



Contents

VicForests sued over rainforest logging.	1
Jottings, shop.	2
Rezoning owls to extinction?	3
CSIRO funds logging lobbyists. Apiarists angry.	4
Our legal costs paid. DSE vs VicForests. Leadbeater's Possum in court.	5
No guarantee to wildlife Acts. Quoll found dead near DSE burn.	6
Baillieu's forest annihilation plan. Logging laws loosened.	7
Inside the industry.	8
The weakening woodchip monster.	9
Forest furnace plans—a fizzer? \$270,000 to logging lobbyists.	10
Aerail baiting plans stopped. DSE should rescue ducks - court.	11
Baillieu ...	12
Rare Potoroos – search and destroy. Gillard guts env laws.	13
Shorts.	14
Population. Forest Bequests.	15
Tax deductible donations.	16

VicForests back in court

We will be back in the Victorian Supreme Court again on the 26th of November this year to sue VicForests, this time for illegal logging of protected rainforest areas.

In December 2011, VicForests sent logging contractors into a very valuable area of protected rainforest. This old growth is part of the National Site of Significance for Rainforest at Cobb Hill on the Errinundra Plateau. Our appeals to VicForests and DSE to pull logging machines out were ignored (of course) and police arrested protesters at the site.

Despite not having the money due to us from VicForests (after we won the Brown Mt case in September 2010), we were forced to launch *another* legal action. In December last year and January this year we sought an urgent injunction to stop VicForests logging. To us it looked like another boys-own, up-yours blatant act of vandalism and law-breaking. VicForests claimed its plan to log this and at least another ten protected sites in similar significant rainforest areas, was all fine and dandy. In fact we discovered it had already destroyed other protected rainforest sites - which we also believe was highly illegal.

Justice Jack Forrest heard the injunction case and suggested that we all save time and money and proceed straight to trial. VicForests didn't quite give an undertaking not to log but stated they had no intention to log these areas before November, but

would give us notice if they planned to. This appeared to be a 'light' version of an injunction but we accepted it.

The law

The law states that areas designated as Sites of National Significance for Rainforests will be fully protected. The DSE and VicForests now claim the maps that have been around for years were just wrong and the logging wasn't really in a protected zone. These maps were then hurriedly altered by VicForests.

The generosity of our supporters again meant we managed to pay the associated costs of getting the court papers lodged in record time, and thanks also goes

to our super-human legal team.

How sad that in this day and age, in a developed, supposedly democratically-run country, a small local environment group has to take on a government agency again to prevent the illegal logging of a National Rainforest Site of Significance. The rest of the world knows the value of forests and rainforest, but the Baillieu government doesn't.

Jill



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 in to the mainstream media. We tell it like it is and never need worry about biting the government's hand as it never feeds us. We rely totally on memberships and donations to keep bailing up the Planet despoilers.



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

EEG - Private Bag 3,
ORBOST Vic 3888.
P: (03) 5154 0145

E: eeg@eastgippsland.net.au
W: 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 fungi, 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 by Black Rainbow
on Evolve** - made from 100% post consumer waste,
using soya based ink and on a solar powered printing press.

Jill's Jottings



After the goats are milked, Mr Baillieu and his team of environmental dismantlers are keeping us quite occupied. Julia Gillard and Tony Burke are also keeping EEG on our toes. So the *Potoroo Reviews* are becoming as rare as its namesake. But if you have internet access, please hop on board our email updates as this is how most of our news is sent out these days. These quick electronic news updates take a fifth of the time that it does to write, edit, layout, publish and post off paper copies (usually two weeks solid). With our limited resources, we need to put

our efforts into direct forest protection. But if you're happy with a twice a year newsletter, so are we. For the in-between *Potoroo* updates - go to eastgippsland.net.au and click on the little potoroo to receive our e-bulletins, or email info@eastgippsland.net.au and we'll add you on.

Jill ☺

Please pass on this
Potoroo to interested
friends and family.
We welcome new
supporters - and they
don't need to be paying
members (but of course
we'd love more of those
as well).

**EEG is Twittering,
Tweeting and
Facebooking**



We have succumbed - and when the Coordinator learns how to use it, and then remembers to use it, it will be the best way to keep up with the latest goings on as they happen. We're East Gippy Forests and we're @denticulata (that's the botanical name for the Errinundra Shining Gum).

Our Facebook page is Environment East Gippsland
www.facebook.com/EnvironmentEastGippsland

We have a shop! Enviro-friendly products for enviro-friendly people!

Our great range includes terrific calico and coloured cotton shopping bags, a range of gift cards, and iron-on transfers. All products have original designs that carry a distinctive enviro message.

Coming soon we will also have Australian made organic cotton T-shirts, recycled paper notepads with a forest message, embroidered cloth badges and a new range of gift cards.

Go to:
www.eastgippsland.net.au/shop and have a browse.



For those on Facebook - please 'Like' our facebook page - Environment East Gippsland <http://www.facebook.com/EnvironmentEastGippsland>

Rezoning Owls to extinction?



Being our 'eagles of the night', owls are rarely seen. Our most mysterious owls are those that live in forests, and even more cryptic are those that can only thrive in old growth forests. They are becoming increasingly endangered.

Our state government is currently reviewing owl protection zones, but they are using out of date information. It looks like owls will be given just 10-20% of the minimum area they need to survive, let alone recover and thrive.

All of our large forest owls need thousands of hectares of intact mature forest per pair to feed, breed and flourish, at the very least. They are top order predators and rely on gliders and other hollow-dependent fauna as their food source. Where an owl is protected in its prime habitat, it will protect hundreds of other species below it.

But the Baillieu government is now planning to narrow down their protected habitat to 10-35% of what is the minimum area needed for survival. Baillieu, manipulated by the logging industry and VicForests, is currently writing our owls' death warrant in the form of a 'review' of their protection zones.

These owl protection zones have always been pitifully inadequate. They are called Powerful Owl Management Areas (POMAs), Sooty Owl Management Areas (SOMAs) and the even more endangered Masked Owl Management Areas (MOMAs).

Previous protection plans from over 10 years ago were based on extremely limited understanding and research - basically assumptions and guesses. They were inadequate then and are totally obsolete now. But the review appears to be reducing their protection, not increasing it.

The Act that oversees their protection (FFGA) states that the Minister must review the protection measures (in documents called Action Statements) every five years or as new information is obtained. The new measures proposed look like an owl annihilation scheme dressed up as improved protection.

