

HOUSE OF ASSEMBLY STANDING COMMITTEE ON COMMUNITY DEVELOPMENT

INQUIRY INTO THE TRIABUNNA WOODCHIP MILL

SUBMISSION

 \mathbf{BY}

FOREST INDUSTRIES ASSOCIATION OF TASMANIA

AUGUST 2014



INTRODUCTION

The Forest Industries Association of Tasmania welcomes the opportunity to present its views to the Committee in respect to its knowledge of the events surrounding the closure, sale and dismantling of the Triabunna Woodchip Mill.

ABOUT FIAT

The Forest Industries Association of Tasmania (FIAT) is an industry association formed in 1983 to represent the interests of processors of Tasmanian forest products. FIAT was formed out of a predecessor Association, the Tasmanian Timber Association (TTA). FIAT and TTA collectively have provided representational services to the Tasmanian timber industry for in excess of 70 years. Our members' activities are diverse and include:

- the production of veneers, hardwood and softwood timber, pulp and paper;
- woodchip production and export;
- plantation and native forest management.

FIAT's member businesses include all of the State's larger processors of forest products. They utilise a significant proportion of the crown sawlog output as well as all of the veneer produced in the State. FIAT Members' activities account for more than 75% of the gross value of production in the forest and wood products industry in Tasmania.

FIAT's role is described in our Annual Report as follows: -

"Role

In addressing its first objective, FIAT's role is characterised by helping to create the right external environment within which industry has to operate. This has two main dimensions

- the policy environment and
- the public image of the industry in the eyes of the community.



The policy environment centres on government legislation and regulations, which determine the limits to what industry can do. The policy environment must be tackled at both the Federal and State Level.

Industry's public image rests on public opinion and the various factors, which influence that opinion. This is important because public opinion has a strong bearing on the development of Government policy.

In addressing its second objective, FIAT's role is to facilitate discussion and joint action among its membership, and to project a membership position in wider forums as appropriate."

In the context of this review FIAT has a direct and significant interest in issues surrounding the utilisation of residues generated from harvesting and processing of Tasmanian forest products and in general issues that impact on, and influence, the development and implementation of forest industry policy in Tasmania.



OVERVIEW

FIAT wishes to thank the Committee for the invitation to provide its views to the Inquiry into the events surrounding the sale and closure of the Triabunna Mill at Spring Bay Tasmania and for the invitation to appear before the Committee to respond to questions from the Committee.

We have closely examined the Terms of Reference for this inquiry to enable us to discern which, if any, components of the broad ranging terms are within our purview in respect of which we could add value to the deliberations of the Committee.

It is not our wish, nor intent, to become embroiled in speculative commentary about activities, motivations or decisions of which we have no direct first-hand knowledge or information. We will therefore endeavour to limit our submissions to issues within our knowledge and/or in which we had first-hand knowledge.

We do not believe that anything will be gained by FIAT engaging in speculation or guessing as to the motivation of any groups or individuals that may have taken certain actions or decisions in respect to the saga involving the eventual permanent demise of the Triabunna woodchip facility. Suffice it to say that the culmination of those events has had, and are likely to have, far reaching ramifications for the Tasmanian forest industry generally and the Triabunna community specifically and those ramifications will almost certainly require the intervention of Government into the future.

We will also comment on the involvement of Triabunna Investments in the negotiation processes for the Tasmanian Forest Agreement 2012 and in particular the direct discussion between negotiating parties and the mill owners about their expectations for an outcome of the agreement processes and the potential, in light of the outcome, for the mill to be reopened as an operating woodchip processing and exporting facility.



It is fair to say that the views of the owners of the Triabunna Mill played a significant role in the eventual outcome of the TFA processes and it is extremely disappointing that the Mill has not reopened in the manner that was advised to the negotiating parties with the consequent adverse impacts on many in the Tasmanian community.



THE NEED FOR A CHIP MILL IN SOUTHERN TASMANIA

It is important that the need for a woodchip export facility is placed into a perspective to enable the Committee to understand the context within which the events leading to the permanent closure of the Triabunna Mill occurred. It is fundamentally important that the Committee have a basic understanding of the integrated nature of the harvest of native forests and that by definition native forest are not homogenous in the context of the products that can be derived from them.

