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Cover - Surrounded by a sea of logs, forest worker Michael Burrow checks the sprinklers on a section of the 385 $000m^3$ of fire-salvaged logs at Beerburrum.

Major Photography by Luke Pellatt.



FI Hybrid clonal cuttings raised at Toolara Nursery - a new direction in softwood plantations.

Introduction

For the past five years the DPI Forest Service has been one of the Business Groups within the Queensland Department of Primary Industries responsible for the multiple-use management of Queensland's State Forests and Timber Reserves on a sustainable basis.

On 1 July 1995, a new commercial business group, DPI Forestry, opened its doors for business following the separation of the Forest Service's various commercial and non-commercial functions and assets.

The 1994-95 yearbook will be the last under a program and subprogram format. Future reports on what are currently Forest Service activities will be captured under different formats by the new organisational structures emerging in 1995-96.

Purpose of the Yearbook

This yearbook provides an account to the people of Queensland of the Department's forestry activities for 1994-95.

It covers commercial activities and associated research projects. It also covers regulatory activities, resource management functions related to forests and timber, and community services such as forest recreation, education, information and advice.

Acts and Regulations Administered by the DPI Forest Service

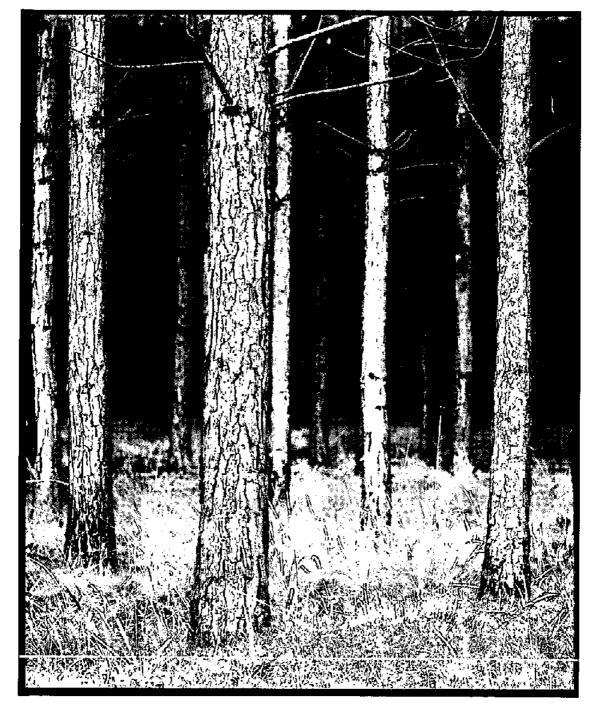
The Forest Service administers four different Acts of Parliament

Forestry Act	1959
Forestry Regulation	1987
Sawmills Licensing Act	1936
The Sawmills Licensing Regulation	1987
Timber Utilisation and Marketing Act	1987
Timber Utilisation and Marketing Regulation	1987
Diseases in Timber Act	1975
Diseases in Timber Regulation	1979

of a Hyne & Son plantation clearfall operation.



uan Forest Ranger (Marketing), Bob Walker, monitors the progres:



The State's 128 000 hectares of exotic pine plantations are a hig component of DPI Forest Service's commercial operations.

On 30 June 1995, the DPI Forest Service ceased to exist. From 1 July 1995, all production activities in plantations, native forests and quarries will be carried out by a new commercial business group, 'DPI Forestry'. Its main aim is to maximise the market value of its assets and earn a commercial rate of return for the State.

At the same time, the custodial role of the Crown forest estate will now become the responsibility of another business group, DPI Resource Management. This group will have overall responsibility for setting and monitoring the environmental standards within which DPI Forestry will operate.

This change represents a major watershed in forest management in Queensland, eliminating potential conflicts of interest between commercial and regulatory roles and improving accountability and transparency in decision making.

Changes of this magnitude don't happen overnight. A great deal of planning, dedication and sheer hard work is required to bring them about. The range and complexity of the issues that were successfully addressed to establish DPI Forestry during 1994-95 are daunting and include the development of a Charter for the new commercial entity, the development of accrual-based financial management systems and the transition to new organisational structures from 1 January 1995.

On top of this major developmental work, the Forest Service faced its biggest ever fire threat in 1994-95. Major fires broke out in the Beerburrum Forest District north of Brisbane and, despite the concerted firefighting efforts of both district and head office staff, approximately 5000 ha of Crown exotic pine plantation were destroyed.

Large-scale salvage efforts were quickly implemented and 385 000 m³ of timber was stored in a purpose-built, irrigated log storage near Donnybrook for sale over coming years. Despite these extraordinary events, the routine work of the Forest Service continued unabated.

Very sound commercial results were once again recorded in the Forest Production Program, with operating revenue for the program increasing 21% on the 1993-94 figure to \$77.2m. A dividend of more than \$15m, almost twice the 1993-94 figure, was paid to Treasury from the Forestry Fund.

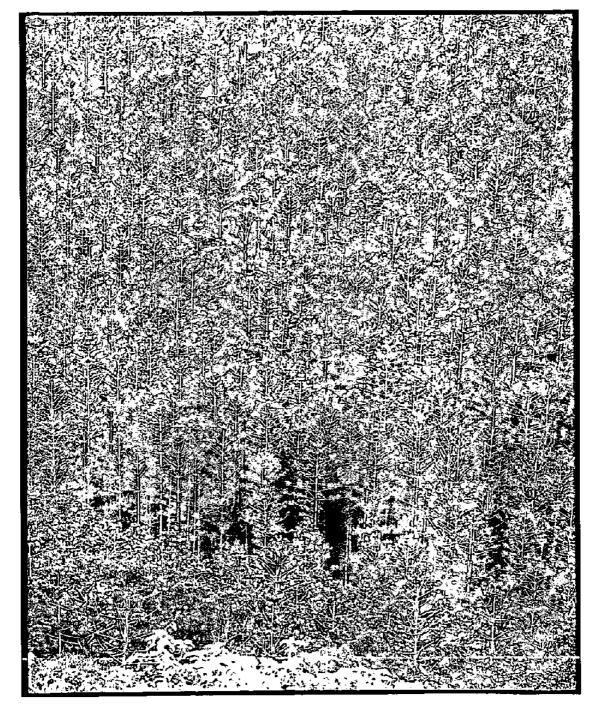
Logging of Crown rainforests in Queensland ceased in September 1994 with the finalisation of operations in the Mackay-Proserpine region.

Over 500 ha of demonstration plantations of tropical timbers were planted on properties in North Queensland under the Community Rainforest Reforestation Program. This included, for the first time, plantings in the Mackay-Prosperpine region.

The impressive results realised in these and other operational areas during a period of such major change and development are a reflection of the commitment and quality of Forest Service staff and my thanks go to them.

In particular, I would like to thank the Executive Director of the Forest Service, Norm Clough, who retired on 12 July 1995, for his tireless and visionary management of the Forest Service during this critical period.

T.N. Johnston Executive Director, DPI Forestry



Viewed from Imbili Forest Orive - one section of that District's 21 000 hectares of hoop pine.

Organisational Change Management

A wide range of organisational changes necessary to establish the commercialised DPI Forestry business group and transfer non-commercial Forest Service functions to other DPI business groups was successfully accomplished during 1994-95. These developments included the identification and separation of commercial functions from policy, regulatory and other non-commercial activities; transitional restructuring of the Forest Service into the new business groupings from 1 January 1995; the development of a commercial charter for DPI Forestry; and the resolution of a supporting range of commercial initiatives including asset valuation, establishment of a commercial capital structure, performance monitoring and accrual accounting.

Commercial Performance

Forest Production Program operating revenue for the year increased 21% on 1993-94 to \$77.2m. Plantation timber sales revenue in 1994-95 was S59m, an increase of 28% over the 1993-94 figure. Native forest timber sales revenue increased by 2% to \$10.4m and quarry sales revenue was up 24% to \$2.4m. A dividend of over \$15m, almost twice the 1993-94 figure, was paid to Treasury from the Forestry Trust Fund and subsequently redirected to fund initiatives in other areas of the department.

The total volume of timber harvested from State forest plantations during 1994-95 was a record 1 400 000 m³, an increase of 20% on the 1993-94 figure. This was largely due to an increase in removals of exotic pine final crop and to a major increase in pulpwood removals.

Marketing Initiative

The sale of 1 530 000 m³ of plantation tumber from State Forests in central and north Queensland was advertised in Australia, New Zealand, South-East Asia and Japan. The sale is expected to generate more than \$60m in timber royaltics over a 10-year period and lead to the establishment of major wood-processing facilities.

Finalisation of Rainforest Logging

Logging of Crown rainforests in Queensland ccased in September 1994 with the finalisation of logging in the Mackay-Proscrpine region. This was achieved with a direct loss of only two timber industry jobs as a result of Government-supported industry restructuring and the release of previously uncommitted Crown plantation resources.

Native Forest Regional Assessments

In line with the State Government's Greater Planning Certainty policy, work started on the first round of comprehensive regional assessments of native forest values on all land tenures. This will provide a basis for long-term land-use planning and secure agreements for the supply of wood to industry.



Maryborough District Marketing Officer, Charlie Lancaster, holds

Codes of Practice

Significant progress was made in developing codes of practice for Crown plantation and native forest timber production activities in accordance with the State Government's commitment under the National Forest Policy Statement. Draft codes complying with national standards will be circulated for public comment.

Public Access Policy Development

Under the Forestry Act, members of the public are required to obtain permits to pass through a State Forest or Timber Reserve using a vehicle, horse or bicycle. A public policy on traversing was released to formalise the management and issue of these permits. A policy was also developed to ensure that the use of State Forests for abseiling and military purposes is sustainably managed.

Sound Practice Indicators

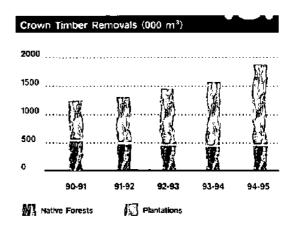
A sound practice indicator for visitor site management on State Forests was developed. The methodology embodied in this indicator is being used for visitor site management on State Forests in all Departmental regions.

Environmental Education

The Forest Service again initiated and coordinated the largest forest-based environmental education event held in Australia. This event was held on 21 March 1995, World Forestry Day, and involved almost 800 upper primary and secondary students. As part of the activities, the Forest Service trialled a suite of structured learning activities on forest management issues. Teachers involved expressed their appreciation of the objectives and content of the activities presented to their classes.

Community Rainforest Reforestation Program

The Community Rainforest Reforestation Program established 534 ha of demonstration plantations of commercial tropical timbers in north Queensland, including 350 ha planted on 118 individual properties in the Townsville to Cooktown area and 120 ha on 32 properties in the Mackay-Proserpine area. These plantings bring to 1261 ha the total area established under the program.



Gympie messmate harvested from

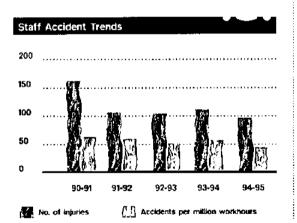


Hardwood Plantations

To evaluate the commercial potential of hardwood plantations using improved silvicultural practices, 27 ha of poot-quality plantation at Pomona was harvested and replanted with eucalypts. A large portion of the area was allocated to provenance research trials to be conducted by the Queensland Forest Research Institute.

Hardwood Research

Forest Service research has increased the recovery of usable spotted gum framing timbers by at least 10% through the use of drying temperatures higher than those previously used. These new seasoning schedules have been adopted by industry. Research to extend this new technology to furniture-grade material is underway.