They ignore the following:

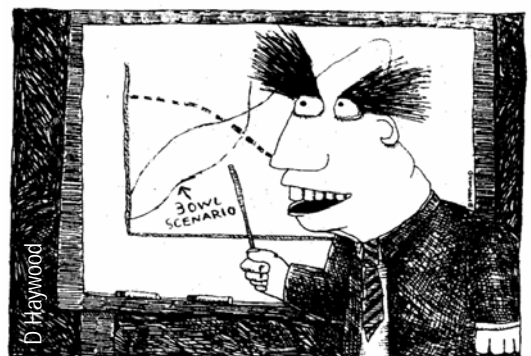
- the government's legal obligation to review owl protection under the law every five years or when new information and research comes to light
- the 3 million ha of forested owl habitat that was burnt in eastern Victoria in the last decade
- the need to protect East Gippsland's owl populations so they can disperse into the burnt forests and re-build populations
- no surveys have been done to understand how many owls might now survive statewide
- the number of Sooties and Powerfuls across Victoria could be as low as 200-400, but an absolute minimum of 500 pairs are needed to ensure survival
- the extra large home ranges needed for male owls
- different owl species can't share the same small patch of forest, as they compete for the same prey species (it's effectively halving their home territory and resources)
- both long and short term home ranges for owls are different, as they need to move on after hunting out their prey species
- there are no hollows in regrowth forests, so there are no gliders and possums, which are the owls preferred prey
- old growth Special Protection Zones were delisted and given over to logging recently, before proving that owls no longer existed in these forests

- Powerful Owls were to be given a very tight and inadequate 800 ha in previous protection measures, but now that's even been reduced to 500 ha. But they could need ten times that area. This is like moving a family from their kitchen to the washhouse, to share with another family,
- owls' roosting sites in rich owl habitat are ignored, while owls detected in low value forests are protected
- the owl protection measures in the EG Forest Management Plan states that "regrowth forest must be avoided", and
- current protection measures are out of date and ineffective.

Instead of their protection being drastically improved to ensure being strengthened, their protection appears to be deliberately weakened.

Scientists say that 1,000 individuals are the minimum needed to ensure genetic variability in a species. It's likely that some of the rare owl populations in Victoria are in the low hundreds. Sadly their existence and survival is being traded off against and insanely insatiable demands of VicForests. The last of the ancient forests that pre-date European's arrival, are being wiped off the map, and with them, every species that has evolved with these forests that are thousands of years old.

Jill



In order to make VicForests internationally competitive, we'll have to reduce the number of Sooty owls to three.

CSIRO gives research funds to logging lobby group

Environment East Gippsland's research division discovered that the CSIRO had paid \$10,000 of precious research funds to become a member of Australia's largest logging lobbyists, the Australian Forests Products Association.

We asked the CSIRO to cancel its \$10,000 membership as it was inappropriate and against the charter for the CSIRO. The CEO, Dr Megan Clark, refused. We then took the issue to the Commonwealth Ombudsman's office. He also tried to excuse membership to political lobby groups as justifiable. He told us that the networking benefits outweighed any reputational damage. We have formally requested the Ombudsman's office review our complaint and respond sensibly.

This outrageous discovery was aired on the ABC news programs AM and The World Today. For the May 18th story, the industry, Ombudsman and CSIRO refused to comment on the allegations. This leads us to ask, what other political lobby groups are Government agencies funding under the guise of 'membership fees'?

Greens Senator, Lee Rhiannon, did just that in the Senate Estimates in late May. She asked questions on notice, including: how much money does CSIRO spend in total to belong to organisations; what scientific projects has CSIRO commenced in partnership with AFPA; and what funding has each project received from CSIRO?

We know CSIRO also pays the Australian Minerals Council a similar amount and also funds their annual conference to the tune of \$5,000. CSIRO, a supposedly unbiased scientific organisation, is paying precious money to a wealthy lobby group which is targeting the Government's own mining tax.

CSIRO's Forestry Division's valuable research funds are being directly funneled into AFPA's campaign of attacking Government policies and lobbying for more funds for CSIRO's Forestry Division!

Would their Animal Health division pay Animals Australia \$10,000 to collaborate with them, or its Marine Division join Sea Shepherd or funded Sea Shepherd conferences?

As the CSIRO believes there is no conflict of interest, that it's an appropriate use of tax-payers' money and they are happy to pay these hefty 'membership fees' so they can collaborate with stakeholder groups, we have formally requested them to become a member of Environment East Gippsland for a \$10,000 membership fee. We offer them real value for money in providing a balance of information and over 30 years of experience in researching forest management, markets and forest ecosystems.

Jill



Apiarists angry



Various bee-keeping lobby groups are appalled at the way this government is treating the apiarists' forests. Bee-keepers were riled to learn of Mr Walsh's latest plan to approve 50,000ha of publicly owned native forests to be clearfelled by VicForests over the next decade. Many of these areas are their historic sites for setting their hives at flowering times. Their bees gather pollen and nectar from the native trees and plants. Trees need to be over 40 years old to be useful for the honey industry and much of their traditional bee sites have been clearfelled and replaced with failed regeneration or young trees which don't produce nectar.

For decades, apiarists have watched as their bee sites were logged and reduced in size. All this time they have been paying the same rent to government for these areas.

But Agriculture Minister (and minister for logging), Peter Walsh is allowing logging to kill off the potential of the honey industry. Bees are essential to the agriculture industry. Apiarists provide the bees that pollinate 65% of food crops across the state. There is a clear conflict of interest in Peter Walsh's responsibilities.

Weekly Times 13/6/12

Seat of Melbourne Greens to contest by-election

As a result of Labor MP Bronwyn Pike resigning, the seat of Melbourne will be contested in a by-election on the 21 July 2012. The Greens are standing Cathy Oke. She has a pretty good chance of getting up too.

If you think the Greens are our only hope for the environment, and you live in that electorate, find out more about her here:

www.cathyoke.com/

Legal costs part paid

It was long and drawn out but EEG has now been paid some of our legal costs by VicForests.

Since September 2010, VicForests has been under an order to pay 90% of our Brown Mt court costs. They have dragged their feet and argued at every turn, claiming our costs were excessive, unnecessary and so on. We were forced to engage a costs consultant and then a court mediator and the last move would have been to have the dispute heard by the court (more costs). Right up to the last day, they were refusing to offer us a decent settlement (including paying for the extra thousands that the dispute settlement had cost us).

We were determined to not take less than was reasonable. We still didn't receive what the case cost us in total (or even 90%) but we managed to get just over \$600,000 from them. However, don't get too excited - there were still outstanding bills to pay plus the new rainforest logging case to cover. What's left will ensure we keep the pressure on.

The Brown Mountain win was worth every cent. Besides the wildlife having their old growth home still standing, it has had other political ramifications. Though the area is still in limbo if laws are changed.

