



**Deputy Premier
Treasurer; Minister for Transport; Sport and Recreation**

Our Ref: 72-65911

Mr Bevan Eatts MLA
Member for Warren-Blackwood
Bevan.Eatts@mp.wa.gov.au

Dear Mr Eatts

**CHANGES TO FOREST PRODUCTS COMMISSION LOCAL GOVERNMENT
RATES EQUIVALENT PAYMENTS**

Thank you for your letter of 9 March 2026, regarding Local Government Rates Equivalent (LGRE) payments made by the Forest Products Commission (FPC).

The *Forest Products Act 2000* provides that land held by the FPC is not ratable under the *Local Government Act 1995*. Accordingly, FPC is required to pay LGRE to the State, rather than rates directly to Local Government Authorities (LGAs).

I am advised that FPC has been paying rates to LGAs in circumstances where LGRE should instead have been paid to the State. In recognition of the circumstances, FPC does not intend to seek to recover these payments.

The redirection of LGRE to LGAs would be inconsistent with current legislation and established whole-of-government arrangements for State revenue. LGRE forms part of the State's consolidated revenue and cannot be directly remitted to LGAs without legislative change.

I expect FPC to fully comply with its legislative obligations and correctly pay LGRE to the State from 2025-26 onwards.

I am advised that FPC is working collaboratively with affected LGAs to provide financial and in-kind support through mechanisms that are consistent with its legislative powers, such as grants, sponsorships and/or operational assistance. This approach is consistent with that adopted by other government trading enterprises to address local impacts.

I note your concern regarding the Shire for Boyup Brook, which will not collect approximately \$135,000 (around 3% of total rates revenue) from FPC in 2025-26 due to FPC correctly paying LGRE (rather than continuing to pay rates). However, I understand that FPC has offered an equivalent level of direct financial assistance to impacted LGAs in 2025-26.

I am advised that new FPC acquisitions under the Softwood Plantation Investment Program (forecast at around eight land holdings per year) should result in less than \$50,000 per annum in foregone rates across the various LGAs. This impact is considered relatively small given the 11 LGAs that contain FPC land holdings have total annual rates revenue of almost \$90 million.

Thank you for bringing your concerns to my attention. I trust that these comments are of some assistance.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Rita Saffioti', written in a cursive style.

HON RITA SAFFIOTI MLA
TREASURER

29 JUN 2026

cc. Hon Jackie Jarvis MLC; Minister for Agriculture and Food; Fisheries; Forestry;
Small Business; Mid West

Mr Stuart West, Forest Products Commission; Chief Executive Officer

Facilitated Group Work

1. Strengths
2. Opportunities
3. Shared Services



Strengths

- Advocacy
- Agile – make decisions quickly
- Collaboration
- Delivering outcomes that we couldn't afford to do alone
- Brand and reputation
 - Have delivered projects
 - Grants achieved outcomes
- Local knowledge
- One point of contact for state and federal government
- Shared knowledge
- Southern Forests & Valleys tourism brand
- Support for each other (e.g. CEO & EM's)
- Diversity of collective input
- Problem shared is a problem halved
 - Each has each others back
- Collegiate
 - Working together
 - Creativity
 - Agility
 - Leveraging from on another
- Growth in culture and capabilities within 15 years
 - Sustained and diversified
- Commonality
 - Agribusiness
 - Forest Management
 - Tourism
 - Communities
- Subregional experts (i.e. local knowledge)
- Historical Content
- Stronger together – funnel
- Same dog, different leg
- Experience sharing (resolutions)
- Trusted and recognised brand – opportunities to promote
- Small enough to care (about our neighbours)
- Hired staff into WBAC (A+)
- Recent accomplishments and recognition of WBAC
- Collaboration / relationships

Opportunities

- Reduced duplication of effort and spending leads to greater efficiency
- Collaboration
- Co-ownership / shared equipment & machinery
- Advocacy for services, development and growth
- Leverage brand more to achieve more
- Main roads / safer state roads
- Identify and formalise work with key stakeholders
- Grants
- Reduce Shire overheads (i.e. 2 x shared roles not 5 x overall)
- Regional Waste Plan
- Regional plans generally (i.e. housing and aged care)
- Regional Workforce Plan
- Reciprocal agreements for service delivery (e.g. roads)
- Advocacy strategy
- Advocacy for state delivered services (Family Domestic Violence)
- Regional strategic economic planning (e.g. waste)
- Avoid cannibalising services – Freddo Frog example
- Shared training
 - Councillor
 - Staff
 - Committees
 - Community / NFPs
- Professional development and training
- CEO Forum
- Director / Manager Forum
- Standardised policies / processes / templates (e.g. STRA / PRIS)
- Collective procurement (e.g. fleet, materials, oils, fuels, etc)
- Coordinate capital works programs
- Greater media presence for the WBAC
- Value proposition – view what shires are saving / what is the cost benefit ratio
- Delivery vehicle of the WBAC
 - Governance and delivery model
- Approach DLGSCI and ask for \$ to use WBAC as a pilot case for shared services across LGS
- Feasibility of regional amalgamation
- Policy which defines the purpose of WBAC and outlines the support of member Shires to WBAC

Shared Services

- Internal services
 - HR, Rangers, Project Managers, IT, Training and PD, Contract management, Payroll, Community Services Officers, Waste, Facilities (i.e. pool / rec), Council Governance Training
- Advocacy
 - Land Development
 - Infrastructure
 - Housing
- Grants
- Strategic Planning
- Committees ? shared
- Recruitment internal
- WBAC to partner with another VROC / Alliance (e.g. metro)
- Machinery (Plant / optimise utilisation)
- Services contracts
- Future workforce (AI)
- Shared systems (e.g. procurement, maintenance and configuration)
- Corporate services (back of house)

Quick Wins - Short term

- Critical services, EHO, BS, Planning, Tech Services,
- Structure: CEO Forum to identify resource sharing and potential internal billing to pay for regional roles

Mid (2-5)

- Structure: Regional Work Force plan
- Cost Sharing roles

Long Term (5-10)

- Investment
- 2030 Synergy Soft expires – co-cooperative subscriptions
- Waste implementation
- Structure: Finance, regulation & control