



Tasmania

# Scottsdale Diversified Wood Processing and Training Mill: *A Working Mill Run by the Workers*

The Tasmanian Greens recognise that the best way to provide long term sawmilling jobs in the Scottsdale region is to re-tool immediately the Tonganah mill to process plantation hardwoods and offer first choice of re-employment to those workers who have now lost their jobs through no fault of their own, and who want to remain in the community.

**Bass Greens MP Kim Booth, who ran a diversified sawmilling operation for many years, is proposing that the Tonganah site be returned to local ownership with the immediate retooling of the site to include a plantation hardwood log line as the first stage in the creation of a multi function wood processing centre that would provide a raft of long term job generating ventures at the mill site.**

Since the Greens making the announcement on Saturday (5th of July) calling for the mill's retention, the State government seems to have adopted the idea by proposing a \$100,000 feasibility study into the retention of the Tonganah site. The Greens welcome this news but caution that action not words are needed and a commitment to funding any recommendations from that study is essential.

The Greens believe that the State government has a responsibility to invest heavily in the re-commissioning of the Tonganah Mill as it was the removal of the long term softwood supply from Auspine that has caused the closure of the Tonganah site.

## Political Will is All That is Needed

The remaining \$2 million of Federal government financial assistance that was to be given to Gunns Ltd, now should be reallocated to assist with the retention and retooling of the Tonganah site so that the mill can be immediately upgraded to also process hardwood timber efficiently.

Government must commit to a funding package drawn from Community Forest Agreement (CFA) funding, if any remains or is recoverable, Federal assistance and/or a direct budgetary allocation to ensure that the re-opened mill has the capacity to compete in the market.

The government has an opportunity to repair the damage caused by the government removing Auspine's log allocation, by committing absolutely to a restructuring package, that gives certainty to those displaced workers, that the mill will re-open and that there will be a job there for them.

Now that the State government has accepted the concept put forward by the Greens to explore retention of the site, the government must now commit to a transition funding package, to ensure that there will be real action, rather than just presenting the community with false hope.



For more information:

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## The Greens' Proposal – How it Could Work

### **The Sawmill**

- That it is recognised that the only certain way to secure the maximum number of millworker jobs is to retain the Tonaganah site as a working mill.
- That talk of other future industries is welcome but that the region has an immediate and available highly skilled and motivated workforce ready to be re-employed in a re-tooled mill.
- That the potential for the ex-Auspine Sawmill at Scottsdale to be handed to local ownership as an operational mill be investigated, with the appropriate model of local operation and ownership being developed by the state and federal government, CFMEU, Dorset Council, Dorset EDG, North East Tasmania Chamber of Commerce, the Department of Economic Development, mill workers and management.
- That a multi-function regional wood processing centre be created that would provide the catalyst for a raft of long term job generating ventures centred at the mill site. This would include a transition into Forest Stewardship Council (FSC) certification, traditional sawmilling and new industries such as bio-char and pyrolysis.

- That the working sawmill also be used as a platform for training and skills development across all areas of diversified hardwood and softwood processing, value adding and sawmill operational procedures. This would provide nationally recognised certification of all operations including saw doctors, wood machinists, fork and loader drivers, truck drivers etc and would fill a skills and qualifications shortage across this and other industries thereby providing better career paths for workers.

### **The Timber Supply**

- That the Mill be re-tooled, enabling it to process plantation hardwood as well as softwood.
- Forestry Tasmania to give first priority to any log in the woodchip stream at woodchip royalty to the mill operation.
- That minor species timbers currently wasted as by-product in clear-felling operations be harvested and processed.

### **The Financing**

- Investigate diverting the Federal government's \$2 million of regional assistance payments that Gunns Ltd are still receiving, into supporting the new community owned mill instead.
- Community Forest Agreement moneys unexpended or recoverable.

- Direct government investment from unallocated funds.

### **The Potential Benefits**

- Securing the jobs currently lost as result of the mill closure and providing for ongoing training, skills development and downstream processing.
- Underpins the regional economy by immediately restoring both value and confidence in housing market.
- Restores critical mass of families needed to underwrite council, schools, post offices and other services to the community.
- Ensures the viability of other businesses that rely on sawmill by products such as the Pellet Fire industry.
- Helps give security to the many other businesses in Scottsdale that benefit from the millworker jobs being re-created.
- Potential generation of a range of niche industries utilising FSC certified timber such as plantation hardwood, structural and furniture products, Laminated Veneer Lumber, Veneers, Engineered Strand Lumber, furniture, Structural and visual beams for housing and industrial components etc.
- Provides opportunities for newly emerging industries dealing with peak oil and climate change such as pyrolysis and bio-char.
- The development of opportunities for processing, using traditional sawmilling methods, of minor species timbers and hardwood that is all currently consigned to the woodchippers.
- Regional branding opportunities and economic growth from markets demanding FSC certification.



For more information:

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