



mitsui BUSSAN WOODCHIP OCEANIA PTY LTD

ABN 14 070 210 990

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Shire of Boyup Brook
Abel St
Boyup Brook, WA
6244

To whom it may concern,

Re Application for development approval

Mitsui are submitting a Development Approval for the planting of an pasture and cropping property into Radiata pine.

Please find below pertinent information contained within the planning application for 6250 Condinup Rd plantation at Lot 6250 on Deposited Plan 81878 on Condinup Road, Dinninup, also known as "Drapers".

- The applicant sees no evidence that establishing a pine plantation at the above-named property will have negative socio economic impacts;
- The applicant commits to operating in compliance with the Code of Practice for Timber Plantations in Western Australia, the council's firebreak order and FESA's Guidelines for Plantation Fire Protection;
- The applicant remains a member of the Plantation Managers Fire Cooperative Agreement (PMFA);
- Condinup Rd ("Drapers") proposed plantation is in close proximity to FPCs McAlinden appliance, which the applicant has access to via the PMFA;
- A water tank will be installed at time of plantation establishment and multiple dams exists within the plantation (refer to the plantation map);
- The applicant sees no evidence that establishing radiata pine to this site will negatively impact the amenity of the area;
- There are no existing buildings on the site;
- Management of harvest impacts on roads will be handled in compliance with the shire's requirements, consistent with how such matters are handled by BFE currently.

Best regards,

Rayna Barr

Rayna Barr
Forester



PLANTATION MANAGEMENT PLAN

Drapers
6250 Condinup Road PROPERTY

P 2024

Prepared by

BUNBURY FIBRE EXPORTS

Last updated 8.12.2023

Bunbury Fibre Exports Plantation Management Plan

Introduction

Mitsui Bussan Woodchips Oceania Pty Ltd (MWO) is in the process of purchasing a property in the district of Dinninup. This property is ex-cropping and pasture with an area of approximately 260 hectares to be established with pine softwood (*P radiata*).

Establishment and maintenance of the pine plantation will be conducted by Bunbury Fibre Exports Ptd Ltd.) as MWO's appointed property management company.

Situated in the Boyup Brook Shire, the property is located approximately 16km north of Boyup Brook.

This document outlines the following in relation to this plantation –

1. Property summary
2. Land information
3. Plantation Establishment Plan
4. Plantation Tending Plan
5. Fire Management Plan
6. Timber Harvesting Plan
7. Carbon Capture Plan

All relevant maps and plans are attached.

- Contract Map
- Shire Approval Map

References:

- *Code of Practice for Timber Plantations in Western Australia*
- *Guidelines for Plantation Fire Protection (1998)*
- *Local Shire Council Firebreak Orders*
- *Plantation Managers Fire Agreement*

1 PROPERTY SUMMARY

Plantation Name:	Drapers
Landowner:	Mitsui Bussan Woodchip Oceania Pty Ltd
Planting Year:	2024
Area:	Approximately 260 ha (<i>P radiata</i>)
Location Number:	Nelson Locations Title: - Lot 6250 on Deposited Plan 81878
Catchment:	Blackwood River
Avg Annual Rainfall:	645 mm (Boyup Brook Weather Station Ref. No: 9504)
Landscape Position:	Lower to upper slopes
Topography:	Flat to moderate
Aspect:	Mostly northerly with some easterly

2 LAND INFORMATION

2.1 Area

The general area is zoned for the purpose of agriculture/plantations. The area is currently under canola, barley / crop and pasture with areas of native remnant vegetation within the property boundary.

A change from cropping and pasture to pine sawlog plantation is proposed. A total land area of 404 hectares on one certificate of title, of which approximately 260 hectares is considered arable, excluding some non-arable areas defined below.

2.2 Locality plan and access roads

A location plan is attached. Access to the property is from Condinup Road.

2.3 Natural features

2.3.1 Principle soil types:

The soils are predominantly a clayey loam ranging to gravelly loams.

2.3.2 Areas of native vegetation:

This property includes areas of native vegetation and paddock trees. These areas will be maintained and excluded from the planting area.

2.3.3 Significant landscape, cultural and heritage values:

Searches of the relevant databases has determined the property falls within the Gnaala Karla Booja Indigenous Land Use Agreement Area. The property has Mythological heritage values identified associated with the Wagul/Waugal/Waagal.

These identified areas will be excluded from plant areas and identified as exclusion areas on all plantation maps.

2.4 Improvements

2.4.1 Buildings

There are no buildings within the plantation establishment area.

2.4.2 Roads, bridges, creek crossings

Current roading is restricted to the firebreaks. Internal roads will be established at time of plantation establishment. These roads will also act as firebreaks between compartments.

2.4.3 Fences, gates and dams

No internal fences remain on the property due to its previous cropping history. External fences are in good condition.

The southern boundary fence adjoins Condinup Road.

There are dams on the property which hold water throughout the year. These are accessed via gates to the property from Condinup Road.

2.4.4 Powerlines, Telstra cables etc.

There are no powerlines on the property.

There is a Telstra cable running along the fence line adjoining Condinup Road.

3 PLANTATION ESTABLISHMENT PLAN – (Summary)

3.1 Areas of native vegetation, including paddock trees to be cleared

There is no native vegetation that requires removal as part of the establishment.

