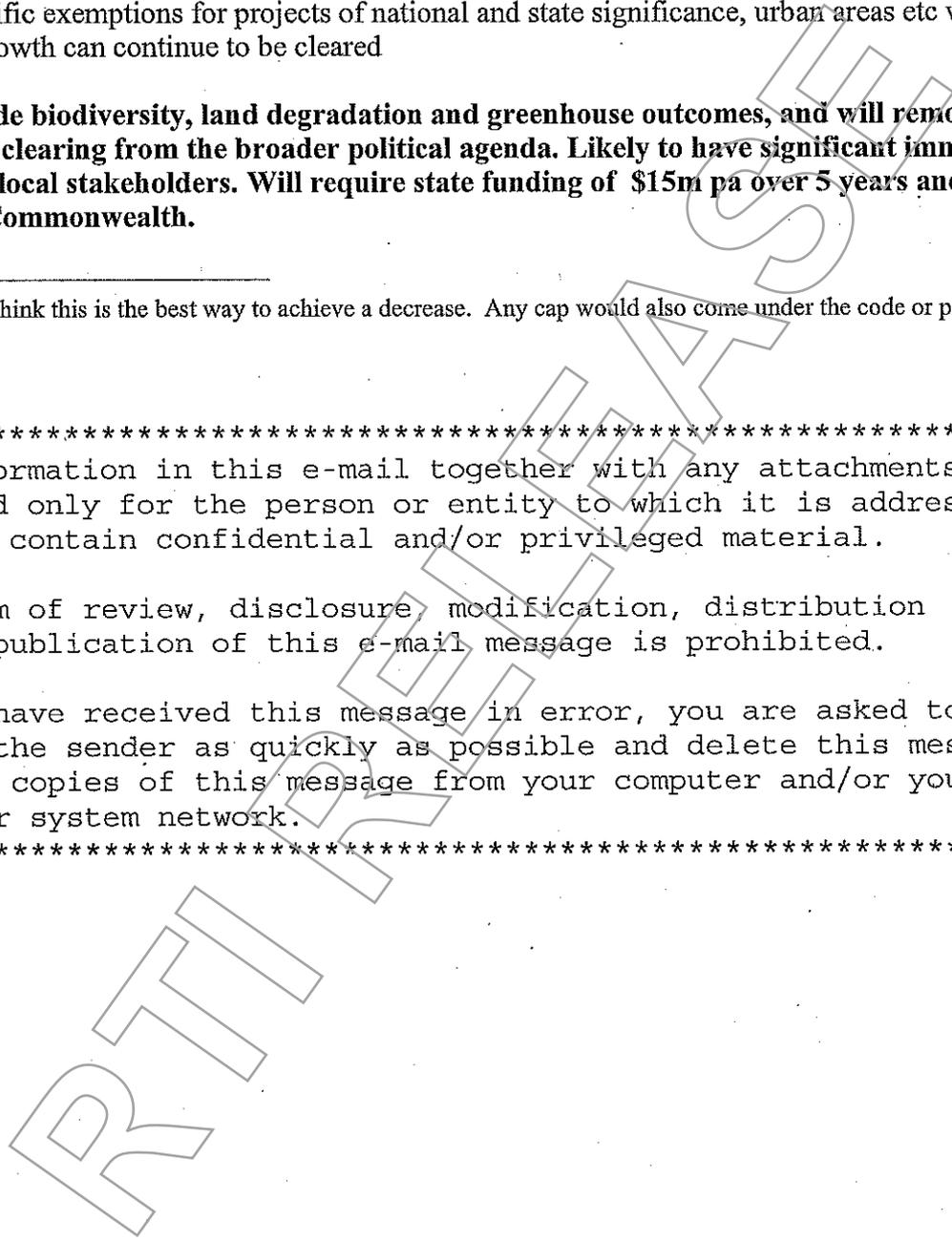
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**Adrian Jeffreys**

---

**From:** Paul.McFadyen@treasury.qld.gov.au  
**Sent:** Thursday, 30 January 2003 5:58 PM  
**To:** adrian.jeffreys@premiers.qld.gov.au  
**Subject:** tree clearing

Adrian

As we discussed this afternoon I understand that a cessation on tree clearing would not affect the viability of existing farm enterprises but would only affect the viability of those farms (with substantial treed areas) which were recently purchased with a view to recouping the purchase price by increased revenues from clearing much or all of the remaining treed areas.

The proposal limits the provision of assistance for acquisition/exit/enterprise adjustment to farms which are unviable because of the Government's proposed action in stopping tree clearing.

Farms held by the current owner for some time on this basis could not now be considered unviable because of the Government's action. They are either viable now or if they are currently unviable it would be for reasons other than the future cessation of tree clearing.

Hence assistance could be limited to recent farm purchases where farmers could argue that viability is affected by the cessation of tree clearing.

On this basis there seems little justification to provide assistance to other farms whose current viability is not affected. Presumably if someone had purchased a treed property in the last 12 months and had not applied (as opposed having a permit approved or to actually having cleared trees) for a tree clearing permit they could not be considered to be unviable.

If acquisition/adjustment was limited to recent property acquisitions what would be the impact on the estimates in Attachment 4. If assistance was limited to properties purchased in the last 12 months I would assume the estimates would be very much reduced. Could it be done for the \$30M that EA are offering? Even if the State did not match the Commonwealth's contribution directly, the State would be effectively be providing a matching contribution over the years through foregone revenue and economic development which would have accrued from tree clearing.

Paul

\*\*\*\*\*

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PRIME MINISTER  
CANBERRA

7 FEB 2003

The Hon Peter Beattie MP  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

My dear Premier

Thank you for your letters of 13 December 2002 and 22 January 2003 in relation to land clearing in Queensland.

In the past 12 months there has been movement in some key areas relevant to this long running issue. In particular our agreement to jointly implement the National Action Plan on Salinity and Water Quality provides an undertaking to prevent land clearing where this would lead to unacceptable impacts on land and water quality, and current negotiations over the Natural Heritage Trust (NHT) will, I hope, result in agreement to prevent clearing in areas that are particularly important from a biodiversity perspective.

We look forward to an opportunity to progress the Commonwealth offer of a financial contribution to reduce emissions from land clearing in Queensland. I understand that Queensland is developing options in response to this offer and, as I have indicated previously, the Commonwealth would welcome the opportunity to consider these.

I am concerned that delaying finalisation of the bilateral agreement for the NHT until our joint agreement to a greenhouse proposal may heavily impact on the community's participation in the Trust. While I also appreciate your view that there may be advantages in discussing both the biodiversity measure and a possible greenhouse measure with stakeholders at the same time, I propose that the NHT bilateral agreement be finalised as soon as possible. This would involve agreement on the key parameters for the biodiversity measure, a proposal for which has already been outlined to Queensland officials.

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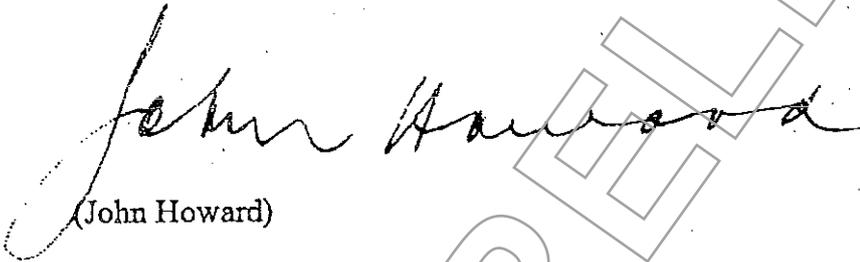
In relation to additional land clearing measures to achieve greenhouse gas abatement in Queensland, the Commonwealth has consistently taken the view that it is primarily the responsibility of the Queensland government to ensure that its approach is acceptable to the Queensland community.

I understand that the Minister for the Environment and Heritage, Dr Kemp, and your Minister for Natural Resources and Mines, Mr Robertson, have been discussing the issues raised in your correspondence. I also seek your agreement to our officials discussing Queensland's options for achieving a significant reduction in greenhouse gas emissions through reduced land clearing.

I would, of course, be happy to meet with you once the above discussions have progressed and a firmer proposal has been developed.

I sincerely hope that we can progress this important matter in the near future.

Yours sincerely



(John Howard)

COPY

17. FEB. 2003 9:16

ENVIRONMENT

NO. 164 P. 1

P1052640



TO :Mr Terry Wall

From: Max Kitchell  
First Assistant Secretary  
Natural Heritage Division  
Environment Australia  
(Department of the Environment)

Organisation: Premier and Cabinet  
Fax No: 07 3224 2111  
Telephone No 07 3405 6203  
Date: 17/02/03

Fax No: 02 6274 2228  
Tele No: 02 6274 2345  
Email: max.kitchell@ea.gov.au  
No of pages:

Message:

Mr Wall, as discussed please find attached communication from Max Kitchell, a/g Deputy Secretary.

Thank you

Janice McDonald  
Executive Assistant to  
Max Kitchell

H:\FILES\JANICE\MAX\K\WORK\FAX.DOC



Department of the Environment and Heritage

Mr Terry Wall  
 Department of Premier and Cabinet  
 Executive Building  
 100 George Street  
 Brisbane Qld 7000

Dear Terry

Thank you very much for outlining at our meeting in Sydney yesterday, Queensland's proposals for a revised vegetation management framework in your State. This proposal is of considerable interest to the Commonwealth and we will be briefing our Ministers on it shortly.

To help our Ministers more fully understand the proposal, we asked you to provide some additional information on the following matters:

1. Agricultural viability – you indicated that the proposal could be implemented without greatly impacting on farm viability. It would be helpful if you could quantify the degree of impact you expect on agricultural viability and the measures you intend to mitigate adverse impact. Some case studies would be useful.
2. Additionality – you estimated that 20mill ha of remnant vegetation would be available for clearing (and, therefore, subject to Queensland's proposal) over and above Queensland's current vegetation management regulatory framework and its obligations under the NAP. We would appreciate seeing the basis for this calculation.
3. Cost – we would welcome an indication of any modelling Queensland has done to justify the adequacy of \$150mill for structural adjustment.
4. Assessment criteria – a copy of the draft assessment criteria for eligibility for structural adjustment would be helpful, recognising that it is still a work-in-progress.

In addition to the above four matters we discussed yesterday, could you also provide the total area of remnant vegetation currently covered by active permits. This would give us a sense of the possible "spike" in clearing that might occur over the next two years in the event that we reach agreement on your proposal to phase out remnant clearing.

Also, as discussed, if you have any suggestions on the vexed issue of obtaining prior stakeholder support, I would greatly appreciate hearing them.

While we intend to provide advice to Ministers on Queensland's proposal as early as possible, this is a matter that crosses a number of portfolios and directly involves the Prime Minister. It is highly likely, therefore, that Cabinet will need to consider the proposal. This will mean that we won't be in a position to provide an immediate response. However, we will progress the matter as quickly as possible.

In the meantime, don't hesitate to contact me if there is anything I can clarify or help with.

Yours sincerely

Max Kitchell  
 A/g Deputy Secretary  
 13 February 2003



INVENTOR IN PEOPLE

GPO Box 787 Canberra ACT 2601 Telephone 02 6274 1111 Facsimile 02 6274 1666  
 Internet: [www.ea.gov.au](http://www.ea.gov.au)



ENVIRONMENTAL  
 MANAGEMENT  
 SYSTEM



MEMBER

FAXED

P10526  
Tracking No = 42161

for file

Please quote:42161/AJ/BRP

19 FEB 2003

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

Thank you for your letter of 7 February 2003 concerning land clearing in Queensland.

I welcome your continued interest in resolving this issue and your proposal for discussion between our officials. I understand that these discussions took place on 12 February, and that Queensland officials outlined the parameters of a proposal that would meet the previously stated conditions for a Commonwealth financial contribution.

I am advised that Commonwealth officials have sought some additional material to assist them in formally briefing relevant Ministers. I understand that this material will be provided within the next few days. Shortly after consideration by Commonwealth Ministers I would hope we could meet to progress this matter.

As you point out in your letter, the bilateral agreement on the National Action Plan for Salinity and Water Quality commits Queensland to prevent clearing where this would lead to unacceptable impacts on land and water quality. Through the recent changes made to the State's vegetation management framework, this commitment has now been achieved.

Your letter raises the concern that delaying finalisation of the Natural Heritage Trust (NHT) bilateral agreement (including a biodiversity measure linked to reduced clearing) until our joint agreement to a greenhouse proposal may heavily impact on the community's participation in the Trust.

I too am keen to finalise the NHT bilateral. However, a difficulty with the approach you suggest is that it would appear to require separate agreements for different parts of a strategy to address the single issue of land clearing. Such an approach would, in my view, be likely to impact negatively on community support for the broader strategy. It would almost

certainly mean that the overall costs of achieving our specific goals will increase substantially. It would also generate considerable uncertainty for Queensland landholders and run the risk of provoking an escalation of land clearing applications. Past experience in Queensland has demonstrated that piecemeal changes to Queensland's vegetation management framework lead to significant increases in the rate at which permit applications are submitted in anticipation of further restrictions. Legal advice provided to my Government indicates that once a permit application has been lodged it must be considered under the terms of legislation existing at that time.

I therefore reiterate my view that announcement of a jointly funded integrated strategy covering both biodiversity and greenhouse, would provide certainty both for landholders and for the wider community concerned about this issue and would be more effective in achieving the objectives of both our Governments. However such an approach need not unnecessarily delay our finalisation of the NHT bilateral. I envisage that a joint announcement by our Governments outlining our intentions and integrated objectives for vegetation management in Queensland could occur simultaneously with the signing and commencement of the NHT bilateral agreement. Implementation of the greenhouse gas abatement element of the strategy could await the later finalisation of the finer details by our Governments.

I note that your letter again states that a condition of Commonwealth support is that any program to achieve national greenhouse gas abatement goals in Queensland is "acceptable to the Queensland community". I believe that my Government's proposed integrated approach to land clearing will have broad support from the Queensland community. Stakeholder and community members of Regional Vegetation Management Planning Committees across the State have all indicated that they are prepared to support significant and substantial reductions in clearing levels provided financial assistance is available to landholders.

However, as I have outlined previously, it will not be possible to achieve universal support from all sectors. In particular, I cannot guarantee that all landholders and all rural industry groups will be supportive because of the propensity of some to take extreme positions. The absence of universal community acceptance should not, however, be seen as a barrier to a bilateral approach. As you will I am sure appreciate, the degree to which our Government's show joint leadership on this issue will influence positively the degree of community support for all the elements of the strategy. The Memoranda of Understanding between our Governments on the Reef Water Quality Protection Plan and on the Sugar Industry Reform Package are testimony to the ability of such approaches to engender broad community support for change.

I would therefore urge you to favourably consider an initial joint announcement by our Governments of an integrated strategy timed to coincide with our signing of the NHT bilateral. In this regard, I have attached an initial draft of a possible Statement of Intent

which could form the basis of such an announcement. A version of this document was provided to Commonwealth officials at their 12 February meeting.

I trust these proposals meet with your favourable consideration. If you agree, I suggest that our officials work towards progressing this matter to the point where we might meet some time early in March with a view to making a joint announcement.

Yours sincerely

ORIGINAL SIGNED  
BY PETER BEATTIE

DATE ...../...../.....

**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE**

RTI RELEASE

## Statement of Intent by the Commonwealth Government and the Government of the State of Queensland on cooperative action to manage remnant native vegetation in Queensland.

### PREAMBLE

Unlike other Australian States, Queensland retains extensive areas of remnant native vegetation. This vegetation retains a range of unique values which warrant protection to achieve Queensland and National goals.

Most remnant vegetation occurs on land which is under leasehold or freehold tenure. Consequently, protection and management relies on the decisions and actions of individual landholders. The State and the Commonwealth Governments are seeking to provide certainty not only for landholders but also to the wider community for the protection of these unique values.

### GENERAL

- 1 The governments agree that effective management of Queensland's native vegetation is required to protect of biodiversity, prevent land degradation, manage salinity and reduce greenhouse gas emissions.
- 2 The governments agree that, because of the unique values of the State's remnant vegetation at both the Queensland and national levels, a cooperative approach is required involving both the Queensland and Commonwealth Governments.
- 3 The governments note that a significant amount of work has already been undertaken to facilitate the protection and management of native vegetation through the Queensland Government's vegetation management framework and Commonwealth initiatives such as the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality. Governments agree that further action is required over and above these issues.
- 4 The governments agree that it is important to build upon the existing participation and support of stakeholders in identifying and implementing practical approaches to protecting and managing native vegetation.
- 5 The governments note that, in the interests of future planning certainty, the public and stakeholders must be assured that both governments are committed to the delivery of a single integrated program to achieve their goals.
- 6 The governments note that there are other threats to native vegetation for example, impacts from weeds and poor land management practices and that separate processes are underway to address these threats.

### OBJECTIVES

- 7 The Commonwealth government's objectives for the program are:
  - a. to protect 'of concern' regional ecosystems on freehold land in Queensland; and
  - b. to reduce the overall rate of clearing of remnant vegetation beyond that flowing from the existing Queensland vegetation management framework and the National Action Plan for Salinity and Water

Quality in order to achieve and ensure verifiable Greenhouse gas reduction targets in excess of 25 megatonnes per annum.

- 8 The Queensland Government's objectives for the program are
  - a. to halt the decline in the extent and quality of native vegetation in Queensland as soon as practicable;
  - b. to promote the recovery of native vegetation through incentives to protect and manage remnant and regrowth vegetation; and
  - c. in cooperation with peak industry groups, to promote effective property management planning and other initiatives leading to improvements in sustainable agricultural practices by all landholders.

#### OPERATIVE

9 The Governments agree to fund a structural adjustment and incentives package to achieve their respective objectives as set out in paragraphs 7 and 8 of this agreement on the basis that each government will contribute half of the total value of the package.

10 Queensland's financial contribution to the funding package will include the cost of administration and implementation.