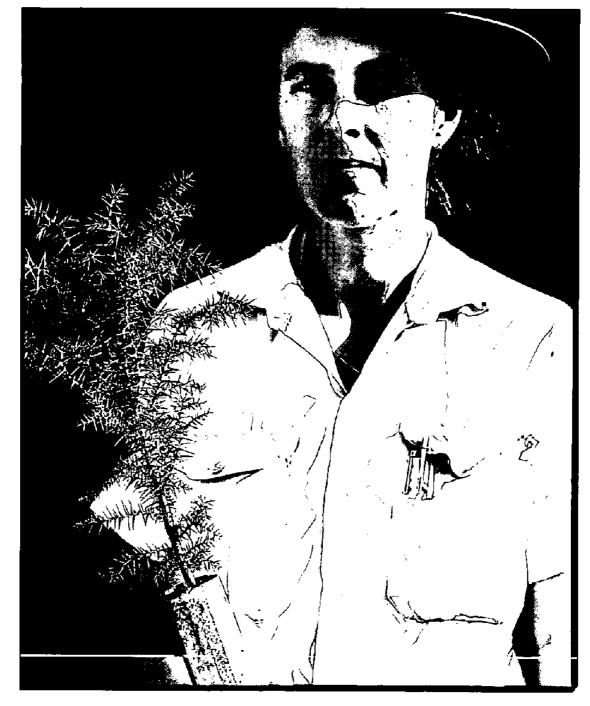
Cional Forestry Developments

Cost-benefit analysis has shown that the widespread introduction of clonal forestry into the exotic pine plantation estate will be highly profitable. Accordingly, the Forest Service's Toolara nursery was expanded in 1994-95 to cater for hedge and clonal multiplication areas. The first small-scale plantings of clonal forestry began in 1995, and the operational testing and multiplication of clones is underway using advanced systems developed by the Queensland Forest Research Institute.

to produce FI hybrid clones.



A nursery worker can take over 6 000 cuttings a day



Nursery overseer Michele Deveze with one of the last "tubed" hoop pine seculings grown at Kentilworth Nursery.

A new direction for forestry in Queensland began on 1 July 1995.

July 1994 to June 1995 was therefore the DPI Forest Service's last year. During that year the Service continued to provide its normal range of services while engaging in the DPI-wide process of change and development.

Program Structure

During 1994-95, the DPI Forest Service was a business group within DPI that was responsible for the multiple-use management of Queensland's State Forests and Timber Reserves on a sustainable basis. To this end, a wide range of services were provided within the following programs and subprograms:

Program	Subprogram
Forest Production	Plantation Production Native Forests Quarries
Natural Resource Management	Forest Assessment & Protection Integrated Catchment Management
Community Services	Natural Resource Recreation Education Information & Advice
Product Development	Product Quality & Market Assurance

Industry Services

Forestry & Timber

The Need for Change

The DPI Forest Service has historically been responsible for managing commercial forest production activities on State Forests, Timber Reserves and other Crown lands.

At the same time the DPI Forest Service has managed a range of other government functions, including administering the Forestry Act and other Acts; establishing and monitoring environmental standards for forest management; protecting and managing the forest estate; and providing a range of community services such as recreation opportunities and consumer protection.

Although the DPI Forest Service has continued to provide all of these services to a high standard, it has become increasingly apparent over recent years that separation of commercial functions from other functions of Government is necessary so as to provide appropriate checks and balances in the public interest.

Separate control of commercial and noncommercial functions will help ensure that commercial operations are efficiently pursued subject to independently prescribed and audited environmental and other standards necessary to protect community interests.

Such changes promise much greater accountability and transparency of decision making and are the logical outcome of a range of Government policy commitments in recent years, including the National Forest Policy Statement, the National Competition Policy and the corporatisation/commercialisation agenda.

The Process of Change

Concerted action to implement forestry restructuring commenced in September 1993 when Cabinet approved nomination of the Forest Service as a corporatisation candidate under the Government Owned Enterprises Act.

Subsequently, in July 1994 Cabinet approved that the structure and functions of the proposed Forestry Corporation were to include rights to manage and market forest products in specified areas of Crown native forests as well as commercial responsibility for plantations and quarries on State-owned lands.

However, in response to community concerns regarding corporatisation of the Forest Service as a separate entity, the Government subsequently decided in favour of commercialisation within DPI.

This policy was formalised in May 1995, when the Government released a Forest Directions Statement which outlined its goal for an ecologically sustainable and secure forest industry based increasingly on plantations. One of the policy commitments in this statement was the commercialisation of production forestry activities from 1 July 1995.

Karen Hendry, Budget Accountant

The statement also announced that the DPI Forest Service functions of natural resource planning, policy, monitoring and regulation would be placed in the newly formed DPI Resource Management.

The DPI pursued a wide range of actions during 1994-95 to enable the Government's structural reform agenda in forestry to be implemented, including

- ongoing consultation with clients and other stakeholders
- identification and separation of commercial functions from policy, regulatory and other noncommercial activities
- transitional restructuring of the Forest Service into the new business groupings from 1 January 1995
- the development of a commercial charter for DPI Forestry and the resolution of a supporting range of commercial initiatives including asset valuation, establishment of a commercial capital structure, performance monitoring and accrual accounting.

The Commercialisation Charter

Commercial objective

Under the draft commercialisation charter developed during 1994-95, DPI Forestry's key objective will be to maximise the market value of its assets. In order to achieve this, it will need to earn a commercial rate of return on all projects undertaken. It will also be required to pay an annual dividend to Government on the basis of profit performance and other relevant financial criteria.

To ensure competitive neutrality with private sector business operations, DPI Forestry will in general terms be subject to the same suite of state and local government taxes and charges as any other business.

Core Business of DPI Forestry

The charter details the split of Forest Service functions between the commercially focussed DPI Forestry and other areas of DPI. The core business of DPI Forestry includes

- establishment, commercial management and marketing activity associated with Crown plantations
- the commercial management and marketing of products from native forests
- the commercial management and marketing of quarry materials on Crown lands, identified freehold lands and non-tidal boundary watercourses
- nurseries associated with commercial activities
- commercial forest and timber research, and
- joint ventures as appropriate.

Functions relocated to other DPI business groups include

- regulatory functions
- policy development, and
- other non-commercial activities, for example, forest recreation, consumer protection.

Control of the Forest Estate

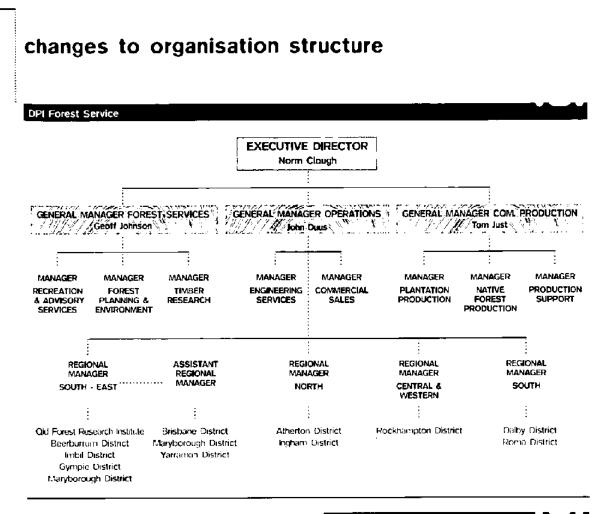
Under the charter, all land comprising both plantation and native forest estates will be retained in Crown ownership through DPI Resource Management or the Department of Lands, according to the particular tenure.

The Resource Management business group will regulate access to lands controlled by the Department of Primary Industries. DPI Forestry will be granted powers to exclude the public from these lands where necessary for commercial reasons, asset protection or public safety.

DPI Resource Management will also be responsible for setting, and auditing compliance with, environmental standards for all DPI Forestry's business activities. These standards will be based on the principles of ecologically sustainable development. Compliance with these standards will be included as conditions of sale agreements between DPI Forestry and its clients.

Community service obligations

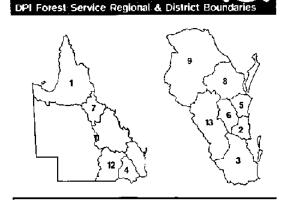
Where DPI Forestry undertakes community service obligations (CSOs) on behalf of the Government (such as providing price concessions on quarry materials), the charter provides that the costs of service provision will be estimated on an avoidable cost basis and directly funded from the Consolidated Fund to the maximum extent possible. The Department will monitor performance of any CSO agreements or service delivery functions that it contracts DPI Forestry to undertake. the changing face of forestry in queensland



In 1994-95 the DPI Forest Service comprised the following three divisions at central office level:

- Division of Commercial Production responsible for planning and performance in the commercial Forest Production Program;
- Division of Forest Services responsible for planning and performance in the four noncommercial programs;
- Division of Operations responsible for commercial sales and operational activities requiring coordination at a central level.

Field services were delivered by regional staff in 12 Districts throughout the State. Each district was controlled by a District Manager reporting to a Regional Manager who was part of the management team in the corresponding DPI region.



North Region Districts Atherton (1)

Ingham (7)

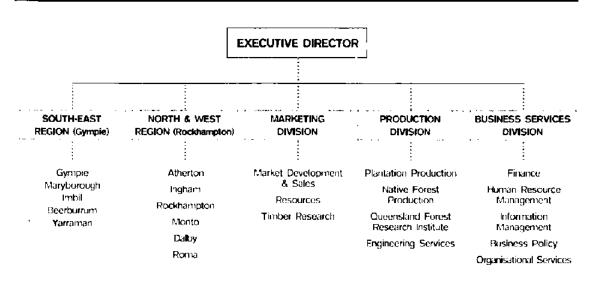
Central & West Region Districts Rockhampton (11)

South Region Districts Roma (12) Dalby (4)

South-East Region Districts

Beerburrum (2) Brisbane (3) Gympie (5) Imbil (6) Maryborough (8) Monto (9) Yarraman (13)

DPI Forestry (commences from 1 July 1995)

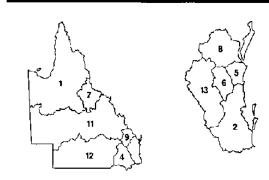


The new DPI Forestry will consist of three central office divisions:

- Production Division responsible for developing production plans and policies and undertaking related forest research;
- Marketing Division responsible for the resource assessment, marketing and sales functions and undertaking timber research:
- Business Services Division responsible for developing appropriate business support policies and practices in the areas of Finance, Human Resource Management, Information Technology and other necessary organisational services.

Regional operations will be managed through 11 commercially focussed District Offices under the control of District Managers who will report to one of two Regional Managers. These Regional Managers will be based at Gympie for South-East Region and Rockhampton for North & West Region and will be separate from DPI Regional management structures. They will report directly to the Executive Director (Forestry) who in turn will be accountable to the Director-General of DPI.

OPI Forestry Regional & District Boundaries



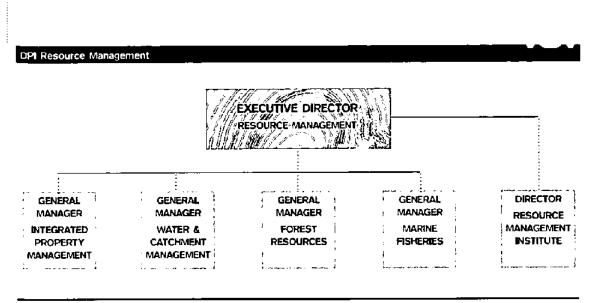
North & West Region Districts

Atherton (1) Ingham (7) Rockhampton (11) Roma (12) Dalby (4) Monto (9)

South-East Region Districts

Beerburrum (2) Gympie (5) Imbil (6) Maryborough (8) Yarraman (13)

the changing face of forestry in queensland



changes to organisation structure

On 1 July 1995 the DPI Resource Management group was also formed and a new Resource Management Institute established at Indooroopilly. This institute is to become an integrated and professional centre of specialist services.