Jill



DSE vs VicForests

In a rare occurrence, on 6 August, DSE will take VicForests to court for illegally logging warm temperate rainforest at Murrungowar, east of Orbost. This will be heard at the Orbost Magistrates Court.

Leadbeater's Possum in court - lost but won

The Supreme Court's Justice Robert Osborn (of Brown Mt fame) deliberated on the fate of the endangered Leadbeater's Possum from the Central Highlands, in mid March. He declared that the laws meant to protect this state faunal emblem weren't doing their job. Due to some fancy footwork by VicForests, he couldn't declare the plan to log the three test case areas of forest as illegal. Turns out that VicForests had taken a step back and said they were mere proposals on a map, rather than their clearfelling being imminent.

This court case was a brave move by the Central Highland's group, MyEnvironment.

At least the prescriptions for protection have now been clarified. Unless VicForests thumb their noses at the law again, they should apply these prescriptions to at least 168 other stands of ash forests likely to be Leadbeater's Possum habitat. This should mean surveys prior to logging.

There was also a disputed point over which definition of a hollow bearing tree should be used; is it

only hollows in an old growth tree or any tree with a suitable sized hollow regardless of age? The various laws and prescriptions (FFGA and Forest Management Plan) seemed to be at odds, but in the end Justice Osborn said it was only hollows in old growth trees that should be regarded as potential habitat.

Justice Osborn also called for an urgent review of the zoning system that is supposed to protect Leadbeater's habitat, to take account of the effects of the 2009 fires. These fires reduced the already small population by half. But all he can do is recommend an urgent review, not order it.

The judgement can be found here: www.myenvironment.net.au

For further details on the outcome: www.wilderness.org.au/regions/victoria/court-rules-logging-can-continue-in-leadbeaters-habitat

MyEnvironment is now appealing the decision but needs to raise \$30,000 as security before it can proceed (in case they lose the



appeal and have to pay VicForests' court costs). They have pluck.

Jill

In early June, Agriculture Minister Peter Walsh apologised to Healesville-based group MyEnvironment over libelous comments he made at the end of the Supreme Court trial in March. He accused the group of taking VicForests to court in bad faith to hurt forestry workers and their families. It is understood that the apology included a payment for damages.

Jill/The Age 2/6/12

Where's the guarantee?

The Victorian Government is ignoring key threatened species laws according to the lawyers at the Environment Defender's Office (EDO).

The EDO report was published in March and details the two Victorian threatened species laws, the Flora and Fauna Guarantee Act and the Wildlife Act. You can obtain the report here: www.edovic.org.au/news/report-finds-victorian-government-ignoring-key-environmental-laws or you can call them on 03 8341 3100 to order a copy.

This report shows that successive State Governments have ignored these laws for years, failed to use the powers they have to protect

threatened species, and not met important legal obligations such as developing a Biodiversity Strategy and preparing Action Statements for listed threatened species.

EDO's report, 'Where's the Guarantee?', comes at a time when proposals are underway for the Federal Government to entrust State Governments with more responsibility for protecting national biodiversity (see page 13). The Gillard Government plans to give states greater responsibility for threatened species when they have so clearly failed to implement their own state-based laws.

Jill



Endangered Quoll found dead near DSE burn

In early April, a male Spot-tailed Quoll was found dead on the road at a prescribed burn site at the Providence Ponds Reserve between Bairnsdale and Stratford. There had been no record of the endangered Quoll in this area since the 1970s, due to lack of surveys.

DSE has claimed it was 'unlikely' to have been escaping the fire when it was hit. This is merely supposition.

The EPBC Act requires DSE to refer their proposed burns to the Federal environment department when that burn could threaten a listed



The male Spot-tailed Quoll found dead on the road near a DSE burn

endangered species. We called the Planned Burning Manager for Gippsland and asked what the DSE is doing to comply with this Act. The answer?

"If biodiversity staff were to find something ... it is the responsibility of the Districts to then contact the Federal Department for approval."

The fact that there have been no surveys for decades seems to be convenient. The system is based on 'what you don't see don't matter'. Rare species are not identified and not protected from the burns. Rare frogs, for instance, are difficult to detect without focused seasonal

surveys, yet those inhabiting forests away from creeks (and some do) are extremely susceptible to these hot ground burns.

In the Mallee, for instance, the DSE has been thoroughly torching the habitat of the threatened Mallee Fowl without so much as a 'pardon me'. The same happens in Gippsland with the Long-footed Potoroo, Quoll and other fire-sensitive wildlife.

The Federal environment department has been made aware of this problem.

Jill

"If Australia didn't fly one of its FA18 fighter bombers for six months per year then we would save enough money to prevent the extinction of all of Australia's bird species over the next 80 years. We would also have a good chance of recovering 15% of them well enough to remove them from the threatened species list."

From *The Conversation*,
Michael McCarthy

Baillieu's Axe-ion plan – written by loggers?

Premier Ted Baillieu seems to have handed his government over to miners and loggers to run. Its latest Timber Industry Action Plan, released in December 2011, could have been written by the logging industry at a bucks' party... on steroids. And we are already seeing Agriculture Minister Peter Walsh rewriting laws and codes to get this plan off the ground.



Baillieu's new
'Ecological thinning' plan

This aim is to wipe out every last tree from every last corner of every last native forest. Sounds extreme, and it is! Ted and his National Party Pete's (Ryan and Walsh) are working hard to change any law that might get in the way. But the bigger problem they face is the buyers for woodchips and sawn wood—or more correctly, the lack of . This is thanks to the high Aussie dollar and various other influences.

Here are some of the proposals from their 'Chainsaw Plan' :

- logging in parks and water catchments under the guise of 'ecological thinning'
- burning native forests for electricity
- extending current five year contracts out to 20 years
- massive compo (our taxes) to loggers when the 20 year commitments can't be met
- changing laws so that protected species and habitats don't get in the way (see pages 3, 5&6 this issue)
- converting native forests into 'factory farms' for trees for commercial exploitation only
- converting even more prime agricultural land into plantations, even if under 40 ha
- rendering eco-certification

- systems useless
- VicForests to have power to set its own rate of logging (cut-out and get-out)
- taxpayers to pay for legal defence of VicForests in future cases against its unlawful logging
- taxpayers, not VicForests, to foot the bill for policing blockades.

Luckily for us, Peter Walsh doesn't seem to be too bright, nor does his team of chest thumping advisors. Below is an excerpt from an ABC interview asking him what this idea of logging National Parks was about.

• Undertake ecological thinning in reserves, parks and water catchments to improve environmental outcomes including water yields.

— Review vegetation and the effects of logging on sensitive species such as waterbirds —
Extract from the Coalition's 'Action Plan' for the logging industry.

