



12 March 2017

Guy Barnett, Minister for Resources  
Michael Ferguson, Minister for Health

## Ending the subsidies to the forest industry

This week, the Hodgman Liberal Government will bring into the Parliament legislation that will help end the subsidies to the forest industry for good.

Resources Minister Guy Barnett said:

"Under the former Labor-Green Government, more than \$100 million was poured into Forestry Tasmania over four years - money which should have instead gone to health, education, and supporting Tasmanians in need.

"This loss of around \$25 million per year will continue unless we act.

"Our legislation will end the subsidies by making available for harvest trees formerly locked up under the job-destroying Labor-Green forest deal - trees which can be harvested more economically (without subsidies) than up to one quarter of those in the existing production forest.

"The only other way to end the subsidies is to reduce the amount of trees harvested by around a quarter, costing up to 700 jobs which is something we simply won't countenance.

'It's important to remember that the forest in question isn't pristine forest, it's former production forest which we received a mandate to unlock at the 2014 election.

'Since our election, the number of jobs in the forest industry has grown by 30 per cent, and this is the next step in ensuring growth and job creation for this vital industry.'

Health Minister Michael Ferguson said:

"The Hodgman Liberal Government is investing record amounts into our health system, which has seen surgery waiting lists fall to record lows.

"But we know more investment is required.

"By ending the subsidies to Forestry Tasmania, we will free up around \$25 million per year to reinvest in important frontline services such as health, education and public safety.

"Ending the subsidies for good, as this legislation proposes, will ensure we can continue to invest in the health services Tasmanians need and deserve.

"This legislation is a win-win - a win for our forest industry, and a win for our health system."

Minister Barnett concluded:

"To those who oppose this legislation, I challenge you to put forward your alternative. Is it 700 job losses, or is it continued subsidies?

"And if it's continued subsidies, where is the money coming from, and what services will be cut to pay for it?"