

**MEDIA RELEASE: CONSERVATIONISTS CALL FOR LOGGING CONTRACTS TO BE CANNED CHIPSTOP 01.08.2013**

In the wake of ICACs finding of corruption against Ian Macdonald, ex Minister for Forestry, conservation groups are calling for investigations to be extended into the contracts he signed with NSW woodchip mills and saw mills.

“Because of ICACs findings there is a cloud over anything that the Minister was involved in,” said Ms Lisa Stone, spokesperson for South East Forest Rescue. “Under this cloud of corruption we are calling for more investigations to be done.”

The original logging approvals (‘IFOAs’) which contain the licence conditions were signed by Eddie Obeid, and at least six contracts were signed by Ian Macdonald. The native forest sector of Forestry Corporation has been making million dollar losses since the signing of these contracts.

“We have looked on in confusion as the forests have been clear felled, or patch clearfelled, and communities have been locked out of the process so that the Government can make million dollar losses every year,” said Ms Stone. “The government contracted to sell whole logs to the Eden chipmill for \$6.90 a tonne, the government loses between \$14–\$16 million dollars every year, and the woodchip mill, wholly owned by the Japanese multinational corporation Nippon Paper, makes millions of dollars every year, this just makes no sense.”

The original process of approving the tender of the woodchip factory in 1967 was conducted under a cloud of controversy by the Askin Government, and it was rumoured that the MP was closely related to the co-owner/Managing Director Ron Harris.

Those who thought that the conversion of Forests NSW into the statutory corporation Forestry Corporation (NSW) would create a higher bar are stunned that the new Commissioner for the Forestry Corporation is Richard Sheldrake, who is directly implicated in the latest Obeid scandal.

“We have repeatedly contacted the government asking how logging licences are granted, how are the contracts tendered out, and how they could roll over these contracts which guarantee supply for 20 years?” said Ms Stone. “We are now calling for the licences and contracts to be suspended pending investigation. The Minister has been found by ICAC to be corrupt, therefore it makes sense for all activities he was involved in to be investigated.”

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