SIMON LAUDER: What are the "parks" that are referred to in the plan?
PETER WALSH: Well, it is not National Parks.
SIMON LAUDER: What is it then?
PETER WALSH: Well, it is those areas that have already been set aside in the public estate for timber harvesting into the future.
SIMON LAUDER: Could it mean National Parks in the future?
PETER WALSH: It does not mean National Parks. And those people

who are trying to imply that it does are just making mischief.

Hmmm - Maybe he means the Botanic Gardens then. He is clearly confused about what a park is, but maintained his number one rule for polities: always appear in control, even when you're making a fool of yourself.

So what can be done? We need voters (especially *conservative* voters) to let the state government know your extreme *conservative* outrage (especially in *marginal*

seats). That's what will hurt the Baillieu government most.

The Coalition doesn't worry about logic, ethics, science, the environment and especially not opinions of environmentalists. They care about their one seat majority!

The plan can be found here: www.dpi.vic.gov.au/forestry/about-forestry/projects-and-initiatives/timber-industry-action-plan

Jill

Logging laws to be loosened

The handing over of responsibility for forest logging to the National Party Minister for Agriculture, Peter Walsh (from the Environment Minister Ryan Smith), is seeing some hasty and shameless attempts to rewrite plans, laws and codes to do with logging and conservation.

In early June, Peter Walsh gave enviro groups between five and ten

working days to submit comments on government plans to change the Sustainable Forests (Timber) Act. Basically the document we were to comment on seemed to simply ask for comments on how the law should be changed to ensure logging was 'sustainable' and the industry could have long term confidence to invest.

They are of course wanting to give legally enforceable rights to the logging industry to have another 20 years of unfettered access to our

public forests. This would keep the VicForests empire rampaging and maybe ensure donations keep flowing to the Liberal Party.

The combined Victorian environment groups wrote a short two page response with vague references to legal responsibilities through other Acts and laws. There will be another round of 'consultation' in July and then the new law is intended to be enacted in August.

Jill

Inside the industry

It's dark

Gunns Gippsland sawmill sold

At the end of May, Gunns sold off the last of its native forest logging assets when it was paid \$28M for its sawmill at Heyfield. Gunns is now 100% plantation based.

Jane Calvert from the CFMEU (forestry union) said that no one knows what the future is and it did take a long time to find a buyer. The locals still aren't confident it has a future.

Melbourne-based consortium, Australian Sustainable Hardwoods (ASH), owned by the Hermal Group bought the mill.

But ASH said *the new Baillieu logging policy gave them the confidence to buy it*. We can only guess what Ted promised them. The mill has been operating at reduced capacity since last year when Gunns put it on the market. Apparently it owes a multi-million dollar debt to VicForests.

The Heyfield operation is the largest hardwood sawmill in Australia, with the ability to process 155,000 cubic metres of logs a year.

ASH is understood to be planning on operating the mill at full capacity. But who are its intended customers we wonder?

ABC/Launceston Examiner

The industry is hoping like hell that China might look to Australia for woodchips to feed its paper mills. But:

- China does not want to pay the price Australia wants
- the high Aussie dollar is making our woodchips very expensive, and
- as Europe continues to be austere and not buy so much stuff from China, China's need for paper and packaging (and other resources) is decreasing. ☺

Nippon Paper - Looking very sick

Nippon's ordinary income for the fiscal year ending March 2012 is down a whopping 80.8%, with sales down 5.2% and again no dividend to shareholders. In these circumstances how long will the company tolerate a non-performing asset like its Eden chipmill? Nippon owns the old Daishowa export woodchip mill at Eden. This mill is responsible for almost a million tonnes of South Eastern Australia's forest being shredded

into chips annually. Nippon also owns the Maryvale pulp and paper mill (nee Paperlinx/AMCOR/AAP) that makes Reflex paper. These mills are responsible for decades of forest destruction.

For every one cent increase in the Australian dollar, Nippon's South East Fibre Exports says \$300,000 a year is added to its operating costs. Add to that the serious competition from eucalyptus plantation woodchips in Vietnam and it could soon put them out of business. ☺ Harriett/ Jill

Vietnam - top woodchip exporter in Asia Pacific competes with Oz

Vietnam exported 5.4 million tonnes of woodchips last year, mainly plantation acacia and eucalyptus. Australia is the other large woodchip exporter in the region which exported 4.3 million tonnes in 2011.

Vietnam is now the biggest woodchip exporter in the Asia Pacific region. Vietnam's pulp and paper industry remains small and it relies heavily on imports of both fibre and finished products.

Pulp and paper news
7/6/12

How Abbott that! Tony opposes clearfell logging

In June, the Opposition Leader Tony Abbott was trying to be all things to all people. At a Mount Evelyn (outer eastern 'burb of Melbourne) community Forum he questioned Victoria's practice of clearfell logging. He said few people would not be revolted by the damage it caused. This forum was close to Healesville where 31 people were arrested that day trying to protect forests at Mt St Leonard.

He qualified the statement by saying he supported a 'sustainable native forestry industry', but took issue with clearfelling, which sees a forest bulldozed, logged and burned. He also then turned to the tired old cliché of 'balance' saying we need to appreciate an asset economically as well as aesthetically.

Tony Abbott even said "I'm as much a conservationist as Bob Brown". Sure.

Gunns sells its export woodchip facilities

The troubled timber company Gunns is racing to sell off its non-core assets before June 30. One of these is the export woodchip facilities at the Port of Portland. Rumour has it that Australian Blue Gums, a subsidiary of Global Forest Partners (GFP), could buy it for around \$75 million.

Gunns is having a fire-sale of its

assets to raise money for the \$2.3 billion Tamar Valley pulp mill it's still keen to build (and locals are still keen to stop).

However, due to the strong Aussie dollar, demand for woodchips is very weak.

One industry player recently said, "I've been in the industry for 20 years and it's the lowest point."

☺

8/6/12 Financial Review

THE WEAKENING WOODCHIP MONSTER

Eucalypt woodchips are still big sellers, but euc plantations are where the export markets are buying from. The giant woodchip monster Gunns, is now FULLY out of ALL native forests - and we didn't hear a boo-hoo from anyone. They saw the writing on the wall.

Slightly more than half of Australia's hardwood (eucalypt) woodchip exports now come from plantations. Yes, those planted and grown for just that purpose, as we've always said they should. The *plantation* eucalypt woodchip businesses will continue to sell more chips than native forest logging businesses (like VicForests). Soon native forests will be such a money drain even the government will have to end their protection racket.