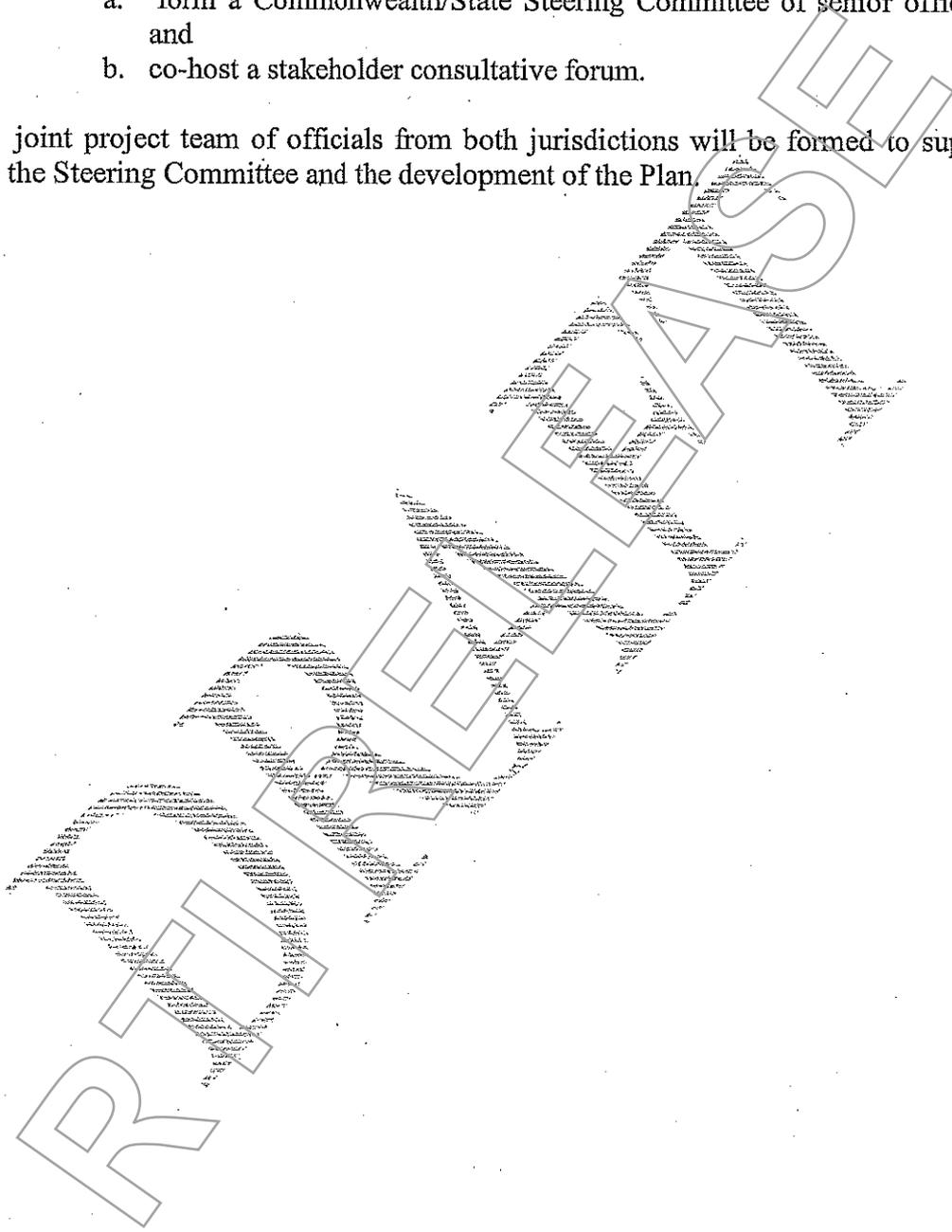
- 11 Following agreement on the funding package, the Queensland Government will:
  - a. legislate to protect 'of concern' regional ecosystems on freehold land;
  - b. legislate to establish and implement an annual cap on broadscale clearing approvals for remnant vegetation;
  - c. reduce the broadscale clearing cap on an annual basis to zero by June 2008;
  - d. implement administrative arrangements for the delivery of funds to support landholders substantially and disproportionately affected by or actively contributing to the achievement of the objectives;
  - e. provide additional support for existing activities, including those under the National Action Plan for Salinity and Water Quality, which promote landholder involvement in the active management of remnant and regrowth vegetation;
  - f. provide support to peak industry groups, to promote and deliver effective property management planning leading to improvements in sustainable agricultural practices by landholders.

12 Governments agree to work toward finalising this framework by 30 June 2003.

13 The governments agree to use their best endeavours to ensure that public statements related to the implementation of the MOU will be coordinated between governments. Where separate statements are to be made or reports released, the government proposing to make the statement or release the report will consult the other government beforehand.

14 In order to reduce complexity and minimise uncertainty for landholders, the governments agree that delivery will build on and extend the Queensland Government's vegetation management framework and no further legislative or other constraints will be imposed by the Commonwealth.

- 15 The Commonwealth agrees to include in terms of reference to the Commonwealth Grants Commission the direction that Commonwealth payments to Queensland in relation to this agreement are excluded from the Commission's processes.
- 16 To guide the development of the Native Vegetation Management Program and funding arrangements, the governments will:
  - a. form a Commonwealth/State Steering Committee of senior officials; and
  - b. co-host a stakeholder consultative forum.
- 17 joint project team of officials from both jurisdictions will be formed to support the Steering Committee and the development of the Plan.





Queensland  
Government

Premier's note

DR LEO KEENE

Adrian Jeffrey  
Env. & Res. POLICY

RTI RELEASED

14/02 '03 14:07 FAX

HON ROBERTSON

11/03/09739



Queensland Government

Premier of Queensland and Minister for Trade

Please quote: TW01/ERP

The Hon John Anderson MP  
Deputy Prime Minister and  
Minister for Transport and Regional Services  
Parliament House  
Canberra ACT 2001

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<input type="checkbox"/> INFORMATION
<input type="checkbox"/> OTHER

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25 FEB 2003  
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<input checked="" type="checkbox"/> INFORMATION
25/02/03

Dear Mr Anderson *John*

As you would be aware, over the last three years there has been regular correspondence between the Queensland and Commonwealth Governments on the subject of land clearing in Queensland.

In his most recent correspondence with me on this matter the Prime Minister indicated he wished to progress the Commonwealth offer of a financial contribution to reduce emissions from land clearing in Queensland. The Prime Minister noted that Queensland was developing options in response to this offer and indicated the Commonwealth would welcome the opportunity to consider these and sought my approval to our officials discussing Queensland's options.

I understand officials have met and discussed the parameters of a Queensland proposal that would meet the previously stated conditions for a Commonwealth financial contribution. I understand Commonwealth officials will shortly be briefing their Ministers on the proposal.

I also had an opportunity to discuss this issue today with the Commonwealth Minister for Environment and Heritage, the Hon Dr David Kemp MP, while he was in Brisbane attending a Cape York Natural Heritage Steering Committee meeting. Dr Kemp indicated to me, and I agreed, that there may be benefit in a meeting with you to discuss Queensland's proposal. I would therefore like to propose a meeting at the earliest opportunity between yourself and my Minister for Natural Resources and Mines, the Hon Stephen Robertson MP. Mr Robertson as the responsible Minister is well placed to provide a detailed briefing to you on our initiative and answer any questions you may have.

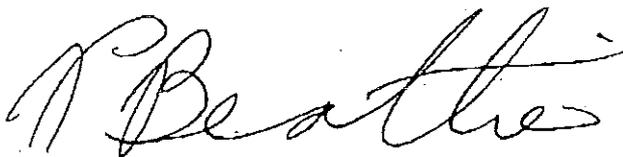
24/2 s/w Frank Jackson.  
He will ring Anderson's office.

Executive Building  
100 George Street Brisbane  
PO Box 185 Brisbane Albert Street  
Queensland 4002 Australia  
Telephone +61 7 3224 4500  
Facsimile +61 7 3221 3631  
Email ThePremier@premiers.qld.gov.au  
Website www.thepremier.qld.gov.au

24/02 '03 14:07 FAX

I would hope it might be possible to arrange a meeting with you within the next two weeks in order that we may progress this important matter in the near future. I have therefore asked Minister Robertson to contact your Office directly to ascertain your availability.

Yours sincerely



**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE**

RTI RELEASE

P10526

Please quote: AJ/ERP

6/3/03 2

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

In today's edition of the *Queensland Country Life* there is an "Open Letter" from Mr Larry Acton, General President of Agforce, calling for "direct consultation and communication" with landholders before any agreement between our two governments on land clearing.

Mr Acton is a respected leader of a peak rural industry group and I recognise his right to speak out on behalf of his membership. However, the letter's timing suggests that information about our negotiations on this subject has been released.

Queensland clearly has no advantage to gain in prematurely releasing details of our negotiations. Indeed, as I indicated to you previously, just hinting at changes to Queensland's vegetation management legislation can lead to significant increases in the rate at which permit applications are submitted. Unfortunately Mr Acton's "open letter" is in fact an open invitation to landholders to accelerate their clearing intentions, and thus exacerbate the problem we have both been attempting to solve.

You will recall that, in my letter of 21 December 2002, I clearly indicated that the essential first step in any successful move to address land clearing is an agreement between our two governments on the broad features of an integrated package. Once this agreement has been reached, the next step is for both our governments to go to the community and to work with key stakeholders on the details of implementation.

My subsequent letters reiterated the fact that the major stakeholders hold well-known and strongly polarised views on this issue. Further consultation prior to an agreement on the main features of a package would not bring out new information or views and would simply prolong the debate. I believe the Queensland community generally is heartily sick and tired of all of the arguments on land clearing and wants to see them come to an end as soon as possible. By committing to a joint approach, our Governments would be leading the way to resolution.

I consider it unfortunate and disappointing that, again, a confidential proposal for a joint approach to address major natural resource management issues in this State has found its way into the public arena prior to finalisation, and before we, as leaders of our respective Governments, have had an opportunity to discuss these matters personally and constructively.

I seek your confirmation that the Commonwealth is prepared to continue with negotiations on this issue and that you are prepared to work towards an agreement from which we can go to the community together.

Yours sincerely

**PETER BEATTIE MP**  
**PREMIER AND MINISTER FOR TRADE**

RTI RELEASE



Queensland  
Government

Premier of Queensland

Please quote: AJ/ERP

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

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Executive Building  
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Telephone +61 7 3224 4500  
Facsimile +61 7 3221 3631  
Email [ThePremier@premiers.qld.gov.au](mailto:ThePremier@premiers.qld.gov.au)  
Website [www.thepremier.qld.gov.au](http://www.thepremier.qld.gov.au)

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Yours sincerely

**PETER BEATTIE MP**  
**PREMIER AND MINISTER FOR TRADE**

RTI RELEASE

P10526



Received in Records		
FILE NO.	FILE No.	
13/03/03	07/03/03	83
Tracking No.	Mail No. 24979	

PRIME MINISTER  
CANBERRA

7 MAR 2003

The Hon Peter Beattie MP  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

My dear Premier

Thank you for your letter of 19 February 2003 regarding your government's proposal to address land clearing in Queensland.

As you know, the Commonwealth has long held an interest in achieving a substantial reduction in greenhouse gas emissions by reducing land clearing activity in Queensland. Similarly, we consider there are nationally significant benefits for biodiversity in working with Queensland to protect 'of concern' native vegetation.

My understanding of your government's proposal is that it meets, and in fact goes beyond, the Commonwealth's objectives for reduced land clearing activity in Queensland. I note that the proposal will likely raise concerns with a number of stakeholders.

I am pleased to advise you of my government's interest in the proposal, subject to clarification of two key issues. Firstly, I do not consider that we presently have sufficient information to understand the impacts of the proposal on rural industries and regional communities. This information will assist in evaluating the adequacy of the proposed assistance package. I therefore intend to commission as soon as possible a socio-economic study into these aspects by the Australian Bureau of Agricultural and Resource Economics and the Bureau of Rural Sciences. The study would be conducted on a confidential basis, drawing on existing information, and its report would be available within four to six weeks. I would welcome the cooperation of your government in providing input to this study.

*Noted*  
*13/3/03*

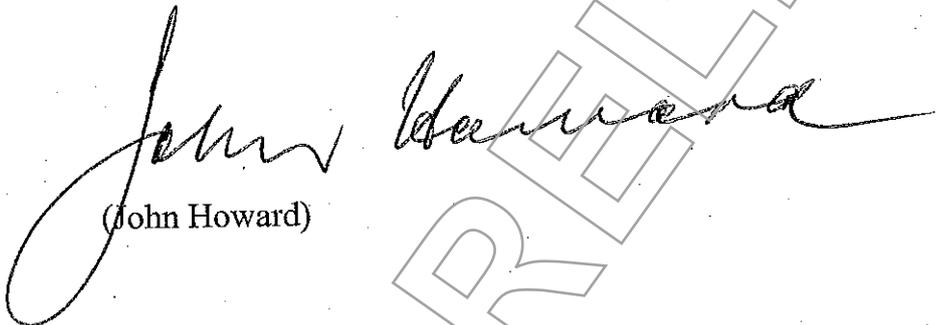
I then propose that our governments jointly conduct focused consultations with key stakeholders in order to gauge their reactions to the proposal. While I acknowledge there may be risks of possible 'panic permit seeking' from such an approach, I am not proposing a lengthy process. I do, however, feel obliged to adopt as open an approach as possible with stakeholders on this matter, and would not be comfortable committing to the proposal in advance of such consultations.

Assuming a satisfactory outcome is achieved on the above aspects, the Commonwealth would be prepared to contribute towards an agreed assistance package on an equal basis with Queensland, up to a maximum Commonwealth contribution of \$75 million.

With your agreement, I propose that our officials now meet to set out a timetable for taking the issue forward.

I look forward to our progressing this important initiative.

Yours sincerely



(John Howard)



PRIME MINISTER  
CANBERRA

7 MAR 2003

The Hon Peter Beattie MP  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

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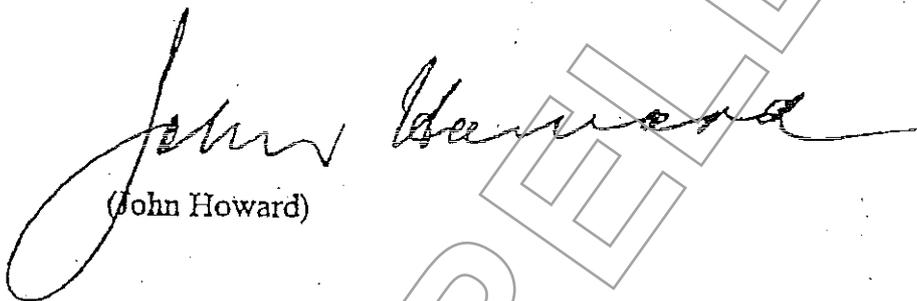
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Yours sincerely



(John Howard)

COPY

P10526

**URGENT**

Tracking No. 43200

**Premier's briefing note**

Policy

Title: Commonwealth Negotiations on Land Clearing

Date: 18 March 2003

**1. Purpose**

To seek your signature on the attached letter to the Prime Minister.

**2. Background**

On 7 March 2003 the Prime Minister replied to your letter of 19 February 2003 regarding the development of a joint State/Commonwealth initiative on land clearing in Queensland.

**3. Issues**

The Prime Minister's letter is the strongest indication to date that the Commonwealth is prepared to enter into a joint initiative. In particular, the Prime Minister has confirmed that the Commonwealth would be prepared to contribute up to a maximum of \$75 million - assuming a satisfactory package can be negotiated and Queensland matches the Commonwealth contribution.

As a first step, the Prime Minister has stated that the Commonwealth wishes to conduct further assessment of the socio-economic impact of the proposal to minimise broadscale land clearing. He has also proposed that the governments "*jointly conduct*" consultation with key stakeholders prior to the finalisation. The Prime Minister has sought your agreement to progress the issue at officials' level.

A response has been drafted which:

- Agrees to meetings between officials;
- Seeks Queensland involvement in finalising the terms of reference for the socio-economic assessment; and
- Reiterates Queensland's position that high level agreement on the key features the proposal is required before consultation with key stakeholders.

The Department of the Premier and Cabinet has been informally advised that there are unlikely to be objections to Queensland involvement in finalising the terms of reference.

**4. Consultation**

The Department of Natural Resources and Mines has been consulted.

**5. Is this in accordance with Government election commitments?**

Not applicable.

**6. Recommendation**

That you sign the attached letter to the Prime Minister.



Dr Leo Keliher  
Director-General

(TN 43200)  
P10526



**COBY**



**Queensland  
Government**

Premier of Queensland  
and Minister for Trade

Please quote: 24979/AJ/ERP

**19 MAR 2003**

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

Thank you for your letter of 7 March 2003 concerning a coordinated approach by our two governments to the issue of land clearing in Queensland. I share your view that this is an important initiative and I am pleased that it may now be possible to make substantial progress towards its delivery.

I agree that Queensland and Commonwealth officials should now meet to develop the initiative further, and to address the two outstanding issues raised in your letter. In the first instance, this work should include agreement on the terms of reference for the proposed socio-economic study by the Australian Bureau of Agricultural and Resource Economics and the Bureau of Rural Sciences and identification of additional information which Queensland may be able to provide.

The work should also include finalising the proposal which will be the subject of joint consultation with key stakeholders. As I have previously indicated, I consider that prior high level agreement between our two governments is needed on the key features of the proposal. This should then be jointly announced and refined on the basis of responses from relevant stakeholders.

I agree that consultation should not be a lengthy process and, as I am sure you will agree, consider we have an obligation not to prolong the uncertainty for Queensland's landholders.

The benefits of a cooperative approach to the issue of land clearing are considerable and I look forward to bringing our joint proposal to fruition.

Yours sincerely

**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE**

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100 George Street Brisbane  
PO Box 185 Brisbane Albert Street  
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Telephone +61 7 3224 4500  
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Yours sincerely

**SIGNED BY  
PREMIER**

PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE



*Zerry (Wall) (with floor)  
suggested changes.*

Sch. 3-1

Please quote: /AJ/ERP

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

*D 17/3.*

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Yours sincerely *joint.*

**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE**

**URGENT**P10526  
Tracking No. 43606**Premier's briefing note**

Policy

Title: Land Clearing

Date: 27 March 2003 <sup>2</sup>**1. Purpose**

To outline our concerns about a number of actions proposed to be undertaken by the Department of Natural Resources and Mines.

**2. Background**

In recent days it has come to our attention that the Department of Natural Resources and Mines is considering a number of actions which, if implemented, in our view could jeopardise progress and, at worst, derail current efforts and negotiations to end land clearing in Queensland. They include:

- A proposal for the Minister for Natural Resources and Mines to publicly release a number of Regional Vegetation Management Plans within the next couple of weeks;
- A proposal to broaden the group of officers who are aware of the detail of the initiative currently under development to include senior officers from DPI and the EPA; and
- A proposal to immediately commence drafting legislation for a moratorium on land clearing.

**3. Issues**Regional Vegetation Management Plans

These plans have been prepared by Regional Vegetation Management Committees established by the Minister pursuant to the Vegetation Management Act. They were intended to deliver additional, voluntary, restrictions to those covered under the Act. In effect they have proposed little, and have all indicated significant further restrictions would only be made if financial assistance was available.

While the Minister has been under some pressure to release these Reports, it seems absurd to contemplate releasing them at this stage of the negotiations with the Commonwealth. It is likely that both Governments will in the next few weeks commence joint consultation with stakeholders on a separate proposal to end land clearing in Queensland. Release of these Plans now would simply open the Government to subsequent allegations of deceit and of misleading stakeholders of its real intentions. No consultation has occurred with the Commonwealth on proposals to release these Plans. If we are to maintain any semblance that this is a joint initiative, the Commonwealth should at least have an opportunity to state its views were release to be seriously contemplated.

Broadening knowledge of the initiative to DPI and EPA

This proposal contains significant risks. At present only a handful of officers at both State and Commonwealth level are aware of the full details of the initiative and the parameters of discussions between Governments. This must continue in our view until such time as both Governments are prepared/able to jointly announce something. We (DPC) have been operating this project on a 'need to know' basis. It is our view that officers from DPI and EPA do not need to know the full details of the package or negotiations with the Commonwealth at this stage. All they need to know is that negotiations are continuing and that they may, from time to time, be required to provide information or data to support those negotiations. We (the State) have been critical of the Commonwealth in the past for releasing the detail of various proposed initiatives to the public. On this occasion they appear to be serious about confidentiality. It is imperative that the State maintain strict confidentiality also.

