



Department of
Jobs, Tourism, Science
and Innovation

Protecting our native forests

Native Forestry Transition Plan

2023



Foreword

On 8 September 2021, the Western Australian Government made the decision to end native forest logging from January 2024. The ever increasing impacts of climate change, the importance of maintaining biodiversity and forest health, the need for carbon capture and storage, and declining timber yields meant it was essential that we acted now to protect Western Australia's (WA's) forests.

This will preserve approximately 400,000 additional hectares of karri, jarrah and wandoo forests, meaning nearly two million hectares of native forests will be protected for future generations, including 9,000 hectares of high conservation value karri forests, which received immediate protection upon the announcement.

The decision to end logging of WA's native forests reflects the changing attitudes of the community towards our native forests. Cutting down 400 year old trees is no longer acceptable. The jobs of the future now lie in the protection of our forests.

We recognise the significance of this for our State, which is why the WA Government committed \$80 million to deliver a plan to ensure affected workers, businesses and regional communities are supported through the transition.

This Native Forestry Transition Plan (NFTP) provides a framework to support our native forestry workers into new employment and to drive diversification of our regional economies to bring new job opportunities to the native forestry timber region.



The NFTP is not working in isolation. The WA Government is investing in a range of projects in the South West region, including the establishment of a Main Roads depot in Manjimup, Nannup Trails Town Infrastructure and bike trails in Albany, Denmark and Pemberton. This investment will drive economic and social recovery and create a pipeline of local jobs.

The WA Government has also allocated funds to Regional TAFEs for vocational education and training, career and employment advice as well as TAFE support services. We are investing in regional education – funding refurbishments, upgrades and new builds at regional primary and secondary schools across the state and we have also allocated funds for new regional water infrastructure projects and upgrades to existing facilities.

The WA Government is also investing a record \$350 million to expand Western Australia's softwood plantations to support sustainable jobs in our State and to create a sustainable, future timber supply.

By transitioning more of the forestry industry to sustainable timber products like softwood, we are investing in WA's future - supporting the construction and forestry industries, and our regional communities.

This NFTP is about the future. It was developed in consultation with industry and community, and its fabric has been woven together through the hard work and commitment of our partners in the Native Forestry Transition Group (NFTG).

I would like to acknowledge the former Minister for Forestry, Hon Dave Kelly MLA, for his leadership in developing this plan.

I also want to thank the NFTG members for their input.

This plan is a reflection of their insights and represents the next chapter in the future of our forests and regional communities in the face of a drying climate and increased threats to our forests.

Together, the programs outlined in this plan place our regional communities in good stead to take advantage of the opportunities of the future.

Hon Jackie Jarvis MLC

Minister for Agriculture and Food;
Forestry; Small Business



Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past and present.

Pemberton. Credit: Frances Andrijich

Executive Summary

This NFTP was developed in response to the WA Government's decision to end large-scale commercial native forest logging in the State.

From 2024, native timber taken from our forests will be limited to forest management activities that improve forest health and clearing for approved mining operations.




This NFTP sets out the support mechanisms that aim to retain skilled workers in our regional towns, support businesses to transition or exit native forestry, and drive industry

growth and diversification across the affected communities in the south west of our State.

It consists of three core initiatives which work together to deliver on the WA Government's commitment to the native timber region.

An overview of these initiatives is provided below:

Native Forestry Transition Plan \$80 million

\$19.3 million	\$26.9 million	\$30 million
 Workforce Transition Programs (WTP)	 Business Transition Programs (BTP)	 Industry and Community Development Programs (ICDP)
WTPs are aimed at providing financial support to native forestry workers and help them secure new employment in the region.	BTPs are aimed at providing financial support to businesses to pivot, diversify, or close once protections for South West native forests increase.	ICDPs are aimed at assisting small business in the native forest region to grow, diversify or attract new industries to the affected areas and stimulate regional economies.