The very nature of native forests will inevitably mean that a proportion of the wood produced will not be fit for use in high value applications such as sawn timber or sliced or rotary peeled veneer. Recovery of some value for these lesser quality products is important to ensure that the full value of the products harvested within any given forest area are recovered and contribute towards the fixed costs of the harvest and planning operations.

Processing logs into higher value added products will also create by products or residues that a miller must endeavour to recover value from in order to underpin the highest possible recovery of value from each log processed.

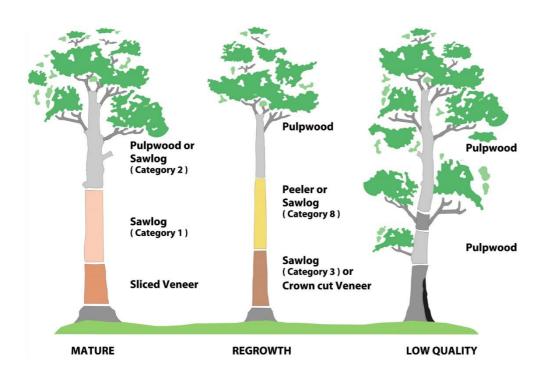
This issue formed a considerable proportion of the deliberations of the negotiators of the Tasmanian Forest Agreement 2012 and resulted in the inclusion of the following clause within the Agreement:

"28. The Signatories acknowledge that the harvest and processing of forest products, whether from native forests or plantations, will produce residues. The Signatories agree that economically viable and environmentally sustainable solutions to address utilisation of both native forest and plantation residues arising from harvesting and processing operations should be developed and put in place." (Tasmanian Forest Agreement 2012).



This is a clear demonstration that all Signatories understood that it is not possible to completely avoid the production of some residue products from harvesting and processing operations.

The following graphical depiction of the value to be derived from each tree demonstrates the point in respect to the clear fact that all forests will produce a volume of residues regardless of the quality of the standing tree. It is incumbent on the forest owner/manager to extract the full value for each and every tree harvested which requires a viable and sustainable outlet for the lower quality residue products.

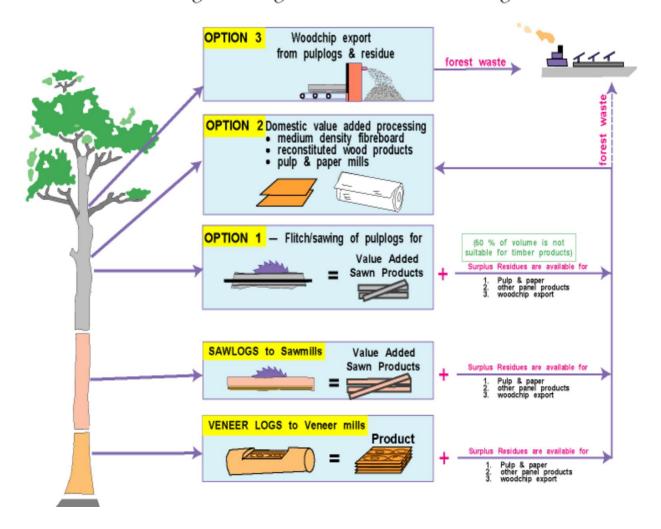


It is not possible to completely avoid the generation of some proportion of residue products from a harvesting operation and nor is it possible to avoid the production of some residues from the processing of logs into higher value products such as flooring, mouldings, veneers etc.

This latter point is demonstrated by the following graphical depiction of the value adding process:



Wood Harvesting and Integrated Value Added Processing in Tasmania



The clear point is that forestry operations and processing will always produce some wood that is not suited to higher value processing into value added products. The forest industry require some outlet for these residues as failure to remove them from the forest as part of harvesting operations or from sawmills as part of processing operations will lead to significant adverse consequences e.g. increased risk of intense wildfires, mills having to close etc.



Historically the outlet for these types of residues in Southern Tasmania has been through the Triabunna Mill that was originally constructed by a consortia of sawmillers seeking to recover value from processing and harvesting residues.

