

## **The Rise and Fail of Woodchipping in Southeast NSW**

Ray Hammond (95) grew up among the forests around Eden in the early 1920s. The forests were his backyard and his manual tree felling skills were well honed by the time he took his first job at 16 years as a professional trapper for the New South Wales Forestry Commission. He endured the hardship of families who struggled to survive the depression by working on a plantation, sucker bashing and road building in the early 1930s. In 1936 he worked with a survey party to map uncharted southeast forests. He experienced tough times in Tumut as a State Forester during the mid 1940s and was promoted to District Forester at Batemans Bay in the mid 1960s. His views on woodchipping and the Forestry Commission's logging policies remain relevant today as the Eden woodchip operations face a turbulent and tentative future.

### **Nascence**

By 1965, the Crown's District Forest Director, Ray Hammond, had 35 years experience in native forests and timber plantation development. The Crown told him they had a buyer for woodchips and asked him to call for tenders to commence woodchipping in southeast NSW. Hammond had a pivotal meeting with a Harris Holdings representative and indicated that the cost of woodchips should be 7/6d. (75c) per 100 super feet (0.2360 cubic meters) from saw mill timber waste and forest waste.

Harris (later Daishowa) won the tender against Australian Paper Manufacturers, and the agreement was made that 5,000 tons per year for five years would be felled from NSW's southeast native forests and sold to Daishowa, a Japanese paper producer. At that time, 'waste' was defined as the heads and butts and damaged or hollowed timber from trees felled for sawmills. Initially, very strict guidelines were enforced so that good quality logs went to sawmills and not to the chipmill, and cutters lost jobs if regulations were breached. Because of his tenacity to adhere to this practice, Hammond became sidelined and lost the power to overrule or modify operational decisions.

Hammond's conscientious vision of woodchipping did not transpire. From an economic perspective he believed that conservative logging for woodchips could have worked for NSW. But, under the proposed regime, saw-logging and woodchipping were incompatible because the chipmill would demand a larger volume of unmillable timber than orders for sawmill timber could guarantee. He foretold the environmental impact as he witnessed a runaway situation develop. Five years stretched into perpetuity which he perceived:

Guaranteed supply of the unborn forest financed by the unborn children of tomorrow.

### **Development**

In 1971, Japan's biggest paper maker, Nippon Paper, and Daishowa with which it merged in 2003, took control of the Eden chipmill and now trades as South East Fibre Exports (SEFE). Commonwealth and state governments assisted in the development of a woodchip operation by creating the state's regional forest agreements (RFAs) which included guidelines for native forest management. The Eden RFA was signed in 1999 and the Southern RFA in 2001.

The woodchipping industry was established in other states, became politically powerful and the governments approved vastly increased exports. Protection of the forest by the acquisition of timber under the original definition of 'waste' was ignored and whole logs are now supplied to the SEFE chipmill. Today, 90% of timber from Australia's native forests is used for woodchips. SEFE exports about 850,000 tonnes of woodchips annually. Each day 2500 – 3500 logs enter their woodchip mill at Eden from heavy logging of carbon dense forests north and west of Eden and into East Gippsland.

## Predicaments

Australia has logged 50% of forests since colonisation. Woodchipping in southeast NSW has thus historically created dilemmas between its stakeholders and the community. The major political parties support continued logging of native forests for woodchips, and it is clear operations would not survive without government financial support.

Everything in a forest is integral to its survival. The environmental damage is severe and extensive and conservationists assert that logging destroys beauty, habitat, and fragile and unique ecosystems. Hammond maintained that the beauty of the forest was taken for granted and that the foresters didn't foresee that logging old growth timber would be detrimental to the environment. He stated that:

The *Forestry Act* will tell you to ... look after flora, fauna and soil.<sup>1</sup> You can't muck around with the Act but it is the reasonable application of it that runs foul of politicians and forestry heads now.

Logging native forests disregards interdependence between soil, carbon, water and habitat. Tree hollows only begin to appear in eucalypts when they are between 80 – 100 years old, yet state sanctioned logging destroys over 70% of hollows in high conservation value native forest areas.<sup>2</sup> Scientists maintain that a forest's ability to store carbon should be protected.<sup>3</sup> Fire studies undertaken since Black Saturday in Victoria, show that canopy-dense moist native forests inhibit bushfire.<sup>4</sup> Wildlife organisations work against native species loss exacerbated by disconnection of landscapes by logging. Marine farming environments also suffer from silt washed down from logged areas.

Logging of native forests is contentious. Environmentalists identify breaches of RFAs by logging companies. Communities protest in logging areas close to their townships, and contend to the state-run forestry agencies that natural water catchments threatened by logging need protection.<sup>5</sup> Campaigners' infringements are usually dismissed when dealt with by courts.<sup>6</sup> Indigenous communities want heritage rich forestlands protected.<sup>7</sup> Young people are educated about and are eager to preserve our natural wildernesses, yet current forestry practices contradict these ideals.