Moratorium legislation

A key element of the initiative under development is a legislated (short term) moratorium on land clearing to take effect immediately following announcement of the joint Commonwealth and State agreement. The moratorium's intent is to avoid a rush to seek permits to clear in the interim while the detailed arrangements underpinning the joint initiative are put into place. This is not complex legislation. It can in our view be drafted at short notice, once we have clear agreement between governments. There are significant risks if drafting were to commence now and were details somehow to become public knowledge. It would be a breach of faith in terms of the advice we have given to the Commonwealth. It would also provide ammunition for opponents of the initiative to mount a significant campaign of opposition prior to final agreement between governments, which could potentially derail the whole project.

**4. Recommendation**

It is recommended that you:

- Oppose release of any Regional Vegetation Management Plans before joint Commonwealth State consultations with stakeholders on the current initiative commence;
- Oppose broadening knowledge of the full details of the initiative to officers of DPI, EPA or any other State agency;
- Oppose drafting any moratorium legislation until there is final agreement on the initiative between the Commonwealth and the State

Dr Leo Keliher  
Director-General

RTI RELEASED

DDG

Talk about it at  
Fru's meeting as  
well  
27-3-03

~~DAMIAN~~**COPY**

Tracking No.

**Premier's briefing note**

Policy

Title: Land Clearing

P10382 - 9

Date: 27 March 2003

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Dr Leo Keliher  
Director-General

Records

Tracking No. 44070

Please file

P10526

**Premier's briefing note**

Policy

Title: Negotiations with the Commonwealth on Land Clearing

Date: 10 April 2003

**1. Purpose**

To advise you of recent progress in negotiations with the Commonwealth on an assistance package to end broadscale land clearing.

**2. Background**

On 7 March the Prime Minister wrote to you confirming the Commonwealth's interest in progressing the development of a package and seeking your agreement to meetings of officials. On 19 March you replied indicating that agreement. Officials representing DPC and DNRM (Queensland) and Prime Minister and Cabinet, Environment Australia, Agriculture Fisheries and Forests Australia and the Australian Greenhouse Office (Commonwealth) first met on 21 March. A second meeting was held on 9 April.

**3. Issues**

Commonwealth officials have been very positive in their approach to negotiations. The "non-committal" response which has characterised negotiations on this subject in past years has disappeared. This and the fact that the Commonwealth has established a negotiating team of high-level officials led by an officer of the Department of the Prime Minister and Cabinet are strong indicators that significant progress is being made.

Progress on the following matters is relevant:

*Marked  
2/14/03*

- In his letter of 7 March, the Prime Minister flagged the Commonwealth's intention to engage the Australian Bureau of Agricultural Economic (ABARE) and the Bureau of Resource Sciences (BRS) to undertake a socio-economic assessment of the impacts of a cessation of broadscale land clearing on rural industries and regional communities. This work is now well-advanced with the Department of Natural Resources and Mines providing most of the extensive raw data necessary for the analysis. Commonwealth officials have indicated that the ABARE/BRS study is likely to be completed by 17 April 2003. They have also indicated that a copy of the report would be provided to Queensland as soon as it was available rather than waiting for clearance from Commonwealth Ministers.
- Preliminary indications are that the study will provide a realistic assessment of impacts and the proposed \$150 million package will withstand scrutiny.
- Commonwealth officials have been engaged in detailed discussions on matters such as the system to be used to allocate clearing permits during the 5 year phase down period and eligibility criteria for financial assistance.
- Discussions have also commenced on the process for joint consultation with stakeholders. Commonwealth officials have indicated that they believe that they will have clearance from Ministers to start this consultation in the week commencing 19 May. It is proposed that officials from both governments meet with representatives of each peak stakeholders separately and allow a short period (3-4 days) for responses to be provided.
- Work is about to commence on the material to be presented to stakeholders with a clear delineation between the "not negotiable" items (eg \$150 million program and 5 year phase down) and "negotiable" items (eg details of delivery of the package).

Action Officer: Adrian Jeffreys  
Area: Environment and Resources  
Telephone: 46478

ED: *[Signature]*

DDG: *[Signature]* 114

On the current timetable, governments should be in a position to finalise an agreement on land clearing by the last week in May.

A detailed presentation on current progress and issues will be organised shortly for the Minister for Natural Resources and Mines and your Office. Officials will meet again on 24 April 2003 in Canberra.

**4. Consultation**

DNRM is involved in the negotiations.

**5. Is this in accordance with Government election commitments?**

Not applicable.

**6. Recommendation**

That you note progress.



Dr Leo Kelihier  
**Director-General**

RTI RELEASE

Pages 175 through 208 redacted for the following reasons:

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Contrary to the Public Interest

Tracking No.

## Premier's briefing note

Policy

Title: Negotiations with the Commonwealth on Land  
Clearing

Date: 28 April 2003

### 1. Purpose

To advise you of recent progress in negotiations with the Commonwealth on an assistance package to end broadscale land clearing.

### 2. Background

On 7 March the Prime Minister wrote to you confirming the Commonwealth's interest in progressing the development of a package and seeking your agreement to meetings of officials. On 19 March you replied indicating that agreement.

Officials representing DPC and DNRM (Queensland) and Prime Minister and Cabinet, Environment Australia, Agriculture Fisheries and Forests Australia and the Australian Greenhouse Office (Commonwealth) held their third meeting on Thursday 24 April 2003.

### 3. Issues

#### *ABARE/BRS Report*

In his 7 March letter, the Prime Minister also flagged the Commonwealth's intention to commission the Australian Bureau of Resource Economics and the Bureau of Resource Sciences (ABARE/BRS) to undertake an assessment of the socio-economic impact of the proposal to phase out broadscale land clearing in Queensland. The Assessment has now been completed and a "final draft" has been provided to Queensland on a confidential basis. A copy of the Report is attached.

Contrary to Public Interest

Contrary to Public Interest

### **Proposed Consultation with Stakeholders**

Detailed discussions have commenced on the process for joint consultation with stakeholders. Commonwealth officials have indicated that they believe that they will have clearance from Ministers to start this consultation in the week commencing 19 May. It is proposed that officials from both governments meet with representatives of each peak stakeholders separately and allow a short period (3-4 days) for responses to be provided.

Commonwealth officials proposed that the letter to peak stakeholders notifying them of the proposed consultation be signed jointly by the Director General of the Department of the Premier and Cabinet and the Secretary of the Department of Prime Minister and Cabinet.

Work has commenced on the material to be presented to stakeholders with a clear delineation between the "not negotiable" items (eg \$150 million program and 5 year phase down) and "negotiable" items (eg details of delivery of the package). A further briefing will be provided when the details have reached an advanced draft stage.

Commonwealth officials have advised that their Ministers have been kept informed of progress with the negotiations with Queensland. To date, no concerns have been raised. However, judging from the experience with negotiations such as those over the sugar package, the position adopted by these Ministers is not assured.

Officials will be meeting again on 5 May 2003.

#### **4. Consultation**

DNRM is involved in the negotiations.

#### **5. Is this in accordance with Government election commitments?**

Not applicable.

#### **6. Recommendation**

That you note progress.

Dr Leo Keliher  
**Director-General**

P10382

21/5/03

**COMMONWEALTH COMMENTS ON QUEENSLANDS DRAFT ASSISTANCE MEASURES FOR THE PROPOSED \$150 MILLION COMMONWEALTH-STATE ASSISTANCE PACKAGE**

The Commonwealth appreciates the opportunity to comment on the various elements of the proposed assistance package. The following picks up some, but not all, the issues raised in earlier discussions. Some of these may require discussion or clarification at our next meeting.

Our starting point should be to clearly enunciate the purpose of the package. The addition of a chapeau statement would help put the package and its aims into context. The use of practical examples would help.

*Attached to the Premier's letter of 19 February 2003 to the Prime Minister, was a draft "statement of intent" (Attachment 1 herewith) which provides a basis for a statement of the purpose of the package.*

The use of the QRAA as the delivery vehicle appears appropriate, assuming they will have the necessary capacity to process the expected influx of applications for assistance – including field staff.

*QRAA has advised that they would need to increase their capacity to deliver the package. As indicated in the conditions set out in the Premier's letter of 13 December 2002, Queensland's financial contribution will include the cost of this implementation.*

It is suggested that the outcomes of the package need to be measurable. Accordingly, key performance indicators would need to be established and reported against and the package would be reviewed at its conclusion. The Commonwealth would seek to receive regular progress reports on implementation of the package.

*Queensland will be in a position to provide regular progress reports based on existing data management systems.*

*Information on approvals issued and clearing rates would continue to be provided through Queensland's existing data collection including the Statewide Land cover and Tress Study (SLATS). Appropriate thresholds and factors can be applied to this information to calculate carbon emissions and savings in accordance with NCAS criteria.*

*Information on the delivery of various components of the package would be managed and reported in accordance with arrangements which exist for similar assistance packages and NAP/NHT.*

*Advice on the kinds of performance indicators required by the Commonwealth is invited. Finalisation of these may need to wait until after consultation with stakeholders.*

While the proposed package is aimed at those enterprises who have not applied for a permit to clear before the proposal is announced, Queensland may need to consider how it will treat those farmers with existing permits who choose, in light of the new measure, to seek the enterprise assistance to restructure.

- would such farmers need to wait until the permit expires unused before they can apply for structural adjustment?

*As previously advised, there is no intention to cancel or otherwise interfere with existing approved clearing permits. To be eligible to receive assistance, landholders with existing permits would be required to satisfy exactly the same criteria as other landholders. In broad terms, this means that they must be able to show that the change in regulatory controls on clearing has had an effect on their financial viability. The existence of an active permit on the property may be a factor in assessing this but it is not in itself fatal to their application.*

- an option allowing farmers with current permits to hand back those permits and gain access the package may be more equitable.

*It has been Queensland's understanding that the Commonwealth is prepared to provide financial support for reductions in clearing over and above existing regulatory arrangements and the requirements of NAP/NHT. Providing assistance for landholders who surrender existing permits would appear to contradict this and advice is sought on whether this represents a change in position. As mentioned above, it is not proposed that the existence of an active permit would preclude access to financial assistance.*

- consideration could be given to reallocating surrendered permits at a later ballot.

*It is assumed that all existing permits will be fully utilised. It is not proposed to reallocate unused clearing rights from existing permits as these are already "outside the cap".*

*Regulatory arrangements for allocating new permits will require either a provision for deducting unused clearing rights from the "cap" or a transparent system for reallocating these to areas where there is greater demand. The latter option is likely to be more acceptable to industry stakeholders.*

Should the package be confined to assistance for directly affected farmers, or would there be merit in some assistance targeting wider regional impacts?

*The first question to be asked is "are there wider regional impacts?". Assuming that farm business viability is maintained, then wider impacts do not appear likely. However, one pathway for wider impacts is through businesses which rely on clearing for their income (eg clearing contractors). It is likely that the impact on these businesses will generally be small as clearing of remnant vegetation is only part of their suite of services.*

*QRAA operates a Small Business Emergency Assistance Scheme as part of current Drought EC arrangements. This provides assistance on loan repayments. Consideration should be given to use of these arrangements for small business such as clearing contractors.*

## **Specific Comments**

### Enterprise and Exit Assistance Component

A suggested eligibility criteria for assistance could be that the applicant must have had an application for a clearing permit rejected. The use of clearing applications in this way could be taken as a test of whether or not the applicant is "genuine".

*This approach is not supported. Queensland is proposing a clear separation of the application processes for assistance and clearing approval in order to avoid clogging the clearing approval process with applications which have no prospect of success.*

*Eligibility for assistance may result from two circumstances:*

- *where amendments to the legislation and assessment codes have meant that the clearing will not be approved (eg clearing of 'of concern' regional ecosystems on freehold land). In this case, an application for assistance may be lodged at any time,*
- *where proposed clearing complies with revised assessment codes but approval is subject to a ballot or other process. In this case, the options are:*
  - *landholder forgoes the right to lodge an application for clearing and makes an application for assistance at any time; and/or*
  - *landholder awaits the outcome of the ballot process and lodges an application for assistance should they be unsuccessful.*

*The former of these two sub-options is open for discussion. It will be favoured by industry stakeholders, reduces "red tape" for applicants and will reduce pressure on the clearing approval process. However, it will increase the number of applicants for financial assistance.*

It is not clear how the package provides for "exit payments". Our impression is that income/economic support is limited to actions to change or improve current on farm businesses. Could Queensland be more specific about what it has in mind for exit assistance arrangements?

*As indicated at the last meeting, the eligibility criteria for exist assistance have been the subject of further consideration following our initial discussions with QRAA. Revised eligibility criteria for exit assistance are currently being drafted and will be provided as soon as possible (i.e. before 24 April). Under these criteria, it is proposed that successful applicants for exit assistance would have their property acquired at a price they would have received prior to the introduction of the new regulatory arrangements. .*

Over what period do applicants receive assistance, once their application is approved?

*In order to facilitate accountability, Queensland is proposing that enterprise assistance be provided for specific projects which allow the farm business to attain or maintain viability. If this approach is adopted, the normal form of payment by QRAA is on receipt of an invoice or other evidence from the landholder. Consequently, payments only extend for the period required to implement the approved project.*

*It is not intended that payments take the form of 'lump sum' or 'benefits'.*

*Eligibility thresholds*

This is clearly a key issue and it may be that a 'one size fits all' approach is not optimal. Further discussion would be helpful.

- The proposal to provide enterprise assistance where there is a substantial and disproportionate burden may be too onerous and difficult / expensive to assess
  - a better expression may be that assistance would be provided in cases "where the proposal results in a significant and demonstrable impact on the future viability of an enterprise"?

*The exit assistance criteria have been revised following further discussions with QRAA (Attachment 2). The need for the impact to be "demonstrable" is supported and is reflected in the criteria. However, the word "significant" would require clarification. This is discussed further in the context of a "10% difference" below.*

- The appropriateness of a blanket threshold of land affected to define 'substantial and disproportionate' is questioned

- what is the rationale for using a threshold?

*The original logic was that viability is affected by many things and distinguishing the impact of an inability to clear from say, changes in cattle prices or the exchange rate, may be difficult. The term "substantial and disproportionate" was introduced as a factor to facilitate a distinction between the impact of not clearing and more general negative impacts affecting the whole industry. Queensland accepts that defining "substantial and disproportionate" is difficult and is prepared to consider alternative methods of ensure that the assistance package is accurately targeted at those landholders whose needs are greatest.*

- a threshold based on a percentage of land affected by the proposal may not take into account the applicant's situation. For example, a 10% area reduction on a small farm could have a much bigger impact on viability than on a larger farm

*Agreed It is not proposed to use an "area reduction" approach.*

- an alternative approach may be to put the onus on the applicant to show the difference in future net income streams with and without the clearing affected by the proposal, and to demonstrate how the assistance would help. In this case, a 10% difference could be used as a guide.

*This approach was originally suggested by Queensland. QRAA has indicated that this creates significant assessment problems for the following reasons:*

- very accurate "before and after" viability measures would be required;
- applicants will skew their applications to meet the threshold;
- "significance" will vary from property to property and region to region.

*QRAA's preference is not to establish a threshold but to provide examples as guidance for applicants (and for us to use in consultation with stakeholders). We have asked them to go ahead and prepare these.*

- a further alternative would be to estimate expected income effects with payments set at a per hectare rate on a regional basis (to reflect regional industry product/values)

*This approach would generate considerable complexities as it would need to take into account not only variations in industry but also variations in production method and land productivity (eg soil fertility, rainfall etc)*

- both the "10% test" and the "substantial and disproportionate test" will be complicated to apply, with judgements and debated information sets. These tests may raise opposition to the reform policies.

*Strongly agree. We need to discuss these issues further.*

The definition for farm businesses is supported. However, there may be an issue of private sector lessors of the land who may argue have incurred a loss of capital value. This happened in the case of dairy adjustment assistance. What are Queensland's views on this point?

*Point accepted. The eligibility criteria have been amended.*

The approach outlined would deny access for assistance to farmers that do not have a formal enterprise management plan in place. An alternative approach may be to give such farmers access to assistance provided they have plans of an equivalent status required by an application to clear and undertake to develop an accredited plan within an agreed timeframe.

*Not so. The eligibility criteria do not state that the farm business needed to have an enterprise management plan in place before the regulatory changes were implemented. However, they do require the applicant to submit one. This can be prepared as part of the application process.*

#### *Assessing the business case*

How is the scheme going to assess the intention to clear? While an Enterprise Business Plan may show how clearing could be used to develop a property this does not necessarily indicate an intention to clear - at present identified through landholders seeking a permit.

*An applicant will not always be able to provide written evidence that they were intending to clear. However, they must show that the thwarted ability to clear has had an impact on viability. This impact will be a function of the way the business operates (eg cash flow, debt structure and reserve capacity to pay for the clearing) in comparison to other similar businesses in a region.*

*QRAA has indicated that this can be determined from the material provided by an applicant.*

#### *Timing of assistance*

If an intention to clear is to be established through a refused permit, and permits are to be issued on the basis of a ballot, then timing of the assistance becomes an issue. There needs to be a streamlined way of providing assistance to farmers that are unsuccessful in a ballot for land clearing permits. When the result of the ballots is announced, there may be a substantial spike in the number of farmers applying for assistance due to unsuccessful applications. Does the Queensland Rural Adjustment Authority have the capacity to quickly assess a high number of applications?

*As previously advised, it is not intended to make a failed clearing application a requirement for assistance. Failure is neither a requirement nor is it a guarantee that assistance will be provided.*

### *Appeals*

What is the process for appeals? We understand that QRAA has such processes in place.

*QRAA has internal appeal mechanisms which are not covered by their legislation but subject to the Judicial Review Act. The QRAA Act is currently under review and consideration is being given to the inclusion of specific appeal mechanisms.*

Does the proposed \$100 000 limit of support related to a single farm enterprise, or is it per individual? It is important to note that most farm enterprises are partnerships.

#### *Farm enterprise*

Who will assess the natural resource components of applications? Is this also intended to be QRAA?

*QRAA has indicated that it will require DNRM to undertake the natural resource component assessments. The skills needed for this are available.*

Are annual reviews of enterprise assistance too frequent?

*QRAA undertakes annual reporting of all of their assistance programs.*

### **Property Management Planning Component and Financial Incentives to Enable Landholders to Improve Sustainable Vegetation Management**

These components could overlap with assistance for activities provided under the NHT and NAP. It will be important to develop measures to ensure double dipping does not take place and this could be noted in the package?

*Agreed. Both proposals have been amended and are attached (Attachment 3 and Attachment 4) for your further advice and comment.*

We note that these proposals would be developed further with stakeholders. There may be additional similar activities that landholders may wish to seek assistance for, such as training, technical advice etc.

*Agreed. Only the broad parameters of these proposals should be established at this stage.*

### **Property Management Planning**

The terminology needs to be consistent in describing the various property plans to ensure the scheme is eliminating duplication for farmers. Can we assume that the Property Management Plan required in a QRAA application for assistance, those required for a clearing application and the Enterprise Management Plan are the same as (or a subset of) the PMPs described in the Property Management Planning Component of the assistance package? If they are not the same, then the relationship needs to be explained.