In 2010/11 Australia logged, chipped and exported:

- 4.6 million m³ of hardwood pulplogs from plantations
 - 3.2 million m³ of pulplogs from native forests (ABARES data).
- In the same year, Australia logged 2.3 million m³ of sawlogs from native forests (ABARES data again). IF ALL the sawmill residues that's clean enough for chips - maybe around 30% - was added to the export woodchip tally (675 300 m³), native forest chip exports would have been no more than 3.8 million m³ in 2010/11 (down from almost 8 million in 2004).

So, native forest chip exports accounted for less than 45% of Australia's hardwood chip exports in 2010/11 - and this will keep going downhill. Gunns might be ruthless, heartless, cruel and hard-nosed, but it knows where the future lies.

But there's more ...

When we add pine plantation woodchip exports into these sums, in 2010/11, native forests accounted for less than 38% of Australia's total chip exports (hardwood and softwood).

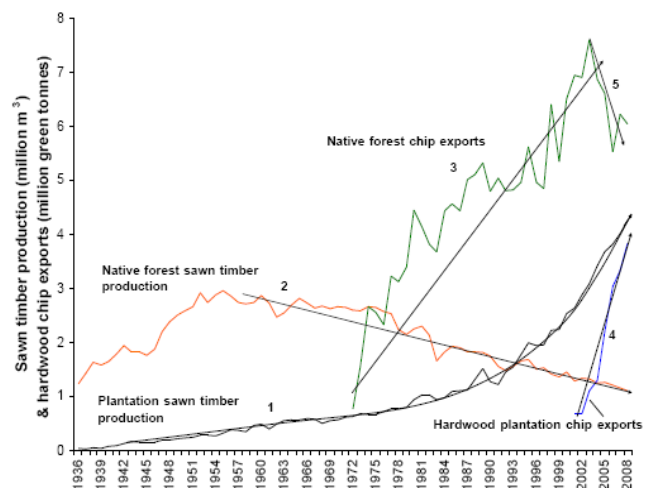
Considering the export woodchip market has been the main driver of forest destruction for so many years, you can understand why there is a sudden desperate lurch to find a new buyer which can use up all this 'waste'. Cutting down forests for a tiny bit of sawn timber would not be viable on its own. VicForests, Forestry Tas and Forests NSW must create 'waste' in order to maintain their empires.

Unless the hare-brained idea of burning native forests for electricity gets legs, it will be unparalleled blissful satisfaction to watch these institutions fall apart and our forests recover.

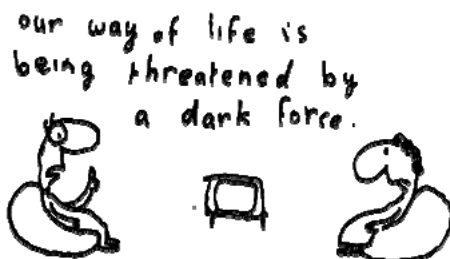
Jill/ABARES

The Australian Government drives forestry

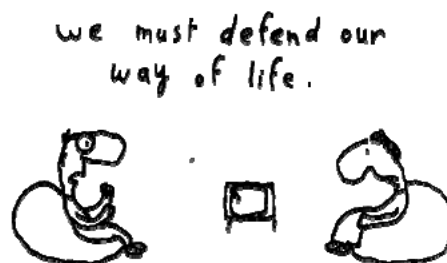
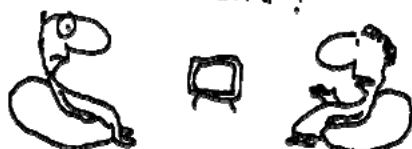
— unintended consequences & missed opportunities



ABARE forestry statistics, ABS, BRS National Plantation Inventory, FAO FAOSTAT & ASX.



WHAT IS THIS
DARK FORCE WHICH
THREATENS OUR WAY
OF LIFE?



Thanks Michael! We love you!

Supply Levels

Since the stands of timber to be liquidated have been cut over previously in most cases, also the quantities of regrowth (advanced and 1939) within the stands are variable, the volumes per acre vary greatly. From the forty 0.3 acre sample plots, mean volume per acre 95% confidence limits are 742 to 1,332 cu. feet - a standard error of 28.5%

The current quota of pulpwood for the Block is 1,500 cunits per annum.

Pulpwood volumes per acre are high with respect to sawlog volumes for a number of stands. Where sawlog volumes per acre display marked variation within a coupe sufficient ground disturbance and burnable slash for a uniform seed bed will not be obtained in that coupe if sawlogs alone



From the Forestry Commission of Victoria's Stevenson Management Plan, 14 December 1971.

This was obviously before the industry had to worry about PR, public perception and the clever use of 'industry speak'. They were happy to admit they were liquidating native forests!

And here's another one - if you ever wonder about what really goes on inside a forester's head. This great quote is from the 1984 Ferguson Timber Inquiry, which was deluged with submissions from the logging industry:

"Integrated sawlog/pulpwood operation is the optimum procedure in forest management to recycle eucalyptus forests"

So there you have it. Clearfelling is just a form of recycling.



\$270,000 thanks

How much money did the Government give logging lobby groups between 2009-2011?

NSW Greens MP Lee Rhiannon asked this question in Federal Parliament recently. The highlights included:

The National Association of Forest Industries (NAFI) was handed \$10,000 to hold a dinner and was also given \$263,000+ for various other propaganda purposes. Timber Communities Australia was handed \$94,000 for a Timber Community and Forest Industry Bushfire Recovery and Rebuilding Centre in Healesville, ie, a logging industry propaganda centre.

How nice would it be to be handed that sort of dosh to hold a fancy dinner party or set up an environment centre to get our planet-saving messages out there.

Jill

Forest Furnace plans - quenched

Currently, our forests are on the safe side of being thrown into biomass burners, but their fate was on a knife edge earlier this year. They are still in an uneasy limbo.

In March, the logging lobbyists got to Independent MP Rob Oakeshott. He put up a motion in Federal Parliament that hoped to overturn current laws which do not accept that burning forest wood produces 'renewable energy'. If Oakeshott's motion had passed, the power companies would have been able to claim Renewable Energy Certificates (ie. money) from feeding our native forests into power furnaces, making it economically viable (thanks to the

Greens, burning forests was originally exempted from gaining these REC subsidies).

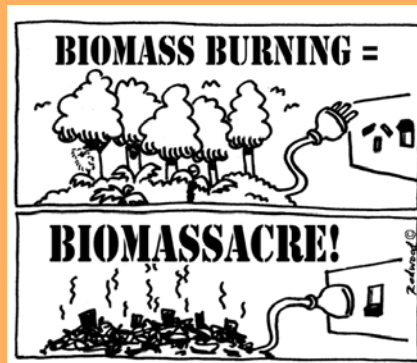
The heart stopping vote to define forest furnace generators as 'renewable' was a hair's breadth away from getting up. The numbers were even and the Speaker, Mr Slipper, had the casting vote. A peculiarity in the way Government works means that the Speaker must cast their vote so as to maintain status quo. He voted Oakeshott's motion down! PHEW.