The WA Government recognises the significant contribution that the native forestry industry has on our State and the livelihoods of skilled workers in our regional communities and their families.

Together, the delivery of the three initiatives will position local towns and communities for growth and prosperity well into the future.



The Drivers for Change

The decision to end logging of native forests will preserve at least an additional 400,000 hectares of karri, jarrah and wandoo forests – protecting nearly two million hectares of native forests for future generations.

The ever increasing impacts of climate change, the importance of maintaining biodiversity and forest health, the need for carbon capture and storage, and declining timber yields mean that it is essential that we act now to protect WA's forests.

The Intergovernmental Panel on Climate Change (IPCC) Working Group II (February 2022) stresses that climate change is causing 'dangerous and widespread' disruptions to the environment and people around the world. The report also states that there is increasing concurrence of heat and drought events causing tree mortality, an effect that is increasing in the forests of the South West of WA.

Recent research shows that climate change has had a considerable impact on Australia's natural environment, including the native forests of the South West. Average temperatures and heat extremes have increased and the decline in rainfall in the south west region has been greater than anywhere else in Australia with around a 20% decrease since the 1970s and an 80% reduction in streamflow into the dams.

By 2030 under all emissions scenarios, winter rainfall is projected to reduce further by up to 15%; by 2090 the reduction could be up to 25-45%. The duration and severity of droughts are also predicted to increase, along with potentially large fluctuations in the number and intensity of summer rainfall events.



Lake Kwornicup, Pemberton

While forests of the South West are adapted to hot, dry summers and cool, wet winters, climate change impacts have been escalating and compounding for several decades. The declining rainfall and drier soils have led to chronic water stress in parts of the forest leading to reductions in vegetation density, reduced health and growth of trees and the collapse of forest stands.

As rainfall continues to decline, so do the climate conditions needed for the survival and regeneration of our iconic eucalypt species such as jarrah, karri and marri. Jarrah and karri growth is predicted to decline even under emission scenarios where strong action is taken against climate change.

The direct and indirect impacts of climate change on the health and vitality of the forests, coupled with the move to logging younger regrowth jarrah and karri forests over the past two decades, has contributed to decreased quality and reduced amount of commercial sawlog from native forest harvesting.

This has resulted in a subsequent decrease in supplies to timber mills over the last several years and an increase in production costs.

Vigorous regrowth of harvested forests (which have high water demands), is compounding the impacts of climate change by contributing to decreased streamflow, and the capacity of the forest to produce marketable timber. Up to 40% of all karri trees harvested end up as woodchip to be exported. Even in our best karri forests at least half the volume harvested is woodchip sent offshore for paper manufacture or as biomass to be burnt.

In addition to climate change, the transition to harvesting younger regrowth forests, an industry bias for larger sawlogs than assumed in the Department of Biodiversity, Conservation and Attractions' 2014-2023 Forest Management Plan (FMP); and silvicultural prescriptions to maximise sawlog production rather than forest health outcomes, has led to an industry that is both environmentally and economically unsustainable.



Since the last FMP, there has been a significant reduction in predicted tonnes per hectare for jarrah sawlog. Constrained markets for residue products coupled with industry preference for larger sawlogs has led to poor silvicultural outcomes affecting the sustained yield. Subsequent analysis shows the decline in yield per hectare is more dramatic than first predicted and is now at least 50% of previous yield per hectare (20t/ha to 10t/ha or 50% decline). This reduction was predicted to continue with some future coupes as low as 5t/ha.

The decline in sawlog yield per hectare means that more area of forest must be harvested to supply the same amount of sawlog, while the cost of harvesting remains the same.

While sawlog production has been the primary goal, thinning of our forests has focused on improving tree growth for timber production rather than for ecological and environmental outcomes.