*Queensland agrees that the terminology needs to be correct. Note that, following our last meeting, this component has been revised to emphasise the promotion of land and vegetation management "best practice" rather than a narrow focus on property management planning.*

We agree that success of these mechanisms is dependent on the extent to which a real incentive is provided. We suggest a more aggressive approach to incentives for these activities could be considered including:

- Agreement to accreditation and deemed compliance;

*The Commonwealth's advice on how this would be implemented would be appreciated.*

- Use as basis for incentive payment schemes reducing compliance and information costs.

*Again, the Commonwealth's further advice on how this would be implemented would be appreciated.*

RTI RELEASE

P10382

2/5/03

**Statement of Intent by the Commonwealth Government and the Government of the State of Queensland on cooperative action to manage remnant native vegetation in Queensland.**

**PREAMBLE**

Unlike other Australian States, Queensland retains extensive areas of remnant native vegetation. This vegetation retains a range of unique values which warrant protection to achieve Queensland and National goals.

Most remnant vegetation occurs on land which is under leasehold or freehold tenure. Consequently, protection and management relies on the decisions and actions of individual landholders. The State and the Commonwealth Governments are seeking to provide certainty not only for landholders but also to the wider community for the protection of these unique values.

**GENERAL**

- 1 The governments agree that effective management of Queensland's native vegetation is required to protect of biodiversity, prevent land degradation, manage salinity and reduce greenhouse gas emissions.
- 2 The governments agree that, because of the unique values of the State's remnant vegetation at both the Queensland and national levels, a cooperative approach is required involving both the Queensland and Commonwealth Governments.
- 3 The governments note that a significant amount of work has already been undertaken to facilitate the protection and management of native vegetation through the Queensland Government's vegetation management framework and Commonwealth initiatives such as the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality. Governments agree that further action is required over and above these issues.
- 4 The governments agree that it is important to build upon the existing participation and support of stakeholders in identifying and implementing practical approaches to protecting and managing native vegetation.
- 5 The governments note that, in the interests of future planning certainty, the public and stakeholders must be assured that both governments are committed to the delivery of a single integrated program to achieve their goals.
- 6 The governments note that there are other threats to native vegetation for example, impacts from weeds and poor land management practices and that separate processes are underway to address these threats.

**OBJECTIVES**

- 7 The Commonwealth government's objectives for the program are:
  - a. to protect 'of concern' regional ecosystems on freehold land in Queensland; and
  - b. to reduce the overall rate of clearing of remnant vegetation beyond that flowing from the existing Queensland vegetation management framework and the National Action Plan for Salinity and Water

Quality in order to achieve and ensure verifiable Greenhouse gas reduction targets in excess of 25 megatonnes per annum.

- 8 The Queensland Government's objectives for the program are
  - a. to halt the decline in the extent and quality of native vegetation in Queensland as soon as practicable;
  - b. to promote the recovery of native vegetation through incentives to protect and manage remnant and regrowth vegetation; and
  - c. in cooperation with peak industry groups, to promote effective property management planning and other initiatives leading to improvements in sustainable agricultural practices by all landholders.

#### OPERATIVE

- 9 The Governments agree to fund a structural adjustment and incentives package to achieve their respective objectives as set out in paragraphs 7 and 8 of this agreement on the basis that each government will contribute half of the total value of the package.
- 10 Queensland's financial contribution to the funding package will include the cost of administration and implementation.
- 11 Following agreement on the funding package, the Queensland Government will:
  - a. legislate to protect 'of concern' regional ecosystems on freehold land;
  - b. legislate to establish and implement an annual cap on broadscale clearing approvals for remnant vegetation;
  - c. reduce the broadscale clearing cap on an annual basis to zero by June 2008;
  - d. implement administrative arrangements for the delivery of funds to support landholders substantially and disproportionately affected by or actively contributing to the achievement of the objectives;
  - e. provide additional support for existing activities, including those under the National Action Plan for Salinity and Water Quality, which promote landholder involvement in the active management of remnant and regrowth vegetation;
  - f. provide support to peak industry groups, to promote and deliver effective property management planning leading to improvements in sustainable agricultural practices by landholders.
- 12 Governments agree to work toward finalising this framework by 30 June 2003.
- 13 The governments agree to use their best endeavours to ensure that public statements related to the implementation of the MOU will be coordinated between governments. Where separate statements are to be made or reports released, the government proposing to make the statement or release the report will consult the other government beforehand.
- 14 In order to reduce complexity and minimise uncertainty for landholders, the governments agree that delivery will build on and extend the Queensland Government's vegetation management framework and no further legislative or other constraints will be imposed by the Commonwealth.

- 15 The Commonwealth agrees to include in terms of reference to the Commonwealth Grants Commission the direction that Commonwealth payments to Queensland in relation to this agreement are excluded from the Commission's processes.
- 16 To guide the development of the Native Vegetation Management Program and funding arrangements, the governments will:
  - a. form a Commonwealth/State Steering Committee of senior officials;  
and
  - b. co-host a stakeholder consultative forum.
- 17 joint project team of officials from both jurisdictions will be formed to support the Steering Committee and the development of the Plan.

RTI RELEASE

P10526  
Tracking No. 45062

*Damian*

14-5-03

## Premier's briefing note

Policy

Title: Negotiations with the Commonwealth on Land Clearing

Date: 14 May 2003

### 1. Purpose

To advise you of recent progress in negotiations with the Commonwealth on an assistance package to end broadscale land clearing and seek your direction on key issues.

### 2. Background

On 7 March 2003 the Prime Minister wrote to you confirming the Commonwealth's interest in progressing the development of a package and seeking your agreement to meetings of officials. On 19 March 2003 you replied indicating that agreement.

Officials representing the Department of the Premier and Cabinet (DPC) and the Department of Natural Resources and Mines (DNRM) (Queensland) and Prime Minister and Cabinet, Environment Australia, Agriculture Fisheries and Forests Australia and the Australian Greenhouse Office (Commonwealth) have now met five times (the fifth meeting was on Monday 12 May 2003).

### 3. Issues

#### Commonwealth Position

Commonwealth officials remain fully engaged in the negotiations with Queensland and have been active in ensuring that key documents and position statements reflect Commonwealth views.

DPC has been advised that detailed discussions with Ministers have commenced and their position may be established later this week.

To date, communications with the Commonwealth between meetings have occurred at DPC-Department of Prime Minister and Cabinet level only. DPC is concerned that this position be maintained to avoid confusion.

#### Moratorium and Future Allocation of Permits

You will be aware that, to date, the favoured option for implementing a phase-out of broadscale clearing of remnant native vegetation has involved:

- A moratorium on further applications;
- Processing existing applications in accordance with current legislative requirements; and
- the use of a ballot system for a "second round" of permit approvals under new legislative arrangements in December 2004.

On the basis of earlier advice on existing applications from DNRM, this option would result in total approvals of 500,000 ha during the phase out period.

You have since been verbally advised by the Director-General DNRM of the much larger number of unprocessed applications for clearing which exist in DNRM regional offices. The figure you were given was about 500,000 ha but that about 150,000 ha may be excluded because of non-compliance with the assessment codes.

DPC has now been advised today that the raw figure is now closer to 600,000 ha.

As a consequence, the area available for the proposed second-round ballot has become too small to be practical (a minimum of 200,000 ha is required to provide equitable allocations to regions across the State) if the total 500,000 ha limit for the phase-out period is to be maintained.

This issue was raised with Commonwealth officials at the 12 May meeting and two options were identified for dealing with it.

- Option 1 – Maintain the 500,000 ha total limit:
  - hold a ballot for existing unprocessed applications with a cap of 250,000 ha to be held in December 2003; and
  - hold the second ballot with a cap of 250,000 ha to be held in December 2004.
- Option 2 – Don't maintain the 500,000 ha total limit:
  - process existing applications under existing arrangements; and
  - hold a second ballot of 250,000 ha to be held in December 2004 under new legislation.

Option 2 requires an immediate moratorium on clearing approvals to prevent a total blow out of the area of land cleared during the phase out period. While a moratorium is desirable for option 1 (to ensure equity for existing applicants), it is not essential as the cap on the first ballot sets an upper limit on the total area of land cleared during the phase out period.

The vegetation clearing rates resulting from these options are set out in the attached graphs.

The advantages and disadvantages of the two options are set out in the following table:

	<b>Advantages</b>	<b>Disadvantages</b>
<b>Option 1</b>	<ul style="list-style-type: none"> <li>• Moratorium desirable but not essential;</li> <li>• 500,000 ha limit is maintained;</li> <li>• "of concern" regional ecosystems on freehold land can be protected immediately.</li> </ul>	<ul style="list-style-type: none"> <li>• new legislation required as soon as possible;</li> <li>• existing applicants who have lodged applications in good faith will have their expectations dashed;</li> <li>• the legislation will include significant breaches of fundamental legislative principles as existing applications are moved out of the Integrated Development Approval System (IDAS) with its inbuilt appeal rights and into a ballot based system with minimal appeal rights.</li> </ul>
<b>Option 2</b>	<ul style="list-style-type: none"> <li>• Legislation for a moratorium required as soon as possible;</li> <li>• Existing applications processed as normal;</li> <li>• Adequate warning of new legislation means that fundamental legislative principles are less likely to be breached.</li> </ul>	<ul style="list-style-type: none"> <li>• Moratorium essential;</li> <li>• 500,000 ha limit is not maintained;</li> <li>• Existing applications processed under existing rules – meaning that 'of concern'; regional ecosystems on freehold land cannot be protected immediately.</li> </ul>

At this stage, no firm preference has been expressed by the Commonwealth. However, it is reasonable to assume that at least some Commonwealth Ministers will not favour an immediate moratorium. If this becomes the Commonwealth position, Option 1 offers the most appeal.

DPC also favours option 1 despite its considerable legislative problems as it limits a blow out in the area of clearing approved during the phase-out period.

No matter which option is adopted, legislation will be required as soon as possible after stakeholders have been notified of the intention to consult with them. DPC has been advised that Minister Robertson may seek your approval to bring this matter to Cabinet next week.

#### **Proposed Consultation with Stakeholders**

Detailed discussions have commenced on the process for joint consultation with stakeholders. Commonwealth officials have indicated that they believe that they will have clearance from Ministers to start this consultation in the week commencing 19 May.

It is proposed that officials from both governments meet with representatives of each peak stakeholder and allow a short period (3-4 days) for responses to be provided. Another option is for Ministers from both Governments be involved (it is understood that this option may have been raised in discussions between DNRM and Environment Australia). We consider it would be wise not to include Ministers in initial stakeholders presentations so as to provide maximum flexibility in discussions and avoid the package being seen as an Environment Australia/DNRM proposal rather than whole of government, both State and Federal.

Commonwealth officials proposed that the letter to peak stakeholders notifying them of the proposed consultation be signed jointly by the Director General of the Department of the Premier and Cabinet and the Secretary of the Department of Prime Minister and Cabinet. This will need to be sent at the end of this week or the beginning of next week at the latest.

A media and communications strategy will be required.

#### **4. Consultation**

DNRM is involved in the negotiations.

#### **5. Is this in accordance with Government election commitments?**

Not applicable.

#### **6. Recommendation**

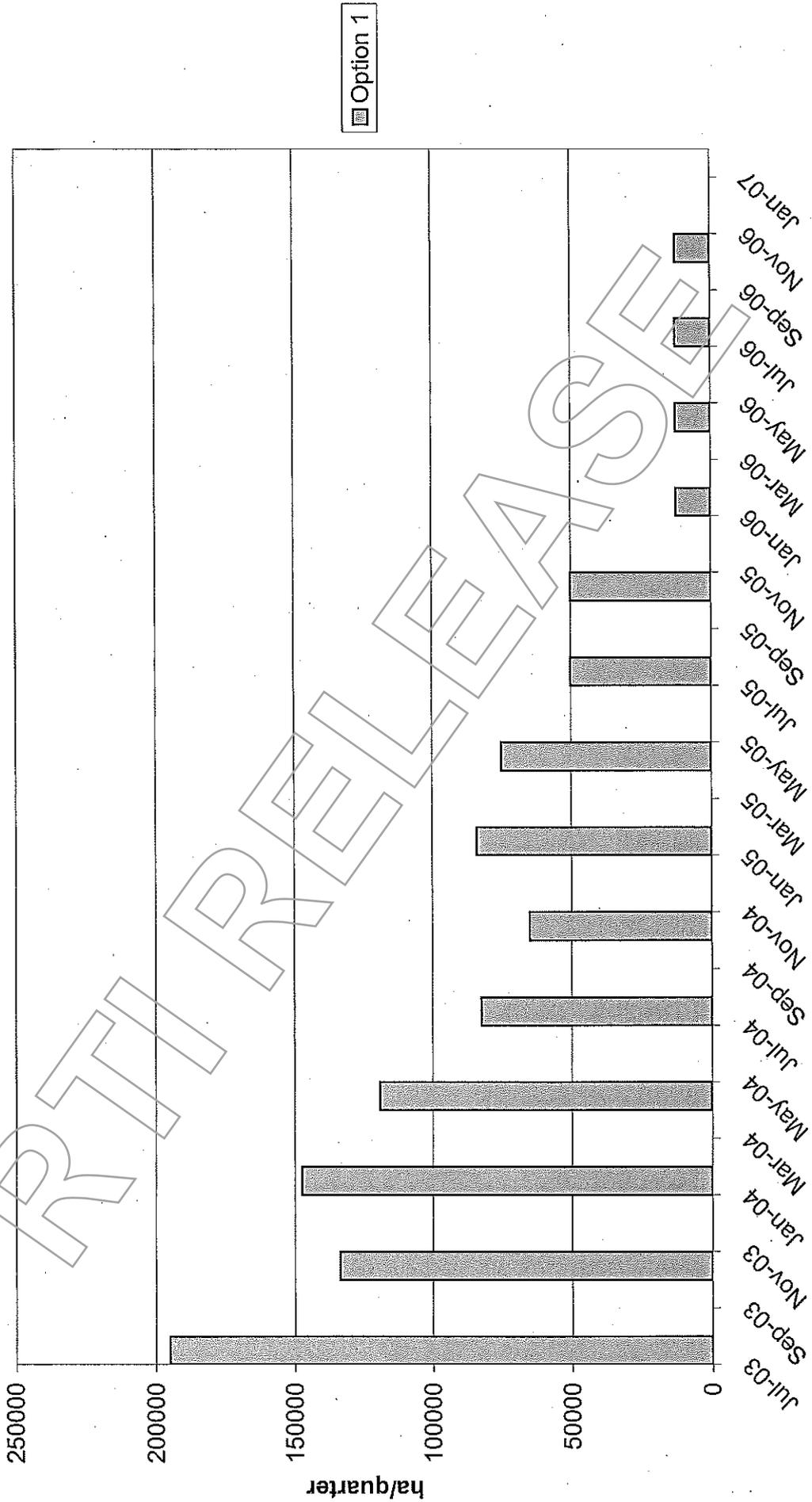
That you

- note progress with negotiations;
- support the continuation of inter-governmental communications on this matter at DPC-Department of the Prime Minister and Cabinet level;
- confirm that option 1 is your preferred option; and
- ~~that you agree that Ministers should not be involved in the initial presentation with stakeholders.~~

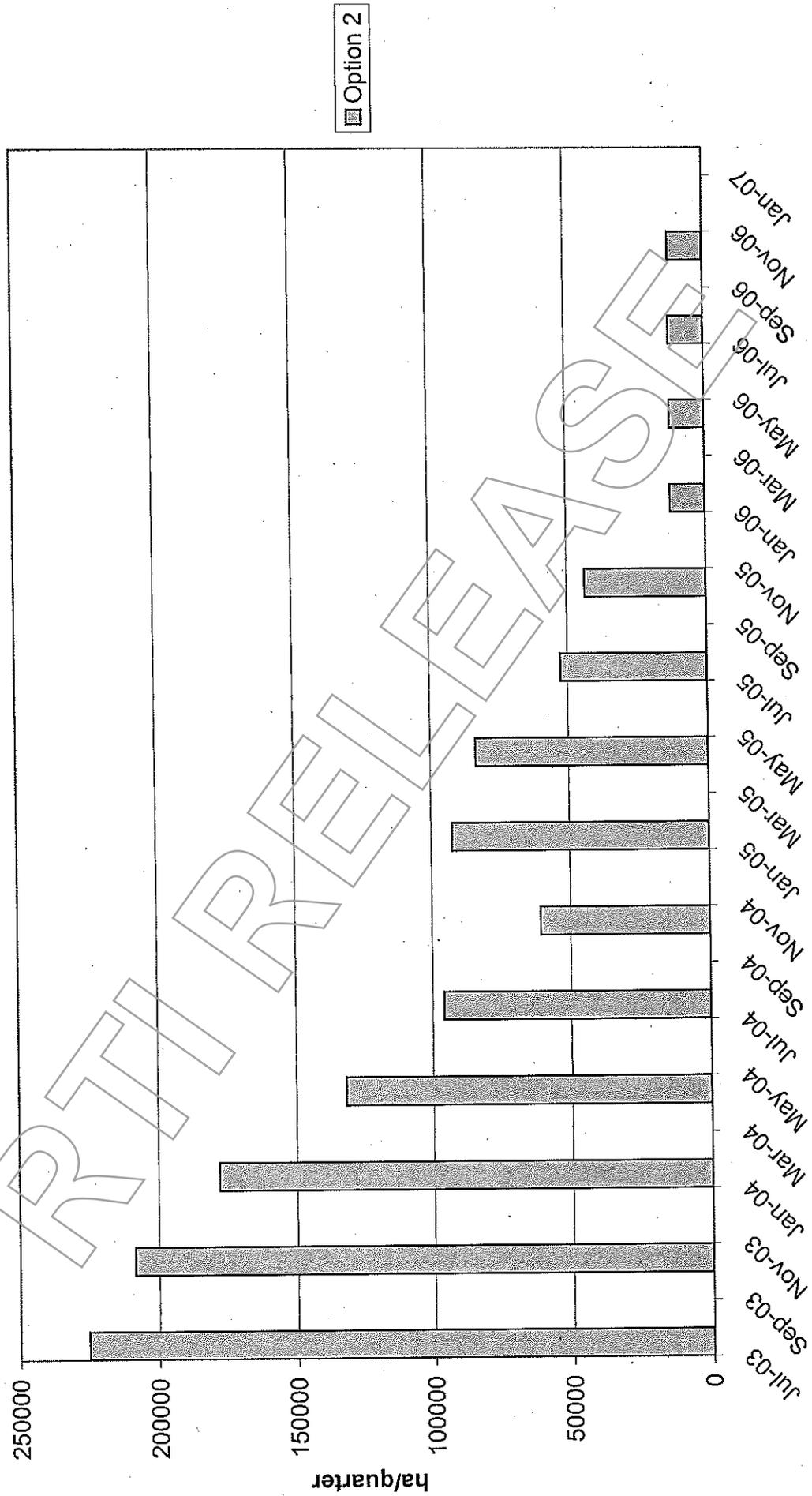
*Leo Kelih*

Dr Leo Kelih  
**Director-General**

Option 1



Option 2





PRIME MINISTER

Canberra

The Hon Peter Beattie MP  
Premier of Queensland  
PO Box 185  
BRISBANE ALBERT STREET QLD 4002

15 MAY 2003

My dear Premier

I refer to the discussions currently in progress between our officials on the proposal regarding land clearing in Queensland.

