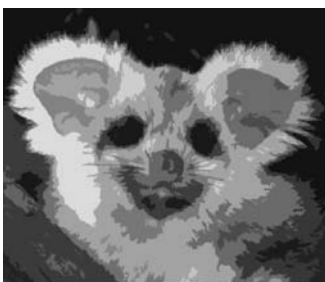


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**FORESTS FOREVER
ECOLOGY CAMP - MARK
IT IN YOUR DIARY FOR
NEXT EASTER.**



Tree looter now biomass spruiker

"A government consultant closely involved with a controversial firebreak project that was investigated over the alleged theft of \$1 million of timber from public land has emerged as a key figure pushing the Baillieu government to burn tens of thousands of tonnes of native forests to generate power."

The Age 27.9.11

This introduction by journalist Ben Butler from *The Age*, told just part of the of the story of the once relevant Garry Squires. He was manager of DSE Gippsland, then after setting up a system of contracting out the overseeing of public land logging, became the CEO of the private company he awarded the tender to, East Gippsland Logging. Now he operates his own logging consultancy business and gets work where he can. One of those jobs appears to be spruiking for the establishment of a biomass (forest) burner in Orbost to generate electricity. If a burner doesn't get legs, he's after a factory to process forests into tiny bullet sized pellets to sell to European or Asian buyers, who will then burn our forests in power furnaces. It's the next assault after woodchipping.

The Age article did a great job of publicly exposing our wanna-be Mr Big of the logging industry in East Gippsland. Garry Squires is also secretary of the Orbost Chamber of Commerce which he claims is supporting a biomass burner (but this has never been documented or verified).

Squires claims he's pushing this electricity furnace for the good of the town; jobs and all that y'know. But let's look back to 2003. Under the cover of the bushfire mayhem, smoke and panic, Squires, was commissioned to oversee bulldozers, chainsaws and a 42km back

burn line which became an illegal lineal logging coupe – almost as wide as 60mts in places (back burn lines only need to be two bulldozer widths wide). It was investigated by the DSE and the Auditor-General which showed valuable trees were cut down and stolen from the Snowy National Park and disappeared into local sawmills. At the time Squires was the CEO of the biggest logging company in East Gippsland. The conflict of interest and the abuse of this position were clear as day, despite the smoke.

So who is he working for now? It's pretty damned clear there's another case of self-interest happening here.

Add to this the fact that VicForests is struggling to find buyers for its logs, so has turned its attention to the latest global trend to burn forests for 'renewable energy'. VicForests revealed this in its annual report tabled in September.



VicForests said their plan to cut down, sell and burn public forests is commercial-in-confidence that was "developed with one of our potential customers".

Squires said a power plant would use at least 50,000 tonnes of wood a year and "After that you can just go as big as you like, depending on how much you want to produce."

Jill / *The Age* 27.9.11

The Potoroo Review

This is the newsletter of Environment East Gippsland, Australia's longest running forest campaign group. We bring you the facts about forests and the environment that rarely make it to the mainstream media.

We never worry about biting the bureaucracy's hand as it never feeds us. That means we rely totally on membership and donations to keep nipping at the heels of the planet-rapers.



Membership - \$20 or \$15 conc. (incl. newsletter).

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ORBOST Vic 3888 .
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www.eastgippsland.net.au

Coordinator - Jill Redwood

Tax deductible donations can be sent to us at the above address made out to EEG. Receipts will be issued promptly.

The Potoroo is an endangered 'mini kangaroo' which survives in East Gippsland's forests. It eats fungus, so digs a lot of dirt, and like us, is often threatened by loggers.

Articles which appear in the *Potoroo* are the opinions of the authors' and not necessarily those of EEG.

Printed on 100% recycled paper made from 100% post consumer waste, de-inked and bleached (chlorine free process).



ATTENTION MEMBERS

This *Potoroo* includes a membership renewal - your last renewed date is on the address label. We need your support more than ever. We'll supply the fire-in-the-belly, dedication and passion—but we need your envelope with that renewal form and show of support (or go to eastgippsland.net.au to renew and click on the 'support us' link). If you put it off until next week, you might just forget. Please send a cheque off today and save us sending reminders, and we'll keep fighting for the forests. Deal?

Potoroo re-emerges. Due to the increased in evil and corruption, and due to the time it takes to produce a hardcopy *Potoroo*, many members have not been receiving their normal quarterly *Potoroo*s. For those not on our email updates, we apologise. Hopefully this issue helps keep our supporters in the loop and lets you know we're still at it.

Fluid politics. Since the last newsletter there has been a strange mix of happenings. The industry really is on its last legs and holding on for dear life. We've seen the forestry side of the CFMEU abandoning their long-held support of native forest logging and woodchipping and we've seen Nippon Paper's share price falling—all good. But then there's the new global threat of electricity furnaces in Europe and Asia devouring the planet's forests. *The Last Stand* and *Markets for Change* have been relentlessly shaming retail outlets which sell forest destruction, targeting Officeworks and Harvey Norman. My Environment also won their Supreme Court injunction to temporarily halt logging in a small area of the Central Highlands until the case can be heard next year.