The closure of the Mill by Gunns Limited in 2011 has created a significant problem for the industry in Southern Tasmania with the requirement for Government subsidies to move the residues from the south of the State to the chipping and export facilities at Bell Bay and/or Burnie. This is, at best a short term solution to a much more significant and long term problem.

As residues by their very nature are relatively low quality commodities generated as a by- product from harvesting for higher value products the addition of significant cost through transport over long distances creates a situation whereby they cannot be viably sold into the markets. An outlet for these products in southern Tasmania is therefore imperative to ensure the continued capacity to harvest forests in the south to supply sawmills and veneer mill with the higher quality materials.

It should also be noted that given the highly automated nature of modern large capacity sawmills the lack of an outlet for residues from processing operations unavoidably results in the mill needing to close as once the chip hoppers are full, if there is nowhere to take the chips the mill must cease to operate.

The events surrounding the Triabunna Mill sale by Gunns Limited to Triabunna Investments and the events that followed that sale need to be viewed from this perspective to have a full understanding of the impact of the permanent closure of the Mill and the destruction of the equipment within the mill.



SALE OF THE MILL

FIAT has little first-hand information in respect to the sale processes undertaken by Gunns Limited in respect to the sale of the Triabunna woodchip mill.

We did have a number of discussions with a variety of parties in respect to the importance of the mill in the context of the viability and efficiency of the Tasmanian forest industry and we did assist some FIAT Members and others in the submission of tenders to buy/operate the mill.

Obviously we do not have any first-hand information about the detail of the tenders that were submitted to Gunns Limited although some of that information has made its way onto the public record through media comment and/or through events that transpired at that time in the Tasmanian Parliament and through direct discussion with proponents.

The clear facts from FIAT's first-hand knowledge from all of the information that was publically available at that time was that: -

- Fibre Plus submitted a tender for \$18M;
- Triabunna Investments submitted a tender for \$10M;
- A sawmillers consortia submitted a tender;
- At least one mainland based wood chip export Company submitted a tender.

FIAT is not aware whether or not any other tenders were submitted.

The Fibre Plus tender was accepted in principle subject to the tenderer finalising finance to settle and subject to satisfactory progress on the Statement of Principles Agreement (see attached media report by ABC dated 14 June 2011). A loan facility through the Department of Economic Development was approved but the tenderer failed to meet the timeline for finalisation of the full value of the tender.



It was subsequently announced, on 13 July 2011, that the Mill was to be sold to Triabunna Investments for \$10M subject to progress satisfactory to Gunns Limited on the negotiation and finalisation of the Statement of Principles Agreement. It appears that a further condition of the sale was that the mill would continue to operate as a wood chip export facility. (See attached ABC News Article dated 13 July 2011 and subsequent article dated 15 July 2011).

FIAT do not have any first-hand information in respect to the other bids that were submitted at that time or in respect to what understanding may or may not have been reached between Gunns Limited and Triabunna Investments other than what is available generally through media reporting.

FIAT do not intend to deal in any detail with the significant public discourse and suggestions about exactly what is within the contract documentation between Gunns Ltd and Triabunna Investments as these are matters best progressed by the Committee with representatives of the parties to those contracts.

Clearly the sale of the mill to Triabunna Investments which is a Company consisting of Jan Cameron and Graeme Wood created significant concern for FIAT and others within the Tasmanian forest industry and was seen as a significant destabilising influence over any success that was considered possible over the implementation of the Statement of Principles Agreement. This aspect is canvassed in more detail in a subsequent part of this written submission.

Our concerns at that time were clearly voiced in a Media Release dated 13 July 2011 a copy of which is attached.

The industry harboured considerable concerns at the potential for this component of the sale contract to be implemented and the effect that that could have on the further negotiation between industry, environmentalists and community representatives and made our concerns known to the State Government through an email dated 14 July 2011 sent to the Premier and Deputy Premier (a copy of that email and the issues advanced by FIAT at that time are attached).



A response dated 20 September 2011 from the Premier with a hand written annotation from Mark Sayer the Premiers Chief of Staff was received that indicated that further dialogue was to occur between Deputy Premier Bryan Green and Jan Cameron and Graeme Wood (a copy of that response is attached).



