



25 February 2013

Mr Paul Harriss MLC
Legislative Council
Parliament of Tasmania
Hobart 7000
Tasmania
c/- stuart.wright@parliament.tas.gov.au

Dear Mr Harriss,

I am writing in response to your letter dated 23 January 2013 seeking information from questions on notice pertaining to a list of the non-expired category 2 and 8 sawlog contracts with Forestry Tasmania (FT) and includes the following detail:

- Volumes on contract,
- Expiry dates per contract, and
- Whether the contracts are compensable.

The responses below in Table 1 are from three Regional Sawmills who have remained nameless for the purpose of this exercise but have existing category 2 and category 8 wood supply contracts with FT. These three Mills are not the only holders of non-expired category 2 and category 8 contracts. There are some contract holders who have not provided information but we are confident all Tasmanian Sawmillers Association (TSA) members have been represented in this submission.

Table 1 – Submission to Tasmanian Forests Agreement 2012 Committee

Mill	Volume of contract in cubic meters?	Expiry date of contract?	Are contracts compensable?	Remarks
A	5 000 cat 2	2021	Non-compensable for both parties if contract is not honoured	
B	20 000 cat 8	2027	Both parties are required to supply and receive to within 90% of contracted volumes but there are no penalties if either side cannot honour the contract	should FT be unable to meet their contractual obligation to supply cat 8 sawlogs to Mill B a supply of a substitute, out of spec, sawlogs may be offered
C	3 000 cat 2	2021	Non-compensable for both parties if contract is not honoured	

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Thank you for the opportunity for the TSA to present to the Select Committee. Should you require further and better particulars do not hesitate to contact me.

Yours sincerely,

Shane Rice

Director

Tasmanian Sawmillers Association

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