3.2 Management of harvest residue (cropping)

This may involve the burning of paddock stubble by BFE.

3.3 Control of vermin and declared weeds

BFE will take all reasonable steps to control rabbits and other pests.

They will also be responsible for the control of declared plants within the property.

BFE will participate in any community/neighbour based joint fox control.

The site has been checked for the presence of declared weeds.

3.4 Areas to be planted, compartment sizes

The plan attached shows the plantation area; the area has been divided into compartments according to the Guidelines for Plantation Protection.

3.5 Species to be planted and source of seedlings

The site is to be planted with *Pinus radiata* sourced from Tree Breeding Australia seed orchards and raised in a local nursery.

3.6 Direction of planting lines in relation to contours and natural drainage

The direction of the planting lines will be dictated by the existing cropping areas and most favourable aspect.

3.7 Description of soil preparation methods

The site will be ripped or mounded where necessary using a 4x4-tractor / plough configuration at 4 metre rowing spacing (1111spha) utilizing existing stump lines. Weed control will follow the ripping/mounding operations prior or post planting.

3.8 Description of weed control methods, including herbicide application rates and buffer zones

Pre-planting Broad Spray

The presence of difficult weeds will determine the requirement for a broad spray pre ripping of the plantable area.

Broad spray using 1 litre per hectare of Glyphosate mixed with 40 grams of Metsulfuron-methyl and 200ml of Pulse per hectare with a wetting agent in 100 litres per hectare of water.

Strip spraying

To control the occurrence of annual grasses across the site, the post-plant strip spray prescription for mounds/rips is 2 litres per hectare of Amitrole – T, 3kg per

hectare of Atrazine and 20g per hectare of Sulfometuron Methyl in 100 litres of water per hectare.

Appropriate buffer zones, in line with label requirements and “Code of Practice for Timber Plantations in Western Australia” guidelines will be observed in order to prevent contamination of waterways. All operations will be carried out in accordance with the weed control guidelines stated in the “Code of Practice for Timber Plantations in Western Australia” by licensed contractors.

3.9 Planting technique

Trees will be planted using a hand-held tree planter. Planting contractors will carry plants from a central plant dump from within the property to sections within the proposed planting area by 4x4 utilities and 4x4 ATV motorbikes.

The proposed plantation is to be planted at 1111 stems per hectare in a 4m x 2.25m configuration.

3.10 Access roads and firebreaks

Access roads and firebreaks are shown on the plans attached. External firebreaks are 15 metres wide with 6 metre wide access roads / firebreaks internally.

Firebreak maintenance to Local Authority guidelines is the responsibility of BFE on behalf of the landowner.

4 PLANTATION TENDING PLAN

4.1 Grazing strategy

The planting area is suitable for grazing by livestock however the pine trees are required to be minimum three years old prior to the introduction of stock.

The aim of grazing is to reduce the amount of grasses present on fire breaks and under the tree canopy, thus reducing the fire risk. This will be done by offering neighbouring landowners the opportunity to graze livestock on appropriate areas within the property.

4.2 Pruning and thinning schedule

Only tree branches that intrude onto designated firebreaks will be mechanically pruned to meet Local Authority guidelines. Trees will be thinned twice before the final harvest but no other pruning is scheduled.

4.3 Fertilising schedule

There will be an initial fertilizer application, banded form pre mounding to prevent nitrification of waterways, to raise soil conditions to an appropriate nutrient level for tree establishment. Type and rates of fertilizer used will be determined following nutrient analysis of soil samples.

Fertiliser applications to sustain tree vigour and health will be applied at 15 years of age or post first thinning. The fertiliser will be applied by ground or air. Rates and types of fertilisers will be dependent on results from soil and folia sample analysis.

4.4 Weed management

As part of the ongoing maintenance to the tree crop area a second weed control application will occur during the next winter of the year following planting. (ie winter of year 2025). Weed types will determine the weed control prescription.

4.5 Monitoring and contingencies for diseases and pests

Early Growth Monitoring will occur weekly from the end of planting through to the end of February in the following year. It is not envisaged that any diseases will be found that will affect the plantation or surrounding native vegetation. Upon detection of any pest found to be causing damage to the plantation, an appropriate bait and/or spray will be applied where required.

4.6 Road and break maintenance

Access roads and firebreaks are shown on the plans attached. External firebreaks are 15 metres wide with 6 metre wide access roads / firebreaks internally. Firebreak maintenance to Local Authority guidelines is the responsibility of BFE on behalf of the landowner. BFE will monitor firebreak maintenance to ensure compliance.

