

Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation  
The Honourable Anna Bligh  
02/05/2006

### **New forestry business a boon for Queensland's timber industry**

A new plantation forestry business, the largest in Queensland, will come into being when Forestry Plantations Queensland begins operating today.

Forestry Plantations Queensland takes over the former DPI Forestry as manager of Queensland's 190,000-hectare softwood and 10,000-hectare hardwood forest plantation estate.

Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation Anna Bligh and the Minister for Primary Industries and Fisheries, Tim Mulherin, are the responsible ministers for the new State Government commercial business.

Non-plantation forest operations formerly managed by DPI Forestry, such as native forest harvesting and quarries, are now managed by the Department of Natural Resources, Mines and Water through a new forest business group NRMW Forest Products that began operating on 3 April.

Ms Bligh said the decision to create a new Queensland plantation forestry business would prove a boon to the Queensland timber industry.

"Reforms to commercial forestry in Queensland will ensure the State's forest plantations are managed efficiently, competitively and sustainably," Ms Bligh said.

"Forestry Plantations Queensland will be able to more fully maximise returns from Queensland's plantation forest assets, will encourage the entry of new players into the state's forest growing industry, and will provide greater security for the timber industry.

"Queensland's timber industry is a vital and growing part of our economy. It is made up of about 2200 businesses that directly employ more than 19,000 people."

Ms Bligh said the industry had a direct annual turnover of \$2.7 billion, value added \$1 billion per year and earned \$215 million each year in exports.

"It's big business and Forestry Plantations Queensland will have the capability to ensure it stays that way. This is appropriate, considering Queensland's plantation forestry business has an estimated market value of \$654 million," she said.

Mr Mulherin welcomed his Department's ongoing involvement in Queensland commercial forestry saying Forestry Plantations Queensland would have a "strong commercial capacity".

"Forestry Plantations Queensland will be overseen by a Board with a very strong and deliberate commercial focus to its operations," Mr Mulherin said.

"Importantly, Forestry Plantations Queensland will have clearly defined property rights and the commercial powers needed to ensure that Queensland's plantations can continue to compete in the national and international market.

"The reforms were developed after close consultation with industry, staff, unions and key conservation and community stakeholders.

"Forestry Plantations Queensland is staffed by the dedicated and capable people who worked for the former DPI Forestry. They will transfer to the new organisation with no changes to their entitlements and remain valued members of the Queensland public service."

"Its new CEO is Paul Fennelly, the former Department of State development Director General.

Tuesday, 2 May 2006

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