

NATIVE FOREST — LOGGING — PARKSIDE GROUP

536. Mr P.J. RUNDLE to the Minister for Forestry:

I have a supplementary question. What economic modelling, if any, was undertaken to map the impact of this snap decision upon regional WA, and will the minister table it?

Mr D.J. KELLY replied:

As I have just gone through, the biggest player in the industry advised us that unless we provided a significant subsidy, it was considering closing its mills by the end of the year. That is its own analysis. That is not our analysis. We estimated that over 150 jobs would be created through the expansion of the softwood industry. As the member for Roe should know, the native logging industry is less than 10 per cent of forestry in Western Australia. From the taxpayers' point of view, we can look at the Forest Product Commission's annual reports and see that since the last forest management plan it has operated at a loss compared with the softwood industry, which operated at a substantial profit.

We understand that this decision will cause some concerns for some of the workers impacted, and we estimate 300-plus workers' jobs may change or be in question because of this decision. We on this side of the house understand that. That is why we are putting together a \$50 million package. I have had discussions already with the industry about how that will work. I have already with met with the unions to talk about how workers in that industry can be directly involved and how that money will be spent. We are painfully aware that these decisions can cause some families and some communities discomfort, but we know that if we want a long-term sustainable industry, the future is in plantations, and that is the decision we have made.