Since then we have heard very little from the local champions of burning East Gippsland's forests, Garry Squires and Liberal Phillip Davis.

But don't be fooled - biomass

burning is the industry's only saviour and it will rear its ugly head again. The woodchip industry is in serious decline after all these years, and as Monty Pythonish as it sounds, cutting down forests to burn for electricity is their new plot!

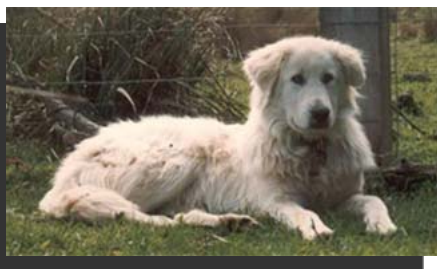
Jill



Aerial baiting plans stopped



The Baillieu/Ryan Coalition Government promised to allow the dumping of thousands of poison meat baits over public forests in an attempt to satisfy some farmers' belief that it would solve the wild dog/dingo problem. But after several objections were received from various groups and people, the Federal Government's Environment Department stepped in. Under the EPBC Act, where a federally-listed species is being threatened by the action of a state government, the Feds can override the state government's plans. This is what recently happened, sending the Coalition government and certain farming bodies into apoplexy.



Maremma livestock guardian dogs protect sheep from wild dog attacks.

The reasons?

- 1) The plane drops of poisoned meat would have killed much more than simply wild dogs. Protected wildlife, in particular, the highly endangered Spot-tailed Quoll would have been susceptible to poisoning.
- 2) There's no evidence that it would have had much, if any, impact on dog numbers.

Some evidence even suggests that the reason dog numbers have increased is due to the explosion of feral deer in the bush and the deer hunters who leave thousands of tonnes of deer carcasses in the forest every year. And why have feral deer had a population explosion? Because they are moving around more easily now that DSE has bulldozed 'feral animal highways' along almost every ridge line and spur from Omeo to Melbourne during the '03, '06 and '09 fires.

It would be more effective and cheaper for the government to assist farmers to enlist livestock guardian animals like Maremmas and Alpacas, or/and establish good electric fencing.

Jill



Alpacas make formidable guardian animals when run with sheep.

When the forests are gone...

Paper made from sheep poo is on the English market. Sheep's poo is mostly undigested cellulous, just as horse, cow and even goose poo is. There's no shortage of poo out there for this. And it would create secure employment for those who like outdoor work and have lost their jobs.

Weekly Times 9/11/11

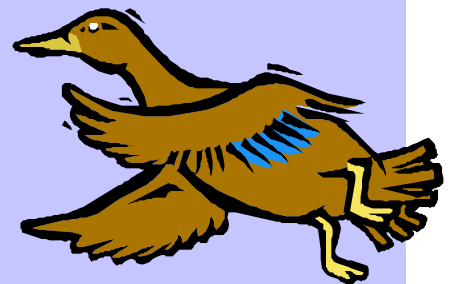


DSE should look after wounded ducks - Court

Not only did most charges against five duck rescuers from the 2011 season fall apart in early June, but the Judge stated that he thought DSE should be caring for wounded ducks - work the rescuers take on.

The five rescuers were found guilty of only one of their five charges. Magistrate Mealy did not convict or fine the rescuers and there were no court costs. Rescuers accepted good behaviour bonds until October this year.

A great bunch of lawyers, David Ristrom, Lachlan McConchie, and Daniel Beecher, represented the rescuers in court.



The Magistrate refused to award the \$18,000 court costs because of the heavy handedness of DSE wildlife officers in arresting rescuers near Kerang. He also criticized the wildlife officers for refusing to allow a rescuer who was suffering from the cold to reach warmth. He said that it is legal for rescuers to be on the water and he expressed surprise that the Department did not provide care for injured birds at the wetlands - that it was left to duck rescuers to do this.

The Government still refuses to accept that public opinion has changed and most people now oppose the recreational shooting of native water birds.

Coalition Against Duck Shooting.
7/6/12

Baillieu ...



... downgrades more enviro laws

Which state has lost more native vegetation than any other and is the most ecologically stressed? Victoria. This loss is dramatic and continues.

The Baillieu Government is now secretly reviewing planning laws that were introduced to protect native habitat. The Coalition has clearly been asked to get rid of 'environmental red tape' to smooth the way for greater clearing of native grasslands, woodlands and forests.



"These new regulations will fundamentally change the way we get around them."

Victoria's 10-year-old planning laws were designed to halt decades of clearing and ensure a "net gain" in native vegetation. The offset rule is seen as too hard to calculate and many farmers and developers want to get rid of it.

Treasury has even chimed in, saying environmental regulations are very costly and might not do any good anyway. !

Jill/The Age March 12, 2012

... whittles away our wildlife

Last year DSE fiddled and jiggered around with the Special Protection Zones that were mapped as part of areas set aside for threatened wildlife protection (designated under the Forest Management Plan and later the RFA). Each Zone had

specific values including threatened wildlife, rare plant communities, old growth and so on. Without any new surveys to determine if those values were still there, they handed back the best of these to be clearfelled and put lines around other forests that weren't wanted for logging and called these the Special Protection Zones; a totally unscientific process to grab more precious old growth for clear-felling.

...slashes environment budget

Ted Baillieu's new budget has axed \$130.6 million from its environment department. This includes post bushfire restoration work and climate change programs.

An example of these cuts was seen at Horsham where a team of 10 people working to rescue and propagate endangered plant species was sacked.

We wonder if the cuts to agriculture, TAFE, and the environment will also be matched by cuts to VicForests' welfare. Every year the logging arm of the State Government has enjoyed handouts to the tune of up to and over \$50 million.

Country News 14/5/12.

... leaves animals trapped for 3 days

Recently Gazetted under the Prevention of Cruelty to Animals regs Sectn 32.2, Mr Baillieu and Mr Walsh will now allow dog trappers to leave leg-hold traps unchecked for three days! These traps are barbarically cruel no matter if a dog, wombat, lyrebird or bandicoot is caught. To have broken bones for three days, caught without shelter or water is beyond imaginable! There is no one checking doggers, so they can in fact leave traps much longer if they are lazy or busy.

