

*Timber recycles carbon*



## **TIMBER QUEENSLAND MEDIA RELEASE**

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**For immediate release**

### **FORESTRY PLANTATION SALE AT RISK**

The Bligh Government's plan to sell their plantation assets managed by wholly Government owned corporation, Forestry Plantations Queensland (FPQ) is likely to lose the support of the State's \$2.4bn pa processing industry says industry peak body Timber Queensland.

Timber Queensland CEO Rod McInnes said industry has been patiently waiting to see how the Government plans to sell off this public asset.

"We have offered initial tacit support for the sale; but whilst we wait FPQ is charging on using their monopoly supply power to force industry into unacceptable commercial arrangements and refuse to negotiate on those arrangements," said Mr McInnes.

"The current supply contracts ensure that the CEO of FPQ can set the price industry has to pay for logs and no merits review of that price is possible. That is totally unacceptable to industry. No one in their right mind would want to invest or expand existing investment in plantation processing in Queensland under these conditions, irrespective of who owns the plantation resource," he said.

Rod McInnes said that FPQ flatly refuse to negotiate this issue and their Government masters apparently lack the fortitude to direct them.

"Rather than increasing the potential value of the plantation assets, these antics by the current managers will just make any potential purchaser very aware that they will inherit an increasingly hostile customer base," he said.

Resolving outstanding commercial issues between FPQ and its customers would not only allow the timber processing industry to continue to invest and provide security for the 20 000 plus jobs supported by industry in Queensland; it would provide an opportunity for industry to work with the Government to ensure any sale is in the best interests of all the stakeholders.

"It's time for some leadership from the Premier before it's too late," said Mr McInnes.

**ENDS**

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