The Commonwealth has recommenced consideration of this substantially developed proposal. Your officials have raised the issue of a moratorium on issuing new permits to clear remnant vegetation, reflecting the fact that there has been a considerable escalation in land clearing permit applications over the past month and particularly over the last week. I am advised that this situation seriously threatens the integrity of the proposal we are considering. I therefore wish to advise that I would be agreeable to your government placing an immediate moratorium on the issuing of further permits, pending consultations with stakeholders and further consideration of the proposal by our governments.

As indicated in my letter to you of 7 March 2003, my preference has been that our governments run joint consultations with key stakeholders to gauge their reactions to the proposal, in advance of a final decision to proceed. Given that this proposal is now at an advanced stage, landholders have raised concerns about the lack of information. This lack of information is fuelling ungrounded fears and has to a degree resulted in the recent surge in clearing applications. In addition to the moratorium, I feel there would be value in the Commonwealth meeting with landholders to outline progress to date and what is being proposed. The Commonwealth therefore intends to consult Agforce and QFF on progressing this important initiative. I would intend that the joint consultations then take place soon after.

I look forward to continuing a cooperative approach to this issue.

Yours sincerely

*John Howard*  
(John Howard)

*Let's act on this urgently*  
15-5-03

*Terry Hall*  
MS 15/5



**Peter Beattie**

Premier of Queensland

# News

Media releases    Speeches

## The Premier's Media Statement

**Premier & Trade**  
**The Hon. Peter Beattie MP**  
**16 May 2003**

### **Tree clearing applications on hold pending major Commonwealth-State package**

The Federal Government has given the green light to a temporary hold on land clearing applications in Queensland, while the Federal and State governments finalise a major assistance package for landholders.

Premier Peter Beattie and the Minister for Natural Resources and Mines, Stephen Robertson, welcomed the co-operation of Prime Minister John Howard, who has confirmed his support for this approach in a letter to the Premier.

"This is a temporary measure while we finalise a package to protect remnant vegetation, and while we consult with farmers and other interested parties," Mr Beattie said.

"When finalised, this package will hold many benefits for landholders, for Queensland and for Australia.

"The temporary halt on clearing is effective from today.

"It will not affect existing permits for clearing.

"It will not affect clearing applications already lodged - the Department of Natural Resources and Mines will continue to assess these applications.

"And it will not apply to fodder harvesting for stock feed in drought declared areas, to clearing for weed control or to clearing for public safety," Mr Beattie said.

Mr Robertson said: "The message is: If you clear without a permit, action will be taken under the State's tough new vegetation management laws.

"You will be prosecuted, or you may have to revegetate the area you have cleared, or you may be excluded from any further clearing."

He said the Federal and State Governments had been negotiating for years over a package to protect remnant vegetation.

"Our Governments are now at the point where we need to discuss our proposals with stakeholder groups," Mr Robertson said.

"By declaring there will be no further applications accepted for clearing in Queensland while consultation and negotiations are underway to finalise a major assistance package for landholders, we are avoiding any prospect of a rush of applications.



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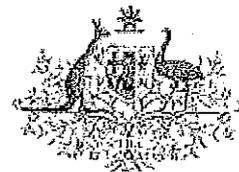
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**The Hon Dr David Kemp MP**

Minister for the Environment and Heritage

Go back to: [Minister](#) > [Dr David Kemp](#) > [2003](#) > [2002](#) > [2001](#) > [2000](#) > [1999](#) > [1998](#) > [1997](#) > [1996](#)

**Media Release**  
**Minister for the Environment and Heritage**  
**Dr David Kemp**



22 May 2003

K0116

## Talks on Queensland Landclearing Proposal

Broad details of a proposal to reduce land clearing in Queensland were outlined today following a meeting of Commonwealth Ministers with AgForce and the Queensland Farmers' Federation.

Howard Government Ministers David Kemp (Environment and Heritage); Warren Truss (Agriculture, Forestry and Fisheries); Ian Macfarlane (Industry, Tourism and Resources); and Ian Macdonald (Fisheries, Forestry and Conservation) met with Mr Larry Acton of AgForce, Mr Gary Sansom of Queensland Farmers' Federation (QFF) and other primary industry leaders to outline the proposal and seek the views of these important stakeholders on its merits.

"This proposal has been developed by Queensland and worked on by Commonwealth and Queensland officials in recent weeks. It meets the Commonwealth Government's objectives of a substantial reduction in the clearing of remnant vegetation, in greenhouse gas emissions and the additional protection of the biodiversity of ecosystems," Dr Kemp said.

Key elements under discussion are:

- The immediate protection of 'of concern' vegetation;
- The phase down of broadacre clearing of remnant vegetation to zero by 2006 under a transitional cap of 500,000 hectares;
- Continuation of regrowth clearing and of the Regional Vegetation Management Plan process;
- Continuation of some exemptions (eg. for woody weed control, infrastructure development, legitimate forest practices, appropriate thinning and fodder harvesting under permit); and
- A joint Commonwealth and Queensland adjustment assistance package of up to \$150 million with three key elements:
  - \$130 million for financial incentives to assist with the transition (or, where necessary, for exit assistance)
  - \$12 million for incentives to improve management of the more valuable remnant vegetation
  - \$8 million for incentives to develop best practice farm management plans

The Commonwealth indicated it is willing to consider alternatives to the proposal that achieve the Commonwealth's objectives in an assured, timely and cost effective manner.

"We understand the strong interest in this proposal from a range of groups and we intend, with Queensland, to hold consultations with other industry groups, conservation groups, regional bodies, local government and the finance sector as soon as possible," Dr Kemp said.

P10526

FAXED

Please quote: TW01/ERP

30 MAY 2003

The Honourable John Howard MP  
Prime Minister  
Parliament House  
Canberra ACT 2600

Dear Mr Howard

I refer to the land clearing proposal that our Governments are jointly developing, the details of which were outlined to representatives of Agforce and the Queensland Farmers' Federation by Commonwealth Ministers on 22 May 2003.

I am advised that at that meeting, and subsequently, some stakeholders have argued that the financial assistance package contained within our joint proposal is insufficient. I understand that they have sought to justify this view by claiming that a 1999 Report by an officer from the Queensland Department of Primary Industries' demonstrated that the compensation required to cease tree clearing in Queensland was some \$500 million.

I note that the document in question made its way into the public domain in 1999, at the same time as my Government was introducing more stringent requirements on the clearing of native vegetation on both freehold and leasehold land. At the time I made it clear that this was not an official Queensland Government document and that its conclusions were seriously flawed. A copy of my media release at the time is attached for your information.

I am concerned that the document's re-emergence in the context of our present negotiations has the potential to distract attention from the fair and robust financial assistance package that our Governments are proposing. It is important that this not be allowed to occur.

I therefore propose that, with your agreement, the 1999 document be independently reviewed by the Australian Bureau of Agricultural and Resource Economics and the Bureau of Rural Sciences (ABARE/BRS). Specifically I would propose that ABARE/BRS be requested to provide a report to you and I on the adequacy of the analysis and conclusions reached in the document in comparison to that contained within the ABARE/BRS socio-economic assessment commissioned by the Commonwealth in April this year in respect of the proposal to immediately halt clearing of 'of-concern' vegetation and phase out clearing of remnant vegetation in Queensland

Naked, NS 2/6

I understand that our officials have informally discussed this approach and have agreed that it would provide a useful way forward.

I have attached a confidential copy of the 1999 Report to facilitate such a review. I look forward to your agreement to this approach in order that we may sustain progress in advancing our joint proposal on land clearing.

Yours sincerely

**ORIGINAL SIGNED BY PREMIER**

**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE**

RTI RELEASE

Tracking No.

**Premier's briefing note**

P 10526 - 1

Policy

Title: Land Clearing – Commonwealth Negotiations

Date: 16 June 2003

**1. Purpose**

To advise you on progress in negotiations with the Commonwealth on a package to phase out broadscale clearing of remnant vegetation and to seek your signature on the attached letter to the Commonwealth Minister for the Environment and Heritage.

**2. Background**

Progress in negotiations between the State and Commonwealth Governments has now progressed to the point where, with the Prime Minister's agreement, a moratorium has been placed on accepting new applications.

On 22 May 2003, Commonwealth Ministers, Kemp, Macfarlane, McDonald and Truss met with the peak rural industry groups (Agforce and the Queensland Farmers' Federation (QFF)) to outline the proposed package. Following this meeting, Minister Kemp met with the Premier and held a joint press conference. Minister Kemp advised the Premier of the Commonwealth's view that ~~that~~ six to eight weeks should be given for consultations to occur on any alternative proposal put by the industry groups to achieve the objectives set by the two governments. The Premier agreed to this.

**3. Issues**

Further consultations with industry groups and other peak stakeholders (including the Urban Development Institute of Australia, the Australian Bankers Association and the Local Government Association of Queensland) are now occurring.

Officials from both Governments met with QFF last Friday and will be meeting with Agforce tomorrow (Tuesday 17 June). <sup>To date</sup> No alternative proposal has been presented by these groups and they have sought further detailed discussions on issues related to Greenhouse gas reductions, socio-economic aspects and other matters. <sup>However</sup> They have advised that they are not available for these discussions until 9 July 2003. – some seven weeks after the 22 May meeting.

This delay is clearly contrary to the agreement reached between the Premier and Minister Kemp and increases the risk that the negotiations between the governments will be undermined. Queensland's concerns in this respect should be officially conveyed to the Commonwealth and their agreement sought to a definite deadline for finalisation.

In view of the fact that the 22 May agreement on timing was between the Premier and Minister Kemp, the attached letter has been drafted seeking this agreement.

**4. Consultation**

The Department of Natural Resources and Mines has been consulted.

**5. Is this in accordance with Government election commitments?**

Not applicable

**6. Recommendation**

That you sign the attached letter to Minister Kemp.

Dr Leo Keliher  
Director-General

P10526

Terry fya.  
Thawles  
Nishi  
8/7

Tracking No. 46833

**Premier's briefing note**

Policy

Title: Land Clearing -Update

Date: 7 July 2003

**1. Purpose**

To provide you with latest advice received from Commonwealth Officers.

**2. Background**

Today's Courier Mail reports under the headline "PM may soften tree-clearing ban", that the Prime Minister is to establish a working party with Agforce and the Queensland Farmers Federation to "review the evidence that led him to call for a total prohibition on the practice in Queensland by 2006". According to the report, the State Government will not be invited to participate.

**3. Issues**

Commonwealth officers this morning confirmed that such a working party is to be established, and that the State is not to be a party.

They advised that the intention was to try to get these groups to engage on the proposal and the thinking was that if it was a "Commonwealth/State front" they may not do so, hence the "bilateral" working party. They indicated that the objective is to try and do what was proposed in the joint consultations; namely to provide the detailed underpinnings of the joint proposal and discuss the merits of any alternative that may be proposed. Timing is awaiting political direction but it is likely discussions will commence this week.

It was pointed out to the Commonwealth that this was a joint initiative and that despite assurances the Prime Minister had not contacted the Premier to discuss this matter. They undertook to raise this with the Prime Minister's Office and suggest that they make contact with your Office.

The proposed Commonwealth approach is unacceptable from our perspective. This is a joint proposal from both Governments and therefore both Governments should be represented at the table. Lack of State representation opens the way for stakeholders to run a misinformation campaign in relation to the proposal and the State's involvement. It also potentially enables the Commonwealth to negotiate amendments to the proposal with stakeholders (whether through a watering down or additional financial incentives) and then present them as a 'fait accompli' to the State, with all the associated political pressure that this would bring to bear on the Government.

We propose that you write to the Prime Minister seeking an explanation; expressing your concern at the lack of consultation on this revised approach; emphasising that this is a joint initiative of both Governments, with the State's commitment of \$75 million entitling it to a seat at the table; and requesting that the State be represented at any meeting with stakeholders.

A letter along these lines is currently being drafted.

**4. Recommendation**

That you agree to write to the Prime Minister seeking an explanation of his proposed approach and seeking State representation in any meetings with stakeholders.

*Leo Kelihier*

Dr Leo Kelihier  
Director-General

*yes - must generous*

*7-7-03*

**URGENT**

Tracking No. 46883

**Premier's briefing note**

Policy

Title: Land Clearing -Update

Date: 7 July 2003

**1. Purpose**

To provide you with latest advice received from Commonwealth Officers.

**2. Background**

Today's Courier Mail reports under the headline "PM may soften tree-clearing ban", that the Prime Minister is to establish a working party with Agforce and the Queensland Farmers Federation to "review the evidence that led him to call for a total prohibition on of the practice in Queensland by 2006". According to the report, the State Government will not be invited to participate.

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A letter along these lines is currently being drafted.

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That you agree to write to the Prime Minister seeking an explanation of his proposed approach and seeking State representation in any meetings with stakeholders.

Dr Leo Keliher  
**Director-General**

## 1999 DPI REPORT ON LAND CLEARING

- The Leader of the Opposition and some stakeholders have argued that the financial assistance package contained within the Commonwealth and State land clearing proposal is insufficient. They have sought to justify this view by claiming that a 1999 Report by an officer from the Queensland Department of Primary Industries' demonstrated that the compensation required to cease tree clearing in Queensland was some \$500 million.
- The document in question made its way into the public domain in 1999. At the time I made it clear that this was not an official Queensland Government document and that its conclusions were seriously flawed.
- I was concerned that the document's re-emergence in the context of present negotiations had the potential to distract attention from the fair and robust financial assistance package that our Governments are proposing. Accordingly I wrote to the Prime Minister on 30 May 2003 proposing an independent assessment of the report.
- The Prime Minister agreed and last Friday wrote to me providing the ABARE assessment of the DPI Report. That assessment confirms the view that I have always stated. Namely that the report was seriously flawed. The ABARE assessment concludes that the assumptions in the DPI report are wrong. In particular:
  - The DPI analysis assumed that all available vegetation would have been cleared within 12 months;
  - The DPI analysis assumed that 51 per cent of the land available would be used for cropping; and
  - Only 6 per cent of land was uneconomic to clear.
- In both cases the ABARE assessment concluded that these DPI assumptions are not appropriate based on data now available
- By contrast the ABA/BRS assessment used the more realistic assumption that clearing would occur over a 25 year period, that about 33 percent of land is uneconomic to clear; and based on the finding of the Queensland SLATS Report, that only 2 per cent of land would be used for cropping
- The ABARE assessment concludes that if the DPI Report had used correct assumptions the estimated financial impact would have dropped from the spurious figure of \$500M to a more realistic \$42 Million.

## 1999 DPI REPORT ON LAND CLEARING

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  - The DPI analysis assumed that all available vegetation would have been cleared within 12 months;
  - The DPI analysis assumed that 51 per cent of the land available would be used for cropping; and
  - Only 6 per cent of land was uneconomic to clear.
- In both cases the ABARE assessment concluded that these DPI assumptions are not appropriate based on data now available
- By contrast the ABA/BRS <sup>review of the \$450 million proposal</sup> assessment used the more realistic assumption that clearing would occur over a 25 year period, that about 33 percent of land is uneconomic to clear; and based on the finding of the Queensland SLATS Report, that only 2 per cent of land would be used for cropping
- The ABARE assessment concludes that if the DPI Report had used correct assumptions the estimated financial impact would have dropped from the spurious figure of \$500M to a more realistic \$42 Million.



**Peter Beattie**  
Premier of Queensland

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**Premier & Trade**  
**The Hon. Peter Beattie MP**  
**15 July 2003**

### Federal bureau slams Springborg's "DPI Report" on clearing

The respected Australian Bureau of Agricultural and Resource Economics has backed the Queensland Government's view that the so-called "DPI Report" on tree clearing completed in 1999 is worthless.

Premier Peter Beattie said today the "DPI Report" - promoted by the Queensland Opposition - was exposed as "a complete dud that does not stand up to scrutiny".

"Opposition Leader Lawrence Springborg has been trying to sell a farcical report as the Holy Grail of tree clearing science," Mr Beattie said.

"ABARE's independent review supports the Queensland Government's decision to reject the 1999 report when recommending compensation for landholders who would be affected by a halt to broadscale remnant vegetation clearing," he said.

This vindicates the view of the Commonwealth and Queensland Governments that their proposed \$150 million land clearing package is fair.

Mr Beattie said: "I forwarded this 1999 report to the Prime Minister in May, to settle once and for all arguments about its credibility.

"The arguments are now over - the report is a complete dud," Mr Beattie said.

"Its conclusion that \$500 million would be needed to compensate landholders stems from seriously flawed assumptions.

"It assumed that only 6% of the area studied was uneconomic to clear.

"It included in areas to be cleared towns, wetlands, national parks, state forests, areas already protected under the Vegetation Management Act, and hilly and salinity-affected land.

"The ABARE concludes that about a third of Queensland is economic to clear.

"If the 1999 report had used the correct methodology the spurious estimate of \$500 million as suitable compensation would have plummeted to only \$42million.

"That is just 28 per cent of the \$150 million the Commonwealth and State Governments are offering.

Other major flaws in the 1999 report include:



## Queensland Vegetation Management

### Assistance for Farm Businesses

The Commonwealth and State Governments are contributing up to \$150 million to assist farm businesses affected by the introduction of the new vegetation management arrangements announced on xx/xx/xx.

Direct financial assistance may be in either of two forms:

- To support specific projects that will build up and/or develop those farm businesses whose business performance has been affected by the new vegetation management arrangements and who can achieve long term economic viability and sustainable resource use with the assistance provided.
- To enable primary producers to exit a property or farm business enterprise where there are no longer any prospects of long term viability as a result of the introduction of new vegetation management arrangements.

Details criteria and conditions for each of these components are attached.

In addition to direct financial assistance, funding will be available for:

- Support for rural industry groups to promote best management practice in sustainable agriculture, including improved management of native vegetation.
- Incentives to support landholders willing to manage and maintain native vegetation as part of their operations.

Details on each of these components are also attached.

## Enterprise Assistance

### PURPOSE

To provide assistance to a farm business to adjust its operations where implementation of the new vegetation management arrangements announced on xx/xx/xx is directly responsible for imposing a significant impact on the potential viability of the enterprise.

### OBJECTIVES

To support specific projects that will build up and/or develop those farm businesses whose business performance has been affected by the new vegetation management arrangements, and who can achieve long term economic viability and sustainable resource use with the assistance provided.

### NATURE OF ASSISTANCE

Enterprise assistance is in the form of Grants and may be made available to eligible participants to undertake projects that will improve productivity, sustainability and viability of farm businesses through mechanisms such as

- a) the introduction of new farming systems or technology;
- b) property developments for improved productivity;
- c) value adding activities directly related to the activities of the farm business;
- d) the purchase of livestock or other inputs to primary production associated with the development activities;
- e) enhancing sustainable resource use and development associated with farm business build-up and amalgamation;
- f) the use of debt restructuring and/or capital restructuring where new action is taken to improve the productivity and viability of the farm business;
- g) farm business restructuring, including partnership restructuring and succession planning, leading to improved productivity and long term viability with a reduction in resource pressure.

### DEFINITIONS

*Area of land affected* – means the area covered with vegetation that cannot be cleared under the legislation, regulations and assessment codes introduced on xx/xx/xx but which could have been cleared under the legislation, regulations and state assessment codes in place prior to that date. This area must be shown in the Enterprise Management Plan

*Enterprise Management Plan* means a plan developed for a farm business which details a 'whole of property' approach to the future development of the business including a sustainable approach to resource management; strategies for improved farm business management and a plan for action. This Plan must meet the minimum standard required by QRAA. QRAA, in determining that a submitted Plan does meet the required standard, will insist that the Queensland Department of Natural Resources and Mines has approved the Vegetation Management component prior to the Plan being submitted to the Authority.