Don't just thump the desk and scream - if you want to express your disgust at this government, let Ted Baillieu know . You can write him a letter to: Premier Ted Baillieu, Parliament House, Spring St, Melbourne, or phone 9651 5000 or 9651 8911, or email him on ted.baillieu@parliament.vic.gov.au Of course it will be his staffers that will see the letters, but if you ask a question they should respond. Mention your increasing dislike of his and his Ministers' treatment of the environment (which is not just a concern of 'greenies') and it will be carefully noted - and counted.



...increases burn plans

On top of the base funding committed for planned burns in 2012-13, an additional \$35.1 million was allocated in Victoria's May budget for even more burns. Victoria's Conservation Minister Ryan Smith announced that the area to be burnt is to be ramped up to 250,000 hectares of public land during 2012-13.

PLEASE
SAVE US!



Rare Potoroos

- search and destroy

VicForests claimed to be looking after these rare animals. However, the Minister in charge of logging, Peter Walsh, recently set about changing the laws so that clearfell logging of forests can continue even where these animals are detected.

In May, VicForests decided to make a big deal of finding a newly-recorded endangered Long-footed Potoroo (LFP) near Bellbird Creek, where they are known to occur anyway.

VicForests was forced to carry out pre-logging wildlife surveys after they lost our 2010 Supreme Court case that cost them around \$2 million to argue against. Up until this time, clearfelling of prime threatened wildlife habitat had gone on relentlessly and in handy ignorance of what was being destroyed.

The known range of the LFP is still a very small patch on the map compared to the range of most of our other wildlife. They occupy the same type of rich wet forests in East Gippsland that the logging



Thanks Ron

industry has targeted for over 50 years. Potoroos still survive in the small areas that remain unlogged.

The LFP eats exclusively fungi. This is best provided by a healthy mature forest with a mixed understorey and plant/fungi associations. In the past, where we have found LFPs, VicForests has refused to protect the detection site, and instead protected an area conveniently away from where logging was planned - along a nearby gully line for instance. But even this totally inadequate protection could soon be cancelled out by planned changes to the Code which will allow logging of known endangered species habitat.

VicForests' claim of protecting Potoroos is 100% pure spin.

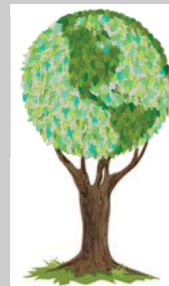
Jill



Ol' King Coal

Australia is planning to build 100 new coal mines and eight major ports. We currently export 30 million tonnes annually, but the Galilee basin in Queensland will produce 380 million tonnes alone annually within a few years. Exports from Queensland will ultimately result in 11 times the emissions as that saved by the price on carbon.

Jenny Goldie CANA conference. 7/5/12



Flushing our forests

Worldwide the equivalent of almost 270,000 trees is either flushed or dumped in landfills every day. Roughly 10% of that is toilet paper. As populations grow and adopt western lifestyles, there is greater demand for wood fibre, for all paper uses.

Worldwatch Institute

Gillard guts Federal Environment laws

The Commonwealth EPBC (Environmental Protection and Biodiversity Conservation) Act was set up during the Howard years. It was fairly weak but did have some useful aspects. It was recently reviewed and some welcome improvements were recommended (while other weak points were left intact).

Last year, Environment Minister Tony Burke announced that he would not accept the review's recommendations, but instead prepare his own reforms for the EPBC Act. We feared this would mean weakening the Act.

In April, the reforms announced by Burke were coincidentally close to those suggested by the Business Council of Australia. Their wish-list for more freedom to destroy and develop was accepted after the COAG meeting.

The major asks of the Business Council included: fast tracking of major project approvals; moving approvals back to the States (except for World Heritage and National Heritage issues); and reducing red tape, business costs and duplication – all buzzwords and phrases that really mean reducing environmental protection.

The proposed changes to the EPBC Act will be tabled this year, anytime between June and September.

The Gillard Government might be doing good work on Marine Parks but is at the same time weakening environmental protection on the land. Labor is set to give large corporations precedence over our environment. This is a giant leap backwards. Burke and Gillard need to feel major electoral pain. Please make this plan known to all Labor voters and pass this news on.

Jill



Spotted - a Spot-tailed Quoll

A critically endangered Quoll has been spotted near Lorne for the first time in more than a decade.

Despite surveys, none had been detected until this one visited a farmhouse verandah and left a calling card, which was then analysed and found to be from the Spot-tailed Quoll.

Geelong Advertiser 8/5/12

Shorts



Spin doctors to outnumber journalists

At the end of February 2012, there were approximately 23,000 journalists and writers compared with about 21,500 PR people in Australia. A decade ago there were about 16,000 journalists and writers and 13,000 PR people. So Spin Doctors might soon outnumber journalists in this country!

The Australian 7/5/12

Ban the bag

Plastic bags will be banned across Tasmania in the next three years. More than \$700,000 has been earmarked to develop legislation that will move the State towards banning lightweight, non-biodegradable, plastic check-out bags. The ban has tripartite support in the Tasmanian Parliament. Tassie joins SA and the NT in implementing a bag ban.

Hobart Mercury 18/5/12

WWF's 2012 Living Planet Report reveals that humans are using 50% more resources than the Earth can provide. Humans will need two planets by 2030 to support current rates of consumption and pollution.

Australian residents have the seventh largest environmental impact on the planet's natural resources, after residents of Qatar, Kuwait, UAE, Denmark, the USA and Belgium. Australia's ranking has risen by one place since 2010. Australia's carbon emissions are the top contributor to its new ranking as the world's seventh biggest user and polluter of natural resources, according to the biennial report which measures the impact of human demands on nature.

WWF 15/5/12

New Marine Parks

Australia's new system of marine reserves is the world's largest reserve network ever created at one time. Minister Tony Burke made this bold announced in mid-June, though squirmed out of overly upsetting the oil and gas industry. Around 2.3 million square kilometres of Australia's oceans will be in reserves of varying zones and levels of protection. Long-lining and bottom-trawling are already out of many of these waters. Of the 2.3 million, 850,000 square kilometres will get full protection.

There will be a 60 day public consultation period when you can support this proposal. The government might need to hear from others besides angry trawlers, the mining industry and Barnaby Joyce.

For info on the proposed reserves, go here: <http://www.environment.gov.au/coasts/mbp/reserves/comments.html>

14/6/12

Six month milestone for Tasmanian tree sitter

On the same day as the marine parks were declared, Miranda Gibson celebrated being in her Tasmanian tree sit for six months - to protest the destruction of the surrounding forests and of all the state's forests. She has vowed to stay there until there is legislated protection for the 560,000 ha of important forests that have been identified as needing protection.

