



Media Release

Date 6 January 2009

Delay in Pulp mill approval could delay jobs and economic growth

The National Association of Forest Industries (NAFI) welcomed the decision of the Federal Environment Minister Peter Garrett to approve 13 of the environmental modules for the Environmental Impact Management Plan for the Gunns Pulp Mill. However, three remaining modules have the Minister's provisional approval, pending the completion of modeling required for those modules by 3 March 2011.

"NAFI is disappointed that in a time when we are facing an unprecedented global economic recession, when all Australians would benefit from having sustainable projects like the Gunns pulp mill, we may have to wait a further 26 months for final approval," said NAFI CEO Allan Hansard.

"This will mean the investment, associated jobs and economic growth created by the project will be delayed and may not be available to the Tasmanian and Australian economies when they are needed the most.

"The Gunns pulp mill is a signature development project and is the type of sustainable investment project Australia needs when facing possibly the deepest and longest economic recession in decades. The pulp mill will create over 2000 jobs in construction and 1600 jobs once operational. It will help address Australia's systemic \$2 billion trade deficit in forest products and will generate enough excess green electricity to power the city of Launceston.

"The Gunns pulp mill is a key part of the forest industry's strategy to create 19 billion dollars of sustainable projects over the next 12 years, creating over 16000 new jobs and abating around 25 percent of our national greenhouse gas emissions.

"NAFI will be seeking discussions with the Australian Government to set aside funds from the Building Australia Fund to facilitate infrastructure development to support the fast tracking of sustainable projects of national significance such as the Gunns pulp mill.

"In this way strategic support from Australian governments will bring forward much needed industry investment decisions, creating jobs in sustainable industries such as Australia's forest industries," Mr Hansard said.

[ENDS]

Media contact: Jane Heffernan **0419 465 328** or **02 6285 3833** Jane.heffernan@nafi.com.au

FOREST INDUSTRIES HOUSE, DEAKIN, CANBERRA

Ph (02) 6285 3833 Fax: (02) 6285 3855 Email: jane.heffernan@nafi.com.au Internet: www.nafi.com.au