

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

ANSWERS TO QUESTIONS PRIOR TO HEARING

Department of Jobs, Tourism, Science and Innovation

Hon Steve Martin MLC asked:

1. I refer to page 211 of Budget Paper 2, Volume 1, item 'Industry and Community Development Program':
 - (a) Why did the Department increase the funding to \$80 million for the Native Forestry Just Transition Plan, up from \$50 million last year;
 - (b) What information was used to base this decision on;
 - (c) Did the Government complete a socio-economic impact assessment to identify these businesses?
 - (d) If no to (c), and the number of businesses needing financial support is unknown, how did the Government determine that \$30 million would be sufficient;
 - (e) If the \$30 million is shown to be inadequate, will the Government approve additional funding;
 - (f) Is the \$30 million also for attracting new businesses to impacted regional towns; and
 - (g) If yes to (f):
 - (i) How much of the \$30 million will be allocated to attracting new businesses;
 - (ii) What sort of businesses does the Government expect to attract to these regional towns; and
 - (iii) What is the process and eligibility criteria for businesses to access this funding?

Answer:

(a)-(g)

Following consultation with stakeholders and a review of similar support programs that have been made available to industries as they transition, the Government committed an additional \$30 million for the Just Transition Plan. The additional funding will support a program to assist regional communities' transition to new industries when native forest logging ends in 2024.

The additional \$30 million dollars for the Industry and Community Development program will support industry attraction, small business growth, and community projects.

Details of the funding programs under the \$30 million program are currently being developed with the assistance of the industry and development sub-group. Once finalised, full details of the program eligibility criteria will be outlined in the program guidelines.

2. I refer to page 211 of Budget Paper 2, Volume 1, item 'Industry and Community Development Program':
- (a) How much, if any, of the \$30 million allocated to the Program will be used in staffing and administration costs; and
 - (b) Does the Department predict spending any of the \$30 million on payments to a union, as has been done previously?

Answer:

- (a) Staffing and administration costs are covered under the original \$50 million Just Transition Plan.
- (b) \$30 million has been allocated in the 2022-23 State Budget to support enhanced industry and community development initiatives across the native forest industry

3. I refer to pages 113-114 of Budget Paper 3, 'Native Forest Transition —Just Transition Plan':
- (a) What will be the nature of the grants available to small businesses;
 - (b) How many small businesses are expected to benefit from the grants;
 - (c) How much are each of the grants expected to be;
 - (d) Will there be minimum and maximum amounts;
 - (e) What will the eligibility criteria for grants be;
 - (f) How will the Department increase awareness of the grants; and
 - (g) How have the details of (d)-(f) been determined, if they haven't yet been?

Answer:

- (a)-(g) Details of the funding programs under the \$30 million program are currently being developed with the assistance of the industry and development sub group . Once finalised, full details of the program eligibility criteria will be outlined in the program guidelines.

4. I refer to page 113 of Budget Paper 3, 'Native Forest Transition —Just Transition Plan'.
- (a) To date how many workers have received funding support under the workforce transition program;
 - (b) Is the online portal for workers to apply for funding support up and running? If not, when will it be operational;
 - (c) How many workers made redundant by Parkside have received funding support;
 - (d) What is the delay in providing funding support to redundant workers;
 - (e) To date how many businesses have received funding support under the business transition program; and

- (f) Is the online portal for businesses to apply for funding support up and running? If not, when will it be operational?

Answer:

- (a) As at 1 June 2022, two workers have been paid under the Workforce Transition Plan (WTP). These workers received WTP Payment 1B, eligible to workers who have been made redundant.
- (b) The online portal was opened on Tuesday, 7 June 2022.
- (c) As at 1 June 2022, 42 Parkside workers have submitted their applications under the WTP. Two workers have been paid (refer (a)), and 40 applications are currently being processed.
- (d) The premise of the members question is incorrect. A manual process was created to assist redundant workers from the Parkside Greenbushes closure while the online application portal was being developed. The manual process ensured workers received immediate on the ground support to assist them as quickly as possible in advance of the online portal being opened.
- (e)-(f) The Business Transition Programs were agreed with FIFWA on 20 April 2022. The policies and guidelines for the program are currently being developed to support the set-up of the online portal. It is expected to be open to applications in July 2022.
5. I refer to page 113 of Budget Paper 3, 'Native Forest Transition — Just Transition Plan':
- (a) What industry engagement was undertaken;
- (b) Please provide an itemized account of the industry engagement, including payments made and amounts paid;
- (c) How many FTE staff are allocated to the Bunbury based project team; and
- (d) Provide an itemized account of the costs incurred to date with respect to the Bunbury based project team.

