

TIMBER MILL — AUSWEST TIMBERS

766. Hon SALLY TALBOT to the minister representing the Minister for Forestry:

I refer to the expression of interest by Auswest Timbers in reopening Western Australia's largest timber mill near Manjimup.

- (1) Is one of the reasons that the former owner Gunns decided to shut down the mill that it was no longer financially viable?
- (2) Is it also the case that there is growing evidence that logging native timber on a large scale is no longer a financially sustainable industry or one that will create jobs for Western Australians?
- (3) Can the minister inform the house exactly how much timber would be made available to a new operator and what the related environmental impacts would be?
- (4) Has a business case been prepared to show how this new operation would be viable?

Hon ROBYN McSWEENEY replied:

I thank the honourable member for some notice of this question.

- (1) The closure of the mill was a commercial decision.
- (2) No. Since the closure of Gunns' operations at Deanmill, other sawmillers have increased their sawlog intake and employment levels and have made further capital investments. The proposal by Auswest Timbers indicates that there is a level of confidence in the future of the industry that it can be both financially sustainable and provide manufacturing employment in regional Western Australia.
- (3) The quantity proposed to be used by Auswest is the subject of discussions with the company. The Gunns contract has access to 90 780 tonnes of first and second-grade jarrah sawlogs, up to 37 200 tonnes of third-grade jarrah sawlogs and up to 5 000 tonnes of marri sawlogs. The environmental conditions remain unchanged. Access to the forest for timber is in accordance with the 2004 forest management plan approved by then Minister for the Environment, Dr Judy Edwards.
- (4) The commercial viability of the operation is an issue for Auswest Timbers, not the government.