TASMANIAN NATIVE FORESTRY AGREEMENT BILL 1980

Date Introduced: 17 April 1980
House: House of Representatives
Presented by: Hon. P.J. Nixon, M.P., Minister for Primary Industry

Short Digest of Bill

Purpose

To authorise the execution of an agreement between the Commonwealth and Tasmania, supplementary to the Tasmanian Native Forestry Agreement 1979.

Background

The Tasmanian Native Forestry Agreement Act 1979 authorised the execution of an agreement between the Commonwealth and Tasmania for loans for a program of native forestry development. The Agreement was subsequently signed on 7 December 1979. It provides for the implementation of a forestry program comprising the establishment of eucalypt plantations on previously cleared farmland purchased by the State, the rehabilitation of forests damaged by fire and the thinning of blackwood regeneration. Commonwealth assistance under this Agreement may amount to $136,000 per annum in real terms for the five year period which commenced 1 July 1978. The terms of the loan provide for a twenty years deferment of repayments. Interest (corresponding to the long term bond rate) is capitalised over this period and repayments are to be by equal six monthly instalments over the forty years subsequent to the twenty year deferment period.

This Bill now provides for the execution of an Agreement to supplement the existing Agreement, by providing for the availability of increased Commonwealth funds of $100,000 per annum for the four financial years commencing 1979-80. The Supplementary Agreement will also revise the existing Agreement by allowing Commonwealth funds to be used to purchase land for establishing eucalypt plantations (previously the land had to be purchased by the State) and for an expansion of the eucalypt planting program.

Main Provisions

Clause 3 authorises the execution of an agreement (as set out in the Schedule to the Bill) between the Commonwealth and Tasmania.
Instead of the originally agreed maximum of $136,000 per annum, an amount of $236,000 per annum is authorised for payment to Tasmania over the four years commencing July 1979 (sub-clause 4(1)).

The Schedule

Clause 1 amends sub-clause 2(a) of the Principal Agreement to provide for an expanded area for eucalypt planting from a limit of 2,750 hectares to 3,750 hectares of plantation. Clause 2 amends clause 2 of the Principal Agreement to permit the use of Commonwealth funds for acquiring land for eucalypt plantations. Clause 3 amends sub-clause 3(2) paragraph (b) of the Principal Agreement by changing the maximum amount of funds to be provided by the Commonwealth per annum from $136,000 to $236,000 (plus any additional amount specified by the Commonwealth in a year, as provided for in the original Agreement).

29 April 1980
Finance, Industries, Trade & Development Group
LEGISLATIVE RESEARCH SERVICE