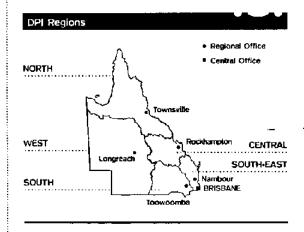
The custodial, resource and regulatory components of the Forest Service and Water Resources groups have been combined with the Land Use and Fisheries Group to form the new Resource Management group.

The prime role of DPI Resource Management group will be to ensure that the development, harvesting and use of natural resources in Queensland is sustainable.

Key outcomes for which the group will be accountable are the sustainability of resource use, resource quality, promoting community acceptance of responsibility and ensuring that the community has access to natural resources. The central office of the Resource Management group comprises four divisions, namely

- Integrated Property Management
- Forest Resources
- Marine Fisheries, and
- Water and Catchment Management.

Regional delivery of services will be through integrated activities such as Integrated Catchment Management and Property Management Planning.



Both DPI Resource Management and Rural and Resource Development fit within the DPI Regional Structure.

DPI Rural and Resource Development



The development planning components of the DPI Forest Service and Water Resources groups have been combined and enhanced in the Rural and Resource Development Group.

The Rural and Resource Development group was established on an interim basis from 3 April 1995. From 1 July 1995, the group has been extending statewide into the DPI regions.

The new group comprises two divisions:

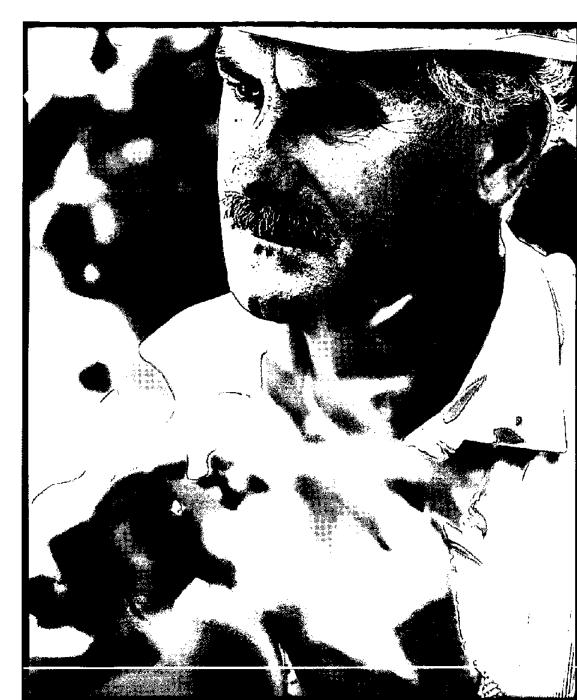
- Rural Development, and
- Resource Infrastructure.

The Rural Development division will focus on resource development strategies, resource planning, and regional and rural adjustment initiatives. The Resource Infrastructure division will largely be concerned with forest and water utilities, dam safety, water use and infrastructure management practices. Rural and Resource Development Group will

- · identify development opportunities, and
- promote community/regionally based development projects.

The specific roles of the new group will be to

- manage forest, water and land use policy and planning for industry development
- coordinate rural adjustment policy and planning
- facilitate the implementation of community initiated rural initiatives
- provide a resource utilities and infrastructure overview role for the Government
- provide direction and advice to Local Governments on urban water service issues, and
- ensure the safety of large dams.



On 16 May 1995, the Government released a Queensland Forest Directions Statement outlining its key long-term commitments concerning forest management in Queensland. These comptise commitments to:

- an ecologically sustainable and secure forest industry based increasingly on value adding plantation activity involving
- doubling of native species plantations to 90 000 ha by 2020 to reduce pressure on native forests
- removal of certain impediments to private plantation forestry
- native species plantation, and value adding research and development
- inclusion of State native forests with high conservation values within the protected area estate, consistent with the principles of comprehensiveness, adequacy and representativeness
- ecologically sustainable use of other native forests for a variety of purposes including wood production, recreation and tourism
- contractually binding wood supply agreements between the Government and industry, based increasingly on timber from the expanding softwood and native species plantation estate
- restructuring of the DPI Forest Service to separate the commercial functions from the regulatory functions, and
- establishment of a Forestry Policy Council of industry, conservation and Government representatives to facilitate and provide advice to Government on key forest issues.

The Statement also pledged Government funding of \$34.524m over five years to a range of supporting initiatives:

An Enhanced Management of Forests Program

- \$4.8m will be provided to develop codes of practice and other mechanisms to ensure ecologically sustainable forest management;
- A Native Species Plantation Program

\$17.275m will be spent as a first step towards doubling the native species plantation estate by 2020;

• A Youth Conservation Corps Forest Program

\$6m will be spent to mobilise youth and other trainces to plant and restore native forests;

• A Native Species Plantations and Value Adding Research and Development Program

\$6.449m will be spent on research and development to ensure premium returns from high quality hardwoods and native species.

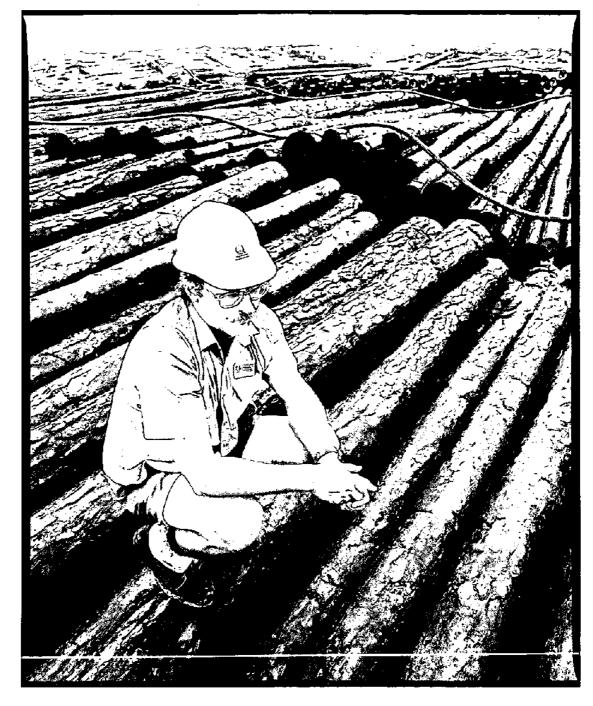
These policies and initiatives, underpinned by the five-year funding package, are a major step in achieving a secure future for Queensland's forest industries while meeting community concerns for ecologically sustainable development.

will double by 2020.









Over the past year the DPI Forest Service has experienced its worst fire seasons on record and on 5 November 1994 a wildfire, the size of which had never been experienced in Forestry's history, raged out of control in the Beerburrum State Forest plantations in the state's south east.

This emergency was compounded by fires also attacking Crown forests in almost every other district from Atherton to Yarraman.

For almost a week every able-bodied person was recruited to fight the fire. Around 3500 ha of exotic pine was burnt leaving up to 600 000 m³ of scorched timber on the forest floor. The fire was an unexpected disaster and followed a previous wildfire which in September burnt out 1200 ha of plantation, also at Beerburrum. Damage was estimated at around \$35m.

The salvage operation that followed these fires then became a race against time.

Although it was possible to sell 240 C00 m³ to local and interstate markets an additional 385 000 m³ had to be stored for up to five years to meet existing log supply contracts.

Borrowing from the South Australian experience after the Ash Wednesday bushfires, a wet storage facility was built in record time with the cooperation of five different government agencies.

The storage site off the Donnybrook Road is in a closed catchment which was dammed to contain run-off and allow recycling of water pumped from surrounding saltwater creeks. This is a revolutionary process in itself as previous wet storage facilities had only ever utilised freshwater.

The damaged timber was harvested as quickly as possible and logs brought to the storage site 16 hours a day, seven days a week. They were placed in five-metre-high stacks and continuously sprayed with water to prevent drying out and degrading through fungal attack. As well as maximising the recovery of damaged timber a rapid replanting program was necessary to minimise loss of production. With some 30% of the Beerburrum plantation lost, DPI Forest Service faced a significant impact on overall production capacity.

Re-establishment of the burnt areas as quickly and efficiently as possible, with minimum impact on the environment, is an important priority for the organisation.

Beerburrum was not the only district that sustained significant fire-damage last summer. In south-east Queensland, Imbil lost 24.6 ha of hoop pine and close to 2000 ha of native forest were burnt at Mothar Mountain and Curra.

In Yarraman district 1000 ha of native forest were burnt at Grongah and Marodian, plus there was fire damage to another 1000 ha at Squirrel Creek. Elsewhere in the state, a small staff at Monto battled six separate fires to protect native forest throughout more than 500 ha.

At Rockhampton fires threatened the Byfield plantations and blazed through Krombit Tops at Mia Mia and Bong Bong. West of Mackay, 11 500 ha of native forest was burnt.

The firefighting and subsequent salvage efforts were a massive operation without precedent for DPI Forest Service. The contributions of staff at all levels in all disticts and divisions ensured that the organisation has been able to emerge successfully from these unfortunate events.

checking the salvage site's 1500 sprinklers,





This program manages and markets the timber, quarry materials and other forest products from State Forests, Timber Reserves and a range of other Crown lands. Approximately 4 million ha of reserved native forest and 178 000 ha of plantations are managed on a sustainable basis. These resources contribute two-thirds of Queensland's wood requirements.

During 1994-95, very sound commercial results were once again recorded in the Forest Production Program. Operating revenue for the Program increased 21% on the 1993-94 figure to \$77.2m. However, overall results were affected by the extraordinary outlay of \$11.2m for salvage operations following the Beerburrum wildfires. As a result, the program recorded an operating surplus of \$5.8m, a reduction of \$6m on the 1993-94 figure.

plantation production subprogram

Description

The management of State Forest plantations for commercial timber production is conducted through the Plantation Production Subprogram. The plantation estate now covers 178 C00 ha with major plantings in south-east, central and north Queensland.

Performance

Subprogram Goal 1

To produce plantation-based forest products for the continuing benefit of the community.

Outcomes

The total volume of timber harvested from State Forest plantations during 1994-95 was a record 1 410 000 m³, an increase of 20% on the 1993-94 figure. The volume of plantation sawlog timber harvested increased 10% to 1 070 000 m³. However, severe wildfires at Beerburrum in 1994 resulted in logs worth more than \$35m being salvaged, with 240 000 m³ sold direct to mills and 385 000 m³ stored in a specially built, irrigated log storage near Donnybrook. Logs in storage will be progressively sold over the next four years.

To help ensure the future supply of forest products, 3572 ha of Crown softwood plantations were planted in 1994-95. This area includes an initial replant of 490 ha as a result of the Beerburrum wildfires. Remaining areas lost to the wildfires will be replanted over coming years.

To evaluate the commercial potential of hardwood plantations using improved silvicultural practices, 27 ha of poor quality plantation at Pomona were harvested and replanted with cucalypts.