---

<sup>1</sup> *Forestry Act 1916* (NSW).

<sup>2</sup> *Threatened Species Conservation Act 1995* (NSW) Sch 3 s 8; Loss of Hollow Bearing Trees Key Threatening Process, Office of Environment and Heritage, NSW Threatened Species Website, (online) <[http://www.threatenedspecies.environment.nsw.gov.au/tsprofile/threat\\_profile.aspx?id=20079](http://www.threatenedspecies.environment.nsw.gov.au/tsprofile/threat_profile.aspx?id=20079)>

<sup>3</sup> Will Steffen, *The Critical Decade Report*, 2010

<sup>4</sup> David Lindenmeyer, T W Norton, and M T Tanton, 'Differences Between Wildfire and Clearfelling on the Structure of Mountain Ash Forests of Victoria and Their Implications For Fauna Dependent on Tree Hollows' (1990) 53 *Australian Forestry* 61.

<sup>5</sup> Patrick Lane and Stephen Mackay 'Stream Flow Response of Mixed-Species Eucalypt Forests to Patch Cutting and Thinning Treatments' (2001) 143 *Forest Ecology and Management* 131; T McAlister, and D Richardson, 'Wonboyn Lake and Estuary - Estuary Processes Study' (2004) <[http://www.begavalley.nsw.gov.au/environment/estuaries/pdfs/Wonboyn\\_Processes\\_Study.pdf](http://www.begavalley.nsw.gov.au/environment/estuaries/pdfs/Wonboyn_Processes_Study.pdf)>; J J Drewry, L T H Newham, and R S B Greene, 'An Index-Based Modelling Approach to Evaluate Nutrient Loss Risk at Catchment-Scales' (2008) Integrated Catchment Assessment and Management Centre, The Australian National University, Canberra <[http://www.mssanz.org.au/modsim07/papers/43\\_s47/AnIndex-Baseds47\\_Drewry\\_.pdf](http://www.mssanz.org.au/modsim07/papers/43_s47/AnIndex-Baseds47_Drewry_.pdf)>

<sup>6</sup> *R v Keenan* (1994) 76 A Crim R 374; *Plumb v Rayner* (1995) 84 A Crim R 402; *Barnes v Mackenzie* [2008] NSWSC 455; *Police v Flint, Daines and McLean* (Unreported, Deniliquin NSWLC, 2009); *Police v Betram, Daines, Stone and Whan* (Unreported, Moruya NSWLC 2010); *R v Hughes, Davis, Foukes, Fox, McGee, Swift, Stone, Pigram, Whan, Burns, and Reddaway* (Unreported, Batemans Bay NSWLC 2011); *Police v Castle* [2011] NSWLC 22.

<sup>7</sup> *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) ss 9, 10 Applications- Mumbulla and Gulaga Mountains

### **Safeguarding the Future**

So what does the future hold in light of this tension-creating conundrum between community and logging operations? Hammond believed implicitly that ‘the forests of NSW belong to the people of NSW’ and in that he is legally correct, and it still grieves him that his knowledge and experience-based foresight were ignored.

Today, the logging industry is at a crossroad. Global markets have changed, plantation woodchips are preferred, and new producers are supplanting Australia.<sup>8</sup> Native forest woodchipping for paper production appears to be in decline.

The practice of logging native forests on State and privately owned land for woodchips creates a conundrum of national importance, as both jobs and forests need protection. Timber plantations can support nearly all of Australia’s domestic timber needs. Woodchips are increasingly being produced from eucalypt plantations grown specifically to produce high quality fibre for papermaking.

Hammond’s knowledge and prescience aligns with a problematic legacy which is neither economically nor environmentally sustainable. Our optimal legacy for “the unborn children of tomorrow” will be secured by preservation of old growth forests and remediation of logged native forests.

*With thanks to Ray Hammond for his life and work, to his daughter Diane Broomhall, and to the National Library of Australia for permission to reproduce content from The Peoples’ Forest Collection recorded by Gregg Borschmann.*

Dr Bronte Somerset

---

<sup>8</sup> Alan Cummine, ‘Timber Industry’s Future Depends on Ordinary Investors’ Continued Backing of MIS Sector’ Plantation 2020 (online)  
<[http://www.plantations2020.com.au/assets/acrobat/AFG\\_Autumn\\_2005\\_MIS\\_Article.pdf](http://www.plantations2020.com.au/assets/acrobat/AFG_Autumn_2005_MIS_Article.pdf)>;  
Judith Ajani, ‘Australia’s Transition from Native Forests to Plantations: The Implications for Woodchips, Pulp Mills, Tax Breaks and Climate Change’ (2008) 15(3) *Agenda* 21, (online)  
<<http://epress.anu.edu.au/agenda/015/03/pdf/15-3-AN-2.pdf>>