

FORESTS, FUNDING FOR NEW TIMBER HARVESTING POLICY

472. Ms ANWYL to the Minister for the Environment:

- (1) What amount of finance or other support whether financial or in kind has been supplied to date by the Ministers Department to the towns, workers and industries affected by change in Government policy regarding timber harvesting?
- (2) Provide further detail for the financial years ending 30 June 2000 and 30 June 2001?
- (3) What Government subsidies are available for timber mills and other industries affected by the policy change?

Mrs EDWARDES replied:

Department of Conservation and Land Management:

- (1) \$300 000 was provided to employ 12 people for 12 weeks on recreation facility maintenance work in the Central Forest Region of the Department of Conservation and Land Management. The employment period for this group was subsequently extended for another four months, until the recent announcement of the reopening of the mill. \$3 million over five years has also been allocated to a forest enhancement project. The first stage of this project was to employ 25 people retrenched by the Whittakers mill closure for one year in Central Forest Region and Southern Forest Region to undertake a range of works including jarrah forest thinning and silvicultural treatment.
- (2) Financial Year 1999-2000 - \$1 300 000 for forest enhancement and recreation facilities maintenance.  
Financial Year 2000-2001 - up to \$1 000 000 for forest enhancement.
- (3) Under the terms of the Regional Forest Agreement the State and Commonwealth governments have agreed to the joint Western Australian Forest Industry Structural Adjustment Program (WA-FISAP) which includes the Industry Development Assistance program and the Business Exit Assistance program. In addition, the Government has introduced the South West Industry Restructuring Program and the South West Industry Restructuring Program: Small Capital Grant Programs, administered by the Department of Commerce and Trade. This program has been developed under the joint responsibility of the Minister for Forest Products, Minister for Commerce and Trade and the Minister for the Environment. The objective is to support initiatives which:

- take maximum advantage of domestic and international market opportunities;
- promote a responsible and sustainable native forest timber industry in Western Australia, which is both efficient and internationally competitive; and
- create different or new employment opportunities.

These would include initiatives in harvesting and transport, sawmilling, kiln drying and further processing and marketing of native forest timber.

The Business Exit Assistance program is intended to provide reasonable financial assistance to help eligible sawmillers and logging contractors to leave the Western Australian native forest timber industry. These business exits are necessary to achieve long-term sustainability of regional timber resources, consistent with the accelerated Regional Forest Agreement (RFA), and to enable other businesses with sound long-term prospects to remain and invest in value adding opportunities.

The Government has also introduced the South West Industry Restructuring Program and the South West Industry Restructuring Program: Small Capital Grant program administered by the Department of Commerce and Trade.

The aim of the South West Industry Restructuring program is to assist the timber industry, and other businesses affected by restructuring of the timber industry, to achieve long-term sustainability and to utilise the full range of resources from areas available in the South West.

Eligible projects include the introduction of new processing and manufacturing equipment and facilities, the development of new products, new services, value adding, new technology, and the repositioning of the business into new markets. Assistance is also available to develop business plans, undertake market analysis and marketing strategies.

The objective of the South West Industry Restructuring Program Small Capital Grants is to assist small businesses that have been adversely affected by the RFA to purchase capital items and implement marketing strategies that will help their businesses achieve long-term viability. The scheme is also

open to new businesses established by persons who have been retrenched as a result of the implementation of the RFA.

Department of Productivity and Labour Relations:

- (1) \$2,052,829 has been provided to retrenched workers in the timber industry, as at the 24 October 2000. Of this amount, \$974,047 was paid to former employees of Whittakers' Greenbushes Mill as special assistance to cover outstanding termination entitlements, and was paid back to the Government by Whittakers' receiver.
- (2) The payments in financial years are as follows:

1999/2000	\$1,584,955
2000/2001	\$ 467,874
- (3) The Western Australian Forest Industry Structural Assistant Program includes the Worker Assistance Guidelines that provide assistance for restructuring to timber mills and wage subsidies to new employers of retrenched timber industry employees.