

GUNNS TIMBER MILL, YARLOOP — CLOSURE

452. Mr M.P. Murray to the Minister for Forestry

- (1) What date will the Gunns Timber Mill saw mill section in Yarloop close?
- (2) What parts of the Gunns Mill will remain operational?
- (3) What are the projected job loss numbers associated with the closure of the Yarloop mill for training or up-skilling?
- (4) Will all employees receive their full entitlements?
- (5) What resources are available to employees working at the Gunns Timber Mill in Yarloop?
- (6) Will current log allocations be transferred to other Gunns mills or will the quota be absorbed by the Forest Commission and is there any cost to the Forest Commission for these changes?
- (7) Will there be any Government or Forest Commission subsidies given to Gunns Limited Company for log cartage?

Mr D.T. REDMAN replied:

- (1) Gunns announced that Yarloop Sawmill stopped operation in December 2008.
- (2) At the time Gunns indicated that the veneer line would continue to operate. However, more recent announcements by Gunns indicate that this facility is also closing.
- (3) The closure of the mill resulted in 29 jobs being lost. I'm advised a number of those employees were offered jobs at Gunns' Deanmill operation. A further 6 jobs were announced as being lost at the veneer plant.
- (4) There is no reason to believe that Gunns will not meet all its responsibilities as an employer.
- (5) It is understood there are no employees working at the Gunns Timber Mill in Yarloop as it has ceased operations. Workers who have been made redundant as a result of the closure can access assistance at the one-stop-shop established at the Harvey Telecentre or one of the many State, Federal and non-Government agencies set up to assist in these circumstances.
- (6) Gunns have retained their contract for 70 000 cubic metres per year of first and second grade sawlogs, up to 4000 cubic metres per year of marri sawlogs and up to 30 000 cubic metres per year of jarrah third grade sawlogs. If Gunns relinquish all or any part of this volume, FPC would seek to reallocate to other mills who have requested additional volume.
- (7) In the event of the volume-weighted average haulage distance of logs delivered to Gunns exceeding 105 kilometres, FPC is required to procure funds from Government to cover any costs in excess of the cost at 105 kilometres. Over the most recent demand period the average haulage to Gunns was 102 kilometres for Deanmill and 94 kilometres for Yarloop.