Cost-benefit analysis has shown that the widespread introduction of clonal forestry into the exotic pine plantation estate will be highly profitable. Expected benefits include improved log quality, higher growth rates, greater product uniformity and an accelerated path to productivity improvements throughout the industry. Toolara nursery was expanded in 1994-95 to cater for hedge and clonal multiplication areas. The first small-scale plantings of clonal forestry began in 1995, and the operational testing and multiplication of clones was underway using advanced systems developed by the Queensland Forest Research Institute. Clonal forestry is expected to be fully implemented by the year 2002, based on an annual exotic pine planting program of 3000 ha.

Research into plantation forestry productivity and sustainability continued including the following research projects:

- a nested catchment study of soil and hydrology impacts of coastal lowland pine plantation management practices;
- a test monitoring program to study the movement of residual herbicides from hoop pine plantations;
- a study of nutrient cycling and productivity maintenance in hoop pine plantations; and
- a development study of techniques for residue retention for site preparation in coastal pine plantarions.

harvesting Caribaca at Tuan.



A Sumitomo Feller Processor

plantation production subprogram

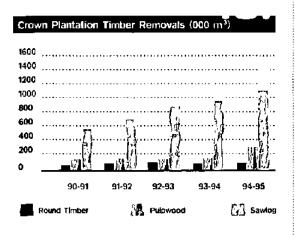
Subprogram Goal 2

To maximise the long-run economic rate of return to Government from Crown plantation activity.

Outcomes

Plantation timber sales revenue in 1994-95 was \$59m, an increase of 28% over the 1993-94 figure. This was largely due to an increase in removals of exotic pine final crop and to a major increase in pulpwood removals. These removals are associated with the start of a softwood woodchip export operation by Canterwood Pty Ltd, based on a backlog of surplus plantation thinnings in the Gympie/Maryborough region. About 1 700 000 m³ of plantation thinnings will be harvested over a 10year period in this operation.

Laminex Industries announced plans to spend \$100m expanding their medium-density fibreboard plant at Toolara near Gympie. Laminex's existing facility produces reconstituted board products from State Forest plantation thinnings and a lesser quantity of sawmill residue. The expansion involves installing a second production line to process additional volumes of plantation pulpwood. Most of the medinm-density fibreboard produced will be exported to Asia.



Substantial expansion of timber industry facilities producing high value finished products is expected following the sale of 425 000 m³ of mature hoop pine from Crown plantations in the Mary and Brisbane valleys.

In line with the Department's Softwood Marketing Plan, the sale of 1 530 000 m³ of plantation timber from State Forests in central and north Queensland was advertised in Australia, New Zealand, South East Asia and Japan. When finalised, the sale is expected to generate more than \$60m in timber royalties over a 10-year period and lead to the establishment of major wood processing facilities.

Subprogram Goal 3

To establish and manage plantations on State Forests in accordance with national and State guidelines and codes of practice for ecologically sustainable use.

Outcomes

In accordance with the State Government's commitment to the National Forest Policy Statements, and in line with a recently released statement of national principles related to plantation wood production, the Department significantly progressed codes of practice for its plantation timber production activities. Draft codes complying with national standards were prepared in readiness for public comment. As part of the consultation process, a series of meetings was foreshadowed with major stakeholders to address significant issues raised during public comment. The release of published, nationally accredited codes will follow the public consultation phase.

native forests subprogram

Description

The 4 000 000 ha of reserved native forests and the extensive forests on Crown leasehold land are the core resources of the Native Forest Subprogram. The Forest Service manages these forests on a balanced and sustainable basis to provide resources for regionally dispersed industries such as wood processors, honey producers and the grazing industry as well as to provide a diversity of community benefits such as clean water, flora and fauna conservation and the protection of special features of historical, cultural, scientific or aesthetic importance.

Timber sales on other Crown land were included in the subprogram following a review and discontinuation of the 1993-94 subprogram, Other Resource Sales.

Performance

Subprogram Goal 1

To ensure that all wood production operations in reserved native forests are conducted in accordance with national and State guidelines and codes of practice for ecologically sustainable use.

Outcomes

Under the Government's Greater Planning Certainty (GPC) policy, a series of scientifically rigorous and comprehensive regional assessments (CRA) of Queensland's native forests are proposed to allow the allocation of State owned forests to various uses. Work started on the first round of assessments in early 1995. An initial milestone will be developing and implementing interim management arrangements to protect certain conservation values until CRA recommendations on any extension to the conservation estate are made. Substantial progress was made in developing interim management arrangements. Detailed management and conservation plans will also be developed in accordance with timetables under the GPC process.

In accordance with the State Government's commitment to the National Forest Policy Statement, the Department significantly progressed codes of practice for its native forest timber production activities. Draft codes complying with national standards were prepared in readiness for public comment. These were circulated to a small reference group for initial comment prior to full public consultation in 1995-96.

Logging of Crown rainforests in Queensland ceased in September 1994 with the finalisation of logging in the Mackay-Proserpine region. This was achieved with a direct loss of only two timber industry jobs, as a result of Government-supported industry restructuring and the release of previously uncommitted Crown plantation resources.

The total volume of timber harvested from Crown native forests was 476 000 m³, an increase of 10% on the 1993-94 figure. In line with targeted reductions identified in the Department's Corporate Plan, annual native forest sawlog harvesting allocations for 1994-95 fell to 305 932 m³, 3691 m³ less than the 1993-94 figure.

All major recommendations of an external consultant's report entitled *Review of Sustained Yield Management Data for Native Forests* have been implemented or were scheduled as part of a program of ongoing forest inventory and assessment.

with his dog Stumpy at day's end.



native forests subprogram

Among other things, the program provides for establishing 40 new growth measurement plots throughout the State's native forest areas each year, with a total of 200 new plots to be established. These are in addition to the 300 existing plots statewide.

Research into native forest sustainability continued and included

- a long-term paired catchment study of the ecological sustainability of forest management practices in native forests
- fauna studies in major timber producing forest types aimed at making practical recommendations on fauna conservation, and
- specific studies addressing issues of regeneration of forest plant communities, forest health, and fire ecology.

Subprogram Goal 2

To earn a commercial rate of return from wood production activity in native forests.

Outcomes

The 1994-95 revenue and expenditure figures for the Native Forest Subprogram are as follows:

Total Revenue	\$11 861 000
Total Expenditure	\$13 742 000

The overall revenue/expenditure ratio was 86%.

Codes of Practice for native forest timber

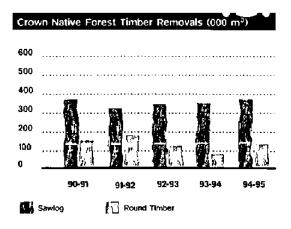


Both revenue and expenditure figures include receipts and outlays on behalf of TRADAC.

The expenditure figure also includes extraordinary outlays for industry restructuring associated with cessation of rainforest logging in the Mackay-Proserpine region plus a range of other noncommercial outlays which cannot be accurately separated under the Department's program-based accounting system. These include spending on regulatory and custodial functions, overall estate management and certain fire protection and roading costs across the native forest estate.

The formation of a new commercial entity, DPI Forestry, from 1 July 1995 has required the strict separation of commercial and non-commercial functions and the development and implementation of accrual accounting systems. This will enable DPI Forestry's performance to be reported on a full commercial basis in future years.

Revenue derived from the sale of native forest timber increased by 2% over the previous year's figure to \$10.4m. Other revenue included receipts from freeholding, grazing, land rental and provision of other services.



quarries subprogram

Description

The marketing of quarry materials located in State Forests and Timber Reserves, and on other Crown land (mostly pastoral leases) and private lands freeholded since 1991 is carried out under the Quarries Subprogram.

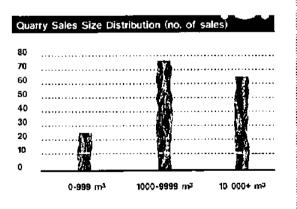
The 1993-94 subprogram Other Resource Sales was abolished with the Quarries component forming a new subprogram and the timber sales component on other Crown land included in the Native Forests Subprogram.

DPI Forest Service provides around 8% of Queensland's total quarry material supplies and, in some remote regions, it is the principal source for local government and private industry development.

Performance

Subprogram Goal 1

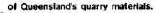
To ensure that all quarry operations are conducted in accordance with State environmental guidelines and codes of practice.



Outcomes

Under DPI Forest Service policy, detailed quarry working plans aimed at best practice environmental management and safe working practices are required for each new removal site. DPI Forest Service also encourages existing quarries to develop working plans. During 1994-95, all major quarries on State Forests were operating under approved working plans, and 48% of all sales j were covered by such plans. The development of working plans for existing minor quarries continued during the year.

Progress was achieved in developing codes of practice for a range of forest uses as part of the State Government's commitment to the National Forest Policy Statement. Preparation of codes of practice for extractive industries (quarries) and certain other activities is proposed once current action on plantation and native forest codes are finalised.





forest production program

quarries subprogram

During the year the DPI Forest Service made a significant contribution to a Government review of the planning and administration of extractive resources in Queensland. Cabinet subsequently approved new administrative arrangements submitted by the Minister for Minerals and Energy based on the Integrated Development and Approval System.

Subprogram Goal 2

To maximise financial returns to the State from quarrying operations within existing policy guidelines for public and private sector sales.

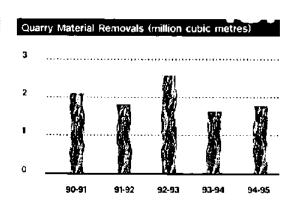
Outcomes

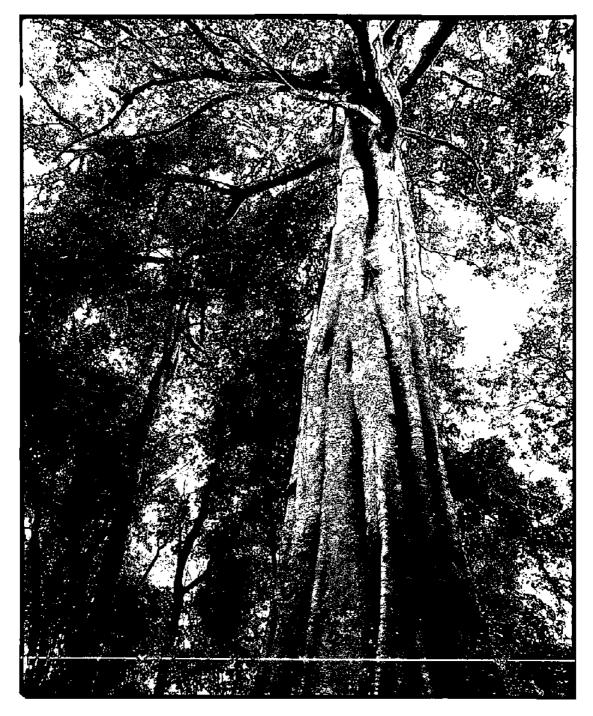
Quarry sales revenue increased 24% on the 1993-94 figure to \$2.44m. Corresponding subprogram expenditure was \$717 000 and the revenue/expenditure ratio was 3.4.

Statewide quarry removals increased 7% over the previous year to 1 700 000 m^3 .

Last year, over 350 000 m³ of material from Beerburrum's







The Community Services Program recognises the need for nature-based recreation opportunities on State-owned lands and waters managed by the DPI. It incorporates services that provide safe recreational opportunities, information and advice on primary production issues and educational material for tertiary institutions.

From I July 1995, this program will be managed by DPI Resource Management, although strong ties will remain with DPI Forestry.

natural resource recreation subprogram

Description

Under this subprogram the DPI Forest Service draws on existing forestry infrastructure and multiple-use management principles to provide a diverse range of recreational opportunities.

