

PROPOSED FURNITURE CONSORTIUM, MANJIMUP

1042. Hon BARRY HOUSE to the Minister for Agriculture, Forestry and Fisheries:

- (1) What is the minister's response to the statement made yesterday by Timber Communities Australia indicating that the proposed furniture consortium for Manjimup announced this week is at risk of failure before it even gets started unless the jarrah allocation is at least 165 000 cubic metres?
- (2) When can this project, and the more than 10 000 people who are reliant on the Western Australian timber industry expect the uncertainty surrounding timber allocations into the future to be cleared up.

Hon KIM CHANCE replied:

- (1) There would be a reason to suggest a risk of failure for the consortium if an insufficient jarrah allocation were made. There is no doubt about that and I take no issue with Timber Communities Australia on that point. We differ, however, on the quantum at which that risk of failure becomes apparent and critical. It is my view that the figure is not 165 000, but 140 000 below which risk of failure would be present. The reason is that the place in the list of requests for proposals occupied by the current Sotico operations would make it virtually impossible for the timber consortium operation to go ahead were the total allocation of jarrah grades 1 and 2 below 140 000. The difference between 140 000 and 165 000, while important, is not critical to the consortium's future in any specific sense. It may be important in a general sense. If I were making the statement that TCA made, I would not have used those numbers. The critical point for Manjimup is at a lower figure.
- (2) The announcement of fixed timber volumes and the outcome of the forest management plan is a matter I anticipate Cabinet will be dealing with quite soon. The member will be aware that the Government is focused around concluding these arrangements as soon as possible, because a number of issues will have to be put in place consequent to the final decision on the FMP. However, at this stage we are still awaiting advice from the Conservation Commission of Western Australia.