

FORESTRY — SAWMILLS — INVESTMENT SECURITY GUARANTEES

2248. Hon Lynn MacLaren to the Minister for Agriculture and Food representing the Minister for Forestry:
- (1) Which sawmills now have investment security guarantees?
  - (2) If the Forest Products Commission (FPC) reduces the log timber intake specified in their contracts with the FPC and the exceptions to payment of compensation do not apply, what amount of compensation will be payable:
    - (a) to each sawmill; and
    - (b) in total?
  - (3) What are the exceptions to the payment of compensation?

**Hon Ken Baston replied:**

- (1) Auswest Timbers Pty Ltd
- (2) (a)–(b) Compensation is only applicable if the recipient is not offered a new contract with similar terms and conditions in 2024. If they are offered a new contract with a reduced volume or lower quality products then the compensation amount may be reduced.

The maximum compensation payable is a once-off payment and is based on a full log timber intake for the relevant year(s) in tonnes (approximately 45 000 tonnes) multiplied by the compensation rate of \$261.96 per tonne (a total of \$11.8 million).
- (3) The Western Australian Government is not liable to pay compensation if a change in State Government policy, which causes a refusal to offer a rollover contract, was influenced by climate change or an increase in the estimated spread of dieback, and either or both have caused a reduction in the sustainable yield of log timber.