*Farm Business* – is a business that involves primary production, which shall include, but not limited to the agricultural, aquacultural, horticultural, pastoral or apicultural

industries, and is operated as either an owner operator or leaseholder/sharefarmer, or as part of a family company or partnership.

*New Vegetation Management Arrangements* – are the legislation, regulations and assessment codes applying to the clearing of vegetation announced on xx/xx/xx. The arrangements include the operation and effect of any ballots for the allocation of permits.

## ASSESSMENT CRITERIA

QRAA must be satisfied that:

- the farm business has a property which includes an area or areas of land affected.
- the farm business acquired the property or a contract for acquisition or usage of the particular land(s) was entered into prior to the xx/xx/xx, being the date of the announced changes.
- the farm business has an Enterprise Management Plan. The Enterprise Management Plan must show (but need not be limited to):
  - the area of land affected (as confirmed by NRM)
  - that clearing of the area of land affected was necessary to attain or maintain sustainable long-term viability and that the project proposed either in isolation or as part of an integrated package of measures, will substitute for that clearing.
  - that the activities proposed are consistent with sound native vegetation management practices.
  - that the farm business has the capacity to become financially independent of the Business Enterprise Assistance within a reasonable period;
- support under the Scheme will only be provided for projects which are consistent with the purpose and objectives of the scheme
- in assessing sustainable long term viability, the following factors will be taken into account by QRAA:
  - i) the past and expected future viability of the farm business as measured by its ability to meet financial commitments relating to:
    - costs of operation of the farm business;
    - living costs of the producer;
    - investment in sustainable farming systems;
    - allowance for depreciation of capital and future capital requirements;
    - servicing and repayment of debt of the farm business; and,
    - the sustainable productive capacity of the farm business;
  - ii) the long-term economic trends which impact on the farm business;
  - iii) the provision of financial support for the farm business by lenders;
  - iv) the demonstrated technical, financial and business management performance of the producer

- v) the extent to which the support under this guideline is likely to contribute to, or facilitate viability improvements for the farm business through:
  - a reduction in average farm business operating costs; or
  - a sustainable increase in the value of the farm business production;
- the primary producer is responsible for the contribution of labour to the farm business enterprise and generates the majority or has the potential to generate the majority of income from that enterprise,

#### **LEVEL OF SUPPORT**

The maximum amount of assistance available is up to \$100,000.

Payment will be by way of instalments, the first being made upon approval with subsequent payment subject to achievement of milestones.

The amount of support will be determined in each case by QRAA.

#### **TERMS AND CONDITIONS**

All support is subject to annual review by the Authority against milestones.

Successful applicants must execute a Letter of Intent which outlines all approval terms and conditions.

Ongoing support will be dependent upon compliance with the conditions outlined in the Letter of Intent and the demonstration of on-going viability.

All support will be subject to the approval of an Enterprise Management Plan by the Queensland Department of Natural Resources and Mines.

#### **APPLICATIONS**

Applications are to be made on the standard QRAA Application Form and may be lodged through your commercial lender or directly with QRAA in Brisbane.

The applications will need to be accompanied by the associated documentation as detailed in the application form, as well as the Enterprise Management Plan.

Penalties will apply where false information is provided in the application.

Where the area of land affected is the result of the implementation of a new assessment code (eg the area contains 'of concern' regional ecosystems on freehold land) an application may be made at any time.

Where the area of land affected is the result of the operation of a ballot, an application cannot be made until the results of the ballot are finalized.

All applications must be made within one year from the date of the ballot, with projects to be completed within three years of approval.

## Queensland Vegetation Management

### Enterprise Assistance

#### PURPOSE

To provide assistance to a farm business to adjust its operations where implementation of the new vegetation management regime announced on xx/xx/xx is directly responsible for imposing a significant impact on the potential viability of the enterprise.

#### OBJECTIVES

To support specific projects that will build up and/or develop those farm businesses whose business performance has been affected by vegetation management controls, and who can achieve long term economic viability and sustainable resource use with the assistance provided.

#### NATURE OF ASSISTANCE

Enterprise assistance is in the form of Grants and may be made available to eligible participants to undertake projects that will improve productivity, sustainability and viability of farm businesses through mechanisms such as:

- a) the introduction of new farming systems or technology;
- b) property developments for improved productivity;
- c) value adding activities directly related to the activities of the farm business;
- d) the purchase of livestock or other inputs to primary production associated with the development activities;
- e) enhancing sustainable resource use and development associated with farm business build-up and amalgamation,
- f) the use of debt restructuring and/or capital restructuring where new action is taken to improve the productivity and viability of the farm business,
- g) farm business restructuring, including partnership restructuring and succession planning, leading to improved productivity and long term viability with a reduction in resource pressure.

#### DEFINITIONS

*Area of land affected* – means the area covered with vegetation that cannot be cleared under the legislation, regulations and assessment codes introduced on xx/xx/xx but which could have been cleared under the legislation, regulations and assessment codes in place prior to that date. This area must be shown in the Enterprise Management Plan

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industries, and is operated as either an owner operator or leaseholder/sharefarmer, or as part of a family company or partnership.

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#### ASSESSMENT CRITERIA

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  - that the activities proposed are consistent with sound native vegetation management practices.
  - that the farm business has the capacity to become financially independent of the Business Enterprise Assistance within a reasonable period;
- support under the Scheme will only be provided for projects which are consistent with the purpose and objectives of the scheme
- in assessing sustainable long term viability, the following factors will be taken into account by QRAA:
  - i) the past and expected future viability of the farm business as measured by its ability to meet financial commitments relating to:
    - costs of operation of the farm business;
    - living costs of the producer;
    - investment in sustainable farming systems;
    - allowance for depreciation of capital and future capital requirements;
    - servicing and repayment of debt of the farm business; and,
    - the sustainable productive capacity of the farm business;
  - ii) the long-term economic trends which impact on the farm business;
  - iii) the provision of financial support for the farm business by lenders;
  - iv) the demonstrated technical, financial and business management performance of the producer

- v) the extent to which the support under this guideline is likely to contribute to, or facilitate viability improvements for the farm business through:
  - a reduction in average farm business operating costs; or
  - a sustainable increase in the value of the farm business production;
- the primary producer is responsible for the contribution of labour to the farm business enterprise and generates the majority or has the potential to generate the majority of income from that enterprise,

#### **LEVEL OF SUPPORT**

The maximum amount of assistance available is up to \$100,000.

Payment will be by way of instalments, the first being made upon approval with subsequent payment subject to achievement of milestones.

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Where the area of land affected is the result of the operation of a ballot, an application cannot be made until the results of the ballot are finalized.

All applications must be made within one year from the date of the ballot, with projects to be completed within three years of approval.

## Leverington Andrea

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From: premier@cabinet.qld.gov.au  
Sent: Tuesday, 5 August 2003 1:39 PM  
To: Leverington Andrea  
Subject: Only Federal-QLD Package Will Give Certainty For Tree Clearing - Qld. Media statement

Premier & Trade, Peter Beattie

05/08/03

### Only Federal-QLD Package Will Give Certainty For Tree Clearing

Roma, Tuesday: The Queensland Government is committed to working with the Federal Government to provide certainty for landholders and the wider community on tree clearing issues, Premier Peter Beattie told people in Mitchell and Roma today.

"I am here to listen once more to the views of people on the land and to ensure that I understand all their issues," said Mr Beattie.

"Co-operation and consultation are the keys to ensuring that the tree-clearing package put forward by the Prime Minister and me provides certainty for the future.

"The main focus of today's discussion was the proposed phasing out of broadscale clearing of remnant vegetation.

"The last thing landholders need is uncertainty caused by lengthy and unnecessary delays in delivering a fair and equitable package.

"I believe that we can finalise this with the Federal Government and the stakeholders by September or October to give that certainty.

"It will further protect Queensland from the threats of salinity, erosion and other land degradation; declining water quality; the extinction of species and other threats to biodiversity; and degradation of the Great Barrier Reef.

"Since Federal Ministers detailed the proposal to AgForce and the Queensland Farmers Federation in Brisbane in May both the Prime Minister and I have listened to concerns.

"The \$150 million adjustment assistance package for landholders includes incentives with:

- \$130 million to assist with the transition, or for exit assistance if necessary;
- \$12 million to improve the management of more valuable remnant vegetation;
- \$8 million to develop best practice farm management plans.

"Key elements under discussion include:

- Immediate protection given to "of concern" vegetation on freehold land;
- A phased reduction in broadacre clearing of remnant vegetation to zero by 2006, under a transitional cap of 500,000 hectares;
- The continued clearing of regrowth;
- Continuation of the Regional Vegetation Management Planning process;
- Continuation of some exemptions, including woody weed control, infrastructure development, fire breaks, legitimate forest practices, and fodder harvesting under permit."

Contact: Steve Bishop 07 3224 4500

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P10526  
 Tracking No. 50990

## Premier's briefing note

Policy

Title: Land Clearing – Agforce and QFF Proposal

Date: 27 October 2003

### 1. Purpose

To provide preliminary briefing on an outline of an alternative land clearing proposal provided to State and Commonwealth officers late on Friday 24 October 2003.

### 2. Background

The Prime Minister established a taskforce in May of Commonwealth, Agforce and Queensland Farmers' Federation (QFF) officials to enable rural stakeholders time to develop an alternative to the announced joint State/Commonwealth proposal. The conditions established by the Commonwealth were that any alternative proposal had to meet the Commonwealth objectives. Those objectives are to deliver, with certainty, abatement of 20 – 25 megatonnes of greenhouse gases per annum over the Kyoto commitment period, and to fully protect "of concern" regional ecosystems. The State has a broader objective to end broadscale remnant clearing in Queensland which, of course, is the reason the State is prepared to contribute \$75 million to funding the joint package.

### 3. Issues

The proposal received from Agforce and QFF (contained as an Appendix) does not meet the State's objective. By our assessment it also will not deliver the Commonwealth's greenhouse or biodiversity objectives.

Key elements of the proposal include:

- reducing broadscale remnant clearing by 50 percent compared to business as usual levels – i.e. to around 100,000 hectares per annum;
- delivering greenhouse savings by restricting clearing to trees which do not meet the Kyoto definitions of forests for the purpose of greenhouse gas abatement;
- biodiversity protection through the adoption of recommendations of the Queensland Regional Vegetation Management Committees;
- continuation of these regional committees to establish the conditions which would apply to remaining clearing and the adoption of property planning within this regional framework; and
- an independent group including the President of the Land Court to establish the principles (and quantum) that should be provided to landholders by way of adjustment assistance.

The proposal to address greenhouse and enable ongoing clearing by distinguishing between Kyoto and non-Kyoto trees is considered unworkable by both State and Commonwealth officials. It will not deliver the certainty, in terms of abatement, that is required by the Commonwealth. Detailed reasons are outlined in the Attachment to this brief.

The biodiversity proposal does not protect all "of concern" ecosystems as required by the Commonwealth. Implementing the recommendations of the Regional Vegetation Management Committees would still leave up to 200,000 hectares of "of concern" ecosystems unprotected. Moreover, these Committees have indicated that their recommendations for greater protection are conditional upon financial assistance being provided.

Proposals for an ongoing role for regional committees and the introduction of property management plans are already part of the current proposal or other existing State programs or proposals.

Queensland officials are preparing a more detailed critique of the proposals for your use, and for provision to the Commonwealth by way of a rebuttal to the Agforce/QFF proposal. Commonwealth officials have indicated they are keen to receive this.

#### 4. Recommendation

That you note that:

- the attached alternative Agforce/QFF proposal does not meet the conditions set by the Commonwealth and the State;
- a more detailed critique of the proposal for your use is in preparation; and
- the integrity of the joint Queensland/Commonwealth proposal remains intact.



Dr Leo Keliher  
Director-General

Leo Terry Wall is concerned about Leo Robertson potentially wanting to pursue the Agforce option. It is clear that this option would not work for the Commonwealth.

Regards  
Asdci

**ATTACHMENT**

**Queensland Position on Agforce/QFF proposal for land clearing**

**Queensland does not support any proposal which applies different clearing policies to Kyoto and non-Kyoto forests.**

Such an approach would be unworkable. It would be complex and expensive to administer. It would require:

- a. legislative amendment to embed the definition of Kyoto forest in law and to allow for the establishment of separate rules;
- b. Kyoto and non-Kyoto forests to be mapped at an appropriate scale (at least 1:100 000 in areas where clearing occurs) and with sufficient accuracy to facilitate compliance checking and enforcement;
- c. systems to update the mapping across the State on a regular basis (at least biannually);
- d. systems to in place to correct mapping errors when these are detected by land holders;
- e. appropriate training for vegetation management officers to interpret Kyoto forest mapping at the property scale; and
- f. an extensive education program to ensure that landholders fully understood the distinctions.

Queensland also notes that protection of Kyoto forests will lead to clearing approvals with complex boundaries which do not necessarily relate to ecological features relevant to property management (eg soil type or topography). This will:

- a. increase the risk of non-compliance during clearing and hence undermine certainty;
- b. result in clearing patterns which do not suit property management requirements (eg for mustering or for effective cultivation patterns); and
- c. result in fragmented landscapes which reduce their effectiveness for the protection of biodiversity.

## APPENDIX

### AN ALTERNATIVE APPROACH TO VEGETATION MANAGEMENT IN QUEENSLAND

The AgForce – QFF landholder alternative provides outcomes for landholders, the community and government at all levels. It seeks to ensure the achievement of ecologically sustainable management of the natural resource through the engagement of people at regional and community levels.

The proposal provides a balanced approach to resource development – providing biodiversity and greenhouse outcomes whilst ensuring that selected approved development is available for the growth of individual enterprises and communities as well as the state and national economies.

The proposal includes the introduction of greater transparency to the process of resource management in Queensland. This will ensure greater confidence in the process and the development of a sustainable landholder, community and Government partnership approach to resource management.

Key elements to the alternative proposal:

- Industry driven adoption of property vegetation plans by landholders over and above existing mandated requirements
- The continuing engagement of, and significant role for, regional communities in resource management decision making
- Controlled and planned development opportunities for landholders in selected regions across the state in accordance with standards in regional plans
- Achievement of significant greenhouse savings through capping annual clearing rates of remnant vegetation at a level up to 50% less than business as usual levels with further improvements due to reductions in non remnant clearing rates
- A sustainable management regime for low risk routine agricultural management issues including regrowth, thickening, fodder harvesting etc
- An offsets or trading regime to ensure flexibility and to provide opportunities for the protection of regrowth of significant ecological value that will assist with achieving future landscape values
- Biodiversity achievements through the recommended protection of 'of concern' and 'not of concern' regional ecosystems and high nature conservation areas in accordance with the Regional Vegetation Management Plans (RVMP)
- Establishment of an accessible appeals mechanism to ensure a more transparent regime for resource management

- The establishment of an independent group to provide recommendations on the principles for compensation for landholders and communities adversely affected by the restrictions arising from the initiative
- Reform and amendment of Queensland vegetation legislation to provide for better use of resources and the achievement of greenhouse outcomes.

## PROPERTY VEGETATION PLANS

The focus for the development of a new approach to vegetation management in Queensland is the industry support and adoption of property scale vegetation plans. Through individual vegetation planning significant opportunities for sustainable resource management are unlocked in a manner that government agencies would be unable to achieve through regulation. Importantly industry support for vegetation plans will assist Government agencies with the adoption of other planning measures designed to assist sustainability (eg pest and weed plans, Leasehold Land condition assessment etc).

Key elements of the proposed vegetation plans include the following:

- They are optional but incentive based and are over and above the existing statutory requirements
- Simple, minimal cost (in most cases) and capable of completion by landholders. Importantly there will be reduced complexity at a property scale in order to meet a range of demands
- Meet RVMP standards and broader State requirements
- Standards approved at a regional level but registered centrally
- 15 year term, renewable subject to performance
- Modular to enable building of other elements ie pest plans, water plans, carbon trading plans etc

For landholders, the incentive is that completion and acceptance of a vegetation plan would provide certainty for the enterprise for a realistic period and remove them from the regulatory approval system for traditional agricultural management activities.

For government, the benefits of vegetation management built around a voluntary planning component over and above existing mandated requirements will be significant and include both efficiency and integration. Importantly it includes more effective engagement with landholders across the spectrum of natural resource management issues. This approval also expands the outcomes beyond the lowest common denominator.

## REGIONAL COMMUNITIES

The proposal provides for a strengthening of the involvement of rural communities. Engagement of local people and their involvement in regional decision making is accepted as best practice methodology for achieving sustainable natural resource management. Decision making from afar, whether Brisbane or Canberra, will not provide the same quality of outcomes provided by local communities. Under this proposal the RVMP process is retained and enhanced through:

- RVMP groups retaining a central role in establishing the standards and requirements of property vegetation plans
- In those selected areas of the state where development is sustainable, the regional groups have a central role in the planning process
- Ensuring that proposals for offsetting regrowth for remnant vegetation are sustainable long term. Such regrowth could be significant for biodiversity, greenhouse and salinity purposes.

It should be noted that the continued engagement of local communities is a critical consideration above and beyond the vegetation issue. Given the additional responsibility the Groups will assume and the longer term demands on their time, it is proposed funding be provided to recognise and assist participation.

## CONTROLLED DEVELOPMENT AND CAPPING CLEARING

The opportunity for ongoing but reduced levels of development in a selected and limited number of bioregions is a central element of the proposal. This is consistent with recognizing the importance of sustainable economic development to individuals, their families and their communities, as well as the regional, state and national economies.

The level of reduction in development requires further analysis but it is expected to be of the order of 50% less than existing annual business as usual models. Under the proposal:

- Certainty is provided enabling development at the enterprise level to be planned and undertaken over an extended period, eliminating the incidence of enforced, preemptive development. This is significant in that it seeks to reinstall landholder confidence in the process.
- Development would be subject to local standards, consistent with Statewide broad principles and would be subject to a consolidation of development to ensure statewide levels are not exceeded.
- A statewide management regime for development to ensure the reduction was appropriately managed on an annual basis.
- Development of almost all Kyoto relevant vegetation would be seriously constrained. In a practical sense the emphasis will be on the capacity

of the AGO to provide property level data and mapping critical to sustaining such protection.

### **AGRICULTURAL MANAGEMENT ISSUES**

The individual property vegetation plans will include a program for the management of the so called agricultural management issues of regrowth, thickening, fodder harvesting etc. These issues have been acknowledged by the leadership of both Governments as part of ongoing operational management. Details of the proposed management of these issues will be dealt with in a separate paper.

### **OFFSETS REGIME**

There is recognition that in some circumstances there will be sound sustainability or biodiversity reasons for proposing that regrowth be 'offset' or 'traded' at a property level for elements of remnant vegetation. This is supported. It is proposed that this be managed by the RVMP process ensuring regional assessment and consideration. Such an approach ensures that through landholder and community engagement potentially valuable contributions to landscape values are maximised.