Answer:

- (a) The Native Forestry Transition programs have been developed through extensive consultation with the established Native Forestry Transition Group (NFTG). The NFTG includes representatives from FIFWA, Local Government Authorities, the Chambers of Commerce and Industry, union representatives as well as the Chamber of Minerals and Energy, TAFE, and other local and relevant organisations.
- (b) Costs incurred to date for industry engagement are \$1,066 for venue hire and catering in Bunbury.
- (c) There are 1.5 FTE for South West Development Commission staff assigned to the Department of Primary Industries and Regional Development
- (d) Costs incurred to date are:
- \$66k in salaries, superannuation and temporary personnel
 - \$6k for human resource consultancy and recruitment

6. I refer to page 216 of Budget Paper 3, Paragraph 2:

- (a) How much of the additional \$30 million will be available to workers made redundant as a result of the Government's decision to cease native forestry and are eligible for the Workforce Transition Programs;
- (b) How much of the additional \$30 million will be available to workers made redundant as a result of the Government's decision to cease native forestry and are ineligible for the Workforce Transition Programs;
- (c) How many jobs are currently available in softwood plantations for workers made redundant from native forestry;
- (d) How many workers made redundant from Parkside have secured jobs in softwood plantations; and
- (e) How many sawmills operating in native forestry are expected to transition to softwood plantations under the Government's Just Transition Plan?

Answer:

(a)-(b)

\$19.3 million Worker Support Program has been approved which will support workers to transition either into new employment, retrain, or retire. The additional \$30 million has been allocated in the 2022-23 State Budget to support enhanced industry and community development initiatives across the native forest industry. The details of how the additional \$30 million will be spent is yet to be determined.

(c)-(d) Refer question to Forest Products Commission.

(e) Support accessed through the nearly \$27 million Business Transition Program allows Businesses with a current FPC contract to determine their own pathway for the future. Businesses will be able to use that money at their own discretion, including supporting a closure of the businesses or to support further investment in the business so it is ready to take on new opportunities.

7. I refer to page 198 of Budget Paper 2, Volume 1, item 'Native Forest Just Transition Plan'. If more than \$51.6 million is required in the 2022-23 financial year, will this be made available to provide the promised financial support for workers and businesses?

Answer:

Recashflow adjustments can be made as part of the 2022-23 Mid-Year Review process to bring forward 2023-24 budget if required.

8. I refer to page 202 of Budget Paper 2, Volume 1, 'Local and Regional Job Creation', Paragraph 18.4:
- (a) How many local jobs have been created over the 2021-22 year: and
 - (b) How many are expected to be created over the next year?

Answer:

(a)-(b)

The WA Government has worked with affected stakeholders as part of a Just Transition Plan to support workers, businesses and communities linked to the native forest industry.

In the 2022-23 State Budget the McGowan Government has provided additional funding of \$30 million to support enhanced industry and community development initiatives across the native forest industry, increasing the total support fund to \$80 million.

This additional funding will drive further diversification of local economies and assist in identifying and securing sustainable job opportunities.

The final program is currently being finalised through the assistance and advice of the industry and community development sub group of the Native Forestry Transition Group.

Once finalised, the \$80 million Just Transition Plan will ensure businesses can transition out of the industry and will stimulate local economies in the South West region creating local jobs.

9. I refer to page 206 of Budget Paper 2, Volume 1, 'Explanation of Significant Movements', Note 5. How many of the additional 8 FTE staff were employed to deliver programs within the Native Forest Just Transition Plan?

Answer:

Of the additional 10 FTEs, 7.5 of these are for JTSI Bunbury staff to deliver Native Forest Just Transition Plan programs.

Minister's initials