Deluging them with letters. It might seem pointless but it puts it on the record. This year alone Environment East Gippsland has sent off at least 40 letters to



Jill's
Jottings

Ministers, VicForests' CEO, the EPA, CSIRO, the Ombudsman, the Federal Government and others. We have requested clarification of malpractices, and have exposed the dysfunctional management, cover-ups, errors, public misinformation and so on from both VicForests and the DSE. Currently there are nine letters that are overdue for a response. These are the tricky ones they have no answer for and don't want to reply in writing. Most of our letters clearly document stuff-ups and cover-ups. Most of the responses ignore them. We are offered placations, that everything is legal and tickety-boo - or the offer of a meeting in Melbourne. Clearly the government and VicForests are cautious in their responses to Environment East Gippsland. Who knows when we might have them in court again. A question I'm sure they'd like to know.

Still no costs paid. VicForests have still not paid our legal expenses despite it being a court order. We hope to sort out their pathetic shenanigans by the end of the year.

Jill - and the small but gung-ho team

No Harvey No! goes global !

Across the globe and nationally, community actions on Harvey Norman's stores selling Aussie forest destruction has been relentless. The latest was a world wide set of actions on the 8th October. Over 30 stores were targeted in Australia, New Zealand, Slovenia and Ireland, and at iconic landmarks internationally, including two spectacular actions in inner-city Sydney and Melbourne.

Over 40 actions were carried out in 16 countries! Well done to the new group *The Last Stand* which is firing on all cylinders!



The Sydney Opera House wearing a "No Harvey No" banner urging Harvey Norman to "stop selling Aussie forest destruction".

If you'd like to help this campaign and ask Mr Norman to do the right thing you can send him a letter. Sample below ...

Dear Harvey Norman,

I am writing to you to articulate my serious concerns with furniture and flooring products stocked in Harvey Norman stores that are sourced from Australia's native forests and from primary forests overseas.

The destruction of these amazing forests puts our threatened species, clean air and water, and climate in serious danger. Logging operations in Victoria, Tasmania, Western Australia and New South Wales continue to destroy valuable carbon stores and habitat for threatened animals such as koalas, Leadbeater's possums and Tasmanian wedge-tailed eagles.

Please show some real environmental leadership, and stop selling products made from Australia's native forests, and from primary forests overseas. Recent polls have shown that up to 90% of Australians want to see an end to the destruction of these amazing ecosystems. There are environmentally responsible alternatives sourced from recycled and plantation timber readily available.

Please Harvey Norman, show some real environmental leadership and stop profiting from forest destruction.

Post to : Gerry Harvey A1 Richmond Road, HOMEBUSH WEST, NSW, AUSTRALIA, 2140

Email : Gerry.Harvey@au.harveynorman.com

**Or go online here to send—
www.thelaststand.org.au/noharveyno24**

WHO SAID THIS?



"I will go out on a limb here and suggest that the conservation, recreation and carbon values of the Australian natural forest resource are worth more than its log value on net present value terms. Sustainable forest management projects should be evaluated with full incorporation of the resultant loss of non wood values; the formula should not be based merely on a technical estimate of maintaining log volume increment over the stand".

It was Australian Jim Douglas, who spent the last eight years as the World Bank's Forests Adviser in Washington. He was writing a guest editorial in the latest "*Australian Forestry*" magazine. I'll bet the editors choked as they had to print and distribute that issue recently.

Logging union shuns logging group

Remember when Michael O'Connor of the loggers union stood up and shook hands with John Howard before the 2004 Federal election, supporting the Coalition's 'leave no tree standing' forest policy?

The Forestry section of the CFMEU is now distancing itself from the logging industry and its shysters, like its self-certification body that gives itself an environmental top mark for sensitive forest destruction. This is called the Australian Forest Standard certification label, but most people don't realise it's a con.

One of the CFMEU's reps on that AFS board has resigned and sent a scathing letter to its head. He said if he stayed on it would wreck his 'professional reputation'. He said the AFS needs to be overhauled.

The CFMEU is also stepping away from the industry and appears to be instead looking at a new future for its workers in the plantation industry. Interesting times.

The Age 13/9/11

<http://www.theage.com.au/business/union-chops-link-to-forestry-body-20110912-1k5y7.html>

Hardwood or pine—no matter to me, s'long as I get paid!



Latest logging audit spin

How can an audit that has found environmental breaches on almost all the coupes checked possibly end up with a result of 93% compliance?



This year's audit of logging in Victoria's forests will leave many of us convinced that these Audits are a totally worthless exercise and do nothing to protect the environment. One of the reasons for the good audit result is that around half of the things checked by the auditors are done to make sure paperwork has been filled in correctly.

This year's audit of compliance with the Code of Forest Practice (the loggers' must-do environmental rule book) was conducted by URS (a logging and mining industry consultancy group), who looked at 27 coupes across Victoria. This sample is significantly smaller than the 45 coupes that were checked in 2008 by the EPA.