### **GREENHOUSE SAVINGS**

A key goal for the Commonwealth is the achievement of a level of greenhouse savings. The proposed reduction in annual emissions associated with reduced annual development is the basis for these savings. This is further enhanced by the goal of ensuring that further development in relevant forests is managed to an agreed set of criteria over an extended period of time.

An assessment of the level of greenhouse savings is difficult given the limitations within the AGO to provide data and mapping information. It would not be unreasonable to indicate that a reduction of more than 100,000 hectares annually in development will provide a significant greenhouse saving from Queensland agriculture.

### **BIODIVERSITY**

The proposal supports the adoption of the RVMPs, which provide for substantial protection of 'of concern' (REs) on freehold land. Joint analysis to date by the Australian and State governments together with industry has established that some 85% to 90% of 'of concern' REs on freehold land will be protected through the regional vegetation management planning process. Across both freehold and leasehold tenures this translates to some 94% to

96% of 'of concern' REs have been afforded protection under Queensland's Vegetation Management Framework.

In addition to affording substantial protection of 'of concern' REs, the RVMPs deliver noteworthy protection for 'not of concern' REs as well as other conservation values identified in the plans. Importantly this meets the commitments expressed by the Premier in Roma in 2000 and in Parliamentary and other statements since.

Simply focusing on the full protection of 'of concern' REs is not considered to represent a solid biodiversity outcome. Discounting quality, resilience, vigour and other such indicators of healthy biodiversity for a spatial quantitative measure of vegetation is considered not likely to be the most veritable basis for delineating and protecting biodiversity.

#### **MORE TRANSPARENT PROCESS**

A core consideration for landholders is the provision of greater transparency and natural justice to resource management. Without dwelling on the current arrangements it is evident that the current administration labors under resource pressure exacerbated by the absence of accessible review mechanisms. The provision of transparency and natural justice will provide landholders with greater confidence in the system and make sustainable resource management processes more achievable.

It is proposed that this would be achieved by the establishment of an Administrative Appeals Tribunal complemented by the creation of a Natural Resources Ombudsman. The Appeals Tribunal would provide for accessible cost effective consideration of landholder concerns and ensure transparency across the decision making processes of resource management. An Ombudsman dedicated to Natural Resource Management would ensure access and delay issues were managed by an independent party – again providing confidence in the system.

It is noted that most Australian jurisdictions have such measures in place.

#### **PRINCIPLES FOR ADJUSTMENT**

There will be consequences for individual landholders and for regional communities in the adoption of changes to the management of vegetation in this state. This is acknowledged by Government at both levels and recognized in proposed adjustment packages. The Industry proposal will have similar consequences and as such requires an adjustment package.

Industry proposes that an independent Committee be established to develop the principles for adjustment support to be applied to both individuals and communities. Such a process is transparent and independent and overcomes

the difficulties experienced with differing assessments of the cost of the adjustment package.

It is important to address the potentially inequitable treatment of primary producers and their communities in the determination of adjustment support and the delivery of such support. It is considered that a fundamental underlying principle be that all landholders impacted upon be able to qualify and receive adjustment support. It should be noted that all committees involved in the regional process have clearly stipulated that the successful implementation of existing plan recommendations is dependent upon the provision of an appropriate adjustment package.

It is proposed that the independent Committee be headed by the President or a member of the Land Court and also comprise representation from landholders, a person with expertise in valuations, a representative of the conservation movement and a representative of each government. The Committee would have an ongoing role after the presentation of the principles for adjustment.

#### **INVESTMENT IN INFORMATION**

It is widely recognized that notwithstanding the leadership of Queensland in aspects of natural resource mapping and information systems, there are significant gaps in the information and in its management. This requires an investment of substantial resources by Governments to ensure the building blocks for the system are able to meet the needs of the system.

#### **TIME FRAME**

It is proposed that discussions with key stakeholders be held in early November with a view to agreeing the principles of the alternate proposal prior to the end of November.

AgForce and QFF will each undertake a short but intensive period of consultation with landholders to explain the proposal and deal with relevant issues. This is an important consideration for acceptance of the proposal amongst landholders generally.

The issues of detail will need to be worked through with appropriate agency representatives from both Governments. It is noted that the initial joint Governments proposal contained very limited detail and relied on agencies for further development.

27 October 2002

Pages 254 through 271 redacted for the following reasons:

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Exempt under Schedule 3(1)

**FAXED**

See,  
Please track  
on CTS.  
Nicola

Please quote: /AJ08/ERP

22 DEC 2003

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Terry - J  
Adrian - ✓  
Donna - For filing 24/12/03

Dear Mr Howard

On Friday 19 December 2003 I met with representatives of Agforce Queensland and conservation organisations to discuss future directions for the management of land clearing in Queensland.

At the meetings I reiterated my commitment to working with the Commonwealth and key stakeholders to resolve this issue. I also emphasised that any introduced management arrangements must achieve both Commonwealth and State objectives and be workable.

It was evident that there continues to be a large measure of goodwill on the part of all the organisations to resolve the issue. The points of disagreement, while still significant, are small in number. Consequently, I have set up a number of processes for stakeholders to work through these issues as soon as possible.

All parties agreed that successful resolution required both the State and the Commonwealth to be involved. In order to progress this, it was agreed that I should write to you proposing that all the parties meet jointly with you early in the new year.

You will recall that on 27 November 2003, I informed the Queensland Parliament of my Government's intention to introduce legislation to implement our original joint proposal on the first sitting day in 2004 should agreement not be reached with the Commonwealth by that time. I have indicated to both Agforce and conservation groups that, failing agreement, I will follow through with this course of action.

However, I also made it clear that I consider the opportunities for a joint agreed approach remain open. Indeed the goodwill demonstrated by all parties at our meeting on Friday confirmed my view that we should do all we can to facilitate an agreed resolution. I therefore urge you to join with me in meeting with key stakeholders early in the new year to seek a final resolution to this issue.

Yours sincerely

ORIGINAL SIGNED  
BY PETER BEATTIE  
DATE ...../...../.....  
**PETER BEATTIE MP**  
**PREMIER AND MINISTER FOR TRADE**

RTI RELEASE

FAXED

P-1302

Please quote: /AJ08/ERP

22 DEC 2003

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

On Friday 19 December 2003 I met with representatives of Agforce Queensland and conservation organisations to discuss future directions for the management of land clearing in Queensland.

At the meetings I reiterated my commitment to working with the Commonwealth and key stakeholders to resolve this issue. I also emphasised that any introduced management arrangements must achieve both Commonwealth and State objectives and be workable.

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Yours sincerely

ORIGINAL SIGNED  
BY PETER BEATTIE

DATE ...../...../.....

PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE

RTI RELEASE

P7302

Please quote: 44655/AJ08/ERP

- 8 JAN 2004 21

Dr Lesley Clark MP  
Parliamentary Secretary to the Premier  
and Minister for Trade in Far North Queensland  
PO Box 8116  
CAIRNS QLD 4870

Dear Lesley

Thank you for your letter of 2 December 2003 concerning land clearing at Mission Beach.

As you will be aware, the Queensland Government has been seeking a cooperative approach with the Commonwealth Government to resolving the issue of high levels of land clearing. In May of this year, this resulted in a joint announcement by the two Governments on a proposal which would result in the phase out of broadscale clearing of native vegetation by 2006. A \$150 million assistance package equally funded by both Governments was proposed in order to help landholders affected by the phase out.

A moratorium on new applications for land clearing was put in place by the Queensland Government to allow time for finalisation of the proposal.

Despite a previous written assurance by the Prime Minister that final resolution would not be a lengthy process, the Commonwealth has so far failed to translate its promise into a binding commitment. Accordingly, the Premier has advised State Parliament that, should the Commonwealth not respond by the first sitting day in 2004, the State Government will introduce the necessary legislation to implement the phase out. The \$75 million already allocated in the Queensland State Budget for financial assistance to affected landholders will be provided.

This announcement confirms the State Government's commitment to end destructive broadscale land clearing.

The extent to which these new arrangements will affect future land clearing at Mission Beach depends on the circumstances involved. The new legislation will continue to give Local Government primary responsibility for the management of clearing proposals in urban areas because councils should be in a position to reflect the specific expectations of their communities. However, the power to declare areas to be of high nature conservation value, thereby bringing clearing proposals under State jurisdiction, will also remain.

Yours sincerely

**SIGNED BY**  
*A/* **PREMIER**

TERRY MACKENROTH  
ACTING PREMIER AND  
MINISTER FOR TRADE

RTI RELEASE

Please quote:53954/AJ08/ERP

18 FEB 2004

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

On several occasions over the past three years, you have written to me to advise that your government was prepared to share the costs of implementing a curb on land-clearing in Queensland. In particular, you have sought the protection of "of concern" regional ecosystems on freehold land and a guaranteed reduction in greenhouse gas emissions in the order of 20 to 25 megatonnes of carbon dioxide equivalent annually.

Following detailed discussions between our two governments, a joint proposal for a phase-out of broadscale clearing of remnant vegetation by 2006 was released in May 2003. This proposal was supported by a report from the Australian Bureau of Agricultural and Resource Economics and the Bureau of Rural Sciences which confirmed that the proposed \$150 million assistance package, to be equally funded by both governments, would address the financial effects of the proposal.

As you will be aware, I advised the Queensland Parliament last November of my intention to proceed with the phase out as originally proposed. One of my first commitments during the recent State election was to reaffirm this decision. The commitment I announced is fully consistent with the draft joint initiative on land clearing developed by our two governments and released in May 2003.

Quite reasonably, in earlier correspondence on this matter you have made your support for any initiative on land clearing conditional on "the support and commitment of the Queensland community".

I believe that condition was satisfied on 7 February 2004.

In line with the original joint proposal, I now seek your commitment to finalise an agreement between the Queensland and Australian Governments on shared funding of this historic environmental initiative.

Some of the more detailed aspects of implementation, such as codes for vegetation thinning and fodder harvesting, remain open for negotiation. I would be happy for our officials to meet and discuss these if this would assist in making progress.

Achievement of the 2006 deadline, required in order to meet Australia's international greenhouse gas commitments during the first Kyoto reporting period, means that action must be taken quickly. Legislation to give effect to the phase out must be considered by the Queensland Parliament during its first session in 2004. Consequently, I urge you to give this matter your urgent attention.

I sincerely hope that we can progress this important initiative and maintain a cooperative approach in view of the significant benefits it will provide for Australia as a nation. I stress however that, as indicated in my election commitment, should the Australian Government decline to contribute to the initiative my Government will implement the package in full on its own. I trust that in the national interest, and in fairness to Queenslanders, you will agree to an Australian Government contribution of \$75 million towards the initiative.

I look forward to your early response.

Yours sincerely

**SIGNED BY  
PREMIER**

**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE AND  
ACTING MINISTER FOR TOURISM, RACING  
AND FAIR TRADING**

Tracking No. 53954

**Premier's briefing note**

Policy

Title: Implementation of Election Commitment on Land Clearing Date: 10 February 2004

**1. Purpose**

To advise you of the next steps to implement the election commitment to phase out broadscale clearing of remnant vegetation in Queensland.

**2. Background**

You have indicated that implementation of the land clearing election commitment is a priority for the first session of Parliament.

**3. Issues**

Sch. 3-7

***Negotiations with the Commonwealth***

There has been no formal communication with Queensland of the Commonwealth's position since the announcement of the joint proposal in May 2003. While the Commonwealth has been negotiating with stakeholders on "alternatives", there is no evidence that these have reached any kind of resolution. Indeed, the indications are that they have adopted a "wait and see" approach.

The election commitment held the door open to the Commonwealth one last time. A letter from you to the Prime Minister, inviting him to honour his earlier commitments, would be appropriate.

A letter (attached) has been drafted for your consideration.

***Consultation with Stakeholders***

Representatives of both rural and conservation stakeholders have already approached officials seeking to discuss the proposed land clearing legislation and policies. Agforce President, Mr Larry Acton, has also stated publicly that he wants to discuss the proposal with you.

There would appear to be two options for a consultation strategy:

1. Organise meetings with stakeholders soon to outline the broad framework and structure of the legislation and associated policies; or
2. Delay consultation until after the legislation has been drafted and initially considered by Cabinet.

Option 1 would have the benefit of ensuring that stakeholders are fully aware of the government's intentions and these aspects of policy open to further negotiation.

Option 2 has the benefit of:

- Allowing time for officials to work on the legislation and associated policies and for any outstanding major policy issues to be resolved within government;
- Allowing time for the Prime Minister to respond to your letter.

Option 2 is favoured for these reasons and also because the broad framework of the initiative is no longer negotiable and is already well known to stakeholders.

**4. Consultation**

The Department of Natural Resources and Mines has been consulted

**5. Is this in accordance with Government election commitments?**

Yes

**6. Recommendation**

That you:

- note progress with developing the land clearing legislation and policies;
- sign the attached letter to the Prime Minister; and
- agree to delay detailed consultation with stakeholders until after the legislation has been drafted and initially considered by Cabinet.



Dr Leo Kelihier  
Director-General

RTI RELEASE

Pages 282 through 352 redacted for the following reasons:

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Exempt under Sch 3(7)

**Intergovernmental briefing note**

**Policy Division**

**COAG Agenda Item :**

Contrary to Public Interest

Date: 23/05/2005

Contrary to Public Interest

**3. Policy Issues**

Between 1999 and 2003 the Commonwealth's position was that vegetation management in Queensland is a matter for the state. Despite this, the Commonwealth repeatedly applied strong ongoing pressure on Queensland to tighten its controls on land clearing (Attachment summarises relevant extracts from correspondence).

The Commonwealth subsequently failed to honour an offer to provide \$75 m in joint funding for a phase out of broadscale clearing of remnant vegetation.

Contrary to Public Interest

ATTACHMENT  
1

ATTACHMENT 1

EXTRACTS FROM CORRESPONDENCE FROM THE PRIME MINISTER AND  
COMMONWEALTH MINISTERS ON VEGETATION MANAGEMENT IN  
QUEENSLAND

1999 - 2005

- Senator the Honourable Robert Hill MP Minister for the Environment and Heritage to Premier of Queensland - 24 November 1999

*"I think you appreciate that the responsibility to set the rules for sound natural resource management in Australia rests with the States."*

- Prime Minister to Senator Meg Lees, Leader of the Australian Democrats - 5 June 2000.

*"I share many of the concerns you raise in relation to the current levels of land clearing in Queensland. The issue potentially has serious implications for the long-term viability of natural resources and agriculture in Queensland and the Murray-Darling Basin, the conservation of many rare and vulnerable ecosystems, and for Australia's capacity to meet its international greenhouse commitments."*

- Prime Minister to the Premier of Queensland - 24 July 2001.

*"I see regulation of vegetation management as essentially a state responsibility and implementation of land clearing arrangements remains a matter for your government."*

*"In terms of what might constitute a significant reduction in greenhouse gas emissions from reduced clearing, we would be happy to consider a case from your government as part of any proposal. As an indication, and against the background Australia's international obligations, the Commonwealth would be looking for a sizable and sustained reduction in the "business as usual" remnant clearing rate that has averaged around 200,000 to 250,000 hectares per annum over the past decade, beyond the reduction in "business as usual" clearing flowing from the existing vegetation management regime and National Action Plan commitments."*

- Prime Minister to the Premier of Queensland 16 February 2002

*"I consider that land clearing is primarily a land management issue and the responsibility of State and Territory Governments."*

*"Your government has the relevant "on-ground" knowledge and is best placed to further develop a workable and cost-effective scheme and engender the support and commitment of the Queensland community that is crucial to successful implementation of sustainable land use practices."*

*"Achieving a significant reduction in greenhouse gas emissions will involve a sizeable and sustained reduction in "business as usual" clearing rates"*

*over the past decade beyond that flowing from the vegetation management regime and the National Action Plan for Salinity and Water Quality. For example, a guaranteed reduction in the order of 20 to 25 megatonnes of carbon dioxide equivalent annually could provide significant abatement to secure national outcomes from Commonwealth investment.*

- The Honourable Dr David Kemp MP Minister for the Environment and Heritage to the Honourable Stephen Robertson, MP Minister for Natural Resources and Minister for Mines 31 October 2002

*The code changes [introduced by Queensland to stop land clearing in salinity susceptible catchments], however, go only part way towards addressing the implications of land clearing for biodiversity conservation and greenhouse gas abatement. For example, I am concerned that Queensland's vulnerable regional ecosystems on freehold land can continue to be cleared. This undermines our national biodiversity goals. I urge you to consider means of addressing this important issue, consistent with the aims of the agreed National Framework for the Monitoring of Australia's Native Vegetation."*

- Prime Minister to the Premier of Queensland 7 February 2003

*"In relation to additional land clearing measures to achieve greenhouse gas abatement in Queensland, the Commonwealth has consistently taken the view that it is primarily the responsibility of the Queensland government to ensure that its approach is acceptable to the Queensland community"*

- Prime Minister to the Premier of Queensland 7 March 2003

*"As you know, the Commonwealth has long held an interest in achieving a substantial reduction in greenhouse gas emissions by reducing land clearing activity in Queensland. Similarly, we consider there are nationally significant benefits for biodiversity in working with Queensland to protect 'of concern' native vegetation.*

*"My understanding of your government's proposal [to phase out broadscale clearing of native vegetation] is that it meets, and in fact goes beyond, the Commonwealth's objectives for reduced land clearing activity in Queensland."*

*"Assuming a satisfactory outcome is achieved on the above aspects, the Commonwealth would be prepared to contribute towards an agreed assistance package on an equal basis with Queensland, up to a maximum Commonwealth contribution of \$75 million."*

- Prime Minister to the Premier of Queensland 15 May 2003

*"Your officials have raised the issue of a moratorium on issuing new permits to clear remnant vegetation, reflecting the fact that there has been a considerable escalation in land clearing permit applications over the past*

*month and particularly over the past week. I am advised that this situation seriously threatens the integrity of the proposal we are considering. I therefore wish to advise that I would be agreeable to your government placing an immediate moratorium on the issuing of further permits, pending consultations with stakeholders and further consideration of the proposal by our governments."*

- Media Release by the Honourable Dr David Kemp MP Minister for the Environment and Heritage 22 May 2002

*This proposal [to phase out broadscale clearing of remnant vegetation by 2006] has been developed by Queensland and worked on by Commonwealth and Queensland officials in recent weeks. It meets the Commonwealth Government's objectives of a substantial reduction in the clearing of remnant vegetation, in greenhouse gas emissions and the additional protection of the biodiversity of ecosystems," Dr Kemp said.*

- **Following this media release, all correspondence from the Prime Minister and Commonwealth Ministers on the issue of land clearing in Queensland ceased. The Commonwealth Government has never formally advised Queensland that its offer of \$75 million was withdrawn.**
- **Following the Commonwealth's Government's failure to honour its promises, the Queensland Government made the phase out broadscale clearing of remnant vegetation, along with full funding of the \$150 m assistance package, an election commitment. The policy was implemented following the 2004 state election.**

RTI RELEASED

ATTACHMENT 2

PRODUCTIVITY COMMISSION INQUIRY REPORT ON  
IMPACTS OF NATIVE VEGETATION AND BIODIVERSITY REGULATIONS

SUMMARY ASSESSMENT OF FINDINGS

ATTACHMENT  
2

- The Inquiry recommendations are broad-ranging and non-specific – particularly regarding “alternatives” to current approaches to vegetation management. These ‘alternatives’ are presented in vague terms and are uncosted.
- The Productivity Commission provided no evidence that the current arrangements operating in State jurisdictions are not cost-effective
- The findings of the Inquiry were superficial, generic and largely based on anecdotal information in submissions to the inquiry (mostly from agricultural lobby groups).
- The Productivity Commission failed to undertake original research or rigorous economic analysis to verify the information provided in these submissions.
- What limited economic analysis was done appears to come from consultants which cannot be regarded as unbiased. In particular, it is noted that exorbitant claims on the financial impact of Queensland’s vegetation management system in the Murweh Shire (around Charleville) originate in a report by Devine Agri-business. The CEO of this company, Dominic Devine, was also the inaugural chair of Property Rights Australia – an organisation formed in 2003 to campaign against government controls on vegetation management.
- The Productivity Commission was also hampered by the inadequate and biased terms of reference given to it by the Commonwealth Government. Consequently there is little in the Commission’s report which assists State Governments to deliver on community demands for better vegetation management.
- Queensland’s vegetation management system does not suffer from many of the “problems” that the Commission claimed existed in State and Territory arrangements. In particular Queensland has:
  - A world class vegetation mapping and monitoring system based on satellite technologies and on-ground verification;
  - Widely advertised procedures for landholders to assist in making map corrections;
  - Clearly defined and well-publicised objectives for vegetation management in legislation, policies and regional guidelines;
  - Statutory time frames for assessing permit applications;
  - Decision making which requires the reasons for a refusal to be provided to an unsuccessful applicant;
  - Impartial dispute resolution procedures written into legislation;
  - Regional guidelines that meet Statewide objectives;

- Clear exemptions which allow for the clearing of regrowth control of woodland thickening, and the control of pests and weeds.
- The \$150 million assistance package associated with the phase out of broadscale clearing of remnant vegetation in Queensland has not been called into question by the Inquiry's findings. As confirmed by the Australian Bureau of Resource Economics and Bureau of Rural Science (ABARE/BRS) the level of funding proposed is adequate to cover the possible financial consequences for landholders of the phase out.