The new FMP 2024 – 2033 will protect our forests and prioritise ecological thinning for forest health rather than sawlog production. In future, the only timber to be removed from native forests will be sourced from management activities that improve forest health or clearing for approved mining operations and infrastructure maintenance. The jobs of the future lie in the protection of our forests.

It is our responsibility to protect our native forests and ensure their survival, not only for the next generation but to ensure the South West remains a premium tourist destination.

Native Forestry Timber Regions

Western Australia's native forestry industry played an important role in the social and economic development of our State.

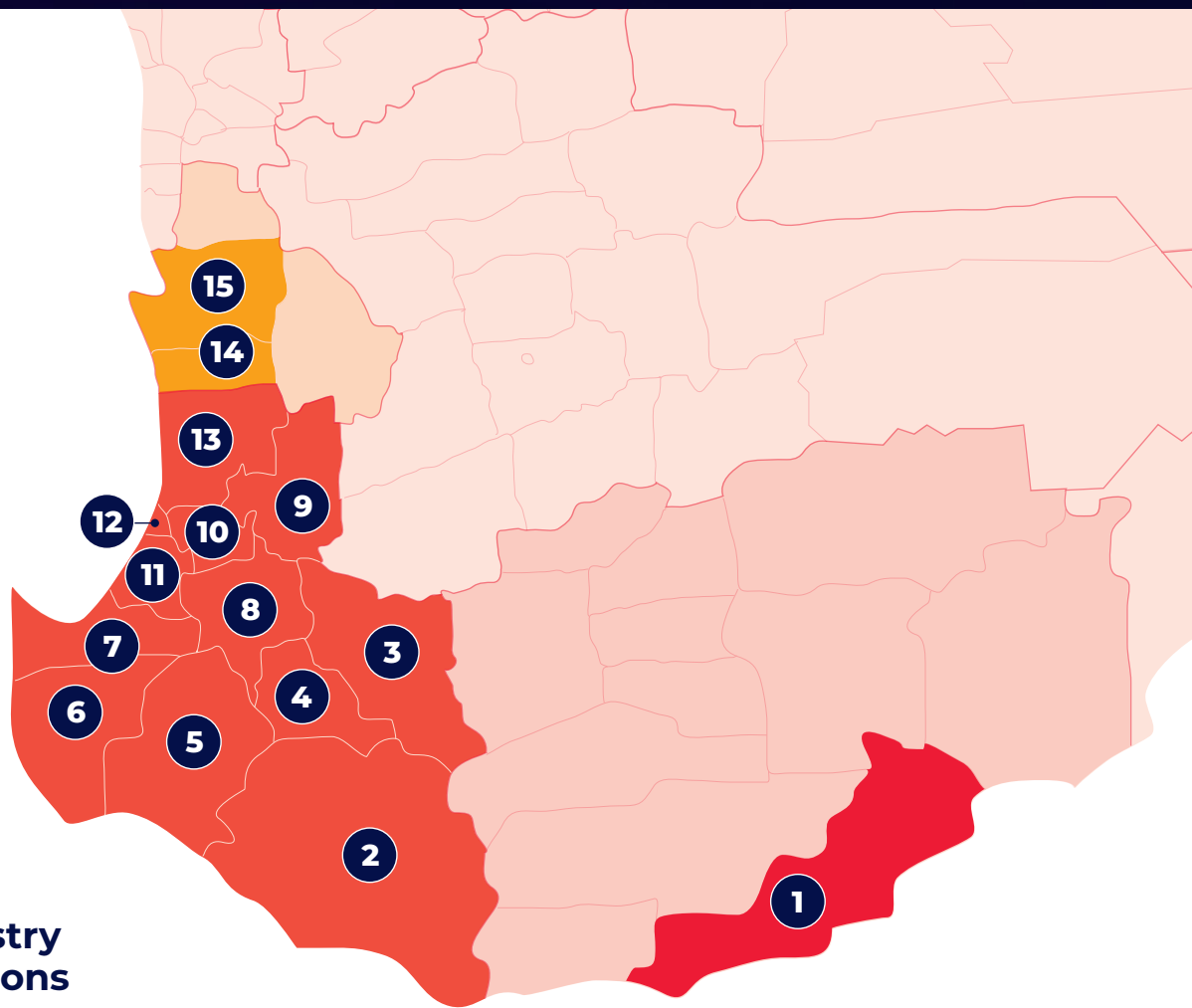
The Swan River Colony was established in May 1829 and the first sawmill opened at Mt Eliza (Kings Park) in 1833. Within three years, Western Australia was exporting hardwoods to England.

