

PREMIER

AMCOR - FOREST RESOURCE SECURITY

PURPOSE

1. To obtain your signature to the attached letter to AMCOR Limited's General Manager, Mr Stan Wallis.

BACKGROUND

2. You met with representatives of AMCOR Limited on 14 December and again on 21 December 1995 to discuss their concerns about resource security following the release of the Commonwealth's forest package on 1 December 1995.
3. At the meetings, AMCOR were seeking certain reassurances in relation to their long term wood supply and the implications of Deferred Forest and Regional Forest Agreements for their operations in Victoria. They have asked both the Commonwealth and yourself to provide those assurances in writing.
4. An earlier letter (copy attached) was not sent, at AMCOR's request, pending the outcome of discussions with the Commonwealth (and presumably your further meeting on 21 December).
5. The attached letter has been prepared in consultation with the Secretary of the Department of Conservation and Natural Resources and DPCs Legal Branch.

RECOMMENDATION

6. That you sign the attached letter to AMCOR Limited.

Kevin Love
Assistant Secretary
Resources and Development Branch
☎ 15190
22 December, 1995

Version of letter that was not sent:



PREMIER OF VICTORIA

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Our Ref: JGK/JS

Mr S Wallis
General Manager
AMCOR Limited
Southgate - Tower East
40 City Road
SOUTH MELBOURNE VIC 3205

Dear Mr Wallis

LONG-TERM WOOD SUPPLY COMMITMENTS

I refer to our recent discussions about your proposed expansion and upgrade at the Maryvale Mill and to your concerns about the potential impacts for wood supply from native forests as a result of current Commonwealth Government forestry proposals.

I am aware that you have sought reassurance from the Commonwealth Government that your wood supply will not be impeded by its actions.

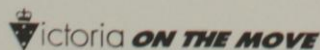
The State of Victoria acknowledges that an assured supply of pulp wood is necessary for the continuation of present value-adding operations at Amcor's Maryvale Mill and to underpin the development of new productive capacity.

From the Victorian Government viewpoint, let me re-affirm the commitment that has already been provided to you by the Minister for Natural Resources, namely that the draft wood supply agreement (which extends the supply period from 2004 to 2030) has been approved by cabinet. Furthermore, subject to the commitment of Amcor to proceed with the project at Maryvale, the agreement will be executed and submitted to the next session of the Victorian Parliament for confirmation.

In relation to the proposals of the Commonwealth for the Victorian Government to sign the Deferred Forest Agreement, the Scoping Agreement for a Regional Forest Agreement (and the subsequent Regional Forest Agreements), let me also assure you that the State of Victoria does not intend to enter into any of these agreements if they are inconsistent with or in any way affect the rights of the Amcor group of companies or any other companies under legislated wood supply agreements enacted under Victorian law.

Yours sincerely

Jeff Kennett



Version of letter sent to Amcor:

