

FORESTS, KARRI SAWLOG ALLOCATIONS

57. Dr EDWARDS to the Minister for Forest Products:

- (1) Has the Government bought out any karri sawlog allocations in line with the Ferguson Committees recommendation to reduce the level of karri sawlogs logged to an average of 149,000 cubic metres per year?
- (2) If yes -
 - (a) which sawmills have been bought out;
 - (b) what was the allocation for each sawmill;
 - (c) what is the negotiated allocation; and
 - (d) what was the cost of each buy-out?
- (3) Is the Government in buy-out negotiations with any other sawmills?
- (4) If yes -
 - (a) which sawmills is the Government negotiating with; and
 - (b) what is that mills current karri sawlog allocation?

Mr OMODEI replied:

- (1)-(4) The first Business Exit Assistance (BEA) application to be completed related to Mangee Milling and involved 4 600 cubic metres of first and second grade jarrah sawlog and (nominally) 500 cubic metres of third grade karri sawlog. The allocation of first and second grade karri sawlogs have changed as a result of the restructuring of milling operations at Greenbushes. BEA applications have been received from a number of other companies and some of these involve volumes of karri. Valuations and negotiations with these companies are proceeding. The Government cannot release commercial details at present due to the effect this may have on ongoing negotiations and on workers involved.