Japan fails to sell 'research' whale meat

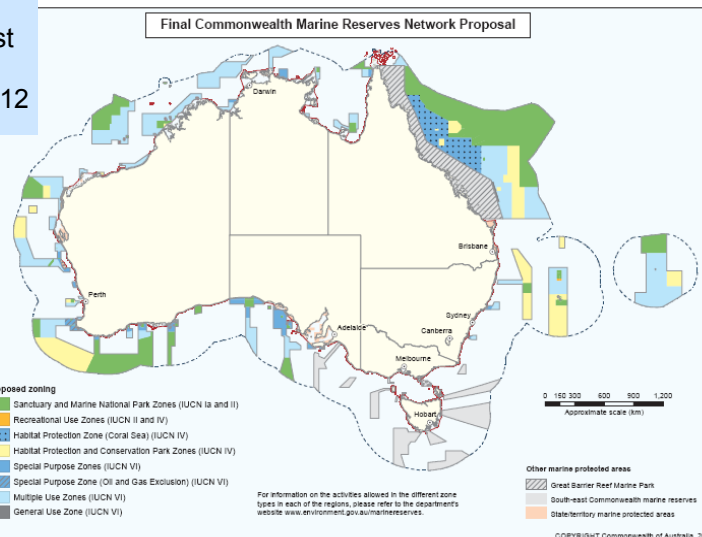
Japanese taxpayers have been subsidising its whaling fleet for years because few people eat the meat, saying it does not taste good. The meat sales are also supposed to help cover the cost of the whaling fleet. But this year more than three quarters of its catch from the north-west Pacific - around 900 tonnes - has failed to sell.

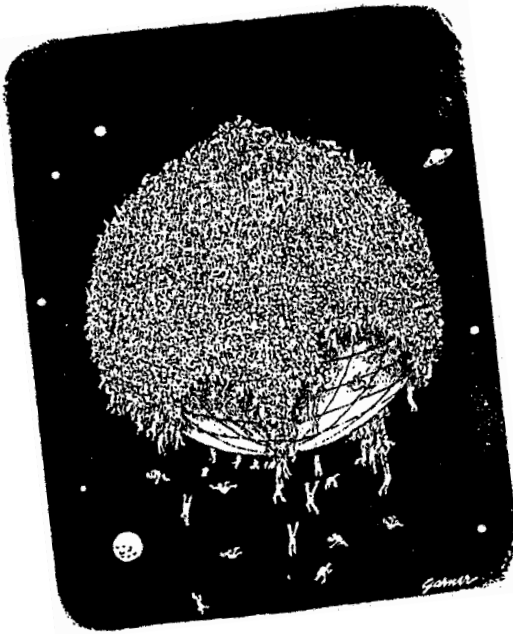
Japan's Dolphin and Whale Action Network 13/6/12

Reef Dugong numbers hit 20-year low

Last year's cyclones and flooding in North Queensland damaged much of the Dugong's habitat on the reef. Their numbers are now believed to be at their lowest level in 20 years. A record numbers of animals were found dead after last years floods, with agricultural silt and toxin run-off suspected as the cause. Collision with vessels, entanglement in fishing nets and commercial port development are also threatening the Dugong.

ABC 30/5/12





POPULATION OVERLOAD

All environmental problems become harder—and ultimately impossible - to solve with ever more people.

Sir David Attenborough

It is estimated that if 200 million women were given free contraceptives, it could stop 80 million unintended pregnancies. That would bring world population growth to a halt, which is a start.

Bob Geldof

A lower future population would mean less pressure on climate, environment and natural resources by future generations. It is a scenario without a downside for global well-being.

Worldwatch President Robert Engelman

In low income countries there is a large unmet need for contraception. It is estimated that there are 200 million women in the world who would like access to birth control but don't have it. For example, only 45% of women in Sub Saharan Africa can access contraception.

Western Sister to the Potoroo

The West Australian Woylie, an endangered mammal are on the increase in a sanctuary near Manjimup. Their population has tripled in the last 18 months, to maybe 120. Woylies are found in only three small areas in South West WA and, being, small are vulnerable to foxes, cats and changes to their habitat. Their numbers peaked at more than 250,000 but have declined about 90% in the last decade.



The West Australian 11/6/12

cheaper than the
logging and coal
industries too

Older people cheaper to keep

People aged between 0-15 are more costly to keep and provide for than those aged over 65. This was a finding from the Productivity Commission's report "Recent trends in Australian Fertility".



An eternal gift to the forests - in your will

A bequest to Environment East Gippsland is a lasting contribution to the protection of our forests.

You can easily do this by inserting a paragraph in your current will, or by asking your lawyer to include the paragraph.

If you want to consider making the forests and EEG one of the recipients in your will, call Jill on 5154 0145, or go to our website which details the legally suggested wording and other info you might need to know.

http://www.eastgippsland.net.au/?q=how_you_can_help/bequests-2
We maintain complete bequest confidentiality.





FOR RENT:

Cozy hut with basic necessities - running water, wood stove, solar power and limited internet (more limited in cloudy weather). Own veggie garden next to hut. Orchard nearby. Situated on an organic farm in a progressive but remote community. Next to the Errinundra and Snowy National Parks.

Suit practical, hardy, self reliant person/s, as shops are 70 km away.

Terms of rent negotiable - or exchange for some hours farm help p/w.

Contact: eeg@eastgippsland.net.au

END OF YEAR - TAX-DEDUCTIBLE DONATIONS



For 100% pure campaign punch for your donation dollar, Environment East Gippsland is the best value for money. We're bold, relentless, pay no wages, rent or power bills. All money goes directly into saving our forests.

We will issue tax receipts for your donations, so you get to claim some of it back from the government.

We have more project plans than we can fund at the moment, but stopping VicForests from logging protected rainforest areas is our current top priority (it's going to cost us thousands). We have another major project to start after we've sorted VicForests out on this one.

You can:

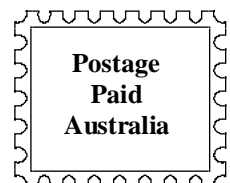
- Direct Deposit to EEG Forest Fund - BSB: 633000 Account #: 134202985 but please - you MUST also include your member name in the reference field, then email us as well (it saves stressing out our dear treasurer).
- Donate via our website using GiveNow.com, a fee-free way to do it. www.givenow.com.au/environmenteastgippsland

- Donate via PayPal. www.eastgippsland.net.au/?q=donate_or
- Send a cheque made out to East Gippsland Forest Fund to EEG at Locked Bag 3 ORBOST 3888.

Thanks, from the EEG team ☺

If undelivered please return to:
EEG, Private Bag 3,
ORBOST VIC 3888
Australia

**SURFACE
MAIL**



PP 341163/3