Recreational use of State Forests has steadily increased since the early 1970s, but it must be carefully managed to protect the environment, provide for visitor safety, maintain the quality of recreational experiences and ensure compatibility with other State Forest values and uses.

Performance

Subprogram Goal

To ensure recreational opportunities provided are safe, sustainable and attuned to community needs.

Outcomes

Ecotourism is the fastest growing sector of the Queensland tourism industry. The Department provides and maintains ecotourism facilities throughout the State. To ensure that growth is sustainable and all opportunities are highlighted, departmental officers assisted the Department of Sport, Tourism and Racing to develop an ecotourism strategy for Queensland. A draft of this strategy was released for comment with public submissions closing in November 1995. A DPI strategy will be prepared after the State strategy is completed.

There has been increasing community concern about the sustainability of tourism and recreational activities. Programs for effectively measuring, monitoring and managing acceptable use and carrying capacities are required. The DPI Forest Service began work to establish baseline studies and environmental and social standards to address this issue. The Sound Practice Indicator for Visitor Management on State Forests – Policy and Guidelines was developed to enable all aspects of recreation management to be assessed and allow the DPI Forest Service to respond to risk sooner than is possible using risk management plans. The methodology outlined in this indicator is being used on State Forests in all departmental regions.

Under the Forestry Act, members of the public are required to obtain permits to pass through a State Forest or Timber Reserve using a vehicle, horse or bicycle. A public policy on traversing was released to formalise the management and issue of these permits. A policy was also developed to ensure that the use of State Forests for abseiling and military purposes is sustainably managed. Both policies were released after consultation with all interested parties.

Draft management plans for Numinbah and Nerang State Forests were released for public comment. Finalised plans will be implemented after community consultation and involvement in the recreational planning process.

artist Samantha O'Brien surveys the view.



Taking advantage of the photographic opportunities in State Forests

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natural resource recreation subprogram

Other recreational management plans and policies that were initiated or in progress include

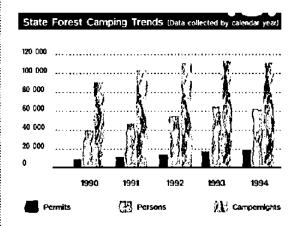
- Whitsunday Mainland Open Space Plan
- Kenilworth-Conondale Range Recreation Management Plan
- Boondooma, Moogerah and Atkinson Dam Management Plans
- Waruma Dam Management Plan (released for public comment)
- Mt Mee State Forest Development Plan
- draft Lake Tinaroo and Danbulla State Forest Management Plan.

The Regional Open Space System (ROSS), a government initiative from the SEQ 2001 project, is aimed at securing and protecting open-space qualities such as scenic amenities, recreation, natural and cultural conservation and water catchment in south-east Queensland. \$175 000 was provided by the ROSS committee to undertake several projects aimed at

- integrating ROSS in Property Management Flans in the Lockyer Valley
- participating in sub-regional structural planning
- developing economic and recreation value criteria for lands to be included in ROSS
- contributing to the Recreation and Development and Maintenance Technical Advisory Groups
- assessing land to be included in ROSS for its forestry, water production, agricultural, tourism, and recreation values
- supplying information to the ROSS Committee and coordinating ROSS related DPI projects.

The construction of interpretive boardwalks, signs and other recreational facilities in State Forests continued in 1994-95. Work completed included

- redevelopment of the Upper Stoney camping area
- preparation of plans for the Broadwater facilities (with construction to follow)
- relocation and upgrading of the Mt Mee office
- upgrading of Mt Cooroora walking trail with steel steps
- construction of a new function room at Brisbane Forest Park headquarters
- construction and official opening of the Fig Tree Walk in Kenilworth State Forest (a joint project with the Youth Conservation Corps --Department of Environment and Heritage).



The Wet Tropics Management Authority continued its support for recreational facility maintenance in north Queensland by providing \$1.45m in funding. Interpretive signs were developed and installed at

- Gilles Range hang-gliding site
- Giant Red Cedar Tree Walk
- Kauri to Downfall Creek walk
- Lake Euramoo.

education, information & advice subprogram

Description

The DPI Forest Service made a major contribution to this subprogram by

- providing information to increase the public's awareness of the values and benefits of wellmanaged forests
- providing information and assistance to the community to encourage the effective use of trees on farms
- providing an urban-based advisory service for pest and disease control on trees and shrubs
- supplying a range of educational materials for use by teachers in the school curriculum.

Performance

Subprogram Goal 1

To increase community awareness, understanding and appreciation of the fisheries, water, forest and agricultural industries and the contributions these make.

Outcomes

The DPI Forest Service again initiated and coordinated the largest forest-based environmental education event staged in Australia. This event was held on 21 March 1995, World Forestry Day, and involved almost 800 upper primary and secondary students. As part of the activities, the DPI Forest Service trialled a suite of structured learning activities on forest-management issues. Teachers involved expressed their appreciation of the objectives and content of the activities presented to their classes. A number of the forest-based educational activities have been further developed for use by schools during field trips to State Forests.

As a result of the reorganisation of DPI from 1 July 1995, World Forestry Day activities will be jointly managed by the Forestry and Resource Management business groups in the future.

A comprehensive map detailing recreation sites and activities in south-east Queensland was produced along with recreation brochures for Amamoor, Kenilworth, Imbil and Jimna State Forests and the Yarraman Forest Drive. As part of its duty of care to visitors on State Forests, the Forest Service produced Care and Safety in the Forest posters for distribution and display in prominent positions within recreation areas.

A joint DPI Forest Service and Department of Environment and Heritage educational training manual for staff and teachers, The Rainforest Discovery Kit, was produced and launched in mid 1995. Over 100 copies were sold prior to 30 June. This kit provides advice to school teachers on suitable venues for school excursions to learn about rainforests.

Mike Thomas and Caboolture State School students.



aking part in world Forestry Day

education, information & advice subprogram

Subprogram Goal 2

To increase community understanding of the importance of sound resource management practices, technology development and regulations to sustaining primary industry and maximising community benefits.

Outcomes

Interpretive signs to help the community understand the role of forest plantations in State Forests were developed. These signs, which give detailed information on particular plantation sites, were placed in all major plantations throughout Queensland.

A range of new facilities designed to increase community understanding of forest management in Queensland were constructed including

- a walking track, boardwalk and interpretive signs on aboriginal cultural sites at Bare Hill in North Queensland
- Jowarta State Forest rainforest interpretive walk
- upgrading of the Imbil Forest Drive with new information and shelters containing signs on plantation management

 a one kilometre fig tree interpretive walk at Kenilworth State Forest featuring boardwalks around giant fig trees with access for disabled visitors (a joint project with the Youth Conservation Corp – Department of Environment and Heritage).

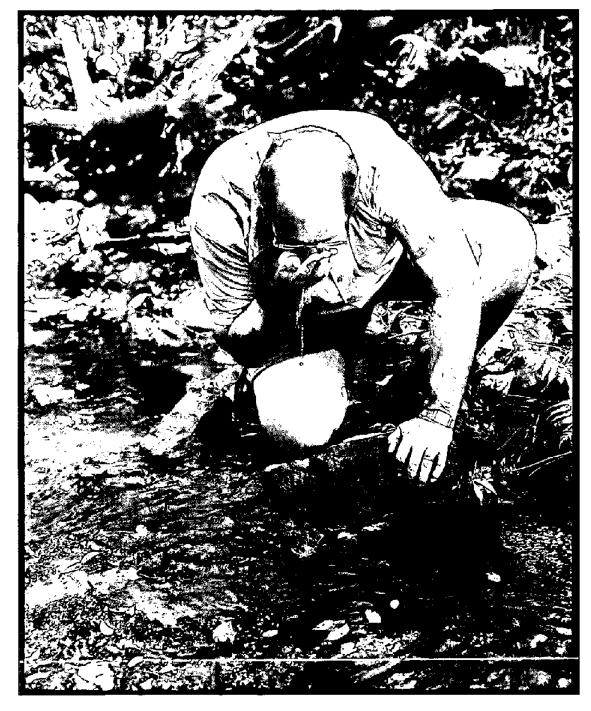
Surveys were conducted to assess community knowledge, perceptions and beliefs about forest management in Queensland. An Information Services Action Team was formed to develop more detailed methods of assessing customer satisfaction.

A review of forestry amenity nurseries (previously part of this subprogram) established that they should be run on commercial lines. From 1 July 1995, forestry amenity nurseries will become the responsibility of DPI Forestry and will be administered through the Forest Production Program.

Tom Hughson, Imbil forester, checks



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This program aims to protect the availability, productivity, quality, and equitable allocation of the State's forest, fish, bird and water resources and to minimise impact of production activities on other resources.

forest assessment & protection subprogram

Description

Under the Forest Assessment and Protection subprogram, the DPI Forest Service aims to achieve the protection and ecologically sustainable use of Queensland's public forest resources and the rehabilitation of degraded rural lands by appropriate tree plantings. It also aims to assess the forests of Queensland and allocate public land to its best use. In doing this, a high level of community involvement is encouraged; both in the resolution of land-use management issues and in 'grass roots' tree planting and maintenance activities. To provide a sound base for these initiatives, the DPI Forest Service places a heavy emphasis on the development and provision of high quality scientific and geographic information concerning the State's forest resources.

Performance

Subprogram Goal 1

To improve the quality and availability of information on the State's forest resources.

Outcomes

A three-year project to map landcover and dominant genus over 15 000 000 ha of the Darling River Basin (in the south of the State) was largely completed.

A project to map old growth forest and forested wilderness on approximately 3 000 000 ha of southcast Queensland over an 18-month period was commenced. A diversely skilled project team was assembled to implement operational mapping methods developed in consultation with the timber industry, conservation movement, Commonwealth Departments, and the Department of Environment and Heritage. Information about the nature, usage, and condition of forests in Queensland was compiled for the State's contribution to the National State of the Forests Report.

Links were established with State and Commonwealth agencies to facilitate the exchange of forest assessment information. Data collection and assessment projects to support regional planning and allocation of forest resources were identified. Negotiations occurred with three Commonwealth agencies for funding of additional forest assessment projects.

Subprogram Goal 2

To increase understanding of forest ecosystem processes and management systems for ecologically sustainable use.

Outcomes

The National Forest Policy required the development of a set of national baseline standards for forest management. Officers of the department helped develop these standards, which will be refined after consultation with interested parties and implemented through codes of practice during 1995-96.

Research projects conducted during the year on key wildlife species, forestry impacts on the environment and nature conservation in State forests further contributed to the body of knowledge on sustainable forest use.

along streams and gullies to prevent erosion.



forest assessment & protection subprogram

Subprogram Goal 3

To increase community and resource user responsibility for sustainably managing forest resources.

Outcomes

The Community Rainforest Reforestation Program established a total of 534 ha of demonstration plantations of commercial tropical timbers in North Queensland. The program was extended to the Mackay-Proserpine region where 120 ha of plantings were established on 32 individual properties. In the Townsville to Cooktown area, 350 ha were established on 118 individual properties. These plantings bring to 1261 ha the total area established under the program. A Commonwealth grant of \$450 000 was received to assist the project.

Subprogram Goal 4

To improve planning and decision-making on the allocation and management of the State's forest resource.