Lawless logging on the rise

Figures on the number of breaches that had some environmental impact have soared since the EPA did their last audit. In 2008, the EPA found 78 breaches with an environmental impact, while the URS audit has found 108 breaches. When the different number of coupes in the two audits is taken into account, the rate of breaches has increased from an average 1.7 breaches per coupe to 4.3 breaches per coupe! More than a quarter of the coupes have 6 or more breaches with an environmental impact! DSE's Lee Miezi's comment that these results are a "good result for the industry and the environment" are patent nonsense.

Tricks to undermine audits

Under the new audit system, URS will not carry out a similar audit next year. This means that checks on habitat trees, stream buffers, rainforest protection and road construction will not be checked for comparison. The report makes it clear that DSE is providing limited money for these audits, so it's not likely that far away, hard to reach coupes will ever be checked. And VicForests would know this.

The fact that URS was unable to include any active coupes in this year's audit further undermines the report's credibility.

Rainforest logging scores well

After years of audits showing breaches of rainforest protection, URS found two environmental breaches classed as "Major" when bulldozers were driven into rainforest buffers. Despite the finding of two major environmental breaches, URS still awarded VicForests a score of 90% for rainforest compliance!

Although checking of rainforest was meant to be a priority in this audit, the impact of low funding for these audits is already apparent. The auditors were unable to complete their assessment of one of the rainforest coupes due to lack of light.

Time limitations resulted in swapping another four coupes for some that were more conveniently located.

Decades of breaches continue

The audit also found numerous Code breaches when they checked log landings (where logs are barked and loaded). Landing breaches have also been raised in these reports for over 10 years (and were no doubt as bad before audits began). The fact that they are still being raised highlights what little impact these reports have on changing anything. Until the Government gets serious about enforcing the Code, there is no reason for VicForests to improve its performance.

Despite the limitations of the report, it still shows that in some key areas VicForests' results are atrocious. For the compliance point of "Protection of Biodiversity", VicForests scored 65% and only 57% for "Forest Health". (These low results are mostly due to poor noxious weed management).

During the period examined by URS, VicForests was also audited twice for reissuing of its AFS environmental standard certificate. The fact that VicForests was recertified when URS has reported so many environmental breaches shows how lacking in credibility the industry-owned AFS certification process is.

Dean



WOODCHIP SLOW-DOWN

The current shipping schedule for the Port of Eden has no woodchip carriers for the rest of 2011.

Logging contractors supplying hardwood chips to South East Fibre Exports (SEFE) at Eden have been

told to slow down in the lead up to Christmas thanks to a softening in demand from a major Chinese customer.

SEFE spokesman Peter Rutherford said they were "still pulling in 5000 tonnes of logs a day, which is down between 500 and 800 tonnes on peak." but reassured people that it

was a minor glitch with no long term implications for woodchipping.

<http://www.edenmagnet.com.au/news/local/news/general/hardwood-market-softens/2337812.aspx>



27.10.11 *Eden Magnet*/
Harriet Swift



On National Threatened Species Day – endangered Quolls to be poisoned

World Environment Day is on September 7th and in 2011 it marked exactly 75 years since the last Tasmanian Tiger died in

Hobart Zoo (the day commemorates this loss). It was Australia's largest meat-eating pouched mammal. Now, mainland Australia's second largest carnivorous marsupial could be poisoned to extinction in Victoria if plans by the Baillieu government go ahead.

Poisoned meat baits would be randomly dropped from the air over large areas of Eastern Victoria. Including the last remaining viable population of the nationally threatened Spot-tailed Quoll. It would almost certainly wipe them out. Environment East Gippsland formally

asked the Federal Government to step in and prevent this plan from proceeding. Baillieu's National Party-lead government is skilled at putting up poorly thought out plans to pander to a handful of sheep farmers (or beef farmers in the case of Alpine grazing). Preference is given to lazy farmers who could instead use electric fences, alpacas or Maremma livestock guard dogs, above extinguishing the last of the three Quoll species that Victoria once had.

UPDATE: A reply from the Federal Environment Department to EEG recently, confirmed that the Victorian government would now have to prove its action won't threaten Quolls under the EPBC Act. We don't think that even the DSE spin-doctors and bullshit generators could claim such a plan wouldn't impact on the last viable population of Quolls in Victoria. But governments are shameless liars and contrivers. However, they're not dealing with the media or public on this one but another government department.

Jill



National Parks beef about the beef

A recent story in *The Age* was the a result of the Gippsland Environment Group applying for documents under Freedom of Information.

The article shows that Parks Victoria warned the government that scientific, economic and social evidence did not support alpine grazing. This was before the Baillieu government sent the cows into the Park last Summer – a matter of days after Baillieu's government was sworn in.



