

NATIVE TIMBER INDUSTRY

Standing Orders Suspension — Motion

MR D.T. REDMAN (Warren–Blackwood) [2.56 pm] — without notice: I move —

That so much of standing orders be suspended as is necessary to enable the following motion to be debated forthwith —

That this house calls on the Premier to intervene on the Minister for Forestry's decision to cut access to available timber, creating uncertainty for WA's native timber industry, which supports more than 800 jobs, at a time our state economy is in need of stability and stimulus.

Standing Orders Suspension — Amendment to Motion

MR D.A. TEMPLEMAN (Mandurah — Leader of the House) [2.56 pm]: I move —

To insert after "forthwith" —

, subject to the debate being limited to 10 minutes for government members and 10 minutes for non-government members

Amendment put and passed.

Standing Orders Suspension — Motion, as Amended

The SPEAKER: Members, as this is a motion without notice to suspend standing orders, it will need the support of an absolute majority for it to proceed. If I hear a dissentient voice, I will be required to divide the Assembly.

Question put and passed with an absolute majority.

Motion

MR D.T. REDMAN (Warren–Blackwood) [2.57 pm]: I move the motion.

We heard the Premier yesterday and on the radio this morning pushing for calm, and how all his ministers are lining up and looking for economic opportunities to add stimulus to the economy to be able to support businesses and to give certainty to what is happening in the terrible time that our state is going through. He even said today that it was in the WA spirit to do so. However, we heard today that one minister in the Premier's line-up is going in the other direction. The Minister for Forestry is putting uncertainty into the native timber sector in Western Australia when he does not need to do so, and his answer during question time said so.

Let us put a little bit of light on what processes we have in place as to the nature of the decision that he has made. In this place, we all know that we have the forest management plan 2014–2023. It is the second one that has been put in place, and there is a process. The forest management plan defines what forest is available to harvest and to support the businesses that are in that industry. The plan defines it. It is a process that we go through. In fact, the next forest management plan will start in January 2024. Within six months or so, that process will start, and we will engage and talk about the nature of the resource that is there. In fact, the response that I got back from the Minister for Environment today is that he is adhering to all the normal practices. The forest management plan comes under the Minister for Environment's portfolio, but he needs to consult with the Minister for Forestry as the plan is developed. That plan is accepted as an established plan. It is industry supported. It is generally supported by both sides of the house. It defines what will happen in our state forest, and what is available for harvest—managing all the interests, including the important biodiversity of our forest. It is also science based, which is very important.

The native forest industry largely harvests jarrah and karri, and, to a lesser extent, marri. It is given certain access to the resource. There are three different sorts of logs in the karri log profile. The first is old-growth forest. We know that old-growth logging is not happening. No-one accesses old growth. If old-growth forest is identified, perhaps by someone in the private sector, it is taken out of the harvest mix. Indeed, as the minister well knows, the Forest Products Commission self-identifies a lot of old-growth forest and takes it out of the mix. We do not touch old-growth forest. The second is regrowth forest, which is largely where our harvesting activities occur. The third is two-tier karri, which is a product of the harvesting regime that occurred in the 1940s and 1950s, and which is also available for harvest.

The SPEAKER: Members, if you want to have a meeting, go outside, please.

Mr D.T. REDMAN: The point I am making is that two segments of the karri forest are identified in the forest management plan and in the harvest plan for each particular year as being available for the native forest harvest. They are regrowth forest and two-tier forest. That is defined. In other words, the people in the sector know what coupes are coming up. They know the area of those coupes. They know the grades and the number of cubic metres of logs that are available. Some of those are regrowth and some are two tier. However, for whatever reason, the Minister for Forestry has made the decision that for the term of the 2020 forest harvest plan, the industry will no longer be able to harvest two-tier karri. The minister's response yesterday shed no light on that reason whatsoever.

The minister did not say it was his decision or someone else's decision. In fact, the letter that the minister wrote to the Forest Industries Federation of Western Australia—very carefully worded, I might add—states, and I will quote a couple of paragraphs —

The Forest Products Commission ... has advised me that the required native timber volumes under the FMP can be sourced without harvesting two-tier karri areas during the period of the 2020 harvest plan.

Given that the FPC can meet its customers' demands without harvesting in two-tier areas, the FPC will not harvest in those areas over the course of this year.

Why would the minister make that statement? Why would the minister cut out a segment of the resource that is available for industry? The minister did not write that he took advice about this matter. His office has put pressure on the agency that it needs to find some way of capitulating to the greens in the community—who are becoming increasingly important to the Labor Party as we head towards the next election—and I am sure also to a bunch of his backbenchers.

