



**HENRY JONES LIMITED (HUON PINE)
AGREEMENT**

No. 25 of 1978

ANALYSIS

1. Short title.
2. Interpretation.
3. Ratification, &c., of agreement.
4. Appropriation of Loan Fund.
5. Proceeds from sale of Huon pine logs to be paid into Loan Fund.

AN ACT to ratify and approve an agreement between the Forestry Commission and Henry Jones Limited whereby the Commission acquires a quantity of Huon pine logs and to appropriate a sum of money from the Loan Fund for the purposes of that agreement.

[10 October 1978]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as the *Henry Jones Limited (Huon Pine) Agreement Act 1978*. Short title.

Interpretation.

2 In this Act, unless the contrary intention appears, " agreement " means the agreement set out in the Schedule.

Ratification, &c., of agreement.

3 The agreement is ratified and approved.

Appropriation of Loan Fund.

4 For the purposes of making payments under the agreement such moneys as may be authorized by Parliament for the purpose, but not exceeding in the whole \$385 503, shall be issued out of the Loan Fund.

Proceeds from sale of Huon pine logs to be paid into Loan Fund.

5 The proceeds from any sale by the Forestry Commission of any Huon pine logs referred to in the agreement, less—

- (a) any road charges or supervision or maintenance costs incurred by the Commission in relation to those logs; and
- (b) any royalties payable to the Commission by reason of that sale,

shall be paid into the Loan Fund.

THE SCHEDULE

(Section 3)

THE AGREEMENT

THIS AGREEMENT made the 1st day of September 1978

BETWEEN THE FORESTRY COMMISSION OF TASMANIA (hereinafter called " The Commission ") and HENRY JONES LIMITED a corporation incorporated in the State of Victoria with its registered office situate at 20 Garden Street, South Yarra (hereinafter called " HJL ") and IXL TIMBER PTY. LTD. a corporation incorporated in the State of Tasmania with its registered office situate at 7-9 Hunter Street, Hobart (hereinafter called " IXL ")

WHEREAS:

- (A) HJL and IXL (hereinafter called the Companies) are related corporations, both being wholly owned subsidiaries of HENRY JONES (IXL) LIMITED
- (B) IXL has cutting rights under the Forestry Act 1920 to cut and take Huon Pine Timber at Lake Gordon in Tasmania and the Commission has agreed to purchase from HJL a quantity of Huon Pine logs to be stored by the Companies in a floating storage boom on Lake Gordon in Tasmania
- (C) In this agreement purchase and purchased shall mean the re-imburement to HJL of the cost incurred by it in the felling, gathering and placing in floating storage of the said logs

NOW IN CONSIDERATION OF THE WITHIN PROVISIONS OF THIS AGREEMENT AND FOR VALUABLE CONSIDERATION THIS AGREEMENT WITNESS AND THE PARTIES COVENANT AND AGREE AS FOLLOWS:

1. THE Companies will deliver to and store in a storage boom within an Inlet at Lake Gordon in Tasmania previously agreed upon by the Commission and the Companies a quantity of Huon Pine saw logs not exceeding in quantity 4 507 cubic metres
2. THE saw logs shall be of acceptable size and quality to the Commission which size and quality shall be notified by the Commission to the Company and shall not be inferior to saw logs retained by the Companies for its own purpose
3. THE saw logs shall be measured jointly by the Commission and the Companies and shall be identified and recorded in an inventory showing individual log volumes, the basis of measurement to be that previously agreed upon by the Companies and the Commission
4. THE storage boom shall be constructed at the cost of the Companies in a workmanlike manner suitable for long term storage of the saw logs
5. THE Commission shall pay HJL for the saw logs at the rates and in the manner following:—
 - (a) The sum of \$369,168·00. in the event of payment in full on the 30th day of September 1978, being at the rate of \$81·91. per cubic metre; or
 - (b) The sum of \$385,503·00. by an instalment of \$184,871·00. on the 30th day of September 1978 being at the rate of \$81·91. per cubic metre and by a payment of \$200,632·00. on the 1st day of July 1979 being at the rate of \$89·17. per cubic metre
6. THE Commission shall not be required to make a payment to HJL unless the quantity being paid for has been placed by the Companies within the storage boom
7. THE Commission shall hold the logs purchased within the storage boom until such time as supplies of Huon Pine logs are inadequate to meet the known market demand for Huon Pine timber.
8. THE disposal of the logs shall be at the discretion of the Commission in regard to quantity and price having regard to:
 - (a) The price paid by the Commission to HJL;
 - (b) The cost of supervision and maintenance by the Commission of log storage;
 - (c) Interest charges on the purchase price paid to HJL;
 - (d) The cost of recovery and sale by the Commission; and
 - (e) The then market value of Huon Pine Logs

9. UPON IXL retaining ownership of and maintaining in good order Holley Road the Commission shall pay to IXL a road charge for Huon Pine logs transported over that road, such charge to be equal to one half of the rate charged by the Commission for saw log cartage over all-weather roads of the Commission in the Geeveston Municipality
10. THIS Agreement shall come into effect when the same is ratified and approved by the Parliament of the State of Tasmania and the necessary funds are appropriated by Parliament to enable the Commission to purchase the saw logs in accordance with the terms of this Agreement and in default of such ratification and appropriation, the Agreement shall be wholly void and of no effect whatsoever

IN WITNESS whereof the parties hereto have executed this Agreement the day and year first hereinbefore written

THE COMMON SEAL of THE FORESTRY COMMISSION } (L.S.)
was hereunto affixed in the presence of }

PAUL T. UNWIN
J. F. MCCARTHY

THE COMMON SEAL of HENRY JONES LTD was here- } (L.S.)
unto affixed by authority of the Board of Directors in the }
presence of }

R. COWPER Director
S. J. KELSO Secretary

THE COMMON SEAL of IXL TIMBER PTY. LTD. was } (L.S.)
hereunto affixed by authority of the Board of Directors }
in the presence of }

E. J. KIRWAN Director
S. J. KELSO Secretary