In March, the federal environment department ordered cattle out of the park as the 'trial' needed approval under federal laws. In July, a senior adviser to Victoria's environment minister, with the help of the Nationals, had hatched another plan to bypass federal laws. In August the federal government was looking at new powers to checkmate Baillieu's strategists and beef farmer friends and relatives. The powers would provide Federal protection for National Parks making it

more difficult for inappropriate developments, mining and hunting in these areas. Parks Victoria also suggested that if the government really wanted to test alpine grazing's effects on fire, there were options closer to settlements with more build-up of fire-prone material. Most of these sites were ignored in favour of lush grazing in the parks.

At 5pm on Friday 14th October, DSE snuck out a media statement saying the so-called scientific trial was assessed by URS consultancy. Their report shows nothing new and that major damage is still going on. URS was contracted to do this report after the cattle were taken out, and had to work in the snow at times, looking for cow pats! This was another huge waste of our taxes to try to save face and pander to a select band of beef farmers.

Jill / *The Age* 12/9/11



World's forests ~ from paper fodder to power supply



The threat of turning forests into furnace fodder for electricity isn't going away. The emerging new market for selling biomass pellets as fuel for power generation is Korea. So says a well-know global logging consultancy group Pöyry Management Consulting Inc. It also believes Europe is an upcoming market. Japan is also now looking for alternatives to nuclear. The US is already on the wood pellets bandwagon and set to ship its forests as biomass pellets to Europe's electricity generation furnaces.

Currently, Malaysia, Canada and Chile

are supplying biomass pellets to Korea, and demand is expected to grow rapidly.

This information came from a US biomass conference in early September that was organized by the newly-formed U.S. Industrial Pellet Association. It's geared toward upping the sale of wood pellets for burning right across the globe and shifting the world's forest to the world's electricity furnaces while raking in more profits to influence (buy) world governments to clear the path for this 'emerging market'.

Jill



Shorts



Logging excavator destroyed by fire near Yarragon

A logging excavator was destroyed by fire at Shady Creek north of Yarragon in high winds in mid September. CFA investigators were looking at the cause of the blaze, which could have been a fault in the machine, an escaped burn-off or who knows what else. The fire burnt windrowed dead trees in a logged forests. There were 12 fire tankers that took about 4 hours to bring it all under control.

ABC News 20/9/11

Councils paying for road damage

The Municipal Association of Victoria has asked the state govt to put more money into road and bridge repair costs than they currently do. The MAV wants local governments to have a greater say in activities of the heavy road users like mining and logging. They are responsible for much damage to roads and bridges but are exempt from rates under state law.

ABC News 20/9/11

Another year – another dead loss

VicForests annual report is now available for those wanting to know the nitty gritty grimy dirty operations of VicForests – and that's after they've sanitised it! Go here > <http://www.vicforests.com.au/>

For the fourth year running no Dividend was paid. The state of Victoria and tax payers not only missed out on getting any return for having our environment butchered and laid waste, but we also handed them a grant of nearly \$6m to keep on bludgeoning the fire damaged forests that were trying to recover. With this massive handout they could smugly claim a profit of \$2.3m.

There is so much that this report leaves out

or covers up it would take the day to read about. So we'll just let you know the outcome of our follow ups when we have them.

VicForests fined \$250,000 for overlogging

VicForests have been fined approximately quarter of a million dollars by the Department of Sustainability and Environment for logging over their allocation across Victoria. <http://www.myenvironment.net.au/index.php/me/Our-work/Forests/Forest-Resources/MAHP-2008-2009>

VicForests in court again

Central Highland's based conservation group MyEnvironment has successfully obtained a court injunction to stop logging in three forest coupes near Toolangi because they believe the stands of forest are home to the endangered Leadbeaters possum. The case will be heard 6th February 2012. Stay up to date with the issue here www.myenvironment.net.au



New dolphin species discovered in Gipps Lakes

This just shows how easy it is to not see the obvious. Dolphin colonies in Port Phillip Bay and the Gippsland Lakes have recently been formally recognised as a new species. The Burrunan dolphin or *Tursiops australis*, is thought to number about 150, but more research is needed. They differ from the other bottle-nosed dolphins of the area in skull shape, size, and colour.

Read more: <http://www.news.com.au/breaking-news/new-dolphin-species-found-in-victoria/story-e6frku0-1226137724154#ixzz1Y51kY2is>



Kmart caught out selling rainforest envelopes.

Laboratory tests found that Kmart's envelopes contain rainforest pulp from Indonesia. Kmart said they were 'surprised' and will take the matter extremely seriously. Indonesia's Forestry Ministry is joining Australia's logging industries to counter environmental concerns and campaigns. Recently formed forest campaign group Markets for Change (MFC) commissioned a US lab to analyse various papers. MFC's previous analysis has seen Officeworks and IGA stores stop buying supplies from some of the worst logging and pulp giants such as Asia Pacific Resources International Ltd (APRIL) and Asia Pulp and Paper (APP). <http://www.theage.com.au/environment/kmart-envelopes-fail-rainforest-test-20110925-1krs8.html#ixzz1Z0kQHwjK>

The Age 26/9/11

VicForests CEO jumps (sinking) ship to head up new logging lobby group

They really know how to source new personnel for failure. David Pollard failed utterly to work out a future for the logging industry while he was CEO of VicForests. He's now been given the job of driving the Australian Forests Products Association (AFPA). He takes with him a history of overseeing illegally logging of protected habitat, illegally exporting whole logs to China, illegally overlogging, making a serious loss of public money every year for the VicForests business, and so on. With a record like that he still walks free. Maybe he suits their job description perfectly.



