



MEDIA RELEASE – 22 February 2010

GUNNS PLANNED RESTRUCTURE VAIN ATTEMPT TO AVOID REAL REFORM

Gunns Ltd's proposed restructure of its company in response to its abysmal financial performance is a vain attempt to hide its native forest logging operations from scrutiny by potential pulp-mill investors, according to the Wilderness Society. Gunns, which today announced a 98% drop in profits for the first half of the financial year, plans to isolate its native-forest logging operations from the pulp mill proposal, plantations and other more acceptable parts of its operations such as wine-making and retail outlets.

“Gunns has failed to listen to the public and the marketplace, both of whom say stop destroying Tasmania’s native forests,” said Paul Oosting, spokesperson for the Wilderness Society.

Instead of heeding the clear message from international markets and the public, Gunns is trying to isolate its native forest logging operations in an internal business structure. This won't help. What the company really needs to do is to get out of native-forest logging entirely,” said Mr Oosting.

“As a first step, Gunns should support the full protection of Tasmania’s high-conservation-value native forests and pledge a fast transition out of native forest logging. Anything short of that will see continued community conflict and opposition to their operations,” said Mr Oosting.

“Gunns has indicated that it hopes this move will help secure funds for the pulp mill and its plantation business, but investors will not be fooled by this window dressing. Any company contemplating joining the Gunns’ pulp mill venture will face stiff opposition whilst Gunns’ continues to destroy Tasmania’s native forests,” said Mr Oosting.

“Gunns’ reluctance to reform its environmentally and socially destructive logging operations has helped wipe away the value of the company and its profits and has lead to major job losses in Tasmania.”

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