



ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE

QUESTIONS TAKEN ON NOTICE

Forest Products Commission

Hon Colin Tincknell asked:

D1 How many of FPC's workforce in the south west region could be in the youth area -- 15-24 or 18-24 year-olds.

Answer: In the Forest Products Commission (FPC) the amount of the workforce including casual workers under 24 years old is 10 (5.3 per cent). In the wider Western Australia (WA) forest industry, the report from December 2017 tabled at the Annual Report Hearing: *'Socio-economic impacts of the forest industry in Western Australia'* is the most up-to-date information source available on the WA timber industry. The report uses the Australian Bureau of Statistics Census of Population and Housing to examine socio-demographic characteristics of the forest industry. On page 45 of the report it states:

'In 2006 and 2011, the forest industry workforce had a slightly older age distribution compared to the rest of the workforce in WA's forest industry regions, with 31% of workers aged under 35 (compared to 36% in the workforce as a whole), and 23% aged 55 or older (compared to 20% in the broader workforce).'

The FPC asked the lead author, Associate Professor Jacki Schirmer from the University of Canberra, to provide some further data on age breakdown in WA. The table below summarises the data according to the 2016 ABS Census which shows 9% of workers across the entire industry in WA were aged under 25 as of August 2016. The percentage 'aged under 25' varies depending on the industry sector. In the ABS section of 'Forestry, logging and forestry support services' it is 20.5% of the workforce.

2016 ABS Census of Population and Housing, Western Australia, Industry of Employment	Aged under 25	Aged 25-34	Aged 35-44	Aged 45-54	Aged 55-64	Aged 65+	Total
Forestry, logging and forestry support services	20.5%	15.4%	17.9%	15.4%	20.5%	10.3%	100.0%
Log sawmilling and timber dressing	9.4%	18.3%	19.0%	25.5%	22.6%	5.2%	100.0%
Other wood product manufacturing	10.5%	22.3%	22.3%	24.8%	17.1%	3.1%	100.0%
Pulp, Paper and Converted Paper Product Manufacturing	3.0%	15.8%	24.4%	31.1%	20.8%	4.8%	100.0%
WA forest industry	9.0%	20.0%	21.8%	26.0%	19.2%	4.1%	100.0%

Hon Colin Tincknell asked:

- D2 Provide details of the increase in value of resources received 'free of charge' between 2015-16 (\$22,000) and 2016-17 (\$98,000) as reported at Note 16 in the FPC's 2016-17 Annual Report.

Answer: The following table provides the details of the resources received 'free of charge' for the financial years 2015-16 and 2016-17 and notes regarding the change in value between the two financial years:

Resource received free of charge	2016-17 \$ Dollars	2015-16 \$ Dollars	Notes
Department of Primary Industries and Regional Development	410	7,855	1
State Solicitors Office	92,590	13,969	2
Public Sector Commission	4,600	-	3
Total	97,600	21,824	

Notes:

1. The decrease in value represents the cessation of the FPC's office accommodation as we moved to a different office location in Kalgoorlie.
2. The increase in value represents legal advice received from the State Solicitor regarding State Agreements and land purchases.
3. The 2016-17 value represents the provision of Certificate IV training in Government Investigations by the Public Sector Commission.

Hon Colin Tincknell asked:

- D3 Provide an explanation for the \$244,000 increase in the doubtful debts provision in 2017 compared to the increase of \$84,000 in 2016 as reported at Note 16 in the FPC's 2016-17 Annual Report.

Answer: The increase in the doubtful debts provision as at 30 June 2017 by \$244,000 was due to reassessing customer potential debt default based on the total debt rather than the overdue debt perspective as provided for in the previous year.

The doubtful debts provision as at 30 June 2017 is \$987,000 which represents less than one per cent of the total timber sales in 2016-17 (\$113,400,000).