VicForests and Reflex team up against reality

- Plantations can provide all the timber currently supplied by the native forest industries expect a tiny 2% for high value uses.
- Around 80% of Victoria's forests were being used to woodchip for pulp and paper or exporting to overseas paper companies. Another 18% was used for cheap commodity products that can easily be replaced with plantation wood. (The Wilderness Society)

In response to a report written by the National Institute of Economic and Industry Research, VicForests and Nippon's Australian Paper (makers of Reflex) commissioned their own report. The NIEIR report showed that the logging industry could be almost 100% plantation based within 5 years meaning ... out of native forests. VicForests and Australian Paper considered this blasphemy, so they commissioned Pöyry Consulting Group (who work for the world's logging industry) to bung out a report that argues the opposite.

The report said plantation wood wasn't high enough quality. What? For woodchips?! What they meant to say but didn't, is that it wasn't *cheap* enough. They admitted that plantation wood was not economic to shift around the state rather than there wasn't enough of it. However, there seems to be no impediment to transporting logs long distances when it comes from

native forests, or is being sent to Japan or China. Why? Because you and I, via an industry-complicit government, are paying to subsidise forest destruction. Rather than pay \$5 a tonne for woodchip logs from our forests, the industry would need to pay a plantation grower the commercial price of at least \$30 a tonne. If our forests were sold for what it costs to log them, it would cover all road damage, forest repair and regeneration, management, loss of water and so on. The price would then be comparable to plantation grown wood. But currently it's you and I and the environment that pays while logging companies profit.

Of course the report raised that old furphy: 'if we don't burn and pillage our forests, we'll have to buy from overseas countries that burn and pillage *their* forests.'



It's strange how that report received more media coverage than the initial NIEIR report.

Jill / The Age 9.9.11

<http://www.abc.net.au/news/2011-09-09/report-reinforces-need-for-native-forest-logging/2878404>

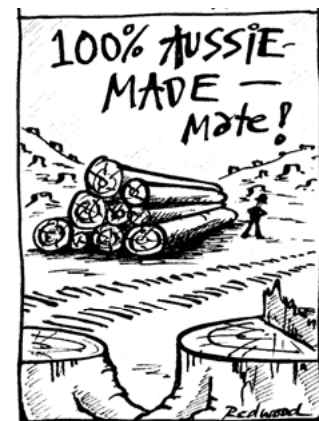


Nippon Paper's share price -



(C)QUICK Corp.

Nippon is a large Japan based paper company and its Australian assets (like its Eden export woodchip mill and Maryvale paper mill) are only a small part of it, but it's been suffering a downward trend for years now. However, as the company's share prices are dropping and the number of trucks delivering loads is dropping, the volumes of woodchips it processed last financial year is still over 1 million tonnes. If it can't find other reasons to cut and burn forests, this year could be its turning point. The future of East Gippsland's forests hinges on this company.



Nippon's bad news is our good news

Nippon's Reflex paper was dishonorably stripped of its eco-certification, meaning Nippon Paper can't claim to be green. Now, as part of their 'Business Revitalisation' in Japan, Nippon will cut 800,000 tonnes from its paper production. They will close down eight paper machines, four coating machines, and will cut 1,300 jobs (or 15% of their workforce). They could also be dumping some of their Tsunami-damaged mills.

<http://www.np-g.com/contents/200134050.pdf>

Flora and Fauna Guarantee Act

threatened with extinction



As a result of our Brown Mountain Supreme Court Action, the government is planning to rewrite and weaken the only endangered species legislation Victoria has.

The Baillieu government's dastardly plan is being pushed by parliamentary secretary for forestry, Gary Blackwood, the member for Narracan and a past logging industry worker.

Almost a year to the day the Supreme Court finding was handed down and VicForests was ordered to stop logging in Brown Mountain. The government's logging monopoly has still neglected to carry out both of the court rulings regarding our legal costs and surveys at Brown Mountain. And almost exactly one year ago, Mary Wooldridge, then shadow Environment Minister, promised the public on the steps of Parliament House that her party would honour the court ruling and not change the laws.

We always suspected that if they got into government, they'd alter the law rather than honour it. And

that's exactly what they have cooking.

The Flora and Fauna Guarantee Act is Victoria's main legislation to protect our rare wildlife and natural ecosystems. It gives inadequate protection, is loosely written and in places ambiguous, but EEG's Brown Mt case proved that it does have some teeth in law. A large part of the problem has been the government's lack of will to adhere to this law and to the Action Statements written to protect and restore rare species.