It was quickly recognised that the State's native timber had to be managed and the first set of regulations were released in 1842. In 1919, the first State forest was declared at Ludlow and a year later, 400,000 ha was set aside as Class A reserves.

In more recent years, community sentiment towards native forestry began to change and in 2001, the WA Government ended old growth logging, protecting an additional 340,500 ha of old growth forests.

Today, the Native Forestry Timber Region is based south of Perth and includes much of the Peel, South West and Great Southern regions. Forestry is no longer the economic mainstay it once was, contributing only 0.1% to the total State Gross Regional Product in 2022. Native forestry consisted of 8% of the forestry industry as a whole.





Native Forestry Timber Regions

Great Southern

1 Albany

South West

2 Manjimup

3 Boyup Brook

4 Bridgetown-Greenbushes

5 Nannup

6 Augusta-Margaret River

7 Busselton

8 Donnybrook-Balingup

9 Collie

10 Dardanup

11 Capel

12 Bunbury

13 Harvey

Peel

14 Waroona

15 Murray



242,571

Estimated resident population of the 15 Local Government Authorities (LGAs) (ABS 2020 ERP)



20,732

Total number of all businesses in the 15 LGAs

Of these, more than **47** are direct native forestry businesses (including firewood businesses)



19,922

Number of all jobs in the LGAs (2019)

Of these, around **556** are native forestry jobs

(BDO EconSearch 2022)

The Native Forestry Transition Group

To support the transition, the NFTG was established to assist in the development of the NFTP and its three initiatives.

The NFTG consists of local industry, union, and government stakeholders:

- » Australian Workers Union (AWU)
- » Chamber of Minerals and Energy of Western Australia (CME-WA)
- » Forest Industries Federation Western Australia (FIFWA)
- » Regional Chambers of Commerce WA (RCCIWA) represented by Manjimup Chamber of Commerce and Industry
- » Shire of Bridgetown Greenbushes
- » Shire of Manjimup
- » Shire of Nannup
- » WA Local Government Association (WALGA)

WA Government representatives are:

- » Department of Jobs, Tourism, Science and Innovation (JTSI)
- » Department of Training and Workforce Development (DTWD)
- » Forests Products Commission (FPC)
- » South Regional TAFE (SR TAFE)
- » South West Development Commission (SWDC)

The NFTG members bring cross-sectoral knowledge and expertise to the transition, ensuring the programs and initiatives are comprehensive and fit-for-purpose.

The group met monthly during the development of the initiatives to maintain momentum of the program, bringing local knowledge and self-determination for our regional communities.

The NFTG members have been integral to the roll out of the Native Forestry Transition initiatives, applying local leadership, skills and expertise as the transition progresses. These regional stakeholders have been the foundation of the plan's success in supporting the industry growth initiatives and identifying strategic enablers to unlock potential investment opportunities.

Workforce Transition Programs

The objectives of the WTPs are to ensure all eligible native forestry workers impacted by the State Government announcement to protect native forests from 2024 are supported to transition out of the industry.

While the Australian Workers Union did not agree with the decision to end native forest logging, they worked constructively with the WA Government to help create a package that supports workers as they transition out of the industry.

The WTPs are supporting workers made redundant or those who choose to leave to seek new employment as well as casual/seasonal workers and are over and above their employee redundancies.