Hon Dr Steve Thomas asked:

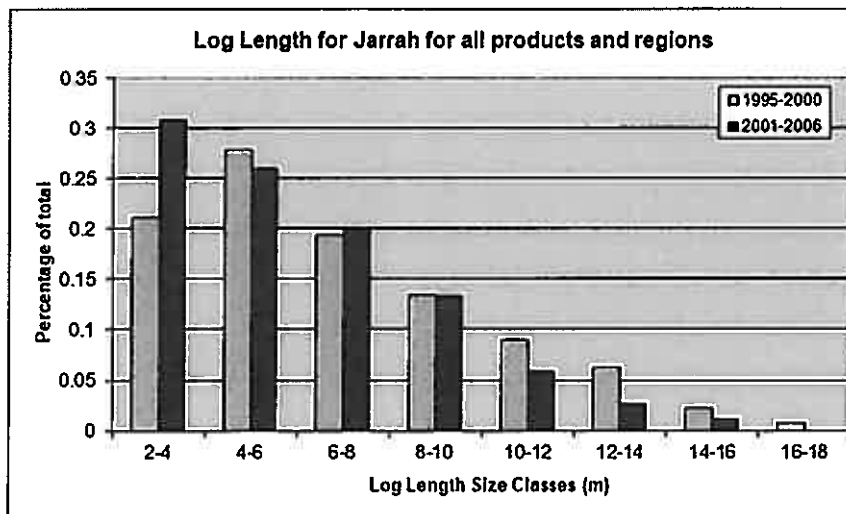
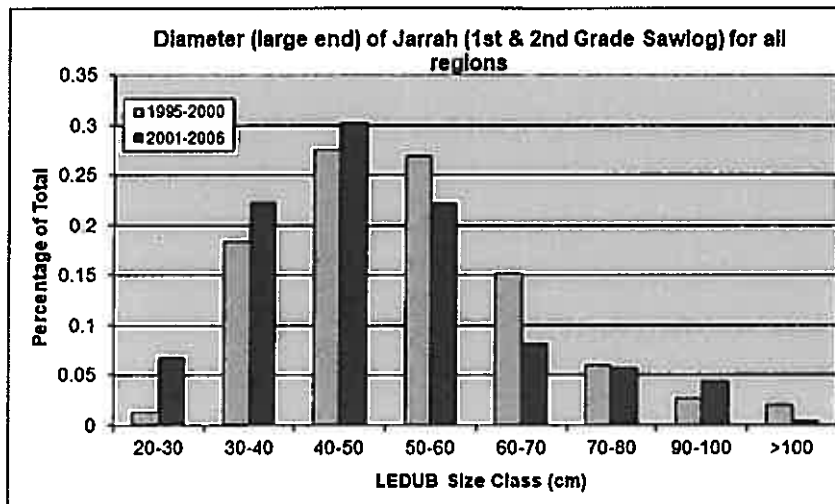
- D4 Provide an estimate of average bole size and how that may have changed over time and the estimated impact of various policies (back to old-growth policy in 2001) and how that has impacted on average bole size coming through. Is there any quantitative data available?

Answer: A study was conducted in 2007 to understand whether the size of jarrah sawlogs had changed over the period from 1995 to 2006 when there had been a number of government policy changes. This study examined the dimensions of logs being

produced as sawlogs. The graphs below are the summary data from the study which indicate the difference in diameter and length between logs produced from 1995 to 2000, and 2001 to 2006.

During the period 1995 to 2000 policy changes included the increased reservation of forests associated with the Regional Forest Agreement. The “Protecting Our Old Growth Forest Policy” was introduced early in 2001, and further reservation of forests occurred under the *Forest Management Plan 2004-2013*.

The study data indicates there was a reduction in log size between the two periods, particular in the northern forest areas. There has not been a more recent study to determine whether there have been further changes.



Hon Tjorn Simba asked:

D5 Request for a project breakdown of the Royalties for Regions funding of \$500,000 referred to on page 29 in the FPC's 2016-17 Annual Report.

a) From whom or from where are the funds derived.

Answer: Royalties for Regions

b) & c) What projects will be funded by that \$500,000 allocation and the break down of allocation of that \$500,000 across those projects.

Answer: The following table provides the indicative allocation of the \$500,000 Royalties for Region funding to projects:

Project	\$ Dollars
Future Forest Industry Plan	\$200,000
Farm Forestry	\$100,000
Transition to Plantations	\$100,000
Brand and Marketing	\$100,000
Total	\$500,000