The fact that a community group sued them in court over this lack of adherence to the law was a shock to them and all their mates. Their plans for development, logging, mining, pipelines, desal plants have all relied on successive governments' inaction to protect rare species. Now they want to change the law so that it has no legal teeth at all.

As Josh Gordon from *The Age* said:
 "...the Department of Sustainability and Environment is

quietly examining Victoria's 23-year-old Flora and Fauna Guarantee Act so that the existence of animals deemed threatened or endangered is less likely to derail logging proposals... Senior department and government sources have confirmed the government wants to overhaul the act amid concerns that environment groups are becoming increasingly skillful at capturing footage of endangered species to thwart logging operations".



Jill / <http://www.theage.com.au/victoria/threatened-species-yield-ground-to-loggers>



Five year battle strips Reflex Paper of eco-label

After a five-year battle to highlight the corrupt nature of the eco-certification of Reflex paper, Australian Paper (AP) at Maryvale in the Latrobe Valley, lost its Forest Stewardship Council (FSC) eco-tick for Reflex paper. This "Chain of Custody" is called 'FSC light' by the cynical. And who supplies AP? VicForests does. This means VicForests' can no longer claim that their logging is sustainable.

Rainforest Alliance (sounds green doesn't it) was the certifying body that assessed timber and paper companies wanting to display a green tick. It has recently been stripped of its right to assess and certify companies to use the international FSC logo under the



'FSC light' system. The Rainforest Alliance auditing system seemed to be riddled with corner cutting and blindfolded assessments; very convenient for the likes of Australian Paper, Hancocks and Gunns.

However, not all is fixed. The practices of Hancock Victoria Plantations (South Gippsland) remain FSC certified. HVP is still clearfelling High Conservation Value forests and killing off endangered koala populations. The concern over HVP's practices go way back before the AP complaint. The FSC in Australia will never be able to confidently claim they can certify "well managed forests" until the HVP issue is resolved.

Jill



VicForests to halve contractors in Central Gippsland

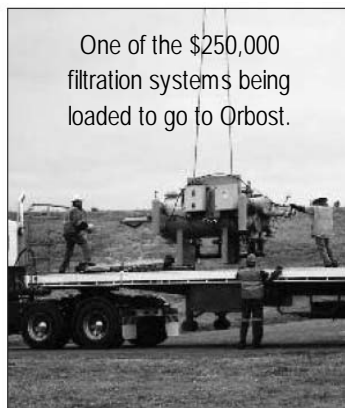


Great news! ... "VicForests will not award eight of the 16 logging contracts from the latest tender process because of market conditions. A central Gippsland contractor says at least seven forest contractors will lose their businesses and about 40 forest workers and drivers will lose their jobs". This was reported on the ABC Gippsland news on the 2nd September. It also said it would be difficult to sell millions of dollars of redundant machinery because of the decline in the industry. "VicForests said the decision was made to provide some contractors greater certainty and it will give the unsuccessful contractors the opportunity to seek work elsewhere".

It appears that the largest timber mill at Heyfield that was bought by Gunns, is to be sold up or closed down as they move into plantations. That's thrown a real spanner in the works for VicForests' sawlog market (which is the front for woodchips).

Half a million to clean logging dirt from Orbost's water supply

Orbost's water supply should be one of the most pristine in the state, coming from the Rocky River and Brodribb River catchments. But it's not, as logging leads to runoff of muck into the water supply. Orbost will soon have yet more water purifying gear installed, worth half a million.



One of the \$250,000 filtration systems being loaded to go to Orbost.

If there was no logging in its catchment, it would not need these high-tech filtration and purification systems. They call this 'externalities' in the world of economics – and it's not the logging industry that's paying for it!



Jill / Bairnsdale Advertiser 26.8.11

Flight of fancy?



Plans are afoot to process our forests and mallee into "environmentally friendly aviation fuel".

The aviation industry is becoming increasingly worried about their carbon emissions as trading schemes are set up around the world.

A consortium of companies is taking action by using eucalypt trees to develop a commercial biofuel for the Australian aviation industry.

Company 'ecomagination' and GE Australia and New Zealand will join Virgin Australia and other partners to research and develop the commercial biofuel. They hope to use thermochemical decomposition of organic

material - at elevated temperatures in the absence of oxygen - to convert mallee eucalypt trees to the biofuel (it sounds very energy intensive to us).

The company said a pilot biofuel production unit would be opened in Australia next year.

A recent CSIRO report estimated the aviation industry could cut greenhouse gas emissions by 17%, generate more than 12,000 jobs and reduce Australia's reliance on aviation fuel imports by \$2 billion per annum over the next 20 years through using biofuels.

Other members of the consortium include Renewable Oil Corporation, the Future Farm Industries CRC, and Canadian biofuels company, Dynamotive Energy Systems Corporation.