With the support provided under the WTPs, workers have choice and flexibility in deciding their future training, employment or retirement pathway.

Available to workers employed by eligible Business Transition Program businesses that meet criteria as set out in the program guidelines.

There are two programs associated with the WTPs.

Program 1: Worker Transition Payment

Program 1A: One off transition payment of \$10,000 available to workers who voluntarily exit the industry.

Program 1B: Base payment of \$30,000 plus variable payment of \$1,000 per full year of service to maximum of \$15,000 (up to 15 years).



Boranup Karri Forest

Program 2: Reskilling, Retraining and New Employment

Program 2A: Training support (up to \$2,500)

- » A private Registered Training Organisation (RTO) (up to \$2,500 per worker), or
- » Training support from TAFE or government contracted RTOs (up to \$2,500 per worker).

Program 2B: Resume preparation (up to \$500)

- » Support to help workers to prepare a resume in preparation for seeking employment.

Program 2C: New employment support (up to \$5,000)

- » To assist with purchasing new work attire, a new uniform, PPE, tools, services (e.g. medical examination, eye tests) and fees (e.g. heavy haulage licence) to engage new employment.
- » To support relocation costs for workers that need to relocate for new employment within the native forest timber regions. This includes support for removalist costs or costs associated with storage of furniture.

Together, these programs are aimed at maintaining and building on the employment opportunities in the region, retaining workers and their families in our regional communities.

In addition to the WTP program funding, the WA Government has a range of free or low-cost services available to support workers to seek and secure new employment. These include:

Jobs and Skills Support

The service offers free support, information and advice about options for training to gain new skills; help and guidance for career planning; assistance with finding employment including CV/resume and writing job applications; referral to other available support services if required.

Jobs South West

Jobs South West offers the tools required to gain employment including resume preparation, selection criteria specifics and interview preparation. Their services are available to people in the South West region of Western Australia.

Community Resource Centres

Locally owned and operated, Community Resource Centres (CRCs) provide a wide array of information and community-based services to local people, businesses and visitors. The CRCs are supporting affected workers to develop and prepare applications for WTPs including providing access to computers, printers, and scanners.

Other Support

In recognising that this is a period of change for affected workers, the transition team promotes the range of support available to workers, businesses and their families including mental health counselling, industry relations support and financial and business counselling services.



Warren River Lookout, Pemberton



Business Transition Programs

The objectives of the BTP are to ensure that all eligible businesses currently operating in Western Australia are supported to transition out of native forestry by 2024.

Only eligible sawmills and harvest and haulage businesses can access Programs 1, 2 and 3. These businesses have been identified by State Government. There are four programs associated with the BTP which comprise the following one-off individual payments:

Program 1: Industry Restructure Payment

This payment supports eligible businesses that close their operations and exit the native forestry industry or can be used to re-equip/re-invest in the business to diversify or transition into other industry streams.

The WA Government reached agreement with all eligible businesses and industry restructure payments have been paid.

The payment was calculated on eligible current Forest Products Commission (FPC) base contract volumes.

Program 2: Statutory Redundancy Reimbursement

Eligible businesses are being reimbursed to cover the statutory redundancies of redundant workers up to:

- » \$40,000 per business with contracted sawlog base volume of less than 3,000 tonnes, OR
- » \$100,000 per business with contracted sawlog base volume of more than 3,000 tonnes and harvest and haulage businesses.

Valley of the Giants, Treetop Walk



Program 3: Site Clean-up, Decommissioning or Equipment Reimbursement Payment

This payment supports the demolition of structures and site remediation to facilitate safe and de-risked repurpose of sites. The company retains ownership of its stock and equipment that can be sold to realise income to supplement this closure support.

Eligible sawmills and harvest and haulage businesses can access Programs 1, 2, and 3. These businesses have been identified by State Government.

Harvest and haulage businesses are an important part of the supply chain and those operators eligible for the transition programs can negotiate a managed exit from the industry over an agreed transition period.