Outcomes

Comprehensive Regional Assessment of forest values is a key strategy under the National Forest Policy. Officers of the department, together with officers of other Queensland and Commonwealth Government agencies, commenced work on a scoping agreement for a joint assessment of forests in south-cast Queensland. This will lead to a Regional Forest Agreement between Queensland and the Commonwealth for the allocation and use of the forests of the region. Work also commenced on interim arrangements to protect conservation values while maintaining wood supply to industry pending completion of the assessment process in all major forested parts of the State. In accordance with the State Government's commitment to the National Forest Policy Statement, the Department made significant progress in developing codes of practice for its plantation and native forest timber production activities. Draft codes complying with national standards will be circulated for public comment.

The Queensland Forest Directions Statement was released by the Premier, Mr Wayne Goss. in May 1995. The statement attracted support from the timber industry and the conservation movement. It sets the policy framework for an ecologically sustainable and secure forest industry based increasingly in plantations, while restating the Queensland Government's commitment to establishing a comprehensive forest reserve system. The policy provides for the doubling of the native species plantation estate to 90 000 ha by 2020.

The DPI Forest Service played a major role in the development of drafting instructions for the proposed Natural Resource Management legislation. The forest planning processes and mechanisms developed are consistent with the Government's commitment to the principles of intergenerational equity, sustainable forest management and multiple use, as contained in the national strategy for Ecologically Sustainable Development and the National Forest Policy Statement.

Departmental policies on State Forest fossicking, native forest management and environmental impact assessment were updated during the year. Input was also provided into a range of Government initiatives including the Planning Environment Development Act, the Environment Protection Act and regional planning schemes such as SEQ 2001, Eastlink and FNQ 2010.

integrated catchment management subprogram

Description

This subprogram covers department-wide activities aimed at achieving the sustainable and balanced use of land, water and related biological resources in Queensland. Activities under the subprogram are guided by an integrated catchment management strategy which recognises that natural resources are interrelated and that river catchments are natural units for managing them. The DPI Forest Service's Treecare initiative makes a significant contribution to departmental and community-based efforts under the subprogram.

Performance

Subprogram Goals

To improve community understanding of the relationships and interactions between natural resources and the need to manage these resources in an integrated way to achieve their sustainable and balanced use.

To increase cooperation and coordination between Government agencies, community groups and individual resource users in the integrated planning and management of natural resources for sustainable use.

To increase community responsibility for planning the integrated management of land, water and related biological resources for their sustainable and balanced use.

To increase community ownership and responsibility for implementing sustainable land and water use and management policies and practices.

Outcomes

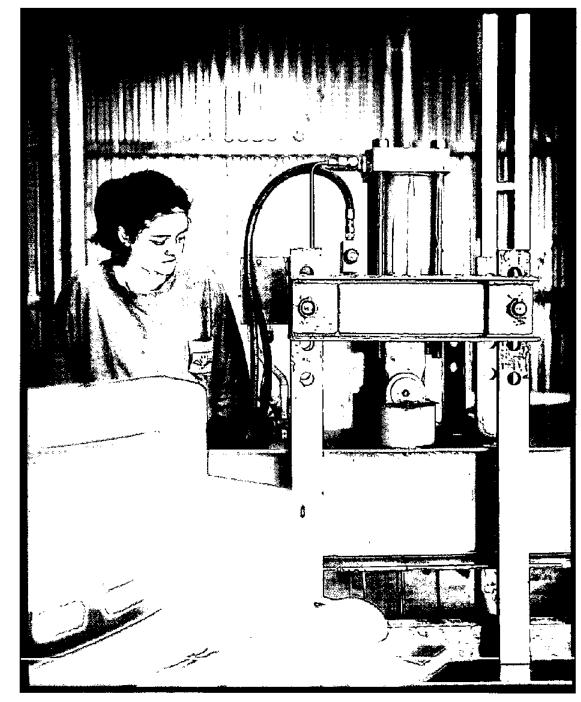
Over 20 Treecare field days and workshops were held with Landcare groups and other landholder groups around the State focussing on issues such as riparian management, native forest retention and management, and growing trees for sustainable agriculture.

Since 1990, the DPI Forest Service has been providing farmers with free trees and advice to help them enhance the production of their farms and repair degraded areas. During 1994-95 this initiative was replaced by three new schemes to provide more client-focussed tree-care extension aimed at helping groups working on projects of broad community benefit. The schemes are the School Tree Scheme; the Trees for Landcare Scheme; and the concessional rate Tree Assistance Scheme aimed at Landcare and other community groups, primary producers and hobby farmers.

The DPI Forest Sevice continued collecting data for TREEDAT, a database of tree growing information for Queensland, from sites throughout the State. Around 50 *Tree Notes* were released during 1994-95 to provide up-to-date information and advice relevant to landbolder needs.

A Learning through Landcare Kit, developed in conjunction with Greening Australia, the Education Department, school ground staff, Parents and Citizens' groups and other departmental staff was released in December 1994. The kit, a self-help planning tool for the schoolground environment, is proving very popular with over 300 sold already.





This program increases the competitiveness of Queensland agribusiness in domestic and international markets by assisting producers to identify profitable trade opportunities, enhance their business skills and capabilities, develop new products, add value to agricultural products, and ensure and maintain product quality.

The DPI Forest Service contributes to the program through the Product Quality and Market Assurance Subprogram.

product quality & market assurance subprogram

Description

The Product Quality and Market Assurance Subprogram provides cost-effective services to protect Queensland from the introduction and spread of unwanted pests and diseases and to maintain high consumer and market acceptance of the quality and safety of timber products.

Performance

Subprogram Goals

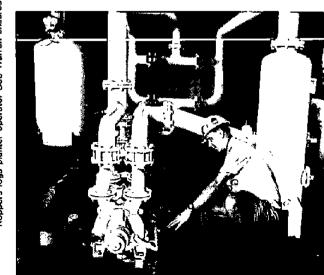
To facilitate the sale and use of timber products that conform to community and client requirements of safety and quality.

To protect Queensland's markets, consumers, primary industries and environment against the introduction and spread of unwanted pests and diseases.

Outcomes

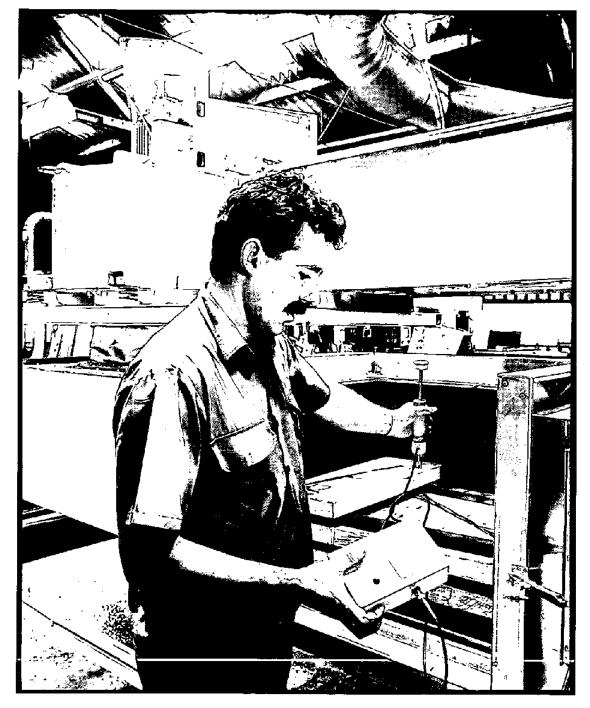
The Timber Utilisation and Matketing Act (1987) and the Diseases in Timber Act (1975) (DITA) are administered by the DPI Forest Service under this subprogram, and both were reviewed during the year as a part of the Government's process of reviewing all legislation impacting on the business sector. Approximately 250 copies of a discussion paper covering the two Acts were distributed to members of relevant industries, Government agencies, industry and consumer associations. Presentations were made to industry meetings and 27 written replies were received. All comments were considered for inclusion in Regulatory Impact Statements prepared for Government to assist in making appropriate amendments to the legislation. The Windsor State School and 22 houses were fumigated for West Indian drywood termites under the Diseases in Timber Act. A public awareness campaign to householders in Brisbane and Maryborough was conducted. However, the campaign identified only two new infestations, indicating that the program to control termites is meeting its objective.

a consistently high standard in CCA treated timber products.



Koppers logs planter operator Bob Warren ensures





This program increases the competitiveness and economic value of the production sector of Queensland's primary industries. It develops technologies that enable primary producers to better meet market requirements and lower their costs of production. It accelerates the introduction of improved technologies in production enterprises and enhances the decision-making skills of primary producers. It identifies and contains biological and chemical threats to the productivity and financial performance of primary production enterprises, facilitates market access for Queensland produce and enhances the sustainability of production systems.

forestry & timber subprogram

Description

Under this subprogram, the DPI Forest Service encourages the effective management of private forests and the establishment, maintenance and management of private forest plantations for commercial gain. The subprogram also provides timber research and advisory services to enhance the efficient manufacture and processing of forest products including sawn timber, panel products and round timbers.

Performance

Subprogram Goal 1

To encourage the development of private commercial forestry resources throughout the State.

Outcomes

The importance of obtaining regional estimates of land suitable for a private forestry industry in Queensland was recognised by its inclusion in the research and development initiative under the Queensland Government's Forest Directions Statement. Implementation of this initiative will start in 1995-96.

A policy options paper entitled *Tree Planting for Production and Natural Resource Management* was launched by the Minister for Primary Industries for public discussion and comment during the year. Seminars were also held throughout Queensland to facilitate this process. A report discussing public responses to the policy options paper was prepared for submission to Cabinet in July 1995.

Subprogram Goal 2

To provide an effective timber research and advisory service based on the requirements of the timber processing industries.

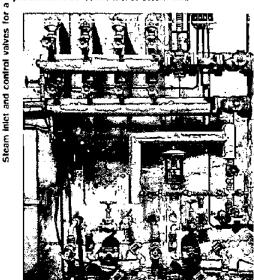
Outcomes

DPI Forest Service research has increased the recovery of usable spotted gum framing timbers by at least 10% through the use of drying temperatures higher than those previously used. These new seasoning schedules have been adopted by industry. Research to extend this new technology to furniture-grade material is underway. Drying schedules were also developed to season cypress pine for export to the American market.

Strength testing of various hardwood species in framing sizes was undertaken to establish the potential added value available from improved strength-grading systems. Early results have indicated that product strength is underestimated using current visual grading systems.

Research continued on developing cost-effective schedules for kiln drying wood of exotic pine after treatment with timber preservatives. The current emphasis is on the use of high temperatures for drying wood, especially heartwood, treated with a new copper-based preservative. The work highlighted the need for a better understanding of wood-water relationships during drying at high temperatures and was refined to reflect this.

production-size conventional steam kiln.



industry services program

forestry & timber subprogram

Tools for protecting transmission poles against ground-line decay are being evaluated. This research has used image-enhancing techniques to monitor the results. In another project, 2000 variously treated timber stakes from clients in Australia, New Zealand and the USA were installed during the year for ongoing performance monitoring in the DPI Forest Service's tropical exposure site outside funisfail.

Use of organochlorine chemicals for termite protection was withdrawn on environmental grounds at the end of June 1995 and considerable work has been done to develop and evaluate alternative termite protection systems. Two alternatives have shown potential and are being further developed.

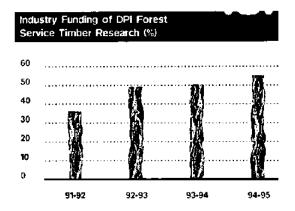
Three experimental bridge decks that use innovative stress laminated construction developed in the USA have been installed for performance evaluation under Queensland conditions. The Department of Transport and the Western Wood Products Association of America are also involved in the project.

