

FOREST PRODUCTS COMMISSION — BASE PLANTATION STUMPAGE SCHEDULES

**586. Hon DIANE EVERS to the minister representing the Minister for Forestry:**

I refer to the minister's response to my question without notice 377, asked on 17 April.

- (1) Are there any existing sharefarmers with contracts that used these schedules for calculations of payment?
- (2) If yes to (1), how many and what method is now used for calculating these payments?
  - (a) Will the minister please table all information used for calculating these payments, such as price lists?
  - (b) If no, why not?
  - (c) If no, how can sharefarmers be sure they are being paid appropriately and in line with their contracts?
  - (d) Is the new method consistent in providing pricing to sharefarmers under section 149 of the Forest Management Regulations 1993?
- (3) Were sharefarmers consulted on the changes to pricing structure payments?
  - (a) If no, why not?
  - (b) If yes, were any concerns raised about the new method?

**Hon ALANNAH MacTIERNAN replied:**

I thank the member for the question. The following information has been provided by the Minister for Forestry.

- (1) Yes.
- (2) The majority of the Forest Products Commission's approximately 730 sharefarming agreements refer to a schedule of royalties or stumpages and other charges, or a variation thereof. Sharefarmers are paid as a percentage of net harvest revenue received from the sale of commercial products. The principle of calculating landowner payments is customer price—FPC administration and contractor costs—multiplied by the percentage of landowner share.
  - (a) No.
  - (b) The customer and contractor rates are key components of the above calculation and are commercial-in-confidence.
  - (c) The FPC maintains a record of calculations. All FPC sales figures are accounted for an audited.
  - (d) Yes. Regulation 149 refers to produce taken from crown land.
- (3) No.
  - (a) I am advised that the pricing structure changes referred to were implemented in 2008. I am advised that payments are still based on net harvest revenue, the quantum of which is compatible with the terms of the relevant sharefarming agreements.
  - (b) Not applicable.