OPERATING THE MILL

As indicated in the previous section the sale of the Triabunna Mill to Triabunna Investments by Gunns Ltd was predicated on a requirement that the new owners of the mill continued to make it available as a woodchip export facility in accordance with the Statement of Principles.

As a result of our concerns at that time about the arrangements relating to the future operations of the Triabunna Mill, FIAT sought an opportunity to meet with representatives of Triabunna Investments and as a consequence attended a meeting with Alec Marr, General Manager of Triabunna Investments Pty Ltd on 22 July 2011.

At that meeting Mr Marr advised that the new owners of the mill did not believe they had an obligation to operate the mill for the next 10 years but that it was their intention to make the mill available for a third party to operate for a time. Mr Marr also outlined the short-term arrangements in respect to care and maintenance of the mill and security arrangements that would be in place for at least the ensuring three month period.

Mr Marr advised that it was a contracted obligation of the sale to Triabunna Investments that they were not permitted to start the tender process for lease of the operations of the mill facility until Gunns Ltd were satisfied with the Statement of Principles processes and outcomes including the negotiation of suitable compensation payments to Gunns for surrendering their wood supply agreements.

Mr Marr further advised that the new owners intended to operate the mill according to the outcomes of the Statement of Principles and would appoint an outside operating committee who would control the running of the mill with that committee being chaired by Alec Marr. Mr Marr indicated that the committee would deal with negotiating the terms of the lease including determining what material would be allowed to be processed and sold from the mill. He advised that TCA and CFMEU had already indicated that they would accept invitations to be on that operating committee and he issued a similar invitation to FIAT.



Mr Marr also advised that the mill will not be in a position to accept all wood from private land and to be acceptable private land wood would require certification and proof that biodiversity and other issues (undisclosed) are first met. In respect of public land Mr Marr made clear that only residues produced from land outside the ENGO's claimed 572,000 hectares of reserves would be accepted.

FIAT had previously written to the Premier and Deputy Premier on 20 July 2011 in respect to media reporting of these conditions of sale and a copy of that correspondence is attached to this submission. The purpose of that correspondence was to make clear to the State Government the concerns of the Tasmanian forest industry about the impact any such sale arrangements would have on the prospects of a successful negotiation for the implementation of the Statement of Principles agreement.

A reply to that correspondence was eventually received on 25 October 2011 signed by the Premier, Lara Giddings and a copy of that response is also attached to this submission.

At the time of sending the correspondence to the Premier and Deputy Premier on 20 July 2011 FIAT also issued a Media Release, a copy of which is attached to this submission, expressing our concerns at the potential impacts on the negotiations for an agreement arising from the Statement of Principles agreement.

On 16 November 2011 Triabunna Investments advertised in the Mercury Newspaper for Expressions of Interest to operate the Triabunna Woodchip mill.

According to the advertisement expressions of interest were being sought for the lease and operation of the mill for the export of chips. The lease would be from an initial period of five years and the mill will was to be operated in a way that is consistent with the aims of the Tasmanian Forests Intergovernmental Agreement dated 7 August 2011.



The advertisement also advised that detailed tender documents would be made available to successful applicants.

FIAT is aware that a number of parties submitted expressions of interest in response to the advertisement including:

- A joint-venture between SFM Forest Products and Les Walkden Enterprises;
- a consortium of sawmill operators;
- Forestry Tasmania.

There may well have been other parties that submitted expressions of interest but these are not known by FIAT.

FIAT wrote to Triabunna Investments on 26 September 2011 seeking clarification of the requirements that Triabunna Investments had for the operations of the mill to facilitate the promulgation and lodgement of expressions of interest in response to the advertisement (copy attached).

No response has ever been received to that correspondence.

From discussions since the call for expressions of interest with those parties that submitted an application, FIAT believe that no further contact was made by Triabunna Investments with any of the submitters and we are unaware of any tender documents being provided to any party in response to an expression of interest.



