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Media statement

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FPC restructures for the future

The impact of a gas explosion on Varanus Island in 2008, losses in softwood plantations caused by wildfires and the global financial crisis have severely impacted on the Forest Products Commission.

In addition to those unforeseeable incidents, General Manager Dr Paul Biggs said the FPC had not received an allocation under the Natural Resource Management budget to fund further catchment plantings on cleared farmland.

The FPC successfully delivered 5,000 hectares of carbon offset plantings for Synergy in 2009, but all new work on carbon sequestration is on hold pending resolution of the federal carbon pollution reduction scheme.

“There is an imperative to undertake a substantial restructure of the business to reflect changes in the economy and await direction from the State Government as to the role FPC will have in the emerging carbon economy, if or when a federal emissions trading scheme becomes law,” Dr Biggs said.

“Management has considered a range of processes to reduce overheads. Personnel were briefed on the situation today however, there is never an easy way to tell staff or contractors and customers that the agency is confronted with significant challenges,” he said.

Dr Biggs acknowledged that redundancies would come as a blow to staff and could erode the high morale for which the agency was well known.

He said the issues must be addressed if the Commission is to be positioned and ready to deal with future changes within the timber industry,” Dr Biggs said.

“Essential field services will be maintained for the present but staff reductions will eventually result in some tasks being suspended,” he said.

Dr Biggs said he was confident the agency could save \$7.5million during 2009/10 from;

- a freeze on recruitment;
- up to 40 voluntary staff redundancies;
- by December, 22 fixed term contract (FTC) positions would not be renewed and there would be a further assessment of FTCs due to expire in 2010;
- a 20 percent reduction in the number of the agency's fleet vehicles;
- tight control over staff travel and;
- internalising some works which have been out-sourced.

A draft of the Commission's revised structure, based on core business expectations, would be presented to staff by 2 November and include details on how positions would be filled.

Information kits are available to those wanting to take a voluntary redundancy. Expressions of interest for a voluntary redundancy may be lodged from 22 October 2009.

When the new structure was finalised in December, surplus staff would be offered redeployment or voluntary severance.

"In the long-term, the FPC will emerge much stronger but the path we must take will be a difficult one therefore, I encourage staff to make use of the confidential, in-house counselling programmes such as the Employee Assistance Provider," Dr Biggs said.

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