

Inquiry into the Triabunna woodchip mill and future development opportunities for the Triabunna region

Thank you for the opportunity to make a submission to the Inquiry.

Timber has always been a valuable resource on the East Coast and has been used for everything from shelter to primary industries.

The use of timber in the area has been part of the landscape for more than 100 years. Wielangta forest reserve near Orford was a production forest in the early 1900's.

From the time the first shipment left in early 1971, Triabunna relied heavily on the forest industry in the form of a woodchip mill.

Since its inception the woodchip mill (locally known as "the Mill" or "our Mill") created employment in Triabunna, sustained many family owned logging businesses across Tasmania as well as a range of diverse businesses whose livelihood relied on the industry, and the mill earned valuable export dollars.

The mill was built by a consortium of sawmillers who saw a need to better utilise their sawlog residue. The consortium included names synonymous with the Tasmanian sawmilling industry of the day McKay, Chesterman, Risby, Kemp and Clennett. They could see that the removal of waste timber from the forest floor and the ability to chip their sawmill residue not only provided an additional source of income but also ensured that the productivity of the forest could be increased. The mill has been owned by various companies throughout the years – the original company Tasmanian Pulp and Forest Holdings Limited, then Associated Pulp and Paper Limited, next came North Forest Products and then Gunns Ltd but it is currently in the hands of Graeme Wood and Jan Cameron; arguably 2 of Australia's staunchest Greens. We still shake our head and wonder how that happened to our mill.

Unfortunately with each successive change of ownership the industry changed and we saw some major upheavals in people's lives from truck blockades in the 70's by sub-contractors trying to get a better deal right through to the present day when the mill is closed.

In 1971 I became the first female to work at the mill; we had 53 truck owner/operators in the Triabunna township as well as a large number of contractors and drivers in neighbouring towns. Today it is a rare sight to see a log truck and trailer pull up at Tasmanian logging trailer manufacturer based in Triabunna Elphinstone Engineering; let alone see one in the street.

The subsequent closure of the mill has changed the face and history of Triabunna forever. It has not only changed the history of the direct forest workers but also the indirect workers.

When one of our largest contractors decided to exit the industry and close his business it took 19 jobs out of our community. His annual fuel bill was in the vicinity of \$1.6 million; tyres were \$25,000 per month; maintenance on trucks and trailers \$20,000 per month. Add to this the loss of registration fees and this equates to a loss to the Tasmanian economy of more than \$3,000,000 per annum and that is just one contractor. Other large logging companies have ceased working in the bush or have reduced their employee numbers because the mill is not operational. Multiply the loss of income from one contractor over the total number of harvest and haulage contractors and it soon becomes apparent that the income from the forest industry was in excess of \$1 billion.

The effect on our sawmilling industry and their inability to dispose of their waste timber has had a major influence on the economy of many small rural communities with the closure or restructuring of sawmills and the subsequent job losses.

With the stroke of a pen Gunns Ltd and the then State and Federal governments plunged small forest industry based businesses across Tasmania and their employees into a life of uncertainty for their future. Couple this with the demise of the woodchip mill and the future for Triabunna is relatively bleak. Despite what all the experts say, and a plan to turn the old mill site into a social and tourist hub, we have not seen a massive influx of business to take up the employees that have been made redundant. On the contrary, many of our skilled workers have become 'fly in fly out'; disenfranchising families and communities and creating many single parent families through no fault of their own.

Unfortunately those that actively protest against the industry in every form seem to have little or no idea what the downstream effect is of the loss of an industry. What's more there are times when they appear not to care what the outcome is! What does not seem to be realised by some is that the local service station, hardware store, bakery, supermarket, engineering works, hairdressing salon, pub and everyone else in a small community like Triabunna relied in some way on this proud industry and our mill. The same can be said for any number of small communities right across Tasmania. There are many communities who believed in the forest industry for all the right reasons. There are many family businesses who had invested millions of dollars in infrastructure and machinery who now find they cannot continue in the industry they love.

The Triabunna woodchip mill brought social and economic benefit to the Tasmanian economy but more particularly to the township of Triabunna.

During the negotiations for the Regional Forest Agreement in the 1990's a survey of local (Triabunna) business people was conducted. It soon became apparent that most of them placed at least 75% reliance on their survival in business to the forest industry. At the time my husband and I owned the local Stihl chainsaw dealership and our reliance was almost 100%.

The Signatories Agreement dated 22nd June 2011 - *The industry agreement is premised on Triabunna continuing and the Southwood and Somerset plants to remain open with remaining volume to be placed in a holding facility providing the basis for this agreement.*

Clause 32 of the Tasmanian Forests Intergovernmental Agreement signed on the 7th August 2011 stated - *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 the Agreement, with a review to occur only if both Governments agree.*

The Tasmanian Forest Agreement Act 2013 has a copy of the Tasmanian Forest Agreement 2012 annexed to it at Schedule 4. The most interesting part of this is clause 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.

