

WRITTEN RESPONSES TO QUESTIONS ON NOTICE

Consultation on the Allocation Order

Question by : Mr Mark Gepp (Member for Northern Victoria)
Directed : Mr Richard Bolt
Asked : 17 July 2017

QUESTION

Mr GEPP — My questions relates to the terms of reference, around the modelling scenarios. Particularly you talked in your introductory remarks about an allocation order, so the Minister for Agriculture and your department are responsible for the allocation order to VicForests. Can you just give us some background on what is the allocation order and particularly how you determine the allocation order and who is consulted in that process?

RESPONSE

Mr BOLT — On the extent to which there is consultation on the allocation orders, there is significant consultation. It matters enormously that the allocation order is consistent with our environmental responsibilities and particularly those of VicForests itself; therefore, as I am advised, we do consult with the Department of Environment, Land, Water and Planning and VicForests itself. Beyond that, I would have to take on notice, if that was of interest to you, who else we talked to about the allocation order, but it is certainly something which is done to ensure compliance not only with our responsibilities but with regulations that apply in relation to environment protection.

FURTHER RESPONSE

The Department of Economic Development, Jobs, Transport and Resources consults with the Department of Environment, Land, Water and Planning, Parks Victoria and VicForests in the development of the Allocation Order. No external (public) consultation is undertaken.

Mr Richard Bolt
Secretary, DEDJTR

WRITTEN RESPONSES TO QUESTIONS ON NOTICE

Australian Paper and the Forest Wood (Pulp) Agreement 1996

Question by : Ms Samantha Dunn
Directed : Mr Richard Bolt
Asked : 17 July 2017

QUESTION

Ms DUNN — Thank you for your presentation today. Firstly, I just want to go to some evidence that was provided to us earlier today regarding compensation payments to Australian Paper, which were quoted as being in the order of \$1 million per annum. I am just wondering if you can clarify at all whether that is the case?

RESPONSE

Mr BOLT — I cannot verify that particular figure, and to the best of my knowledge there is no per annum figure to which Australian Paper is entitled. The reason there is provision for some payment to Australian Paper arising from its entitlements to timber under the legislated agreement, the forests wood pulp agreement, which is enshrined, as you know, in legislation, is that there is a requirement that they be supplied with timber from a designated forest area. As you know, the forest area has become increasingly incapable of supplying the full quantum to which they are entitled, and if there is any timber supplied from outside that area that raises costs due to transport, there is an obligation, in a sense, to make Australian Paper good in relation to those increased costs. So the question of exactly how much those payments are depends upon from year to year, as I understand it, how much is supplied from outside the area. Claims arise from that. There is no fixed amount of \$1 million per year of which I am aware. I can certainly clarify that, because I do not wish to mislead you. If there is something I do not know, then I will correct that, but that is my understanding.

Ms DUNN — I do not expect you to know year to year off the top of your head. Perhaps you could take that on notice and clarify what those figures are on an annual basis.

Mr BOLT — I am happy to.

FURTHER RESPONSE

The Department of Economic Development, Jobs, Transport and Resources is unable to advise on the further information sought as it is commercial-in-confidence.

Mr Richard Bolt
Secretary, DEDJTR