RTI RELEASE

ATTACHMENT 3

PRODUCTIVITY COMMISSION INQUIRY REPORT ON  
IMPACTS OF NATIVE VEGETATION AND BIODIVERSITY REGULATIONS

COMMENTS ON INDIVIDUAL RECOMMENDATIONS

*Recommendation 1*

Before introducing new or amending existing native vegetation and biodiversity policy, a comprehensive regulation impact statement or its equivalent should be prepared that includes an assessment of the problem being targeted, expected costs and benefits of the proposed policy, and an assessment of alternative instruments. This assessment should be made public.

- Public consultation is standard practice in Queensland although the State Government reserves the right to implement legislative policy changes without consultation in situations where vegetation and biodiversity is under urgent and critical threat or where prior public notification of a policy shift will increase that threat. This reserve right was endorsed and supported by the Prime Minister when he agreed to the imposition of an immediate moratorium on land clearing applications in Queensland in May 2003.

*Recommendation 2*

All native vegetation and biodiversity policies should be subject to ongoing monitoring and regular independent reviews of all costs and benefits in the light of articulated objectives. Reviews of performance should be published.

- Agreed.

*Recommendation 3*

Ongoing efforts are required to improve the quality of data and science on which native vegetation and biodiversity policy decisions are based, particularly 'on-the-ground' assessments to test the accuracy of vegetation mapping based on satellite imagery.

- Queensland already has the best vegetation mapping in Australia.

*Recommendation 4*

Current regulatory approaches should comply with good regulatory practice, including:

- clear specification of objectives of the legislation so that guidelines and decisions link back to these objectives, and performance of the regimes can be monitored and assessed;
- minimisation of duplication and inconsistency by amalgamating and simplifying regulations and permit requirements, for example, by rationalising legislation and regulation within each State and Territory and/or by coordination between agencies;
- assistance to, and education of, landholders to meet and to understand their responsibilities by providing accessible information about those responsibilities, and how they relate to sustainable land management practices and environmental problems;
- statutory time-frames for assessing permit applications;
- consideration of economic and social factors where applications to clear otherwise would be rejected on environmental grounds (a 'triple bottom line' approach), with reasons for decisions to be given and reported; and
- provision of accessible, timely and impartial appeals and dispute-resolution mechanisms.

ATTACHMENT

3

- With the possible exception of the first part of dot point 5, Queensland already complies with all of these principles.

#### *Recommendation 5*

Greater flexibility should be introduced in regulatory regimes to allow variation in requirements at a local level. To this end:

- greater use should be made of the extensive knowledge of landholders and local communities;
  - regional committees and bodies should be given greater autonomy (and support) to develop appropriate requirements; and
  - some across-the-board rules, particularly those currently applying to native vegetation regrowth, could be relaxed and replaced with requirements that meet environmental objectives but which reflect regional environmental characteristics and agricultural practices.
- While flexibility to allow regional variations is accepted, there is no evidence that greater autonomy for regional committees and bodies will lead to improvements in regulatory regimes.

#### *Recommendation 6*

As a matter of priority, governments should seek to remove impediments to, and facilitate, increased private provision of environmental services. Actions could include:

- removal of tax distortions or lease conditions that discourage conservation activity relative to other activities;
  - removal of impediments to efficient farm rationalisation and/or management and operation;
  - research into, and facilitation of, sustainable commercial uses of native vegetation and biodiversity; and
  - enhanced provision of education and extension services to demonstrate to landholders the private benefits of sustainable practices.
- Agree in principle. However, there is no evidence that this has been addressed by the Commonwealth Government in reviewing its taxation regime.

#### *Recommendation 7*

Landholders, individually or as a group, should bear the costs of actions that directly contribute to sustainable resource use (including, for example, land and water quality) and hence, the long-term viability of agriculture and other land-based operations. Redistributive mechanisms may be appropriate in some instances to share costs among landholders and regional communities.

- Agree in principle. However, the Queensland Government considers that landholders also have an obligation to protect biodiversity.

#### *Recommendation 8*

Regional institutions should be further developed and charged with addressing regional and inter-regional resource sustainability issues within broad parameters determined at national, State and Territory levels. Regional bodies should provide for genuine regional consultation, representation and decision making and be granted sufficient flexibility, authority and resources to implement their decisions.

- The Queensland Government is currently reviewing regional arrangements. However, there is no evidence that regional bodies are the most appropriate organisations to make difficult decisions about regulating land clearing or other activities which impact on biodiversity, salinity and other factors.

*Recommendation 9*

Over and above agreed landholder responsibilities, additional conservation apparently demanded by society (for example, to achieve biodiversity, threatened species and greenhouse objectives), should be purchased from landholders where intervention is deemed necessary and cost-effective.

- The Queensland Government has implemented this recommendation through its \$150 m vegetation management assistance package.

*Recommendation 10*

Public-good native vegetation and biodiversity objectives ideally should be fed through regional institutions to promote coordination and consistency of approaches, and therefore, least-cost 'joint' solutions.

- While regional consultation is an important component of Queensland Government practice, there is no evidence that the use of regional institutions leads to "least cost" joint solutions.

RTI RELEASED

COPY

*Date: 11/12/02  
Handwritten notes*

Please quote: /AJ/ERP

The Honourable John Howard MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Mr Howard

You will recall that I wrote to you on 13 December 2002 setting out the case for an integrated joint response from our two governments to the issue of land clearing in Queensland. This was in response to a number of proposals to address clearing which have been previously put forward by your Government.

My Government will shortly release a report by the State Landcover and Trees Study (SLATS) on land clearing in Queensland for the period 1999 to 2001. This is the latest in a series of biennial reports on clearing which provide a reliable basis to assess trends and changes over time.

The most recent report is significant in that it covers the first year of operation of my Government's new vegetation management framework. The statistics indicate that clearing of remnant vegetation on freehold land, the principal target of the framework, has been reduced by 50% compared to the 1997-1999 base period. This indicates that the new legislation has had an effect.

As you will be aware, clearing controls in Queensland are designed to protect areas of vegetation with specified biodiversity values or which are important to prevent land degradation. The current figures confirm that the major focus of landholder clearing effort is moving into areas where there is extensive existing native vegetation cover and where these values are under a lower level of threat. This is reflected in the change in clearing rates on leasehold land which have increased by about 40%.

Also of concern is evidence from the satellite imagery used to generate the SLATS report that up to 61000 hectares of illegal clearing has occurred. This represents around 16 per cent of total clearing and is estimated to comprise 25,000 hectares on freehold land and 36,000 hectares on leasehold land.

The extent of illegal clearing calls into question the claims made by some rural organisations that voluntary initiatives would be sufficient to reduce clearing rates.

While the objectives of my government's vegetation management framework are being progressed, overall clearing rates remain well above the implied levels which the Commonwealth has indicated are acceptable to achieve national Greenhouse gas emissions targets and to protect vulnerable regional ecosystems.

The Honourable Stephen Robertson MP Minister for Natural Resources and I will, on 22 January, outline a number of proposed amendments to Queensland's vegetation management legislation to streamline its operation and to further deter illegal clearing. A draft copy of our press release which outlines the proposed amendments is attached for your information. Together with recent changes, such as restrictions on clearing in salt prone river catchments, these proposals demonstrate my Government's commitment to addressing the issue of land clearing in Queensland.

As I outlined in my previous letter however, achieving further substantial reductions in clearing will require our governments to work cooperatively to develop an integrated package to assist landholders to significantly further reduce, or halt the clearing of remnant vegetation in Queensland. I remain committed to this approach. The most recent clearing data serves to emphasise the need for our Governments to expedite the development of this package.

I believe that there would be benefit in our meeting to discuss a proposed joint initiative. I would propose this meeting be held at a mutually convenient time in late February or early March.

I look forward to your favourable response.

Yours sincerely

**PETER BEATTIE MP  
PREMIER AND MINISTER FOR TRADE**



Queensland Government

Premier of Queensland

The Honourable Rodney Welford MLA  
Minister Environment and Heritage and  
Minister for Natural Resources  
PO Box 456  
BRISBANE ALBERT STREET QLD 4002

Dear Mr Welford

Thank you for your letter of 15 May 2000 informing me of the current state of negotiations with Commonwealth Government officials with respect to the *Vegetation Management Act* and possible Commonwealth financial assistance.

I note from your letter the difficulty of progressing discussions with the Commonwealth given the apparently conflicting and complex political positions put forward by the Commonwealth Government. I also appreciate the difficulties anticipated if delivery of Commonwealth Government funding for the delivery of a number of the requirements of the *Vegetation Management Act* is held off until the Government Officials.

As you are aware, I gave a commitment that financial assistance was not forthcoming until the *Vegetation Management Act 1999* would be amended so that regional ecosystems and then proclaimed regional ecosystems would be facilitated for landholders through a regional planning process.

I am eager that this matter be finalised and negotiations with the Commonwealth Government be prudent for the Department of Natural Resources to amend the legislation in accordance with the Government Cabinet meeting. As you have suggested, I concur that the Queensland Government should not move to introduce the amendments until a clear position has been obtained from the Commonwealth Government. In this regard, I note that the Commonwealth officials have been advised that the Queensland Government requires a response within two weeks.

Thank you once again for keeping me informed of progress on this most important issue.

Yours sincerely

Peter Beattie MLA  
PREMIER

Executive Building  
100 George Street Brisbane  
PO Box 185 Brisbane Albert Street  
Queensland 4002 Australia  
Telephone +61 7 3224 4500  
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Queensland  
Government

Premier of Queensland

The Honourable Rodney Welford MLA  
Minister Environment and Heritage and  
Minister for Natural Resources  
PO Box 456  
**BRISBANE ALBERT STREET QLD 4002**

Dear Mr Welford

Thank you for your letter of 15 May 2000 informing me of the current state of negotiations with Commonwealth Government officials with respect to the *Vegetation Management Act* and possible Commonwealth financial assistance.

I note from your letter the difficulty of progressing discussions with the Commonwealth given the apparently conflicting and complex policy requirements that are being put forward by the Commonwealth Government. I also appreciate the likely stakeholder responses that can be anticipated if delivery of Commonwealth Government financial assistance was predicated on the delivery of a number of the requirements being suggested by Commonwealth Government Officials.

As you are aware, I gave a commitment at the Roma Community Cabinet meeting that if financial assistance was not forthcoming from the Commonwealth Government, the *Vegetation Management Act 1999* would be amended to remove protection of 'of concern' regional ecosystems and then proclaimed. If this was to occur, protection of 'of concern' regional ecosystems would be facilitated through a voluntary approach developed by land holders through a regional planning process.

I am eager that this matter be finalised as an immediate priority. In the unfortunate event that negotiations with the Commonwealth Government should fail, I believe that it would be prudent for the Department of Natural Resources to continue the preparatory work required to amend the legislation in accordance with the commitment I gave at the Roma Community Cabinet meeting. As you have suggested, I concur that the Queensland Government should not move to introduce the amendments until a clear position has been obtained from the Commonwealth Government. In this regard, I note that the Commonwealth officials have been advised that the Queensland Government requires a response within two weeks.

Thank you once again for keeping me informed of progress on this most important issue.

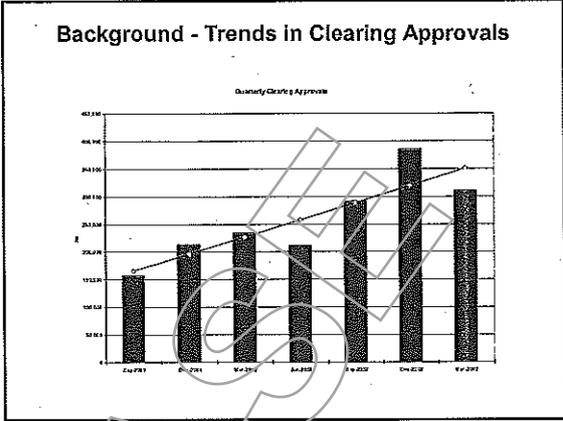
Yours sincerely

**Peter Beattie MLA**  
**PREMIER**

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Website [www.thepremier.qld.gov.au](http://www.thepremier.qld.gov.au)

Terry,  
Quick cut down version of  
presentation for use DEM. will  
this do?  
A. J.

# VEGETATION MANAGEMENT IN QUEENSLAND



- ### Objectives of C'th/State Proposal
- Reducing Greenhouse gas emissions
  - Protecting Biodiversity
  - Preventing Land degradation
  - A fair adjustment path for affected landholders

- ### The Plan
- Phase out broadscale clearing of remnant vegetation under a cap of 500,000 hectares, to zero by 2006
  - Protection for 'of concern' regional ecosystems on freehold land
  - Regrowth clearing continues
  - Exemptions apply
  - \$150 million assistance package

- ### Financial Package
- Joint government funding up to \$150 million over 5 years
    - \$130 million financial assistance
    - \$12 million targeted incentives for remnant vegetation management
    - \$8 million targeted incentives for best practice management

Contrary to Public Interest

Contrary to Public Interest

### **Current State of Play**

- *Initial proposal was put forward by Qld at Prime Minister's request.*
- *Detailed work on refining the proposal has been done jointly.*
- *Prime Minister agreed to a temporary moratorium on processing clearing applications pending finalisation of agreement.*
- *Proposal was presented to peak rural groups by Commonwealth Ministers on 22 May*

### **Current State of Play (cont'd)**

- *Rural groups are not happy.*
- *Their strategy is to drive a wedge between the two governments.*
- *Commonwealth is proposing to set up some kind of working group with rural groups to further discuss proposal.*

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## WHY THE JOINT COMMONWEALTH STATE PROPOSAL IS BETTER

- The joint Commonwealth/State proposal will deliver fully on the Commonwealth objectives of:
  1. protecting "of concern" regional ecosystems on freehold land in Queensland; and
  2. a certain reduction in business as usual clearing which would reduce greenhouse gas emissions by 25 megatonnes per annum relative to the 1990 baseline.
- In light of the recent announcement in NSW of the proposed cessation of broadscale clearing (supported by the Commonwealth) it is unsustainable for the Commonwealth and State Governments to accept anything less in Queensland.
- The joint package contains a substantial package of assistance for farm businesses whose viability is affected by the new vegetation management arrangements. The quantum of assistance has been independently assessed as sufficient to offset impacts.
- The proposed level of assistance (\$150m) is five times more than the new funding being proposed in New South Wales
- Further delay in finalising the arrangements is simply putting off the day when this money can start flowing.
- The joint package will deliver certainty for all landholders and treat each equitably. The Agforce proposal will treat landholders differently depending on how fortuitous a landholder is in having a property that meets the definition of a Kyoto forest.
- The package will permit the ongoing clearing of regrowth which represents around 40% of all current clearing in Queensland.
- The joint package will promote the recovery of native vegetation through incentives to protect and manage remnant and regrowth vegetation.
- Queensland continues to be prepared to modify the package at the margin to make it more acceptable to landholders while still delivering on Commonwealth and State objectives. Proposed adjustments include:
  1. marginally increasing the cap on total clearing through to 1996 to exclude current applications in the system from the 500,000 hectare cap i.e. the cap would be reserved in total for new applications;
  2. providing additional exemptions for clearing for fodder and thinning the landscape;
  3. Significantly modifying the definition of regrowth such that, subject to application and verification on a property by property basis, regrowth remains as such in perpetuity and does not revert to remnant vegetation.

## OPTIONS FOR PROGRESSING THE ISSUE WITHOUT THE COMMONWEALTH

The following options are a truncated version of those provided to you in an earlier briefing note. They are suggested as feasible alternatives that could be drawn to the Prime Minister's attention. Each option is followed by a discussion of the pro's and con's:

**1. Announce that the existing moratorium on new applications will continue indefinitely with no funding for financial assistance unless the Commonwealth comes to an agreement with Queensland.**

This is a "hard line" position which would bring widespread media attention to the debate. It would place some pressure on the Commonwealth through:

- The threat it poses to rural constituents;
- The support for Queensland's position that would come from conservation groups.

Maintaining the moratorium would mean that the Commonwealth achieves its greenhouse and biodiversity goals at no cost. In addition it would be able to capitalise on public sympathies for rural landholders whose viability has been affected.

**2. Maintain the State funding allocation at the announced \$75 million and phase-out on the current proposed timetable (i.e. by 2006)**

This option would increase public and stakeholder pressure on the Commonwealth to provide the matching funds while Queensland honours its part of the bargain. However, the Commonwealth could walk away from the debate and still achieve its greenhouse and biodiversity objectives at no cost to itself.

**3. Maintain the funding allocation at the announced \$75 million and extend the phase out period to (say) 2012 with a commensurate increase in clearing allowed (and therefore greenhouse gas emissions) during this phase-out; or**

In conjunction with the extended timeframe, would reduce the impact on unviable stakeholders. The \$75 million expenditure, extended over a longer period would ease budgetary pressures on the Government but may still be adequate to assist landholders who suffer hardship.

Implementation of this option would put the Commonwealth under considerable pressure because it means that clearing will continue to occur during the 2008-2012 Kyoto reporting period. Consequently the Commonwealth would not achieve the large and certain greenhouse gains it. This, in addition to pressure from stakeholders, may be sufficient to force the Commonwealth to negotiate for a shorter time frame and provide the necessary financial assistance.

This is not a sustainable option but useful in seeking to force the Commonwealth to act.