Companies have made fairly significant investments in the forestry industry. The minister touched on this yesterday. I fully support the investment by Parkside Group in the Greenbushes mill, Nannup Timber Processing, and the Manjimup processing centre. Parkside is a significant player. It has a history in forestry, and from all accounts it will do a particularly good job. Other timber millers in Western Australia have also made substantial investments. We would think that people who make an investment in the forest industry in Western Australia would want the ground rules to be stable. They would want stability in their access to the resource. That is provided by the forest management plan. That is the anchor point that states what is available and what can be harvested. The forest management plan is a bit like a state agreement. It provides security of tenure—something on which people can bank their investment. We know the government's position on state agreements. The government does not break state agreements, because that would create a sovereign risk issue. What about the poor timber millers in the south west, when the minister has suddenly broken ranks with the established settings for what will be available for harvest for their particular mills? From what I can understand, the minister has taken out about 9 000 hectares of karri forest that otherwise would have been available to those mills. I have added up that that could be anything between 37 000 cubic metres and 40 000 cubic metres of timber. That is not insignificant by any stretch of the imagination. This minister made that decision. That decision will apply for the duration of the 2020 harvest. In March next year, there will be an election. What will happen when we get to the end of that term? What sort of political stuff will be going on in Western Australia as we approach the end of this minister's self-prescribed shutdown of a sector of the harvest that otherwise would be available to the mills? There will be pressure to take out the native timber industry in Western Australia.

Mr W.R. Marmion interjected.

Mr D.T. REDMAN: That is a good question, member for Nedlands. It would be interesting to know whether the minister took it to cabinet. I would have thought a decision like this should have had the backing of cabinet, because it is significant, and comes at a time when industry needs certainty. What is the impact of this decision? The first thing is that there is no transparency. The minister had made a decision out of the blue to take out a segment of the timber resource that otherwise would be available. I know that some of the coupes in the two-tier karri forest have large logs. Some mills like and are tooled up to take large logs. I agree with the minister that in the future, we will be going into small log lines. Many of the new mills, in particular Parkside, are tooled up for that; however, some are not and would like to access the large logs that will come from those coupes.

The next issue is the 2020–21 harvest plan. That will not suddenly appear on 1 January next year. The 2020–21 plan will need to be worked on before that. Will the 2020–21 plan take into account the minister's decision to cut a segment of the available harvest in 2020? That is creating uncertainty, at a time when businesses in Western Australia do not need uncertainty. That plan sits with the Department of Biodiversity, Conservation and Attractions. It is its decision. However, the minister has to be consulted on the outcome of that. The industry is asking: Has the minister directed the DBCA? What will the 2020–21 plan look like? Under what authority did the minister make that decision? Was it made under the authority of cabinet? Maybe not. I know for sure that it was not made with the support of the sector. The minister has not engaged with the sector—or maybe he has. It will be interesting to see what the minister has to say about that. The angst that this is causing goes quite deep. What advice is the minister giving the Forest Products Commission about these new settings? That is creating uncertainty as we move towards the election and the 2020–21 harvest plan. People are making investment decisions at a time of uncertainty. The Premier met today with the resources industry and the small business sector. The Treasurer has espoused a bunch of things that might be done to provide stimulus to the economy. However, one minister is going the other way and is against supporting the small business sector in Western Australia. One group is really happy. The greens in my electorate are jumping up and down and having a field day: "You beauty! We've nailed it! We've got the first step. Now let's go for the next step." That is their agenda. They will take this as a first hit. They will then go the next step and seek to take out some more of the resource. They are thinking this is not temporary. They are thinking they have made some inroads into the game.

Mr Terry Redman; Mr David Templeman; Mr Dave Kelly; Mr Vincent Catania; Mr Zak Kirkup

MR D.J. KELLY (Bassendean — Minister for Forestry) [3.07 pm]: Many of the issues that have been raised in this motion were canvassed yesterday in question time. There is nothing new in what the member for Warren–Blackwood had to say. The motion is based on several fundamental misapprehensions. The motion states in part —

That this house calls on the Premier to intervene on the Minister for Forestry’s decision to cut access to available timber ...

We have not reduced access to any timber volumes. The forest management plan set out volumes of timber that will be made available. I am advised by the Forest Products Commission that we are able to meet the volume demand from industry without needing to harvest in the two-tier area.