5 FIRE MANAGEMENT PLAN

5.1 Landowner property details

NAME	Mitsui Bussan Woodchip Oceania Pty Ltd
ADDRESS	Level 15, 101 Collins Street, Melbourne VIC 3000
PHONE NUMBER	MEL: 03 9605 8800 Bunbury: 08 9781 4500
LOCATION NUMBER(S)	Lot 6250 on Deposited Plan 81878
SPECIES OF TREES PLANTED	<i>P radiata</i>
TOTAL AREA PLANTED	260 hectares pines plus any native plantings carried out
PREVIOUS LAND USE AND CONDITION (ie pasture, ex bush)	Cropping and Pasture

5.2 Property details of neighbouring locations

NAME	Phone Number	LOCATION NUMBER(S)
Nippon Paper Resources and Mitsui Plantation Development	08 9781 4500	Lot 13 on Deposited Plan 23118
John & Lynne Lawson	0431 988 439	Lot 1528 on Deposited Plan 114615
Mitsui Bussan Woodchip	03 9605 8800	Lot 2 on Diagram 83703

Oceania Pty Ltd		Lot 3 on Diagram 83703
Mark and Leith Stretch	0487 871 112	Lot 12205 of Deposited Plan 163040
Cagebend Pty Ltd	TBA	Lot 4 on Plan 23117
Hugh Sutherland Rodgers	TBA	Lot 6 on Deposited Plan 52348

5.3 Local fire agencies

AGENCY	ADDRESS	PHONE NUMBER	CONTACT PERSON
DBCA Blackwood District	Kirup	9731 6232	Duty Officer
BFE Pty Ltd	Berth 8 Leschenault Drive Bunbury WA 6230	9781 4500	Manager
Boyup Brook Shire Office	Abel Street Boyup Brook WA 6244	9765 1200	Reception
Chief Bush Fire Control Officer Boyup Brook	Abel Street Boyup Brook WA 6244	0427 673 072	Ben Thompson
Deputy Chief Bush Fire Control Officer Boyup Brook	Abel Street Boyup Brook WA 6244	0497 671 340	Tristan Mead

5.4 Risk of ignition

Potential ignition sources are mainly restricted to lightning strikes, adjoining roads and escapes from burning operations on surrounding land plus machinery caused fires from both plantation and cereal harvesting operations.

5.5 Detection of fires

The landowner, neighbours and passers by, and the existing brigade system will undertake fire detection.

In addition, Department of Biodiversity, Conservation and Attractions (DBCA) spotter aircraft regularly fly within smoke spotting distance of the area and will report all smokes sighted. In the event of a fire, 000 should be immediately called, then the Shire Chief Fire Control Officer should be notified. The CFCO should in turn contact Bunbury Fibre Exports

5.6 Location Of Fire Control Equipment.

Fire units that may be available are both privately owned and volunteer brigade units derived from neighbouring properties and central depots, as well as plantation industry firefighting resources.

In addition, the plantation industry as a whole has recognised the importance of a unified approach to the control and management of fires within or close to its plantation estate and has developed the Plantation Managers Fire Agreement to ensure the most efficient and effective responses are made to wildfires. BFE are one of nine plantation industry signatories to this Agreement. The combined resources of the industry in terms of both manpower and equipment are extensive and are strategically located both in major centres and on or near plantations throughout the South West and Great Southern Regions. In the event of a fire on or threatening these properties BFE can call on the combined resources of the plantation industry in accordance with the protocols laid out in the Agreement. Information relating to suppression resources at an industry level are also tabled below.

Location and capacity of Brigade fire appliances:

Location	Light Units Min. 450L	Med. Duty Units Min. 1900L	HD Units Min. 2700L
Dinninup			1

Location and capacity of fire appliances:

Location	Light Units Min. 450L	Med. Duty Units Min. 1900L	HD Units Min. 2700L
Ents Forestry Bunbury	2		1
PF Olsen Collie	1		1
WAPRES Manjimup and Bunbury	2		2
BFE Bunbury	3		
FPC Mcalinden			1

Note: WAPRES also have a 950 loader and 10,000 litre water truck located at Manjimup

Location and capacity of DBCA fire appliances:

Location	Light Units Min. 450L	Med. Duty Units Min. 1900L	HD Units Min. 2700L
DBCA Blackwood & Wellington Districts Collie and Kirup	8	2	8

5.7 Initial attacks on fires

In the event that BFE becomes aware of a fire within, adjacent to or approaching the property, staff must first alert the relevant authorities by calling triple zero.

Staff should then identify the most appropriate and available fire attack options, which are likely to be those in closest proximity to the fire, being those located in Boyup Brook or Mcalinden (both within 30 minutes of the plantation). The most appropriate attack option must also consider the suitability of the equipment and personnel in the context of the particular incident.

As the landowner, Bunbury Fibre Exports will be the primary firefighting source supported by other plantation industry operators through its plantation industry agreement and utilising the FPC McAlinden based fire appliance.

Initial attack on fires will be via the Bush Fire Brigade system coordinated by the local Fire Control Officer, Boyup Brook Shire and FESA. The Boyup Brook Shire have advised that they will not enter plantations or forests on private land but are likely to attend the boundary of the property to assist with fire which is burning in adjacent grassland. BFE and the plantation industry will also supply units for fire suppression, mop-up and control.

Initial attack on a fire will be dependent on head fire rates of spread and fire intensities. It is proposed experienced personnel will assess each fire, in response to the following values in order of priority.

1. Human Life.
2. Community assets, property or special values (including environmental values).
3. Cost of suppression in relation to values threatened.