Subprogram Goal 2

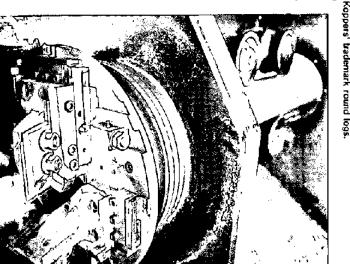
To apply the 'user pays' principle where the direct beneficiary of the service is identifiable and fee collection is cost effective.

Outcomes

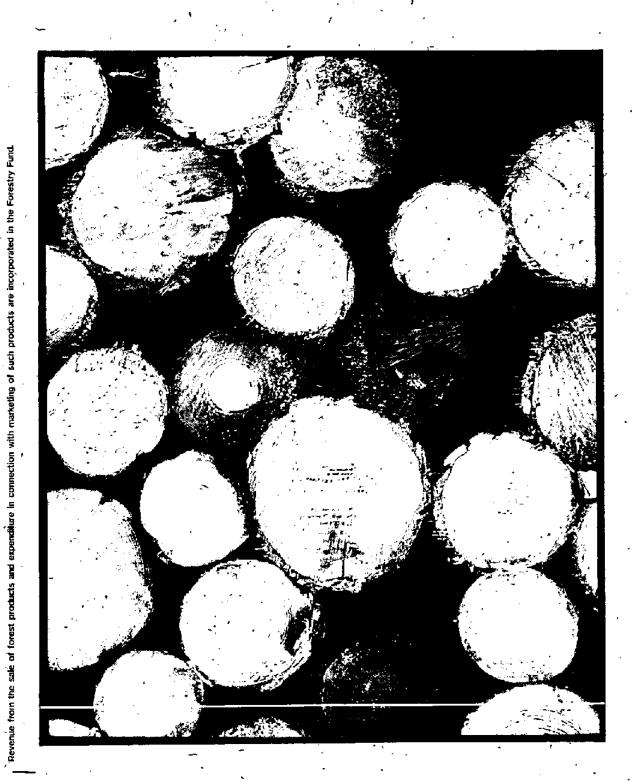
Industry funding for DPI Forest Service timber research services met 54.4% of expenditure. This exceeds the 50% target recommended by a Public Sector Management Commission review in 1991 and continues the positive trend of recent years.



Detail of machine for producing



financial appendices



financial appendix 1

Description of Funds

Forestry Funds

In accordance with the requirements of The Constitution Act 1867 and the Financial Administration & Audit Act 1977, financial transactions of the DPI Forest Service are recorded in the Forestry Fund. This fund incorporates functions of the DPI Forest Service, including management and development of State Forests, purchase and construction of assets and plant, revenue from the sale of forest products and expenditure in connection with the marketing of such products, interest and redemption on loans, maintenance of plant and all other service s expenditure and receipts. The Fund includes contributions from the Consolidated Fund.

Brisbane Forest Park Fund

This fund is established under the provisions of the Brisbane Forest Park Act 1977 to record transactions in connection with the planning, development and maintenance of the Brisbane Forest Park area for outdoor recreation compatible with the preservation of the Park's natural values. The Fund is financed by the provision of monies from the Consolidated Fund and self-generated funds to cover salaries, operating costs and for development works of a capital nature.

financial appendix 2

Basis of Accounts

Receipts and payments are brought to account on a cash basis; that is, receipts and payments are recorded on a basis of cash received and payments made in the financial year. Cash accounting is on a gross basis, and receipts and payments are not offset.

The DPI Forest Service is working towards the introduction of accrual accounting in the 1995-96 financial year.

Program Management

All transactions are recorded on a program basis.

Capital Expenditure

Under the cash basis of financial reporting, capital expenditure is treated as a charge in the year of payment.

Materiality

Explanatory notes are given on matters which, in the opinion of the Executive Director (DPI Forest Service), are of significance in the context of accountability, adequate disclosure and meaningful reporting.

Financial Statements

Financial Statements are prepared in terms of prescribed legislative requirements and are in accordance with Government accounting principles and practices.

financial appendix 3

Forestry Fund Statement of Receipts & Expenditure

2

	RECEIPT	S		EX	PENDITU	RE
Actual	Actual	Actual		Actual	Actual	Actua
1992-93	1993-94	1994-95	· · ·	1992-93	1993-94	1994-99
\$000	\$000	\$000	- -	- \$000	· \$000	\$000
12,892	15,095	17,746	BALANCE I JULY			·
			PROGRAM	,		
			NATURAL RESOURCE MANAGEMENT			
4,605	5,374	` 5,833	Transfer from Consolidated Fund - Recurrent Forest Assessment & Protection			•
480	1,352	2,065	Sub Program Activity	3,840	5,285	5 ,99 (
8	11	9	Integrated Catchment Management Sub Program Activity	1 2 405	. 1 730	1 6 5 /
5,093	6,737	7,907	TOTAL NATURAL RESOURCE MANAGEMENT	2,405 6, 245	· 1,739	1,554
51025	/	4,207		0,245	7,024	7,550
1.1/0		0.2.4	INDUSTRY SERVICES	· , •		
1,160	1,106 -	834	Transfer from Consolidated Fund - Recurrent			
634	525	595	Forestry & Timber Sub Program Activity	1.260	1 () 7	1.700
FCO	121	141	Integrated Production Systems	1,269	1,637	1,688
	-	-	Sub Program Activity	114		
1 ,79 4	1,631	1,429	TOTAL INDUSTRY SERVICES	1,383	1,637	1,681
		· ·	PRODUCT DEVELOPMENT & MARKETING			
245	1,249	5 54	Transfer from Consolidated Fund - Recurrent			
- ·	, -		Trade and Business			
			Sub Program Activity	· 66	-	
		•	Product Quality & Market Assurance			
	13	13	Sub Program Activity		. 1,087	530
245	1,262	567	TOTAL PRODUCT DEVELOPMENT & MARKETING	66	1,087	. 530
	_		COMMUNITY SERVICES			
6,540	5,847	4,193	Transfer from Consolidated Fund - Recurrent			
547	547	574	Transfer from Consolidated Fund - Capital			
	_		Natural Resource Recreation			
1,621	2,572	2,260	Sub Program Activity	6,594	6,519	5,867
		-	Education, Information & Advice			,
1,807	1,499	1,511	Sub Program Activity	4,099	3,439	3,518
			Consumer Protection			~ .
15			Sub Program Activity	542		•
10,530	10,465	8,538	TOTAL COMMUNITY SERVICES	11,235	9,958	9,385

continued next page

financial appendix 3 (cont.)

Forestry Fund Statement of Receipts & Expenditure

			BALANCE 30 JUNE	15,095	17,744	8,347	
9 9,277	108,409	120,665	TOTAL PROGRAMS	97,074	105,760	130,064	-
81,615	<u></u> <u></u>	102,224	TOTAL FOREST PRODUCTION	78,145	86,054	110,911	
5,40 1	4,613	2,437	Sub Program Activity	2,537	2,653	, 7 17	•
			Quarries				
8,213	11,035	11,861	Sub Program Activity	9,389	10,489	13,742	
		-	Native Forests	° ~			
48,648	57,029	72,294	Sub Program Activity	66,219	72,912	96,452	
			Plantation Production		•		
15,632	15,632	15,632	Transfer from Consolidated Fund - Recurre	ent (I&R)			-
1,98 2		•	Transfer from Consolidated Fund - Capital	Repayable	•	r .	
1,739			Transfer from Consolidated Fund - Recurre	ent .			
			Forest Production		•	•	

Note: In 1993-94, an Other Resource Sales Subprogram existed for timber sales on other Crown land and quarry operations. In 1994-95, all timber sales were included in the Native Forests Subprogram and a Quarries Subprogram was created.

financial appendix 4

Brisbane Forest Park Fund Statement of Receipts & Expenditure

	RECEIPTS			· EX	PENDITU	RE
Actual 992-93 \$000	Actual - 1993-94` \$000	Actual 1994-95 \$000		Acrual 1992-93 \$000	Actual 1993-94 \$000	Actual 1994-95 \$000
552	414.	268	BALANCE I JULY	-		~
			PROGRAM			
			Community Services			
930	761	773	Transfer from Consolidated Fund - Recurrent			•
646	6 15	677	Transfer from Consolidated Fund - Capital			
<i>,</i> •			Natural Resource Recreation			
319	242	253	Sub Program Activity	2,033	1,736	1,888
			Education, Information & Advice			•
	、•		Sub Program Activity		59	8
1,895	1,649	1,703	TOTAL COMMUNITY SERVICES	2,033	1,795	1,96
1 ,895	1,649	1,703	TOTAL PROGRAMS	2,033	1,795	1,96
		<u>.</u>	BALANCE 30 JUNE	414	268	

financial appendix 5

Statement of Loan Indebtedness as at 30 June 1995-

		•				
Source of Finance and Servicing Fund	1995 \$000	1994 \$000	1993 \$000	1992 \$000	1991 \$000	1990 • \$000
· · · · · · · · · · · · · · · · · · ·					4000	- 3000
State Government (Loan Fund)	,	•			-	-
Forestry Fund	•	374 900	· 375 100	373 118	365 095	362.737
State Government (Treasury Special Project Fund)		•	· -			
Forestry Fund	31 143	29 317-	29 643	29 930.	30 183	30 406
Brisbane Forest Park				188	154	186
Commonwealth Covernment Softwood Loans					•	,
Forestry Fund	28 065	28 065	26 375	24 941	23 734	22 726
TOTAL	57 382	432 282	431 118	428 177	419 166	416 055

In June 1995, Treasury Department approved the write-off of State-sourced Forestry Development loans (totalling \$374.882m) as at 31 December 1994 following negotiations to establish an appropriate commercial debilequity structure for DPI Foresty. On 18 August 1995, Treasury Department wrote-off the remaining State-sourced loans, effective 1 July 1995, of \$31.143m (comprising d principal amount of \$29.138m and accrued interest, capitalised as at 1 July 1995, of \$2.005m).



Reservation Figures for the year ended 30 June 1995

No. of rvations 484 + 2 + 6 - 1	Are: (ha) 3 825 499 1 745 15 596 5 96 6 - 1 740 - 6 392 - 1 6
484 + 2 + 6	3 825 499 1 74 15 599 5 96 - 1 740 - 6 397 - 1
÷ 2 + 6 .	1 749 15 599 5 96 - 1 740 - 6 392 - 1
÷ 2 + 6 .	1 749 15 599 5 96 - 1 740 - 6 392 - 1
+ 6	15 599 5 963 - 1 740 - 6 399 - 1
	 5 96. - 1 740 - 6 392 - 1 7
	- 1 740 - 6 39 - 1
	- 1 74(- 6 393 - 1
-1	- 6 39 - 1
ł	' - -1'
	61
•	
491	3 840 719
	` '
No. of	Аге
rvations	y (ha
63	485 000
6	- 5 963
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	- 1

55 .