Mr D.T. Redman interjected.

The SPEAKER: Member for Warren–Blackwood! You were heard in silence. I expect the same for the minister.

Mr D.J. KELLY: I listened to the member in silence. I expect him to do the same.

The premise of the question is that we have cut access to available timber. That is simply not correct. The second point the member made in his motion is that we are creating uncertainty in the industry. In the last couple of months, we have seen some of the most positive improvements in the native timber industry in the south west for more than a decade. Parkside Timber, a formidable company, has come to Western Australia and made significant investments in the timber industry in WA. It purchased Nannup Timber Processing and Auswest Timber’s Greenbushes mill. Those two timber mills were in danger of closing. Parkside, a family company with 70 years in the business, has looked at what is on offer here in Western Australia and how this government manages the timber industry, and is significantly investing. In December, the ABC reported that Parkside’s plan was to invest \$10 million in those mills. It is not only investing in those two mills, but also reopening the Manjimup processing centre. The member for Warren–Blackwood was the Minister for Forestry, and so was his leader.

Mr D.T. Redman interjected.

The SPEAKER: Member for Warren–Blackwood, this is not show and tell.

Mr D.J. KELLY: Parkside has come to Western Australia and made significant investments because it had confidence that this government supports the ongoing native forest industry. For the member to say that we are undermining confidence is simply not true. As I said in question time yesterday, when Mr Robert Tapiolas was over here to make the announcement at the Greenbushes site, he told me that the way we run the Forest Products Commission in Western Australia should be the model for elsewhere in Australia.

Mr D.T. Redman interjected.

The SPEAKER: Member for Warren–Blackwood, I call you to order for the first time.

Mr D.J. KELLY: The member is undermining an industry that has a very bright future here in Western Australia. Some things he has said today go to that. The member said that this decision will take out 9 000 hectares. Of course it will not. It is not anywhere near that much. We have advised industry that there will be no harvesting of two-tier forest in the harvest plan for 2020. My advice is that will impact on 150 hectares of two-tier forest. The member was talking about 9 000 hectares! For whatever reason, the member is trying to hype this issue up into something that it is not.

Ms M.J. Davies interjected.

Mr D.J. KELLY: The Leader of the Nationals WA should not —

The SPEAKER: Leader of the National Party!

Mr D.J. KELLY: The Leader of the National Party was the Minister for Forestry from, I think, 2014 to 2017. Nothing positive happened in forestry for the eight and a half years that members opposite were in government.

Ms M.J. Davies interjected.

The SPEAKER: Leader of the National Party, I call you to order for the first time. You had an opportunity to talk before and you did not.

Mr V.A. Catania interjected.

The SPEAKER: Listen, I do not think you should be attacking people at the moment, members.

Mr D.J. KELLY: The member for North West Central —

Mr V.A. Catania: You were a great white dope when it came to fisheries. Now you’re deadwood when it comes to forestry!

Mr D.J. KELLY: I am glad you raise that, member for North West Central.

The SPEAKER: I know you want to be relevant, so I will call you to order, member for North West Central.

Mr D.J. KELLY: I am glad that the member for North West Central has found his voice.

Mr V.A. Catania interjected.

The SPEAKER: I call you to order for the second time, member for North West Central.

Mr D.J. KELLY: There was a bit of mirth on this side when the member for Carine lost the deputy leadership of the Liberal Party to the member —

Point of Order

Mr V.A. CATANIA: I do not know how this is relevant.

The SPEAKER: You do not have to know, but the minister has a right to reply.

Debate Resumed

Mr D.J. KELLY: There was some interest on the side of the house when the member for Carine lost the deputy leadership —

Point of Order

Mr Z.R.F. KIRKUP: I am just curious to know how the member for Carine's circumstances are relevant to the debate.

Mr D.A. Templeman: He's talking about pruning!

The SPEAKER: I like that quote—talking about pruning. The minister will get back to the point.

Debate Resumed

Mr D.J. KELLY: Just taking the interjection from the member for North West Central, there was some interest on this side of the house when the member for Carine lost the deputy leadership of the Liberal Party —

The SPEAKER: No. Minister, can you get back to the point please.

Mr D.J. KELLY: There is some discussion of the numbers here. It is very interesting that the member for North West Central lost the deputy leadership of the National Party to the member for Moore.

The SPEAKER: Minister, I will sit you down if you do not get back to the point.

Several members interjected.

The SPEAKER: Members! Excuse me, I have just told him to get back to the point. Do you want me to call all of you to order?