With fire behaviour and values in mind response strategies should follow this order of priority as a guide -

- 1 Direct attack on headfires where (Head Fire Forward Rate of spread) HFROS allows.
- 2 Indirect attack on headfire by extinguishing flank fire working towards the headfire.
- 3 Limit fire spread to pre-determined internal strategic firebreaks.
- 4 Limit fire spread to compartment breaks.
- 5 Limit fire spread to property boundary firebreaks where property is block planted.
- 6 Fall back to neighbouring properties, roads or where fire can be safely extinguished.

5.8 Access in and around plantation

Access to the plantation is via Condinup Road.

The plantation will have trafficable firebreaks in and around the perimeter in accordance with Shire by laws and Guidelines for Plantation Fire Protection.

External breaks will be 15 metres wide, internal 6 metres. Access will also be maintained to water supplies. (See map for details)

5.9 Method of road, track and firebreak maintenance

Most firebreaks will be sprayed in early spring to ensure the appropriate width of mineral earth break is obtained prior to the fire season. Appropriate buffer zones will be observed in order to prevent contamination of waterways.

Grading will be used if required to improve trafficability on the roads and firebreaks and to construct water barriers if required to manage water-flow on the firebreaks and to minimise the potential for erosion

5.10 Measures to protect powerlines and gas pipelines

A powerline exist on the property and will have vegetation sprayed as part of firebreak maintenance.

5.11 Direction indicators of water points, road signs and other features

Water points will be marked on the fire control plan, and will be sign posted in the field with regard to direction and position.

Copies of the maps will also be placed in a waterproof canister at the access to the property on Condinup Road.

5.12 Water supplies

During establishment of the plantation, 50,000L water tank/s will be installed as a dedicated firefighting water supply adjacent to the main entrance. This will be established in consultation with the Shire of Boyup Brook.

The water points on the property will be maintained to provide permanent water supplies throughout the summer months for fire control purposes.

Portable pumps may be required to access water during dry seasons.

5.13 Surrounding fuels

There are no plans, at this stage, to carry out a fuel reduction program on or adjoining the property.

5.14 Fire breaks

Firebreaks will be maintained in accordance with Shire regulations and the Guidelines for Plantation Fire Protection, as shown on the attached map by the landowner.

5.15 Existing plantations in the area

This plantation is bounded on the West and East by existing Mitsui pine plantations. These plantations are managed by BFE.

5.16 Surrounding values

The closest house is located adjacent to the plantation with plantation on nearly all sides.

5.17 Proximity to townsites

The plantation is approximately 16 km north of the Boyup Brook town centre via the North Boyup Brook and the Condinup Roads

6. TIMBER HARVESTING PLAN

6.1 Location of harvesting operation

The first and second harvesting or thinning operations on this proposed plantation will take place over the entire area of the plantation as shown on the attached map and will be based on a harvesting plan to be developed closer to the time of harvesting which will be in about 2038. Haulage route will be via Condinup Road.

BFE will liaise with the Shire when submitting application for Shire Endorsement to use Multi Combination Vehicle (MCV) for road haulage.

Condinup Road is currently on the Main Roads WA HVS Rav Network for Network 3 and Network 4 Vehicles with Conditions

6.2 Timetable

Thinning will occur when the plantation is approximately 15 years of age, and a further thinning at 22 years of age with the final harvest at 30 years of age.

6.3 Harvesting operations

Harvesting will be carried out using conventional plantation harvesting equipment. This currently consists of track mounted harvesters fitted with a felling / debarking head which leave processed logs in the plantation to be picked up by an all-wheel drive rubber tyred forwarder which are later loaded on to trucks. The operation will be a clear fall, which means all standing trees will be removed.

6.4 Machinery and transport

Transport will be by truck configurations, which are legal and permitted by Main Roads and Local Authorities.

Condinup Road is currently on the Main Roads WA HVS Rav Network for Network 3 and Network 4 Vehicles with Conditions

6.5 Environmental safeguards

The extraction of timber will be carried out using appropriate equipment for the plantation and soil conditions and competent personnel to achieve the standards of safety, environmental care and economic efficiency.

6.6 Safety

Plantation operations will be as safe as possible and comply with occupational health and safety legislation, and the Safety Code for Western Australian Logging Operations must be observed.

Note: A map including areas to be planted, fire breaks, water points, initial access points and other protective measures must accompany the plan.

Updated by: Rayna Barr

8/01/2024

Approved by Plantation Manager:

_R.Barr_____



8/01/2024

**Proposed Planting -
Drapers (6250 Condinup Rd)**

Plantation Details










Address: 6250 Condinup Rd
Dinninup WA 6244
Title: Lot 6250/DP81878
Title Area: 403ha
Land Owner: Mitsui Bussan Woodchip
Oceania
Contact: Rayna Barr
Phone: 0402 067 664
Plantation Manager: Bunbury Fibre Exports
Contact: Rayna Barr
Phone: 0402 067 664
Fire Contact: 08 9721 5963
Shire: Boyup Brook

Plantation Area

 Proposed Pine Plantation Area = 234.8ha
 Potential Additional Pine Plantation Area = 29.4ha