THE MILL and the TFA (SoP, HoA, IGA etc)

The issue of a continued access by the industry to a woodchip export facility in southern Tasmania was a significant issue during all of the negotiation processes that ultimately led to the signing of the Tasmanian Forests Agreement 2012, this included the negotiation of the Statement of Principles agreement, the Kelty In-principle Agreement on 22 June 2011, the Tasmanian Forest Agreement: Heads of Agreement, 24 July 2011. The Intergovernmental Agreement between the Commonwealth and Tasmanian Governments on 7 August 2011 and the Tasmania Forest Agreement 2012 on 22 November 2012.

The In-principle Agreement brokered by Bill Kelty which was intended to implement the terms of the Statement of Principles Agreement between various industry, union, environment and community groups included the following provision: -

"The industry agreement is premised on Triabunna continuing and the Southwood and Somerset plants to remain open with remaining volume to be placed into a holding facility providing the basis for this agreement."

The Tasmanian and Australian Governments following the release of the In-principle Agreement and a report by facilitator Bill Kelty negotiated the terms of a Tasmanian Forest Agreement: Heads of Agreement releasing a statement on 24 July 2011 in respect to the finalisation of that Heads of Agreement.

Paragraph 7 of those Heads of Agreement is as follows:

"7. The two governments expect that, as a result of this agreement, the Triabunna Mill will reopen and be operated in accordance with the statement of principles and the terms of this agreement."



Industry was concerned that the Heads of Agreement provisions in respect to the Triabunna Mill were insufficient and requested both governments, in writing, to strengthen the provisions in the negotiations process leading to an Intergovernmental Agreement between the two governments (a copy of our correspondence to the Premier of Tasmania and the Prime Minister of Australia dated 29 July 2011 is attached).

In essence the proposal advanced by FIAT was that in the event the mill was not available to industry on fair and reasonable commercial terms it was incumbent upon the two governments to make provision for alternatives for the processing and export of residues including the provision of funding of up to \$15 million to progress this request. In large measure this approach was adopted as we had little, if any, confidence that Triabunna Investments would re-open the mill as an operating woodchip export facility.

No response was received to either correspondence.

On 7 August 2011 the Australian and Tasmanian governments formalised the Tasmanian Forests Intergovernmental Agreement in essence (but with notable exceptions) implementing the terms of the In-principle Agreement and the Statement of Principles Agreement. Clause 32 of that agreement is as follows:

"32. The Governments expect that the Triabunna mill will reopen and be operated in accordance with the Statement of Principles. If this does not occur, either Government may request a review of the terms of this Agreement, with a review to occur only if both governments agree."

On 22 November 2012, the negotiating parties including industry, union, community and environment groups executed the Tasmanian Forest Agreement 2012 which included the following provisions in respect to "Residue solutions":



"Residue solutions

- 28. The Signatories acknowledge that the harvest and processing of forest products, whether from native forests or plantations, will produce residues. The Signatories agree that economically viable and environmentally sustainable solutions to address utilisation of both native forest and plantation residues arising from harvesting and processing operations should be developed and put in place.
- 29. Whilst it is agreed that practical short term interim solutions are needed and are fundamental to the success of this agreement, priority will also be placed on identifying economically viable and environmentally sustainable medium to longer term solutions across the full range of options and with a focus on adding value to those residues within Tasmanian rather than on the export of an undifferentiated woodchip product. These solutions should be consistent with the terms of this agreement and a transition to a greater reliance on plantations.
- 30. As a short term interim approach the Signatories call on Governments to urgently seek to achieve access to the Triabunna processing and export facility and to the Burnie wharf facility and short term woodchip stockpiling arrangements. The Signatories call on all relevant parties to do everything possible to facilitate these short term solutions or to put in place suitable alternatives. Progress on this will form part of the Durability Report prior to the Protection Order.
- 31. Consistent with Clauses 29 and 30, the Signatories call on the governments to urgently convene and resource a process, involving Signatories, independent experts, commercial interests and representatives of the two governments, to:
 - a. investigate and report on the economic viability and environmental sustainability of a range of proposals to minimise and process, value add and/or utilise wood residues in Tasmania, including opportunity for public input
 - b. provide a progress report as part of the first Durability Report and a final report by the end of 2013, subject to review by the Signatory Council.
 - c. identify and provide support to progress to the feasibility and/or business case phase suitable options, on a regional basis, consistent with the terms of this agreement.
 - 32. The Signatories call on the governments to establish a Value-Adding Facilitation Fund, as outlined in the Funding Schedule, to facilitate specific regional projects and initiatives to progress the outcomes required under Clauses 30 and 31."