Program 4: Firewood/Auction Contract Closure Support

Program 4 has been designed to support firewood/auction contract businesses. This process will run separately to Programs 1, 2 and 3.

Firewood will continue to be available after 2024 through forest management activities that improve forest health and clearing for approved mining operations.

Firewood or auction businesses that wish to exit the industry or that do not secure a future contract, will be eligible for \$50,000 if they decide to close their business. This program will be opened to applications following the development of the next FMP 2024-2033 process, or following any tendering or allocation process linked to the FMP 2024-2033 for firewood.

Industry and Community Development Programs

The ICDPs aims to drive further diversification of local economies and assist in identifying and securing sustainable job opportunities following the WA Government's decision to end logging in our native forests from 2024.

The programs were developed to support existing businesses to pivot and expand, to stimulate new industry investment, and to strengthen regional communities.

The \$30 million ICDPs consist of the following contestable grants programs:

- » Small Business Development and Diversification grants (SBDD) - \$15 million
- » Community Small Grants Fund (CSGF) - \$4 million
- » New Industry Development Grants (NIDG) - \$10 million
- » Closure of Impacted Businesses (CIB) - \$1 million

Each program was designed to target specific sectors and outcomes, with tailored eligibility and assessment criteria to reflect the different objectives of each program.

Program 1: Small Business Development and Diversification grants - \$15 million

The SBDD program provides grants of up to \$400,000 for existing small businesses with a demonstrated impact from the closure of the native forestry industry to support business expansion, diversification or innovation to protect local jobs and support strong regional economies.

Program 2: Community Small Grants Fund - \$4 million

The CSGF provides funding of up to \$100,000 to support projects that aim to stimulate regional economies and create liveable communities in the affected native forestry timber regions.

Program 3: New Industry Development Grants - \$10 million

The NIDG provides grants of up to \$2 million in matched funding to support new industry and innovative business expansion within the affected native forestry timber regions. The industry-led program seeks to accelerate business development and increase productivity to strengthen regional economies, attract new industries and create local jobs.

Program 4: Closure of Impacted Businesses - \$1 million

This program provides grants of up to \$50,000 for existing small businesses with a sole reliance on the native forestry industry that choose to close.



Beyond 2024

Future Forest Health

The direct and indirect impacts of climate change meant it was essential for the WA Government to take action to protect Western Australia's forests.

The transition away from old growth logging started at the turn of this century.

The native timber industry is significantly smaller than it once was, representing only 8% of the forestry industry in WA. The softwood plantation sector drives significantly more economic output than the native forestry sector, with softwood being a critical material for the building and construction industries.

From 2024, the only timber to be removed from native forests will be sourced from management activities that improve forest health (such as ecological thinning) or clearing for approved mining operations and infrastructure maintenance.

Ecological thinning is an active forest management tool that aims to reduce the current and future moisture stress on a site for an extended period and increase resilience of the forest to climate change impacts and maintain forest ecosystems. This active forest management will provide for thinning of

regrowth karri and jarrah forests, to enhance their resilience under a drying and warming climate.

While sawlog production was the primary goal, thinning of forests in the South West of WA focused on improving tree growth for timber production rather than for ecological and environmental outcomes. The next FMP 2024 -2033 will set a new direction, focusing the thinning program on the ecological health of our forests as opposed to meeting the required commercial volume of wood products.

The scope and approach to forest management activities that improve forest health is being defined through the development of the FMP 2024-2033.

While native forestry logging will end, it is important to note that some native timber sourced from approved mine site clearings and forest management activities to maintain forest health will continue to be available for products such as high value furniture, joinery, artisanal products, charcoal and firewood.

The process for the sale and purchase of these products will be released following the finalisation and publication of the next FMP 2024-2033.



Softwood Plantations

The 2021-22 WA State Budget included a record \$350 million investment over 10 years in new softwood plantations across the South West.