<http://www.news.com.au/business/breaking-news/plane-biofuel-to-be-made-from-eucalyptus-to-help-cut-greenhouse-emissions/story-e6frfkur-1226127283061>

Jill / AAP 1.9.11



Baillieu's record on wildlife

Here are a few small examples of the National Party controlled Baillieu government's deeds for our wildlife:

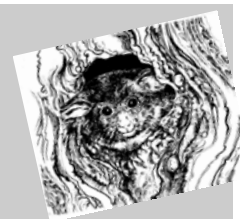
- ◆ Turned a blind eye to the logging of our faunal emblem, the small Leadeaters Possum
- ◆ Burnt vast areas of endangered Mallee Fowl habitat in the west,
- ◆ Allows hundreds of old growth trees to be clearfelled daily, essential for the survival of the great

forest owls and gliders

- ◆ Allows logging of the identified habitat of our endangered Long-footed Potoroo.

- ◆ Approve destruction of casuarina habitat in the far east – critical feed trees for the Glossy Black Cockatoo

- ◆ Putting beef cattle over the habitat of a rare Alpine frog in the Alps National Park.



spitting chips

SEFE, the big export woodchip mill at Eden in NSW has been building a factory to compress our forests into tiny fuel pellets to burn, here and/or overseas. This was to take up the slack that a drop in demand for woodchips would cause.

But thanks to the Greens holding the balance of power, the burning of native forests is not eligible to claim Renewable Energy Certificates (RECs=\$\$\$) under the new price on carbon. That now means the proposed power station would be less economic.

But the Nippon-owned SEFE woodchip mill refuses to say die. It's 'trail' pellet plant now operates on a small scale and it's *hoping* to find a buyer for its pellets.

Feds could fund forest burners
A motion to rule out Federal money going to help build a forest-fired power plant at Eden was voted down in August. The motion was put up by NSW Greens MP, Lee Rhainon.

The Federal Minister for Forestry, Senator Ludwig, could have easily ruled out future funding of biomass power stations. The LibLabs and logging industry are all singing from the same song-book on this, claiming burning native forests that have stored carbon for hundreds of years, in electricity furnaces, is 'carbon neutral'.

Jill/Chipstop



Another court case

Another gutsy court case is being launched by the NSW group South East Forest Rescue. They are challenging the legitimacy of the Bega Shire giving a permit in June to the Nippon woodchip mill. The permit allows a wood pellet plant to be built to export native forests as tiny pellets to fuel electricity plants overseas.

The case will be heard in NSW's Land and Environment Court, 1st and 2nd of December this year.

A Win against Nippon paper

Chipstop, another forest campaign group in southern NSW set up a website www.nipponpaper.net to expose the company's butchery of forests. Nippon took its complaint against Harriet Swift to the World Intellectual Property Organisation (WIPO) - and lost!



One-stop destructo permit shop

A new Gillard government plan would be a green light for developers and a red light for the environment. The plan would review environmentally significant areas and identify where major developments could go ahead without a fuss.

This developer-friendly overhaul of national environment laws would give the states more power to approve controversial projects like pulp mills and mines

The new plans would mean most projects would need *either* state or federal approval, not both. The "one stop shop", as they are calling it, might be OK if it has tough environmental laws to underpin it. But that's the worry. It seems current laws like the EPBC Act will be watered down.

The Gillard government claims the changes are needed because of the increasing number of applications for new projects. (!?)

It's unsure if the plan will allow the Commonwealth to intervene and override the states' interests when the national interest is threatened.

The ACF isn't happy, saying that giving such powers to the states is a backwards step and that any 'one-stop shop' must be a federal shop.

This might help you get the picture—the Minerals Council of Australia said environmental laws had failed and needed to be reformed (let's assume they don't mean tightened). It claims the current backlog of projects need urgent approval.

This is all in response to the Hawke (not Bob) review of Federal environment laws. For two years it's recommendations have been sitting on the table. Other proposed changes to the environment laws include creating a single, national threatened-species list, merging state and federal lists, and 'recognizing' nationally-important ecosystems when assessing new



projects ('recognising' or protecting?). Not surprisingly, Labor and the Libs/Nats agree on these changes, so they should be easily passed.

Larissa Waters, environment spokesperson for the Greens said the reforms should have included measures to consider a project's carbon emissions and impact on water resources, including the impact of coal-seam gas projects.

The government also refused to accept the Hawke recommendation that the Federal endangered species laws should override the Regional Forest Agreements. Currently if there's an RFA in place (East Gippsland's outdated RFA was signed in 1997), the Feds think endangered wildlife are looked after. But our Brown Mountain case exposed this convenient lie.

Jill



Tassie outcomes

The Tassie deal on forests and logging, announced in early August, is seen by some green groups as a crooked deal weighted towards the industry. It gives huge compo to the industry right now, in return for weak forest protection later down the track.

