The campaign for the south east forests is creating waves that have probably not been seen since the mid nineties. It has been on ABCTV, commercial TV news, even the Sydney Morning Herald more than once in the past few months. Groups such as Chipstop, South East Region Conservation Alliance, Coastwatchers and SE Forest Rescue are working well together.

Woodchipping in the south east “celebrated” its fortieth anniversary at the end of 2008, clocking up over 30 million tonnes of exports. During this time, ever increasing areas have been logged each year, yields per hectare have steadily declined and real prices are half what they were 15 years ago. Areas logged have increased by 78% from 2002–03 to 2006–07. Rotation times are now just 15–20 years in Eden.

All this is a dismal enough picture, but the NSW Minister has admitted in Parliament that the native forest division of Forests NSW operates at a loss to taxpayers. Uneconomic pricing means that taxpayers subsidise the chipmill, arguably by about $8 million dollars in 2006–07 – which is over 70% of the chipmill’s before–tax profit.

**Carbon cost of woodchipping**
If it paid the expected CO2 cost of $25 per tonne for logging to supply the chipmill, South East Fibre Exports (SEFE) would pay more than $1million a day.

Instead, the Government’s Carbon Pollution Reduction Scheme exempts all native forest logging. Similarly, biofuels, including wood will be treated as carbon neutral, opening the door for a proposed wood fired power station at the chipmill.

**Woodchip power from native forest**
The $20M plant to be built will use 71% native forest wood “waste,” that would not be available without ongoing woodchipping of a million tonnes a year.

Worse, under the draft Mandatory Renewable Energy Target (MRET) legislation, burning of wood “waste” is categorised as “renewable”, allowing it to compete unfairly against genuine renewables such as wind, solar and tidal.

Wood burning is very inefficient (75% of heat is lost), produces more CO2 and nastier particulates than burning coal. It takes 80 years of regrowth for a forest to recapture the CO2 emissions from biomass burning alone. If all the other emissions from logging are taken into account (eg; release of soil carbon), this is more than doubled.
Woodchipping and wildlife
Ever shorter logging rotations are most serious for species like possums, gliders and owls requiring tree hollows. Over 400 Australian species depend on tree hollows; 200 of them vertebrates.
The loss of hollow-bearing trees is now officially identified in NSW as a “key threatening process” and logging recognised as one of the causes. Most eucalypts do not form hollows until they are 150 to 180 years old. Large dens needed by possums and gliders are seldom found in trees less than 200 years old.

The future
The global economic downturn is hurting the pulp and paper industry and the Pacific woodchip trade has slumped. Many Australian woodchip orders have been cancelled.
A new factor emerged on 16 February when SEFE’s parent company, Nippon Paper bought the struggling Australian paper manufacturer, PaperlinX. Its main assets are paper mills at Maryvale (Victoria) and Shoalhaven (NSW). This may have far reaching implications for the woodchipping operations in south east Australia, but time will tell.
Forests NSW has made it clear that the Eden chipmill power station will be just the first cab off the rank if native forest wood gets the MRET green light.
If that happens, the forests will be facing their biggest ever threat and we will have the campaign of our lives to stop it.
For more campaign information, see: http://www.chipstop.forests.org.au/index.htm or http://www.serca-online.org/