This investment is anticipated to create around 140 timber industry jobs, protect around 1,980 existing jobs, mostly in the South West timber industry, and support the many thousands of jobs in the State's construction industry that depend upon the reliable supply of softwood timber.

This record investment will provide at least an additional 33,000 hectares of softwood timber plantation.

Up to 50 million pine trees will be planted, sequestering between 7.9 and 9.5 million tonnes of carbon dioxide equivalent.

Regional Economic Development Opportunities

The native timber region stretches across the South West of WA and is bordered by the Perth metro area to the north and the Great Southern to the south. It is recognised that the primary area of direct impact will sit across the inland corridor of the South West region, across the Warren-Blackwood.

The Warren-Blackwood region is rich with diverse natural assets and landscapes. The area is highly productive in terms of agriculture and mining. Its proximity to Perth has made it an attractive lifestyle alternative to metropolitan living leading to an increased population seeking services, facilities and experiences for recreation. It is also a popular tourism and recreation destination.



Bridgetown

The Warren-Blackwood region is recognised as a world-class producer of high quality horticulture, meat, dairy and honey products; as well as high value food and wine; and premium products such as truffles and unique apple varieties.

There is capacity to build on the strong foundations and continue to develop the region's Agri-food sector.

The rapid evolution of information and communications technology has seen a greater focus on e-business and a growing demand for e-change (rural lifestyle with global connectivity).

A booming demand for lithium is driving expansion of mining operations within the region, offering direct and indirect opportunities. Technological advancements in resource management and optimisation continue to drive the development of new and more sustainable industry.

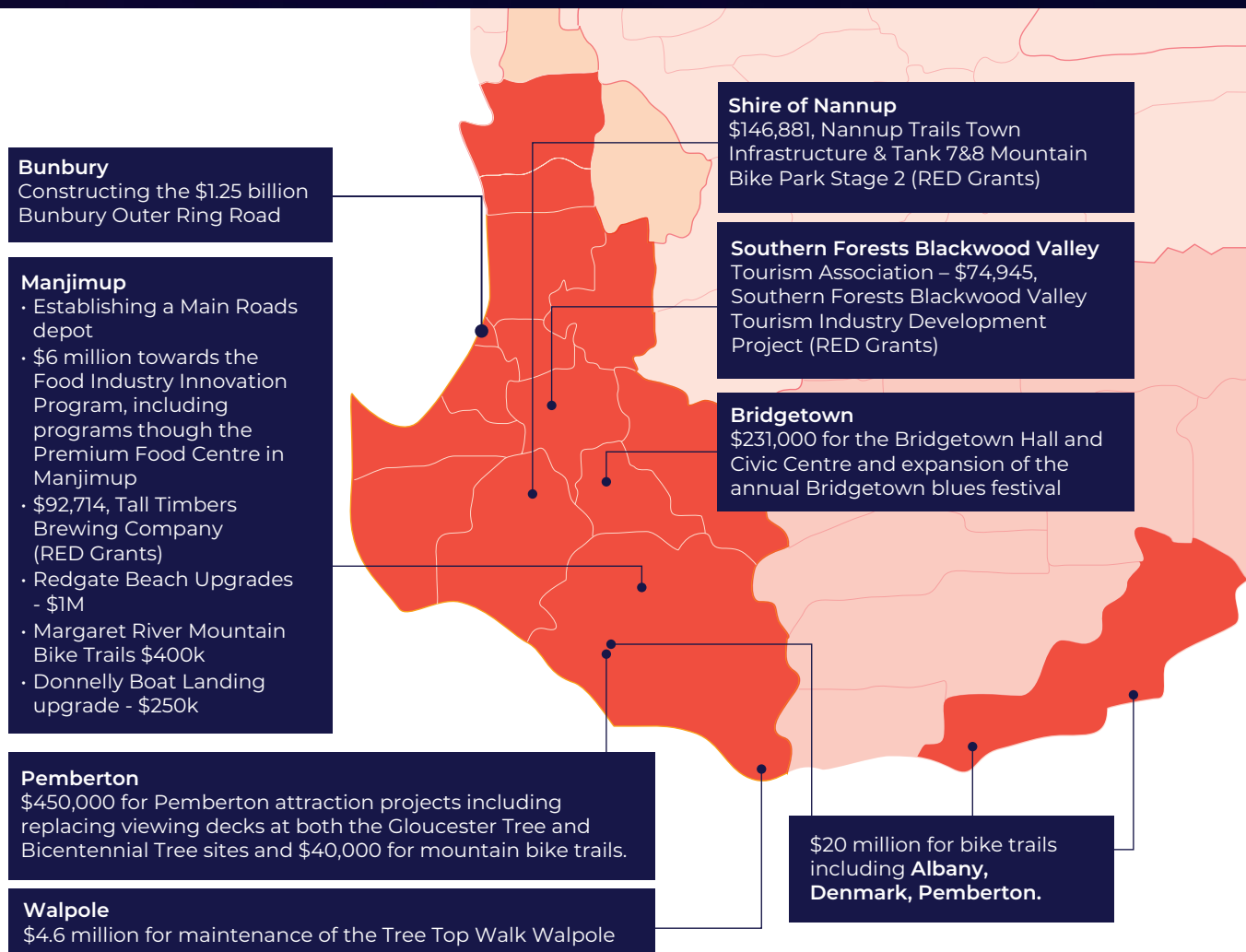
Opportunities exist to support this resource expansion and investigate regionally-based downstream processes.