We could still see the logging lobbyists try to push it even further their way. However, the better aspects of the \$276 million deal include:

- ◆ a moratorium on logging 430,000 ha of the best forests until the areas are assessed and then (hopefully) permanently protected in Parks. The green groups are still angling for a total of 572,000 ha UPDATE: Despite the moratorium, Forestry Tasmania is logging 41 coupes within this area.
- ◆ an Independent Verification Group, led by Professor Jonathon West, will assess and make recommendations on the values of the 572,000 ha being asked for.
- ◆ a refusal to agree to industry demand for a legal commitment to supply 265,000 m³ of peeler (veneer) logs.
- ◆ \$20 million funding from the Federal Govt is linked to the passage of the legislation to reserve identified forests. No reserves, no \$20m.
- ◆ no Commonwealth money will go to help the planned Gunns' Tamar Valley pulp mill.
- ◆ the sale of the Triabunna chipmill to be conditional on the Feds buying out Gunns' woodchip licence (rather than it being sold on to other woodchippers).
- ◆ the sawlog take to be cut from 330,000 m³ to 155,000m³ a year (though this won't necessarily cut the woodchip intake)

- ◆ There will be \$155 million given to industry players as compo to exit - \$85 million is to go directly to support forestry workers.
- ◆ \$120 million to be allocated to establish new industries, such as forest tourism.
- ◆ There will be \$43 million to manage new Parks over six years.

The dodgy bits include:

- ◆ Tasmania's upper house could possibly block legislation to expand and protect Tassie's National Park system – AFTER the money has been handed out.
- ◆ no mention of banning biomass burning or exporting biomass pellets - the industry's next woodchip replacement.
- ◆ no mention of forests' value as climate moderators.
- ◆ no guaranteed permanent protection of the 430,000 ha, but there is a Conservation Agreement under the Federal EPBC Act that will remain in place until these areas are put into National Parks.
- ◆ all existing logging contracts are to be honoured.

But the other influences at play are:

- ◆ Australian banks are unwilling to finance anything to do with the native forest logging industry.
- ◆ overseas woodchip markets are continuing to reduce their take from Australia's native forests.
- ◆ the native forest sawlog and sawmilling sector is also on a steep downhill run.
- ◆ the Triabunna export woodchip mill is now owned and managed by forest conservationists.

Will any of this have an impact on Victoria ? We have a different set of politicians, markets and circumstances, so not a lot.



Jill

Greenie takes over woodchip mill

In mid-July, one of Australia's most hardened 'greenies' and forest conservation lobbyists became the manager of the notorious Triabunna woodchip mill in Tassie!

The logging industry is understandably shocked and dismayed. Former national head of the Wilderness Society, Alec Marr, was given the job of mill manager after environmental philanthropists bought the ex-Gunns mill out from under Forestry Tasmania's (FT) negotiations (they wanted it to keep their empire afloat).



& banks back away from logging

FT had entered into a deal with a trucking company APRIN to bid for the mill. They may not have been able to get the finance needed because banks are becoming reluctant to lend to native logging businesses. They are also more carbon sensitive than they used to be, with one major bank announcing it won't do any lending to carbon-heavy industries.

The Forest Industries Association said logging would not be economical if the mill shuts down - it would spell the end of Forestry Tasmania.



The mill has shut down.

Jill





More public money rewarded to VicForests

VicForests has consistently refused to regenerate all of their clearfelled forests, as required of them, since they started logging our public forests in 2004. The government is now rewarding them for this bad management.

The Coalition government's expression of support for this mess of a logging monopoly, is to hand over \$1.27 million for VicForests to try and 'restore' (read 'convert') logged native forests that aren't regrowing and employ the loggers in East Gippsland to do it.

This is more tax payers money being used to convert forests into same age, same species tree crops, *not* forests. It is more welfare handouts to prop up an uneconomic, dysfunctional entity that continues to break the law, breach their contract with government and obliterate valuable ecosystems, wildlife and public land.



A once majestic old growth forest that supported a diversity of rainforest plants and wildlife—now rendered a spindly tree crop after government 'regrowth' management. Hammonds Road.



The road in this photo clearly shows the contour of this gully that was fully logged.

Gully gosh, VicForests cons Ombudsman

Last issue of the Potroroo we reported a lengthy battle with bureaucracy to get answers on an illegally logged gully from '09 in the catchment of Ironbark Creek. This was just a small example of other breaches we see constantly.

After dealing with a multitude of brick walls, we eventually took the issue to the Ombudsman. His office investigated the complaint. VicForests managed to pull the wool and stymie a decent investigation by declaring it wasn't a gully. No explanation was ever given as to why it didn't fit the definition of a gully, other than that foresters said so. This is despite it fitting the definition, as well as being marked on all maps as a protected area under environmental codes.



The Ombudsman declared that VicForests had not followed due processes regarding the altering of logging plans as they should have when they found the gully didn't exist. Photos clearly show a fern strewn gully floor and evidence of water flow after rain. VicForests was also pulled up on not responding to the public properly (ignored us in some cases). So they chose to go for the lesser crime of not filling out paperwork properly rather than a serious breach of environmental law. This took two years to deal with.

Jill



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