53

468 616

3

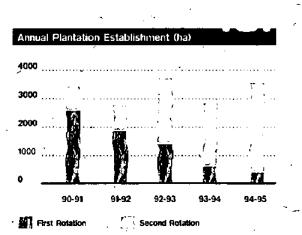
TOTAL

Net Area of Softwood Plantation established 1 July 1994 to 30 June 1995 (hectares)

•		Nativ	e Conifers		Exot	ic Conifers		, - '
District	First Rotation	Second Rotation	Total Native Conifers	First Rotation	`Second Rotation	Total Exotic Conifers	Total 94-95	Total 93-94
			、	•		· · ·		•
Athertoñ	-	4	- 4		-	0	. 4	15
Beerburrum *	-	• •	0		. 845	845	845	613
Dalby	. •		0	-	-	0	0	74
Gympie .	-	1	· _ 0	20	670	690	690	647
Imbil **	-	287	287		-	0.	287	297
·Ingham	۰.		0	255		255	255	260
Maryborough	-	-	0.	-	1075	1075	1075	678
Monto	-	2.3	23	-	-	0	23	15
Rockhampton			0	- 101	· · ·	101	101	. 101
Yarraman	۱ <u>ـ</u>	· 287	287		2	2	. 289	215
TOTAL 94-95	0	601	601	375	2 592	2 967 -	• 3 568	2 915

* Brisbane District plantations were amalgamated with Beerburrum District in 1994-95.

** Murgon District plantations were amalgamated with Imbil District in 1992-93.



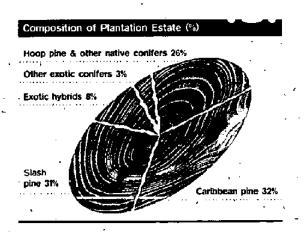
5.4

Net Area of Softwood Plantation as at 30 June 1995 (hectares)

× *		⁷ Native	Conifers				Exotic	Conifers		
District	Hoop Pine	Other Native Conifers	Total Native Conifers	Slash (Pine	Caribbean Pine	Pinus Hybrids	Other Exotic Conifers	Total Exotic Conifers	- Total 94-95	' . Total 93-94
							2			
Atherton [*]	1 C25	° 108	1 433	2	2 262	0	39	2 303	3 436	3 436
Beerburrum *	1 605	8	1-613	7 716	3 139	3 177	459	l 4 4 91	16 104	18 054
Daiby	14	• 1	15	210	0	ł	2 084	2 295	2 310	2 365
Gympie	320	24	344	21 547	10'874	4 872	141 י	37 434	37 778	37 319
Imbil **	21 207	.303	21 510	`14	102	0	284	400	21 910	21 802
Ingham	4	ì	5.	2	9 813	, 53	· 96	9 964	9 969	10 630
Maryborough	590	,0	590	23 717	· 21 619	6 3 1 7	. 24	51 677	52 267	51 533
Monto	4 081	. 5	4 086~ ,	13	` 3	0	9	25	4 111	4 1 10
Rockhampton	267	` 3,	270	692	6 346	202	57	7 297	7 567	6 713
Yarraman	15 820	- 118	15 938	417	, -398	. 0	- 1486	2 301	18 239	18 292
TOTAL 94-95-	44,933	571	45 504	54 330	54 556	14 622	4 679	128 187	173 6 91	
r Total 93-94	44 793	- 584	45 377	- 59 071	54 701	11 933	4 96 4	130 669		176 046

* Brisbane District plantations were amalgamated with Beerburnoni District in 1994-95

** Murgon District plantations were amalgamated with Imbil District in 1992-93.



	6			
District	Hardwood Śpecies *	Miscellaneous Species **	Total 94-95	Total 93-94
Atherton	190	7	197	198
Beerburrum ~	. 285	. 33	318	380
Daiby	1	. 2	3	5
Gympic	750	~ 33	783	791
lmbil ~~ *	63	6	69	78
Ingham	15	30	45	46
Maryborough	2	67	69	69
Monto	· 1	́ О	1	1
Rockhampton	2	- 6	8	ϵ
Yarraman	69	. 36	- 105 .	<u>`</u> 116
TOTÁL 94-95	1 378	220	1 598	
Total 93-94	- 1 4 04	216	· 、	, 1 620

Net Area of Broadleaf Plantation as at 30 June 1995 (hectares)

* Mostly eucalypt and native rainforest species.

** Mostly small trial research plantings.

~ Brisbane District plantations were amalgamated with Beerburrum District in 1994-95 ~~ Murgon District plantations were amalgamated with Imbil District in 1992-93.

Operational Statistics 1993-94

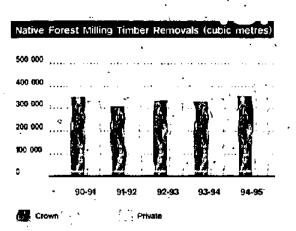
Operation	Total 1994-95	Total 1993-94
	. '	
SoftWood Plantation Establishment/Re-establishment -		
Native	601	543
Exoric	- 2 967	2.372
Weed Control -		
Native Pine Plantation (hectares)	8 476	7 744
 Exotic Pine Plantation (hectares) 	. 14 964	15 941
Fertilising –	· · ·	-
Established (hectares)	- 2 919	3 180
Maintenance (hectares)	1 307	490
Pruning -		
Low (hectares)	JI 852	1 985
High (hectares)	1 955	2 332
Wildfires on State Forests		
Native Forests (hectares burnt)	85 141	. 22 424
Plantations (hectares burnt)	5 115	, 101
Native Forest Treated -	•	-
Eucalypt Forest (hectares)	488	127
Cypress Pine (hectares)	. 641	536
Prescribed Burning -	• , •	
Native Forest – Eucalypt (hectares)	80 327	51 488
Native Forest – Cypress (hectares)	500	29 900
Plantation – Exotic (hectares)	20 212	21 432

Milling Timber Removals from Native Forests 1994-95 (gross measure cubic metres)

Crown Native Forests

District	Hardwoods and Scrubwoods	Cypress Pine	Other Conifers	Total 1994-95	Total 1993-94
×	~		· .	-	,
Athenton	4 057		-	4 057	` 1 990
Beerburrum	24 892		, <i>-</i>	24 892	22 025,
Brisbane ,	2 425	/ <u>`</u>	4	2 455	3 818
Dafby	19 467	51 831	-	71 299	· 6 5 565
Gympie	5 393		·	5 393	6 982
Imbil *	. 36 194		1 734	37 928	29 804
Ingham	10 252		•	10 252	12 768
Maryborough	17 694		· -	17 694	23 610
Monto	31 555	·	•	32 535	31 990
Rockhampton	45 892	7 749		´ 53 _, 641	52 966
Roma	- 10 183	84 777		94 960	86 267
Yarraman *	11 487		. 22	11 509	7 705
· · · · ·		,	_	-	
TOTAL 94-95	219 492	145 363	1 760	366 615	· 、
Total 93-94	⁷ 206 344	138 373	_ 773	,	· 345 490

* Murgon District native forests were amalgamated with Imbil and Yarraman Districts in 1992-93.



Private Native Forests

District	Hardwoods and Scrubwoods	Cypress - Pine	Other Conifers	Total . 1994-9 5	*Total 1 9 93-9 4
		, •		•	
Atherton	12 524	. 103	544	13 171	12 484
Beerburrum .	. 15 110		5	15 115	15 374
Brisbane	84 931	· 14	. 509	85 454	80 651
Dalby	23 289	29 680		53 249	57 14
Gympie -	15 409		• 12	• 15 421	17,750
imbil ~	3 022 .		۰ ·	3 022 、	. 4 303
Ingham	28 676	824	311	29 811	33 121
Maryborough	32 954	·. 2	488	33 444	· 39 121
Monto	. 66 126	3 600	4	69 730 .	56 961
Rockhampton	31 640	4 51	: `	32 091	38 760
Roma	1 666	24 144	865	26 675	33 i95
Yarraman ~	30 813	53	684	31.550	35 912
•		· .			
TOTAL 94-95	346 160	58 871	´ 3 702	408 733	
Total 93-94	352.999	69 026	2 721		424 746

* Corrected figures

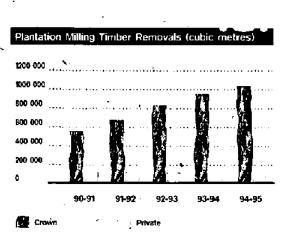
~ Murgon District native forests were amalgamated with Imbil and Yarraman Districts in 1992-93.

Milling Timber Removals from Plantations 1994-95 (gross measure cubic metres)

Crown Plantation Timbers

			۲.	•	
District	Native Conifers	Exotic Conifers	Non-Conifers	Total 1994-95	Total 1993-94
A			ı		;
Atherton '	20 310	22	-	20 332	17 376
Beerburrum	6 012	392 852	-	398 865	242 685
Brisbane	•		÷	0	2 703
Dalby		30 038		30 038	23 877
Gympie	5 018	105 399	3 284	113 701	155 094'
lmbil *	. 199 251	700	284	200 235	228 632
logham	-	7 510		· 7 510	6 006
Maryborough	5 772	162 006	•	167 778	144 581
Monto	15 051	、 6 8	-	15 119	10 235
Rockhampton	-	4818	`- <i>.</i>	4 818	1 707
Yarraman	115-137	5 248	41	120 426	1 4 2 3 59
,		,		• •	`
TOTAL 94-95	366 551	708 662	3 609	1 078 821	
Total 93-94	396 237	574-708 ×	4 310	975 255	975 255

* Murgon District plantations were amalgamated with Imbil District in 1992-93.



1.

Private Plantation Timbers

District	Native Conifers	Exotic Conifers	Total 1994-95	**Total 1993-94
Atherton	2		2	15
Beerburrum		61 292	61 292	70 259
Brisbane	2 213	23 620	25 833	45 913
Dalby		11 246	11 246	13 929
Cympie		-	0	40
Imbil*	· 97	192	289	287
Ingham		442	442	· 277 -
Maryborough	176	323	499	8
Monto		863	,863	104
Rockhampron	322		322	
Roma	۰ ۲	-	0	
Yarraman	197	7 022	7 219	4 281
TOTAL 94-95	3 007 ·	105 000	108 007	
Total 93-94	123 ;	134 990		135 113

* Murgon District plantations were amalgamated with Imbil District in 1992-93.

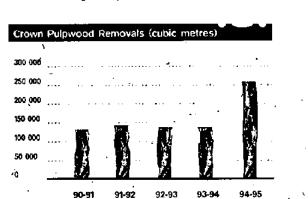
** Corrected figures

N.B. Values shown in the above tables have been estimated due to incomplete statistics being available at time of compilation.

Pulpwood Removals 1994-95 (gross measure cubic metres)

Crown Pulpwood Removals

	• /	•				•
District	۰ ۲	•	Plantations _	Native Forests	Total 1994-95	. Total 1993-94
				•		
Beerburrum			24 436	1 -	24 436	. 0
Gympie			85 314		85 314	39 772
[•] Maryborough			143 848	-	143 848	100 250
	·					
TOTAL 94-95	,	•	253 598	. 0	253 598	
Total 93-94	,	ر -	140 022	' 0	,	140 022



Miscellaneous Removals from Crown Lands 1994-95

Product Group		Appro	x. Log Volume (m ³)	_	Value (\$)
-		2			• .
Railway sleepers & like timber			20 047	,	420 285
Landscaping and fencing timbers			9 875	•	174 585
Mining timbers 🖕 😱		-	3 535	-	. 7 211
Girders, corbels, piles and sills	•		28 149	• .	325 468
Plantation roundwood			78 956		827 894
Plantation poles	. •		9 993	•	301 304
Hardwood poles	_ '		7 698		742 103
Hardwood round timber		1	44 771		201 904
Sandalwood			766	,	1 476 986
-		$\mathbf{V}_{i} = \mathbf{v}_{i}$			
TOTAL	,	、 、	203 791	. ,	4 477 741
Quarry material	•	*	1 714 269	1	\$2 434 221
Minor Forest Products	•				\$ 129 361