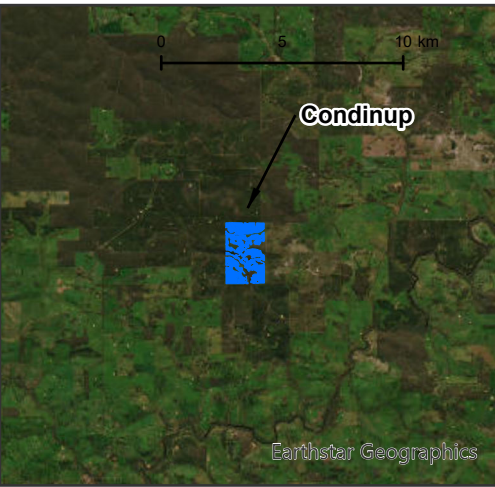
Total Plantation Area: 264.2ha

Legend

-  Native Vegetation
-  Wetland
-  Firebreak
-  Watercourse
-  Dam
-  Infrastructure
-  Stream
-  Access Track
-  Firebreak

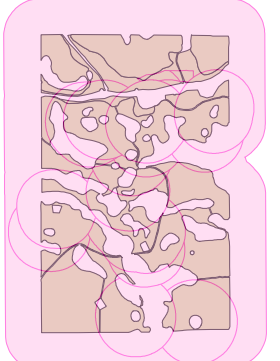
Note: External firebreaks are a minimum of 15m wide and internal breaks are a minimum 6m wide, with a minimum 6m trafficable and 4.5m vertically. All breaks do not exceed a maximum grade of 1 in 8, or a maximum cross fall of 1 in 33. Internal tracks are a minimum 3m clearance on either side of the pavement with (total 6m) have a minimum 4m vertical clearance and a minimum load limit of 15 tonnes. Turnarounds have a minimum inner radius of 12m.

Map Scale: 1:10,000@ A3
Projection GDA94 Zone 50
Author: J. Wilson, Esk Spatial
Date: 8/01/2024

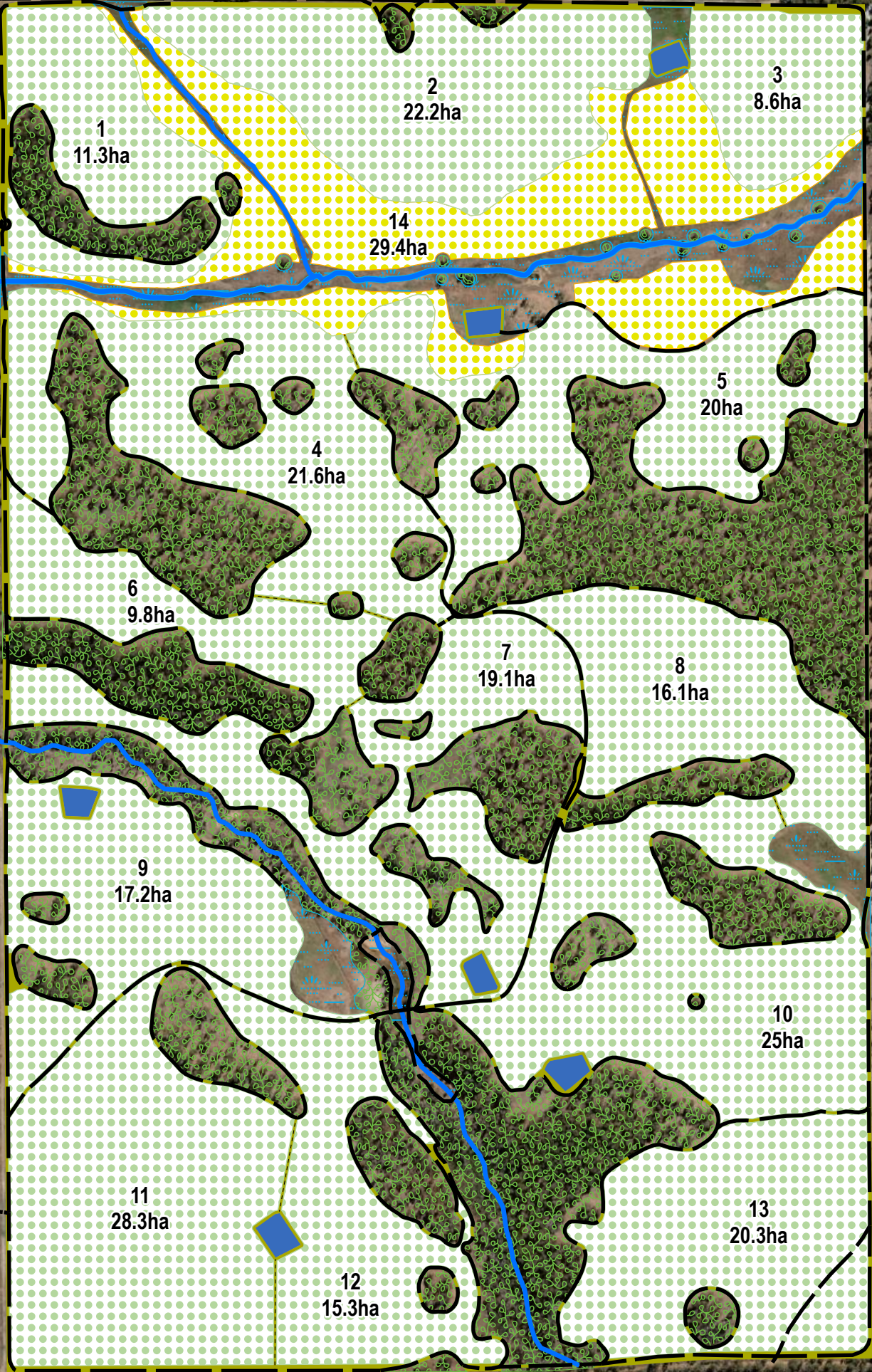


Firebreak Buffer

Note: Buffer is 300m external and internal to firebreak and demonstrates that all plantation area is within 300m of a firebreak