Given the region's ample assets and proximity to internationally recognised WA tourism destinations, there are many opportunities to further develop across the spectrum of tourism, including agri-tourism, aqua-tourism, eco-tourism, trail tourism, cultural and cuisine tourism. Recognised for the seasonality of the landscape and quality food and wine offerings, the base is already well-established.

Priority areas identified for development to ensure an effective and sustainable transition include:

- » Investment and support to build on the region's reputation for liveability
- » Leveraging of the Warren-Blackwood's comparative advantages to expand and diversify industry
- » Investment and support to deliver new infrastructure required for industries and population growth.

Priority projects have been, and continue to be, identified to deliver positive economic development outcomes for the region. These include emerging and expanding businesses and industries, tourism and agricultural innovation. There is also concerted focus on addressing constraints to development within the region including land supply for residential and industrial use, digital connectivity and transport links.



Other Investment in the South West

The WA Government's investment in the native timber region is not limited to the \$80 million committed to the Native Forestry Transition funding.

Further investment aimed at expanding the economic base of the region, supporting employment and training opportunities and enhancing communities includes the following programs:

Statewide Initiatives:

- » Delivering fee free and reduced fee courses across South Regional TAFE campuses
- » \$180 million Investment Attraction Fund
- » \$48.6 million WA Regional Digital Connectivity Program
- » \$17.7 million for new tourism experiences in WA's national parks
- » \$45.8 million over eight years towards the RED Grants program

- » \$820.3 million over the next four years toward new regional water infrastructure projects as well as improvements and upgrades to existing facilities.

State road maintenance delivery returns to the public sector

- » Establishing a Main Roads depot in Manjimup
- » The transition from contracting our road maintenance will save more than \$25 million per year
- » New delivery model will create 660 permanent jobs – 490 in regional Western Australia and 170 in metropolitan Perth
- » Increased employment opportunities, particularly in regional WA
- » Road crew workers will have better pay and conditions



Department of
**Jobs, Tourism, Science
and Innovation**

Government of Western Australia
Department of Jobs, Tourism, Science and Innovation

Native Forestry Transition team

Telephone: +61 8 6186 6976

Email: nft@jtsi.wa.gov.au

www.wa.gov.au/nft