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**The Hon Lara Giddings**

Honourable Premier  
Executive Building  
15 Murray Street, Hobart  
Tasmania, Australia 7000

Dear Lara,

*WITHHELD SECTION 37 RTI ACT*  
the harvesting and haulage sectors of the forest industry are currently experiencing financial difficulties. This is mainly due to a local downturn in forest products required to fulfil supply contracts. The main reason for the difficulty is because the South and North West of Tasmania no longer have fibre export facilities available to FT contractors.

The sale of the Triabunna chip facility in the South to Green groups has essentially destroyed the viability of the central and southern regions. The North West has essentially had the same result with the local chip facility remaining open for Gunn's contractors (Pentach) only.

It often seems to be forgotten how lucky we are to have one of the last "true" hardwood resources left in the world

*WITHHELD - SECTION 37 RTI ACT*  
Regardless of perception the world requires hardwood timber products and we should all be proud of the sustainable achievement's our industry has achieved over the last twenty years.

The financial difficulties that the entire industry is facing have spiralled downwards since the closures of the chip facilities in the North West and the South. This occurred 4-5 months ago and although contractors appreciate the lengths that Forestry Tasmania has gone to to help save the industry, the lack of chip outlets has steadily accumulated contractor debt and with recent developments contractors are days/weeks away from going broke. Narrow visions and self helping acts have driven contractors to their knees

*WITHHELD SECTION 37 RTI ACT*

WITHHELD S37 RTI ACT

will be affected through job loss and most live in small regional communities, communities that simply cannot afford to lose people.

I also note that there are funds available to retrain but the mean average age of timber workers would be in the 40-50 range and as such training becomes more of a hope than a reality.

The pressing issues as I see it are:

1. 60 out of the 80 +/- Forestry Tasmania contractors showed an intent that should an exit package be made available they would take it, this is going back 3 months:

WITHHELD S37 RTI ACT

2. Banks/Lenders will not fund the forest industry, once the contractor base is lost it will be difficult/impossible to replace. If we end up down such a path the industry will be over as with harvest and haulage contractors the supply contracts cannot be met.

3.

WITHHELD S37 RTI ACT

1. If we look back to before Gunn's announced they were to build a pulp mill the chip sales out of Tasmania was very stable and all involved made a fair percentage of profit, the ability to get back to a stable chip market is achievable and vital.

Without outlets for the waste products (pulp) of both harvesting/haulage contractors and saw millers alike the industry will not survive as we know it, or if at all.

WITHHELD S37 RTI ACT

WITHHELD PER S37 RTI ACT

The industry is world class and a pivotal part of the Tasmanian economy, we need to get our industry back on track but just need some breathing space to achieve a workable outcome.

Summary;

WITHHELD PER S37 RTI ACT

WITHHELD S37 RTI ACT

The Forest community is large and wide spread and injects large amounts of money into the Tasmanian economy both directly and more importantly indirectly.

WITHHELD S37 RTI ACT

We ask for your assistance to keep the industry viable

WITHHELD S37 RTI ACT

Yours sincerely,

*Brendon O'Connor*

Brendon O'Connor  
Director, Apru Group