0 300 600 900 m





Mitsui Bussan Woodchip Oceania Pty. Ltd

ECONOMIC AND SOCIAL IMPACT STATEMENT

Supporting Drapers (6250 Condinup Road) plantation proposal

January 2024

1. Background and Scope

The Shire of Boyup Brook has requested Mitsui Bussan Woodchip Oceania (MWO) provide, as part of its planning application to convert Drapers (6250 Condinup Rd) to pine plantation in Dinninup, an Economic and Social Impact Statement (ESIO) with a specific reference to the number of jobs lost or created and the resulting social impact.

The Shire has stated preference to avoid broadscale plantations, to protect the agricultural sector and to promote small-scale forestry / farm forestry within the Shire. While MWO respects the Shire's position to avoid perceived adverse impacts of plantation establishment, MWO agrees with the *FESA Guidelines for Plantation Fire Protection* and other authorities who state that "tree plantings are considered a legitimate rural land use activity".

The scope for preparing any ESIO is broad. In context of the proposed Condinup Road plantation, which has been used for agriculture, MWO has considered two land uses for comparison in this ESIO. Based on MWO's local experience owning, managing, and disposing of land in the Shire, the two most likely land uses for the Condinup Road plantation, given its circumstances and that of the sector, would be:

- Broadacre farming; and
- Conversion to long rotation (pine) plantation.

The land in question does not include any habitable structures, sheds, or power supply. Considering this, and the general trend of land use discussed further below, "lifestyle" or "mixed farming" is not considered to be a likely land use for this property.

While MWO agrees that small scale forestry / farm forestry would be a positive strategy for the Shire to attract investment, diversify farm incomes, achieve environmental benefits, and enhance productivity of existing farms, the merits of farm forestry as a standalone land use are outside the scope of this ESIO. This said, the viability of small-scale forestry becomes more viable when it is located close to larger scale forestry operations.

2. Approach

MWO has drawn on published reputable information sources to provide an analysis of regional land use trends, to identify and broadly compare the two most likely land uses for the subject property, and finally to describe the contribution of plantation forestry to regional employment and economies. Also provided is some project specific employment and economic contributions.

3. Project contributions to employment and investment

The Drapers project will contribute significant employment and investment into the region and to the Shire of Boyup Brook. MWO plans to invest approximately \$500,000 in operational expenditure in the first year, and considerably more than that over the life of



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the project. An indicative sum to be paid to harvest and haulage contractors for thinning and final harvest operations over the rotation of the plantation is over \$7 million. Further spending in value adding the logs will occur post-harvest. The project will pay various other contractors for additional services during the rotation.

A summary of the expected employment contribution of the project is provided below. Employment beyond the property in value adding and the building industry is massive, and this is discussed further in this report.

Operation	Employment	Timing	Location
Planning	In-house	Full time	Local and National
Seed growing	Service provider	Continuous	State/National
Nursery (seedlings)	Service provider	Continuous	Local
Weed control	Service provider	Seasonal	Local
Fire break maintenance	Service provider	Seasonal	Local
Planting	Service provider	Seasonal	Local/State
Monitoring	In-house	Continuous	Local
Forest inventory	Service provider	Years 10,15,20	Local/State/National
Thinning/haulage	Service provider	Years 12,18	Local/State
Road maintenance	Service provider	Age 12,18,30	Local
Harvest/haulage	Service provider	Year 30	Local/State
Harvest supervision	In-house	Year 30	Local
Business management	In-house	Full time	Local/State/National
Property maintenance	Service provider	Continuous	Local

MWO (or its subsidiary Bunbury Fibre Exports) has employed full time staff to manage the Drapers property and it is noted that MWO have similar intentions for the other existing plantations they own within the Shire.

4. Societal and land use trends

Trends which MWO considers particularly pertinent to this ESIO are:

- Regional demand for building and forest products; and
- Broadacre farm size and production.

4.1 Housing and demand for timber products

Domestic demand for pine sawlogs is growing rapidly. Lumber for Australian housing is predominantly supplied by domestic sawmills, with the balance supplied by imports. The domestic sawn timber industry cannot currently keep pace with demand, which is leading to timber shortages and construction delays (ABARES 2019).

Dwelling unit commencements and new private sector house commencements in the June Quarter 2021 are both up over 50% compared to the same period in 2020 (Australian Bureau of Statistics, Building Activity, Australia June 2021), and this trend is anecdotally continuing with strength. Imports are also currently unable to supply the shortfall of lumber to the Australian building industry.

Given that the building industry generates massive employment and economic activity for WA, and the declining availability of pine sawlogs, the Government of Western Australia has decided to invest \$350m into growing the pine plantation estate. The State Government



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funds are mentioned only to highlight the acute need for additional plantations in WA, MWO is not currently a recipient of any of these funds.