The inclusions of these provisions into the TFA was, along with all other provisions of that Agreement, hard fought but ultimately reflected a recognition by all of the Signatories that the efficient and cost effective use of residues from harvesting and planting operations was fundamental to the success of the TFA.

In order to fully understand the intentions if the new owners of the Triabunna mill the Signatories invited Triabunna Investments to meet with a sub-set of the negotiating group on two separate occasions. The meetings were organised by Phill Pullinger from Environment Tasmania.

At the first meeting Triabunna Investments was represented by Alec Marr with the Signatories represented by Jane Calvert (CFMEU), Terry Edwards (FIAT), and Jim Adams (TCA).

In broad terms Mr Marr reiterated the matters he had previously advised at the meeting on 22 July in respect to the intentions of Triabunna Investments with a particular emphasis on the tendering processes and he repeated the intention to create an operating committee with himself as Chair.

The primary purpose of the meeting was for the Signatories to seek the advice of Mr Marr on what wood types would be suitable to be accepted by the mill in the event it did reopen with a particular emphasis being wood from public land and the reserves areas that might be a result of the negotiations process.

Mr Marr was quite explicit that only wood sourced from public land that was outside the ENGO claimed new reserves area would be acceptable for processing through the mill and in respect to private land only certified wood, and maybe only FSC certified wood, and that did not have any detrimental effect on biodiversity conservation would be accepted.

The clear purpose in seeking this advice was to assist the Signatories to understand what a reserves outcome could look like in the context of the vitally important context of the need for a residues solution in southern Tasmania.



In some measure the advice provided by Mr Marr did influence the negotiations processes on the reaching of the Tasmanian Forests Agreement 2012.

The second meeting between the Signatories and Triabunna Investments was held on 31 July 2012 on the 10th Floor of the Executive Offices, 10 Murray Street Hobart. In attendance for Triabunna Investments was Alec Marr and Graeme Wood whilst for the Signatories attendees were Hans Drielsma (AFPA), Terry Edwards (FIAT) and Jane Calvert (CFMEU.

The purpose of the meeting was to seek certainty about the potential of the Triabunna Mill to reopen and to ascertain from the new owners what conditions they might apply to the reopening of the Mill.

Graeme Wood initially commented that they found it odd that the Signatories were now seeking this information when it was in effect "2 minutes to midnight". It was explained that we needed to first determine whether any reserves outcome of the magnitude previously spoken about by Alec Marr was possible.

Alec Marr again went through the issues that would be considered by Triabunna Investments in any steps to identify an operator for the mill i.e.:-

- Resolution of the "overcutting" of the resource as interpreted from the Burgman report;
- Identification of the scale of supply available;
- Location of the supply areas;
- Government attempts to increase the volume of the Artec mill were destabilising;
- Economic viability of any operator
- Will await the outcome of the "IGA" process and will take an independent view of the outcome.



Mr Marr advised that he had recently attended an international conference of pulp wood producers and that his take out from that conference was that there was an oversupply of pulpwood on the international market, prices were more likely to fall further rather than increase, there was considerable volume of pulpwood available from cheaper producers including Thailand and Vietnam. These issues would influence whether or not Triabunna Investments would let a contract to anyone to operate the mill.

Specific advice was sought as to whether or not Triabunna Investments would be prepared to allow the mill to be operated in the short term whilst in the longer term domestic processing opportunities were identified and implemented.

Mr Marr indicated that they would be helpful in trying to find a solution but from his point of view the assertion of overcutting of the resource was a critical issue. Longer term processes to identify alternatives to exporting woodchips would be assessed on their merits by Triabunna Investments.

