

Chapter 1

Introduction

Terms of Reference

1.1 On 19 March 2013, the Senate referred the following matter to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 6 May 2013:

The findings of the Auditor-General's audit report no. 26 of 2007-08, *Performance Audit Tasmanian forest industry development and assistance programs*, and the Auditor-General's audit report no. 22 of 2012-13, *Administration of the Tasmanian Forests Intergovernmental Agreement Contractors Voluntary Exit Grants Program*.

1.2 On 6 May 2013, the Senate granted an extension of time for reporting until 11 June 2013.¹ The Senate subsequently granted a further extension of time for reporting to 19 June 2013.

Conduct of the Inquiry

1.3 The inquiry was advertised in *The Australian* and on the committee's website. In addition, the committee wrote to a number of key stakeholder groups, the Tasmanian Government and the relevant Commonwealth department inviting submissions. The committee continued to accept submissions throughout the inquiry.

1.4 The committee received nine public submissions. A list of individuals and organisations that made public submissions to the inquiry is at Appendix 1.

1.5 The committee held two public hearing in Canberra on Tuesday, 7 May and Wednesday, 15 May 2013. A list of the witnesses who gave evidence at the public hearings is available at Appendix 2. A Hansard record of the committee's hearings is available on the committee's website at www.aph.gov.au.

1.6 The committee notes the Tasmanian Parliament's decision of 20 March 2013 to establish a Select Committee inquiry on the Forest Industry Exit Packages.²

Structure of the Report

1.7 Chapter two contains an overview of the Tasmanian forestry industry, the various grant programs offered by the Federal Government, the Statement of Principles and the Intergovernmental Agreement.

1.8 Chapter three discusses the key issues identified in the Auditor-General's audit report No. 22 of 2012-13 titled *Administration of the Tasmanian Forests Intergovernmental Agreement Contractors Voluntary Exit Grant Programs* and

1 *Journals of the Senate*, No. 144, 14 May 2013, p. 3888.

2 *Tasmanian Parliament Hansard*, 20 March 2013, p. 53.

Report No. 26 of 2007-08 titled *Performance Audit Tasmanian forest industry development and assistance programs* and other issues raised during the inquiry.

1.9 The committee notes that additional comments or reports in relation to this inquiry may be tabled in the Senate at a future time.

Acknowledgements

1.10 The committee acknowledges the contribution of all those individuals and organisations who prepared written submissions and those who appeared as witnesses. Their efforts have assisted the committee considerably in the preparation of this report.

A note on references

1.11 References in this report are to individual submissions as received by the committee. References to the Hansard throughout the report are to the proof transcript. Page numbers may vary between the proof and the official transcript.