4.2 Broadacre farm size and production

It is well understood that across regional Australia, production farms are consolidating. The number of farms has dropped by over 50% between 1978 and 2018, while production has continued to grow (ABARES) – meaning less farms producing more output.

The trend of farm consolidation is widely considered to be the result of farmers pursuing economies of scale. This economy of scale is demonstrated by data produced by ABARES in 2021 that showed “the largest 10% of broadacre farms produced around half of total output, while the smallest 50% of farms produced around 10% of total output.” Farms are getting bigger and more efficient, and for good reason.

5. Agriculture and Forestry compatibility

While it is the case that farming and forestry compete for land in some regions, the two industries can be compatible and even complimentary.

5.1 Farm forestry

Using livestock to manage fuel loads beneath plantation trees is common. In a plantation nearby the subject plantation, the Forest Products Commission of WA (FPC) has an agreement with a neighbouring farmer to allow stock within the plantation for the mutual benefit of both farmer and forester. Mitsui is open to a similar approach at a point where trees have grown to a stage which would allow grazing to occur without damaging plantation trees and when doing so doesn't threaten the health of remnant vegetation.

Farm forestry can improve a farms productivity, profitability, resilience, and sustainability. A multi-year or multi-decade crop like a tree plantation allows farmers to diversify their income and adjust the harvest year to when it suits their cash needs or when timber markets are stronger. Successful small scale farm forestry requires forestry expertise, quality seedlings, professional management and efficient operations and logistics.

Small, poorly managed plantations are commonly unsuccessful and financially unviable. Larger plantations such as the one proposed at Drapers provide the scale necessary to attract and retain the expertise and efficiency to ensure affiliated financially viable small scale farm forestry. MWO is committed to working with local farmers in the region to help them establish farm forestry plantings and assist them to access the Australian Carbon Credit Unit (ACCU) market.

5.2 Posts and poles

There exists two post and pole producers in South West WA. These are Koppers Wood Products in Picton and Timber Treeters in Bridgetown. The posts and poles are an important source of materials for agricultural businesses in the region. Pine posts and poles are a light, durable and cost competitive fencing material for farmers. Without the pine plantation industry, farmers may be forced to use relatively heavy and expensive concrete or steel posts.



6. Likely land use and employment impact

The trend of consolidation of Australian farms, and the local experience of Mitsui in regional Australia indicates that if the Drapers site, at approximately 300ha was to remain in agriculture, it would likely be absorbed into a larger agricultural enterprise. Even if it was not consolidated into a larger enterprise, combined with the parallel trend of increasing farm machinery size and efficiency, it is unlikely any additional or a greater amount of agricultural employment would be generated than compared to the current circumstances.

As a standalone plantation, it is also likely Drapier could only be feasibly developed as a new pine plantation as part of a broader plantation business. Beyond the property level, however, is the multiplier effect of the product being harvested. Virtually all pine sawlogs in the region are processed in South West WA and final timber products consumed by Australian businesses and families. Considering the full life cycle of a pine plantation from seed production to wall-stud installation, Australian employment is generated at every step, mostly regional employment, and a large proportion in South West WA.

The flow on employment of pine saw logs, which are used almost exclusively for domestic processing and consumption - compared to agriculture, from which 70% of products are exported (ABARES), MWO contends that the total employment on a regional scale is arguably greater for pine plantation than broadacre farming.

The quality of employment is also a consideration. Based on ABARES data and research by Schirmer et al. 2017, the plantation forestry industry generates a greater proportion of full-time employment than other sectors of the economy (84% Vs 68% respectively). On a national scale, less than 30% of jobs generated by broadacre farming are full time jobs (ABARES). As a result of plantation forestry's high proportion of full-time employment, plantation forestry workers in WA are less likely to earn lower incomes and more likely to earn higher incomes. This research demonstrates that plantation forestry jobs are of a high quality, providing workers with reliable, disposable income to spend in the wider economy and community.

7. Social impact

Given that it is most likely that both broadacre farming and a standalone plantation forestry project would absorb this property into a larger enterprise, the employment generated by either land use is unlikely to be significant enough to have a material impact on society in proximity of the property. MWO contends that social impact at a local scale is more likely to be connected to the quality of employment generated by the land use. Given that plantation forestry generates more full time, high paying jobs than other sectors in WA (Schirmer et al. 2017), it is unlikely that any negative social impact would result from the plantation being established.

As has occurred before, MWO remains committed to positive social impacts and can again sponsor within the local community via its subsidiary Bunbury Fibre Exports.

8. Economic and employment impacts of the pine plantation sector

This section considers two key publications based on social and economic research. One is WA specific and the other considers the South West Slopes region of NSW – where a large and mature pine plantation sector exists. The periods covered by both publications overlap



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because they coincide with the publication of, among other things: the ABS' 2016 *Census of Population and Housing*, and the 2016 *Regional Wellbeing Survey*.