The ability to use the export wharf facility has seemingly been lost with the new ownership of the mill. With the mill in private ownership and the change of zoning of the mill site, any use of the port as an export facility would seem to be nothing short of a dream right now. Some would say it's really a nightmare. It doesn't necessarily follow that because we are not exporting woodchips that we don't need a working port capable of taking large bulk carriers and especially one that is the safest deep water port south of Eden New South Wales.

With the closure of our mill, it wasn't only Triabunna that had social and economic losses.

Many thought that it was 'only 40 jobs at the mill' when the mill closed but there was a whole other industry out there that is best summed up by the comments of one of the café owners in the Derwent Valley when she was asked, not long after the industry closed down, how was business. She responded by saying '*It's been dreadful since they took **my** log truck drivers off me*'. Many of the drivers had been carting to the Triabunna mill for at least 25 years and they had forged wonderful relationships with the café and roadhouse owners across Tasmania.

Towns like Geeveston lost more than 40% of their businesses; in the Dorset Council area Scottsdale businesses have had to try and reinvent themselves. It is not an easy task. Many Council areas identified that they had lost millions of dollars in business since the departure of the forest industry from the public native forest estate.

Many businesses across the State suffered, and are still suffering -

- LOCAL MANUFACTURERS,
- MACHINE SHOPS,
- SUB CONTRACTORS
- FUEL SUPPLIERS,

- TYRE SUPPLIERS,
- CAFES AND ROADHOUSES
- EQUIPMENT SUPPLIERS
- MATERIAL SUPPLIERS

The list goes on and on. There are not too many businesses that did not have some contact with the forest industry in one form or another; from the nuts and bolts supplier in the city to the local pub who had forest workers drop in and leave sawdust on the floor! One of the local publicans made a very astute observation recently when she said that the first to go when a person's income is affected is their entertainment allowance. She now only sees some of those former regular customers who were forest workers for special occasions like birthdays and the like.

The Intergovernmental Agreement was supposed to bring regional development and broadening of economic bases in small communities. We would all love to see additional development in our timber communities but the reality is that regional development didn't and won't happen overnight and it is not going to be the answer to unemployment in the short or even perhaps the long term.

It is unlikely that regional development will happen to the extent that is being suggested because families will have moved away from areas to survive and families won't move to an area without regional development to guarantee them employment. It is a vicious circle. This will further impact on the local schools, health service providers, law enforcement, shops and facilities. Our schools in Tasmania are already under pressure to amalgamate or re-structure. The impact on the loss of people to an area is enormous on service groups like Rotary and Lions; volunteer fire fighters and volunteer ambulance officers.

We don't know what regional development will look like so what do we re-train as. It is even harder if the displaced forest worker is 50 or 60 and has worked in the forest industry for decades.

Triabunna has a rich penal history which could be capitalised on for tourism and the subsequent employment it could bring. We need opportunities that we can seize with

both hands so that we can maintain our wonderful culture, retain our young people and create long term employment.

Suggestions have been made that the town needs to move on and find other sources of income. If what is now Spring Bay Mill and their plans do become a reality then there is the hope for some jobs in the area but those jobs are not for everyone. There are other tourist related ventures and a processing plant in the pipeline but not everyone is cut out to be baristas or tour guides or whatever.

Triabunna has an equally rich history of involvement in the forest industry. Those who were in the industry have an undying passion and commitment for it. There is no doubt that working in the forest industry is a hard life. It is governed by long hours and hard work but those who are 'timber people' would not have it any other way!

With the loss of the industry that passion, commitment and community involvement of forest workers is in danger of being lost forever and communities like Triabunna may never recover even with new development on the mill site and other projects in the area.

It is time that we, the whole of Tasmania as a community, realised that the forest industry had been supporting Tasmanian families for decades. Our State needs the forest industry for the valuable internal economy it generated as well as the export woodchip dollars.

The worth of the industry to Tasmania has many facets

- It is not about one entity or business. It is about family businesses in small rural communities that have been built on the back of the forest industry
- It's about businesses in towns' right across Tasmania that indirectly relies on the forest industry manufacturers and suppliers for their customers.
- It's about a future for our children, grandchildren and generations to come.

Our local communities know that it is unlikely we will ever see another Triabunna export woodchip mill but we do seek answers -

- Why the mill did not remain open as was the expectation in various Agreements.

- Were there negotiations between the Governments and the new owners in relation to the Triabunna processing and export facility?
- Why didn't the people who put in Expressions of Interest to run the mill receive even so much as an acknowledgement of their EOI from Triabunna Investments?
- What is the status of the port for future use by an export commodity; not necessarily woodchips?

For years we have been told about threatened species in the forests and that they have to be protected. Our forest practice codes protected the industry and the threatened flora and fauna species as they should be protected. Perhaps it is time those who protest against our forest industry (and other resource based industries) realised that it is us (the people) who are the endangered species.

Every community needs industry to survive. Whether that is woodchips or another commodity is irrelevant. Any industry provides flow on effects to many different businesses; not just the primary business and the spin offs in terms of volunteer labour for service organisations and the like.

The Triabunna community deserves answers in relation to the demise of the woodchip industry from the public native forest resource and their future employment opportunities and prospects. I trust this inquiry will provide those answers.



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