



15 September 2017

Guy Barnett, Minister for Resources

## Government invests in health while Labor wants more forest subsidies

I'm very proud to be the first Resources Minister in memory to be able to return money from the Government's forestry business for a direct investment in essential health services.

It was no surprise that yesterday my announcement that Sustainable Timber Tasmania (STT) had sold hardwood plantations at a price of \$60.7 million was opposed by Labor and their Green mates.

Labor and the Greens should be congratulating the Government on this great outcome, which will see \$15 million of new money invested in Tasmania's health system and a debt-free STT.

Their opposition to the sale is extraordinary, and indicates they oppose additional funding for health – and the only alternative they have come up with is to continue to subsidise STT by taking \$100 million over four years out of health and education.

Yesterday in Parliament Ms White actually asked me to promise that funds from the sale wouldn't go to health.

*"Can you rule out proceeds from the sale being appropriated by Treasury for other purposes?"\**

The Hodgman Liberal Government is proud to be putting new money into health and I'm very surprised that Ms White would directly oppose that.

Pre-sale advice indicated sales transaction history in Tasmania and Australia suggests \$1,500-2,000 paid per hectare for first rotation hardwood plantation estates, and the result we have achieved is clearly at the upper end of this.

Additionally, STT is retaining around 20,000 hectares of high-value hardwood plantations which will produce high quality sawlogs – just as we said we would.

No land is being sold, and harvested areas will be re-planted at the purchaser's cost and returned to STT at the end of the forestry right.

I would also like to note the positive response from the Australian Forest Products Association regarding the announcement in their statement yesterday.

\*Rebecca White, Hansard 14 September 2017