The University of Canberra and Econsearch were commissioned by Forest and Wood Products Australia to complete a socio-economic impact study of Western Australia in 2017 (Schirmer et. al. 2017). The report considers employment from *primary production* (growing and harvesting timber), *primary processing* (sawmilling etc.) and *secondary processing* (cabinetry, etc.). The paper does not include peripheral economic activity generated by plantations such as livestock grazing, seed production, recycling timber products after use, recreation etc. A summary of the findings of Schirmer et al. (2017) are presented here.

8.1 Economic value

The total direct and indirect value of output generated by the WA forest industry at the point of sale of primary processed products in 2015-16 was approximately \$1.4 billion. Of this, the greatest share was generated by the pine plantation sector. Using another measure- Gross Regional Product (GRP)- the contribution was \$643m generated by the WA forest industry. The greatest proportion was, again, delivered by the pine plantation sector.

The South West of WA (which includes Boyup Brook shire) contributed \$327m which represented more than half of the total GRP figure and the greatest share. The pine plantation sector generated the greatest proportion of GRP in the WA forest industry.

8.2 Direct expenditure

Total direct expenditure by the WA forest industry by growing, harvesting and primary processing in 2015-16 was \$979m. South West WA accounted for around 60% of this expenditure. Of the nearly \$1b of expenditure, the pine plantation sector accounted for \$366m. Given the push by industry and the State and Federal governments for an increased investment in softwood plantations, the share of expenditure in the pine plantation sector is expected by MWO to significantly increase in coming years.

8.3 Household income

The WA forest industry generated \$354m in household income in 2015-16. Of the three WA regions considered in the research, South West WA received the greatest share of household income at \$196m (56%).

8.4 Employment

The WA forest industry contributed 4,570 direct and indirect jobs to the WA economy in the 2015-16. An additional 1,495 jobs were contributed by secondary processing in 2016. Combined, the total employment contribution is around 6,000 jobs in WA. Of these, almost half, or 2,763 jobs were generated in South West WA. A large proportion of jobs are generated during primary processing.

South West WA is a hub for processing, so the proposed plantation will not only generate jobs at a property level, but the harvested logs will also support many more jobs in the region. Although these might not all be for people who reside within the Shire of Boyup Brook, neither are secondary agricultural jobs all self-contained within the Shire boundaries.



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Of the total jobs generated by primary processing in the WA forest industry, the greatest proportion of jobs were generated by the pine plantation sector and the greatest proportion were also generated in South West WA.

8.5 Working conditions

The WA forest industry generates more full-time jobs than other industries. The forest industry employs 84% as full-time staff, compared to the broader workforce which employs 68% as full-time staff. The trend for full-time proportion has remained reasonably steady between 2006-2016 for the forest industry and consistent with the trend of the broader workforce of other industries in WA.

In 2016, forest industry workers were less likely than those in other industries to earn lower incomes (less than \$649 per week), and more likely to earn higher incomes (more than \$1,250 per week). The relatively better incomes are likely to be linked to the high rates of full-time work. The trend between 2006 and 2016 was also positive for both the above metrics – with less workers earning lower incomes and more workers earning higher incomes. Of those earning full-time incomes, the proportion on lower incomes has declined between 2006-2016 and the proportion earning higher incomes has grown over the same period – these are both positive trends.

9. Economic and social impacts of the NSW pine plantation sector

A report published and funded by the NSW Department of Industry and Forest and Wood Products Australia (DPI 2017) investigated the contribution of the large, mature pine industry in the South West Slopes region of NSW in 2015-16. Some key findings are presented below.

- The direct gross output from timber processors in the SW Slopes region was over \$1 billion.
- The total gross output by the agricultural sector to the point of farm gate in the same region was approximately half the above.
- The total expenditure of the tourism sector in the Snowy Mountains region (including ski resorts in the Kosciusko region) was less than half the pine plantation sectors direct gross output.
- When indirect gross output is added in the SW Slopes region, the total output by the pine plantation industry doubles to over \$2 billion.
- The gross regional product of the pine plantation sector was over \$1 billion.
- The household income generated by pine plantation sector was almost \$470 million.
- The greatest proportion of forestry industry expenditure (21%) was wages and salaries.
- The above figures are further evidence that the pine plantation sector is a significant contributor to regional and state economies.

10. Summary

MWO is not aware of any evidence that would suggest maintaining this land as agriculture would generate any more jobs than the conversion proposed to long rotation pine. Jobs are retained by conversion of the Drapers plantation and the pine plantation sector as a whole, and these jobs are likely to be of a higher quality than other industries in terms of job security (full-time) and income level.



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The Drapers project converts an existing agriculture operation into a long rotation (pine) plantation. The project relies on significant investment into the Drapers property, predominantly paid to local contractors. The project will also generate significant employment during its establishment, ongoing management, and harvesting.

The benefits of relatively high and stable incomes flowing to forestry workers will increase the likelihood of workers having disposable income to spend in the community.

The proposed plantation development will contribute to the pine plantation sector, generating significant ongoing economic activity, employment, and household income for regional WA. The products from the proposed plantation are likely to be processed in South West WA and the products used by the WA building industry to build housing for West Australians.

If agriculture can be incorporated into the management of the property (livestock to control fuel loads etc.), and if the plantation can provide a level of scale which enables smaller farm forestry to also be developed on neighbouring farms, the social, environmental, and economic benefits are likely to be multiplied again.

11. References

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