

Media Release

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New Contracts Strengthen On-Island Timber Processing

Changes support Tasmanian jobs, investment and value-adding by requiring logs from public production forests to be processed in Tasmania

Sustainable Timber Tasmania has substantially completed the development of new long-term wood supply arrangements that will guide timber supply through to 2040, replacing existing agreements due to expire in 2027.

A key feature of the new contracts is a requirement that logs sourced from Tasmania's public production forests are processed in Tasmania.

New wood supply contracts will additionally result in future sawlog supply reflecting the increasing role of Tasmania's maturing plantation resource, while sustainably managing native forests.

Dean Kearney, Chief Executive Officer, Sustainable Timber Tasmania, said the new arrangements support both the future evolution of Tasmania's wood supply mix and continued investment in local processing.

"The future of Tasmania's wood supply is increasingly about the right mix of plantation and native forest resources, backed by local processing, local investment and long-term certainty for industry."

"Tasmania's sawmilling sector is continuing to invest in new technology, new products and expanded processing capability. These contract changes recognise that investment and support the continued growth of local processing and value-adding."

The new on island processing requirement is intended to support local jobs, encourage further investment and ensure more of the value generated from Tasmania's public forest resource remains within the State.

"Our responsibility is to manage Tasmania's public forest resource for the benefit of Tasmania. By strengthening on-island processing, we can support local businesses, local jobs and the next generation of investment in Tasmania's wood processing sector."

The on-island processing requirement forms part of STT's broader long-term wood supply arrangements, which are designed to provide certainty for customers while supporting sustainable industry development and economic outcomes for Tasmania.

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