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To: Charles Casimaty
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THE HOUSE OF ASSEMBLY STANDING COMMITTEE ON COMUNITY DEVELOPMENT

Dear Committee Members

During December 2010 Gunns Ltd called a contractor meeting at the Triabunna Mill boardroom. Greg Le-Strange and Bryan Hayes wanted to explain to their harvest and haulage contractors the serious situation the company was in through lack of export chip sales, or more importantly , the low price they were being forced to accept to maintain business activity. Le-Strange said to continue to sell chips at or below cost was unsustainable.

Le-Strange announced that therefore Gunns had decided to put the Triabunna plant on the market to concentrate on the Bell Bay pulp mill project. He said that if a buyer could not be found by Christmas 2011 that Gunns would close the plant. Contractors such as my self were assured by Gunns that any potential sale of the plant would include assignment of our contracts. We were told by Gunns that they could not cancel or walk away from legally binding contracts.

It was business as usual until advice from Gunns on April 1 2011 that the mill was to close for a minimum of 8 weeks by which time Gunns were confident that wood chip sales would be forthcoming and it would once again be business as usual.

Another letter dated April 5 explained that due to a major downturn in business activity my quota was reduced from 90,000 tonnes of harvest haul to "0" until further notice. That was the last correspondence I had from Gunns . What a way to finish business at a plant I had supplied for 35 years.

Why Gunns sold the plant to persons whom we all knew would never re-open it remains a mystery. Le-Strange knew that the closure of the plant would spell the end of the Forestry Industry in the south of the state.

Did he do it to try and destroy Forestry Tas over the long and protracted "toxic" relationship between Gunns and F.T.?

The sale certainly was not based on good business principals as another deal was being brokered for an extra \$6million.

Just as importantly why did the State Labor-Green Govt stand by and do nothing when they had the power to stop the mill from falling into the hands of people who they knew, or should have known would never open it.

Not only did they allow it to happen they paid my employer(Gunns) \$26 million to leave native forest harvesting as well as waivering an\$11 million debt with F.T. , they couldn't wait to get rid of them and shut the forest industry down with scant regard for businesses such as mine with long term harvest haulage contracts with Gunns and millions of dollars invested in machinery.

In doing so they destroyed my business, my family and my life. Had they handled it differently my business

would still be operating and I would be employing 10 people directly ,many more indirectly, and we would all be paying tax.

As a consequence I was forced to accept a flawed exit package amount equal to 3 months income from my business and banned from the Australian forestry industry for 10 years, how could this be fair?

The Labor-Green government had an opportunity to have brokered a deal around Gunns debt with Forestry Tas including taking possession of the Triabunna mill. Had they done that , or not given Gunns a golden handshake I am sure the mill would be working today providing certainty for the Forest Industry in southern Tasmania. Just because Gunns were having financial difficulties, probably through their own mismanagement did not give the Labor-Green Government the right to attempt to close the whole industry down. Maybe the then Labor Federal Govt had their murky green stained hands all over our industry and were dictating to the State Govt on what they wanted, I guess we will never know the truth.

The tax payer subsidies to transport forest harvesting residues north would have already paid for the Triabunna Mill, and it is still going on. How could that be good business?

The previous Labor -Green Government should be held totally accountable for the Triabunna Mill debacle and should never be forgiven for the untold pain and grief they have caused good hard working Tasmanian families, all in the name of satisfying the greens and hanging onto power.

After reading the article on the destruction of the Mill by Wood, Cameron and Marr I was devastated. One can't but help draw similarities to the way in which several old growth logging contractors in the southern forests back about mid 2000 had their equipment destroyed by unknown persons with the same hatred and despise of our industry. At the time the greens denied any knowledge of the vandalism saying that they would never condone this type of behaviour. This has been now been proven wrong after the hatred inflicted on the Triabunna mill by conservationists. It was my understanding that the mill was to stay operational for 5 years in keeping with the T.F.A. Regardless , the T.F.A. is still effective at this time.

This infrastructure was responsible for employing thousands of people, as well as creating untold wealth and prosperity among communities involved in the forest industries for over 4 decades. There is no good reason why it still can't be operating , maybe not at its previous activity levels, but it is still an important and required piece of forestry infrastructure. I suggest the Govt aquire the plant and hand it over to industry to be rebuilt, or, otherwise dismantle the wharf structure as indicated by Tas Ports at least 12 months ago.

Private forest owners have a huge resource in the south of the State which cannot be realised without an outlet for waste wood.

They don't have the luxury of taxpayer subsidies to cart the wood north. If the Triabunna site was back in the forest industries hands it could also open up new opportunities for other wood products other than woodchips to be produced on the same site.

Because of its deep water access it is a very desirable site.

I am growing very weary of green do-gooders of the type like Cameron and Wood, because of their wealth(which has certainly not come from hard work) dictating to people, and whole communities what is best for them based on their ideological green views.

The only people who can deal with them is Government who ultimately have the final say. Government needs to flex this power and right the wrong or otherwise organise woodchip loading facilities at Hobarts deep water working port and allow the Forest Industry to rebuild.

I hope I haven't strayed too far from the terms of reference as I would like to think that my comments and views are all relevant to the enquiry and may be helpful.

Kind Regards
Dennis Iles