Mr D.J. KELLY: Quite frankly, some of the arguments put forward by the National Party are hilarious. I noticed that when the member for Warren–Blackwood was talking about this issue, members of the Liberal Party were chirping in. It would be interesting to hear what the Liberal Party thinks of this issue. Do its members support the decision that we have made? The Deputy Leader of the Liberal Party was chirping in, but did not have the courage to get on his feet and express a —

Mr W.R. Marmion interjected.

The SPEAKER: Well, you interjected then, member for Nedlands. I call you to order. Member for North West Central, I call you to order for the third time.

Mr D.J. KELLY: As I said, in the eight and a half years of the previous government, nothing positive happened in the native forest timber industry. We saw mill closure after mill closure and a total lack of confidence in the industry. The softwood plantation continued to decline and there was nothing but excuses from those opposite about the future of this industry.

Mrs L.M. Harvey interjected.

Mr D.J. KELLY: If the Leader of the Opposition has something to say, why does she not get up and make a contribution?

Several members interjected.

The SPEAKER: Excuse me!

Mr D.J. KELLY: She has nothing to say on this issue. She generally gets the issues wrong. We have given some really positive news to the native timber industry here in Western Australia. For the first time in over a decade, we have significant investment in the native timber industry.

Ms M.J. Davies interjected.

The SPEAKER: Leader of the National Party!

Mr Terry Redman; Mr David Templeman; Mr Dave Kelly; Mr Vincent Catania; Mr Zak Kirkup

Mr D.J. KELLY: The number of jobs is growing. Parkside has boosted its numbers. Did the member for Warren–Blackwood know that? It has reopened the processing centre in Manjimup. Does the member for Warren–Blackwood know how long the processing centre in Manjimup was closed?

Mr D.T. Redman: I don't know, but I have a rough idea.

Mr D.J. KELLY: It was a long time. That is exactly right.

The SPEAKER: Through the Chair, minister.

Mr D.J. KELLY: The whole basis of the motion is wrong. We have not cut access to available timber. We are honouring the requirements of the forest management plan, contrary to what the member is suggesting. It is a decision for only 2020. What happens beyond that will be a decision in a further harvest plan by the FPC. The new forest management plan will be negotiated through the Minister for Environment in the same way that other forest management plans have been negotiated.

Ms M.J. Davies interjected.

The SPEAKER: Leader of the National Party!

Mr D.J. KELLY: If members opposite want to secure jobs and confidence in this industry, they will be forward-thinking and embrace new technology. They will support Parkside and not undermine the industry.

Division

Question put and a division taken with the following result —

Ayes (18)

Mr I.C. Blayney
Mr V.A. Catania
Ms M.J. Davies
Mrs L.M. Harvey
Mrs A.K. Hayden

Dr D.J. Honey
Mr P.A. Katsambanis
Mr Z.R.F. Kirkup
Mr S.K. L'Estrange
Mr R.S. Love

Mr W.R. Marmion
Mr J.E. McGrath
Ms L. Mettam
Dr M.D. Nahan
Mr D.C. Nalder

Mr D.T. Redman
Mr P.J. Rundle
Mr A. Krsticevic (*Teller*)

Noes (38)

Ms L.L. Baker
Dr A.D. Buti
Mr J.N. Carey
Mrs R.M.J. Clarke
Mr R.H. Cook
Ms J. Farrer
Mr M.J. Folkard
Ms J.M. Freeman
Ms E.L. Hamilton
Mr T.J. Healy

Mr M. Hughes
Mr W.J. Johnston
Mr D.J. Kelly
Mr F.M. Logan
Mr M. McGowan
Ms S.F. McGurk
Mr K.J.J. Michel
Mr S.A. Millman
Mr Y. Mubarakai
Mr M.P. Murray

Mrs L.M. O'Malley
Mr P. Papalia
Mr S.J. Price
Mr D.T. Punch
Mr J.R. Quigley
Ms M.M. Quirk
Mrs M.H. Roberts
Ms C.M. Rowe
Ms R. Saffioti
Ms A. Sanderson

Ms J.J. Shaw
Mrs J.M.C. Stojkovski
Mr C.J. Tallentire
Mr D.A. Templeman
Mr R.R. Whitby
Ms S.E. Winton
Mr B.S. Wyatt
Mr D.R. Michael (*Teller*)

Pair

Mr K.M. O'Donnell

Mr P.C. Tinley

Question thus negatived.