


PRIVATE FORESTS ACT 1994

MINISTERIAL CHARTER

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PRIVATE FORESTS TASMANIA

This Ministerial Charter is provided to Private Forests Tasmania under the *Private Forests Act 1994*



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Minister for Resources

Date: 17/12/19

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I. INTRODUCTION

This Ministerial Charter (the Charter) has been prepared by the Minister for Resources (the Minister), following consultation with Private Forests Tasmania (the Authority) and the Treasurer in accordance with Sections 19A and 19B of the *Private Forests Act 1994* (the Act).

The Charter sets out the Minister's broad policy expectations and requirements for the Authority.

The Charter takes effect from the date it is signed and remains in effect until it is amended or revoked.

The Charter is to be published on the website of the Authority.

2. STRATEGIC EXPECTATIONS

2.1 Objectives of the Authority

The principal objective of the Authority as set out in Schedule 1 of the Act is to 'facilitate and expand the development of the private forest resource in Tasmania in a manner which is consistent with sound forest land management practice'.

Other objectives specified in the Act are:

- to promote the development of private forestry in Tasmania;
- to foster competitive markets for private forest growers;
- to provide strategic planning and policy direction for private forestry in Tasmania;
- to foster progressive and incremental funding from all private forest growers to fund the Authority;
- to foster commercial wood production forestry on private land in Tasmania;
- to foster the use and values of trees in sustainable land management.

In working to achieve its objectives, the Minister expects the Authority to:

- act as a facilitator to support the private forestry sector and not to engage in activities that would directly compete with private enterprise;
- operate in accordance with sound business practices, including operating within available funding and conducting its business as efficiently as possible;
- act in a manner consistent with improving the long-term socio economic and environmental sustainability of the industry.

2.2 Functions of the Authority

The Authority's functions as set out in section 6 of the Act are:

- a) to advise the Minister on all matters relating to private forestry;
- b) to provide assistance and advice on forest management for commercial purposes and on the use of trees for sustainable land management;
- c) to process applications for private timber reserves under the *Forest Practices Act 1985* pursuant to a delegation from the Forest Practices Authority under that Act;
- d) to promote opportunities for more competitive markets for private forest owners;
- e) to advise, assist and facilitate the private forest sector in the development of commercial infrastructure;
- f) to maintain and update an inventory of private forests, prepare five-yearly reviews of private forests and report on compliance with export and other licence conditions as required by any agreement entered into between the State and the Commonwealth;
- g) to provide advice and assistance to the Forest Practices Authority for implementation of the *Forest Practices Act 1985* on private forest lands;
- h) to provide coordinated input on behalf of private forest growers on land use issues;
- i) to promote private forestry research and education;
- j) to examine matters relating to the conservation of flora, fauna, land forms, cultural heritage and care of the environment on private forest lands;
- k) to encourage non-commercial forestry on private land including strategic planning and appropriate technical and policy development;
- l) to develop plans to deliver funding for private forestry programs from private forest owners;
- m) to perform such other functions as are imposed on it by this or any other Act.

In performing its functions the Minister expects the Authority to:

- work creatively with stakeholders to expand private forestry on a commercial basis;
- effectively communicate the benefits of wood and fibre production in Tasmania, in terms of economic, social and environmental benefits for businesses, landowners and the Tasmanian community;
- work effectively with all levels of government to find ways to improve regulatory efficiency and practical policy settings for private forestry;
- continuously improve its management and business systems to ensure its operations are efficient, effective and safe;

- operate in accordance with sound business practices, including operating within available funding and conducting its business as efficiently as possible;
- foster policies and programs that will expand the private forest resource in Tasmania, in a manner that enhances the productive capacity of rural and agricultural land in Tasmania; and
- build and maintain stakeholder trust and support, by delivering a sound value proposition for private forest levies and other investments.

2.3 Compliance with Government Policies

In working to achieve its objectives and performing its functions and exercising its powers, the Authority shall act in accordance with:

- relevant Treasurer's Instructions and guidelines that are applicable to the Authority;
- Employment Directions issued by the Minister administering the *State Service Act 2000* that are applicable to the Authority;
- National Competition Policy principles and the principles of Competitive Neutrality;
- the Tasmanian Regional Forest Agreement; and
- other Government policies specifically applying to the Authority as advised in writing by the Minister from time to time.

2.4 Business Presence Outside the State

The Authority is not expected to operate outside Tasmania.

The Authority must seek the written approval of the Minister before establishing a new business presence outside Tasmania. Any request must be accompanied by a compelling business case.

3. FINANCIAL AND COMMERCIAL MANAGEMENT EXPECTATIONS

3.1 Financial Performance

The Minister expects the Authority to implement the business and investment strategies contained in its corporate plan and to be proactive in identifying and implementing operational efficiencies and productivity measures to enhance financial performance.

3.2 Customer Service

In performing its functions, the Minister expects the Authority to take account of contemporary practice and other management developments in the private forestry sector.

The Authority is to develop, have in place and follow a customer service charter which is to be publicly available.

3.3 Pricing

The Minister expects the Authority to develop a pricing policy for any products or services it delivers. This policy will be determined in accordance with Government policy and legislated constraints, any market/commercial factors, and to ensure at least a full cost recovery basis.

3.4 Borrowings and Investment Activities

The Authority is not expected to borrow due to the present funding arrangements.

Future investment strategies contemplated by the Authority are expected to be outlined in its corporate plan.

3.5 Asset Management

The Minister expects the Authority to:

- regularly review its asset holdings with the aim of identifying surplus non-performing and non-core assets. The disposal of any undertaking or asset is to be in accordance with the provisions of the Act and other relevant legislation; and
- subject any capital investment proposal to rigorous and considered analysis prior to any decision to commit resources and reflect significant capital investment strategies in its corporate plan.

3.6 Risk Management

The Minister expects the Authority to have in place risk management strategies that recognise the Government is a long-term risk-averse investor, identify business and financial risks, and provide for their ongoing management in a manner that is commensurate with the risk profile of the Government.

4. OTHER

4.1 Employees

The Minister expects the Authority to promote a high level of safety throughout the organisation, taking all practical steps to provide its employees, and employees of its contractors, with safe working conditions.

4.2 Integrity and Ethics

The Minister expects the Board, management and employees of the Authority to exhibit the highest level of integrity and professionalism in undertaking their duties.

4.3 Significant Developments

The Minister, along with the Department of State Growth as their advisor, is to be kept informed of any matters of significance. Specifically, the Minister expects to be notified of any adverse developments which may:

- significantly affect the financial viability or operating ability of the Authority; or
- significantly impact on Government policy, client relations, industry and environmental issues.

4.4 Provision of Information

The Minister expects to be consulted prior to the release of any public announcement relating to significant operational or policy issues.

The Minister expects any information requested, or reports provided, to be accurate, and provided in a timely manner.