Mr Wood commented that he could not understand why anyone would want to invest time and money into a chipmill as from his point of view the economics did not stack up and his view was reinforced in this by the fact that Gunns could not make a profit and the markets had deteriorated since that time. He further indicated that notwithstanding this position he would honour his commitment to allow the mill to operate as long as the outcome of the TFA was appropriate. He indicated that he was aware of proposals from a number of groups that were seeking to downstream process and value add this material into biodiesel and that he would seriously consider investing in such a proposal.

He indicated that from his perspective the key issues were economics, credible reserves outcomes, credible timelines and credible pursuit of alternative domestic uses.



In this context these issues then ultimately formed the basis for the inclusion of the "Residues solutions" provisions within the TFA and to some extent influenced the reserves outcome that was ultimately reached.

These were the only direct dialogue between FIAT and Triabunna Investments during the entire period from their purchase of the mill through to the current day.

Clearly we are disappointed that the processes continuously outlined to us by Triabunna Investments have not eventuated and we are not aware of tender documents being provided to any party that expressed interest in operating the mill nor are we aware of any attempts by Triabunna Investments to convene the operating committee it constantly referred to in order to finalise details of the tender documents that were to be submitted to a short list of potential tenderers from those that submitted an expression of interest.

TFA DURABILITY REPORT

Under the terms of the TFA and the *Tasmanian Forest Agreement Act 2013* the Special Council are required to provide a Durability report to both the Tasmanian and Commonwealth Governments detailing the implementation of the various elements of the TFA. The first report prepared by the Special Council was completed and provided to Governments by 30 June 2013.

In the Detailed Working Paper at Part 3 of that report the Special Council assessed the implementation of clauses 28 to 31 of the TFA.

That report states the following on page 24: -

"The Triabunna Mill remains closed. It is understood that both the Australian and Tasmanian Governments have pursued this, but to no avail."



At this point in time it can reasonably be assumed that the Special Council had virtually given up on any prospect of the Triabunna mill being reopened as an operating wood chip export facility as the continued efforts of both Governments to seek the mill owners to progress the reopening of the mill had been completely unsuccessful. From the industry side of the Special Council we had determined that further attempts to progress this matter were futile and we increased our urging of Governments to progress the important work of seeking alternative outlets for residues in the short term whilst pursuing uses for residues products in the longer term whilst ongoing transport subsidies were paid to retain viability.



THE MONTHLY ARTICLE

Like most reasonable people in the community FIAT read The Monthly article with considerable disquiet and concern as it seemed to portray a systematic process to set about destroying the Triabunna Mill in a way that frustrated the intent of the TFA even though a number of the reserves outcomes had already been progressed including the extensions to the Tasmanian Wilderness World heritage Area.

If this article is a true and accurate account of the events at Triabunna (FIAT is not in a position to assess the accuracy of the article) it is frankly an appalling episode of wanton destruction that is entirely at odds with all of the assurances provided to the Signatories to the TFA which formed a component of the final outcome of those negotiations.

Clearly the destruction of the mill, whether or not The Monthly article is accurate, constituted an act that seems to have been a deliberate attempt to destroy the negotiated outcomes of the Tasmanian Forest Agreement. Of particular concern to FIAT is the "admission" that there was never any real intention of allowing the mill to reopen as an operating export facility, a fact long suspected but directly contrary to the numerous assurances provided to industry during the TFA negotiation process.



ATTACHMENTS

- 1. ABC News report 14 June 2011 2 pages
- 2. ABC News report 13 July 2011 3 pages
- 3. ABC News report 15 July 2011 3 pages
- 4. FIAT Media release 13 July 2011 2 pages
- 5. FIAT E mail to Premier and Deputy Premier 14 July 2011 3 pages
- 6. Letter from Premier dated 20 September 2011 (with hand written note)– 1 page
- 7. FIAT Letter to Premier dated 20 July 2011 3 pages
- 8. Letter from Premier dated 24 October 2011 1 page
- 9. FIAT Media Release 20 July 2011 2 pages
- 10.FIAT Letter to Prime Minister 29 July 2011 5 pages
- 11.FIAT Letter to Premier 29 July 2011 5 pages
- 12.Letter to Triabunna Investments 26 September 2011 1 page